

# Partnerships Policies & Procedures



## Shared Ownership Sales Cash Buyer Policy

<b>1.</b>	<b>Policy objectives</b>
1.1	This Policy sets out the Group's approach to cash purchases in relation to the sale of shared ownership sales.
1.2	This policy applies to every new build and resale of a Shared Ownership home sold by The Group.
1.3	This Policy does not cover shared ownership properties inherited from Watford Borough Council under the 2007 stock transfer.
1.4	This Policy applies to Watford Community Housing Group, including its subsidiary and joint venture companies.
<b>2.</b>	<b>Legislative or regulatory requirement</b>
2.1	<u>Legislative:</u> <ul style="list-style-type: none"><li>• Homes England (HE) Capital Funding Guide</li><li>• Data Protection Act 2018 and General Data Protection Regulation 2018 ("together Data Protection Law")</li><li>• Housing Act 2004</li><li>• Section 106 Agreements (terms may be set out by the area's LA)</li></ul>
2.2	<u>Regulatory:</u> <p>RSH Governance and Financial Viability Standard 2015 (2.1): "Registered providers shall adopt and comply with an appropriate code of governance."</p> <p>National Housing Federation Code of Governance (2020)</p>
<b>3.</b>	<b>Scope and definitions</b>
3.1	<u>Scope</u> <p>This Policy applies to all prospective buyers who may wish to purchase a shared ownership home from The Group.</p>

	<p>There are situations when potential purchasers may be cash buyers, careful assessment is needed to meet Anti-Money Laundering (AML) requirements. Evidence of the funds and source of funds must be obtained.</p> <p>The Group will use external Advisor to financially qualify each prospective purchaser. A full credit report will be required as part of the full advisor sign-off.</p>
3.2	<p><u>Definitions</u></p> <p><b>Advisor</b> – Regulated, qualified Mortgage Advisor or Independent Financial Advisor</p>
<b>4.</b>	<b>Cash Purchasers</b>
4.1	<p>Applicants may purchase their share in cash if they are unable to obtain a mortgage but have sufficient savings. Cash purchasers wishing to purchase a share of a shared ownership home must:</p> <ul style="list-style-type: none"> <li>• Otherwise not be able to purchase a home without shared ownership</li> <li>• Must not own another property</li> <li>• Must be able to afford rental apportionment on unsold equity of the home</li> </ul>
4.2	<p>Consideration to cash buyers may include:</p> <ul style="list-style-type: none"> <li>• Religion</li> <li>• Disability</li> <li>• Older Persons</li> <li>• Relationship Breakdown</li> <li>• Lower income where the income will cover rent and service charge</li> </ul>
4.3	<p>The same eligibility and affordability criteria will apply to cash purchasers, the same application and affordability assessments will need to be completed.</p>
4.4	<p>Additional documentation will be required from cash purchasers to ensure the sale is in line with Anti-Fraud, Corruption and Money Laundering Policy and anti-money laundering protocols. Sign offs will be completed by an Advisor in the same way as a purchaser using a mortgage.</p>
4.5	<p>A cash buyer needs to be able to demonstrate the ability to afford and sustain the rent and service charge alongside their personal living costs with a suitable surplus on a budget planner.</p>
<b>5.</b>	<b>Adoption &amp; compliance monitoring</b>
5.1	<p>This Policy will be monitored and reviewed considering any significant changes implemented by the HE.</p>
5.2	<p>The Policy shall be reviewed every 3 years or earlier as policy/legislation dictates.</p>

<b>6.</b>	<b>Diversity and Inclusion Considerations</b>
	WCH will act fairly and consistently in the application of this Policy and will not discriminate against any person on the grounds of their age, race, ethnicity/nationality, gender, religion, sexual orientation, marital/civil partnership status, pregnancy status or disability.
<b>7.</b>	<b>Data Protection Considerations</b>
7.1	The Group will process personal information relating to prospective and current shared owners through the application and subsequent management of the shared owner's property. When doing so, the Group will handle customer's names, addresses, contact details, proof of identity and any other necessary information. The legal basis for processing this information is to support the contract with the shared owner.
7.2	The Group will keep all information secure and confidential and will process it in accordance with both Data Protection Law and WCH's Data Protection Policy. We will hold information only for as long as reasonably necessary and always within the maximum timescales set out under the Group's Retention Policy.
7.3	A general privacy notice to shared ownership applicants summarising the information we collect directly and via third party agents who may market these properties on our behalf, how we process it during their relationship with us and who we may share it with (such as professional advisers), and why, during this time is known as the 'Leaseholder, Freeholder and Garage Tenant Privacy Notice'. Copies of the Privacy Notice are available from the WCH website or the Company Secretary, Governance & Regulation Manager.
7.4	The Group may use the services of a sales and marketing agent to progress initial shared ownership sales enquiries to full completion via solicitors acting for both parties. In this context, the sales and marketing agent will be acting as a Data Processor for the Group and, as such, will be subject to The Group's Data Processor due diligence process.
<b>8.</b>	<b>Related documents</b>
	Anti Money Laundering Policy Partnerships Anti Money Laundering Policy Shared Ownership Policy & Procedure Adverse Credit Policy Monthly Minimum surplus Income Policy First Come First Served Policy
<b>13.</b>	<b>Approval</b>
	Approved by: EMT
	Date of approval: August 2024
	Review date: August 2027
	Policy 'owner': Assistant Director of Partnerships