

## **SHARED OWNERSHIP - SURPLUS MONTHLY INCOME POLICY**

### **1.0 Introduction and Aim**

- 1.1 This policy is designed to provide a set of principles and a framework to manage the minimum amount of surplus income an applicant for shared ownership should have available per month after accounting for all of their housing costs, other commitments and expenditure as established by a budget planner.
- 1.2 The primary aim of this policy is to ensure that shared ownership applications are managed effectively in accordance with relevant regulatory and statutory guidance.
- 1.3 The management of the surplus monthly income policy is to be achieved by the implementation of supporting procedures. The aim of this policy is to ensure that a fair and consistent approach is operated throughout the business.

### **2.0 Scope**

- 2.1 This policy applies to every application for a shared ownership home.
- 2.2 This policy complies with all relevant statutory provisions and will be updated to take into account any future relevant legislation.
- 2.3 This policy takes into consideration the following related policies and key documents. Copies can be found on the Trust's website.
  - Shared Ownership Policy
  - First Come First Served Shared Ownership Policy
  - Customer Complaint Policy
  - Equity, Diversity and Inclusion Policy
  - Data Protection Policy
  - Homes England Capital Funding Guide
- 2.4 This Policy will consider any Modern Slavery impact and in line with the Trust's Modern Slavery Statement will promote positive behaviour amongst colleagues and within its supply chain to support the Trust's approach in identifying and tackling Modern Slavery activity.

### **3.0 Principles**

- 3.1 Applicants should be encouraged to purchase as large a share as is suitable based on their individual circumstances and affordability, taking into consideration any known or foreseeable changes in the future. Under no circumstances should any applicant be made or encouraged to overcommit themselves financially.
- 3.2 The share level being purchased must be suitable for the applicants affordability and needs as evidenced by the mortgage advisor.

- 3.3 In alignment with our mortgage advice partner Metro Finance, we will apply a 10% minimum monthly surplus income requirement for those purchasing with a mortgage and 20% for cash buyers purchasing a sub 25% share based on the below calculation:
- (A) Gross income
  - (B) Less gross deductions (tax, National Insurance, student loan, etc)
  - (C) Less known commitments (loans, credit cards, childcare, etc)
  - (D) Less housing costs of the Shared Ownership purchase (rent and service charges)
  - $(A - B - C - D) =$  income available to support a mortgage and other essential expenditure (identified through a budget planner)
- 3.4 A detailed budget planner will need to be completed by the advisor setting out the applicants income and expenditure to help to determine the suitable share purchase. This budget planner will be used to evidence compliance with the surplus income requirements.
- 3.5 The mortgage that an applicant is able to secure should represent no more than 30% of an applicants net income after accounting for firm expenditure commitments such as loans, credit cards and child care, and rent and service charge costs of the shared ownership purchase. The 30% threshold may be exceeded where an advisor feels that there is sufficient justification for doing so and where the provider is in agreement.
- 3.6 All applicants will be considered on an individual basis and where there are exceptional circumstances a request can be made to the Director of Regeneration and New Homes to seek approval for an applicant whose minimum monthly surplus income is below the parameters set out in this policy. Full rationale will need to be documented in order to request such approval.
- 4.0 Responsibility**
- 4.1 The Executive Director of Customers, Places and Services is responsible to the Chief Executive and the Board for ensuring the effective implementation of this policy through the Leadership Team.
- 5.0 Customer Voice and Influence**
- 5.1 The Housing Regulator states that the Trust must ensure that residents are given a wide range of opportunities to influence and be involved in the formulation and review of their landlord's housing-related policies and must evidence this has been taken into consideration, even when the data and feedback indicates that no changes are required to be made to a policy.

Confirmation of the data and customer feedback from the following sources, including any customer profiling and the way in which they access the Trust's services, was utilised in implementation / review of this policy (as indicated by ✓ )			
Star Tracker Survey		Customer Satisfaction Surveys	✓
Complaints/Compliments		Tenant Satisfaction Measures	
Customer Feedback Framework Data		KPI's (service performance)	
SAMs		Customer Focus Group	
Customer Insight Data		Customer Journey Mapping	
Customer Facebook Group		E-Voice	
Targeted Customer Consultation		Customer profiling data or other data from housing management systems	
<p>The content of this policy is by enlarge determined by the requirements of the Homes England capital funding guide, but we do have customer satisfaction surveys for shared ownership purchasers and the feedback from them has been reviewed alongside the content of this policy.</p> <p>This is a new mandatory policy to support the wider shared ownership policy. Due to time constraints for implementation customer consultation has not taken place. The policy ensures compliance with new regulatory guidance.</p>			

5.2 No customer consultation, feedback or data has been used to influence this policy design or policy review – see below:

N/A
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5.3 Brief summary of how the customer voice has influenced this policy

N/A
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**6.0 Involved Customer Assurance**

6.1 Confirmation that the customer influence/consultation activities have been provided to the Customer Assurance Team for assurance that the customer voice has influenced this policy (which can be undertaken post SMT/Board approval).

