Homeownership and Leasehold Management Policy

Policy Owner	Executive