<b>Customer Engagement Officer</b>	<b>Confirmation of customer consultation completed/ feedback reviewed (if applicable).</b>	<b>Customer Assurance Team subgroup:</b>	<b>Date to be reviewed by CAT subgroup</b>
Customer Engagement Officer Comments (if relevant):			

This policy will be implemented via the Shared Ownership procedures and guidance notes. The procedure and guidance notes should always be used in conjunction with the policy, to provide a consistent approach in the practical implementation of this area of operation.

<b>Author of Policy</b>	<b>Date of Approval</b>	<b>Approved By:</b> ELT/Board/Committee	<b>Implementation Date</b>	<b>Next Review Date</b>
Josie Bell- New Sales Officer	10 <sup>th</sup> February 2026	ELT	25 <sup>th</sup> February 2026	2028

## Equality Impact Assessment (EIA)

### Step 1

Please use this form to document your assessment.

Area of work (Document/Policy/Procedure/Strategy/Project/Service)	Shared Ownership – Surplus Monthly Income
Date of Assessment	11/11/25
Please state audience or recipient of the area of work or document. Is it for colleagues, customers, or other stakeholders	Customers, colleagues and partners
Name and role of person assessing	Josie Bell – Senior Sales Officer

### Step 2

Provide a summary of the key aims and objectives of the area of work	The primary aim of this policy is to ensure the affordability assessments for shared ownership applications are administered in accordance with relevant regulatory and statutory guidance. The policy will also ensure a fair and consistent approach is taken.
What consultation has been carried out with relevant groups and stakeholders in the completion of this assessment?	Customer consultation has not directly shaped the content of this policy but it is intended that the customer CAT group will be updated following it's approval. The policy was developed inline with other housing provider policies of the same nature and with the Homes England Capital Funding Guide.
What sources of information were used to identify the impact on different groups of people?  Are there any gaps in the data that could be needed in order to help you make an informed decision? <i>(E.g., statistics, survey results, complaints, consultation documents, customer feedback, existing business</i>	N/A – All assessments are based on the same criteria.

<i>reports, comparative policies etc.)</i>	
Describe how you intend to monitor and review the actual impact and to follow up on any actions needed.	All cases are reviewed by the sales team when the assessment has been completed by our finance partner – Metro Finance and any exceptional circumstances will be discussed at this point.

### Step 3 - Protected Characteristics

Please state for each group in the table below if there is a ‘positive’, ‘negative’ or ‘neutral’ impact and suggest actions to mitigate impact and advance equity, diversity, and inclusion.

Groups to Consider	Identify if Positive, Negative or Neutral Impact	Suggest actions to mitigate impact and advance equity, diversity, and inclusion
Age	Neutral	
Disability	Neutral	
Gender Reassignment	Neutral	
Marriage and Civil Partnership	Neutral	
Pregnancy and Maternity	Neutral	
Race	Neutral	
Religion or Belief	Neutral	
Sex	Neutral	
Sexual Orientation	Neutral	
Other identified group or particular intersectionality impact	N/A	

Step 4

Is it possible the area of work could discriminate or unfairly disadvantage people?	The policy sets out a fair and transparent process for assessing applications.
How will you demonstrate that this area of work is impacting fairly on everyone it affects?	All applications are assessed in line with the set guidelines and each case is reviewed by the sales team on completion of the Metro Finance assessment.
If there is no evidence that the area of work promotes equity, diversity and inclusion, what changes could be made to achieve this?	N/A
Is there any modern slavery impact or consideration, based on the area of work?	N/A

Step 5 – Action Planning

Detail actions from Step 3 and Step 4, propose timescales and state who is responsible.

Issue Identified	Planned Action	Agreed Timeframe	Who is responsible

Step 6 – Sign-off

Assessor Name: Josie Bell	Date: 11/11/25	Assessor Signature: <i>Josie Bell</i>
SMT Name: Gemma Wood	Date: 10/02/26	SMT Signature: <i>Gemma Wood</i>
Has there been a follow-up with the EDIT to discuss impacts?	Comments No	

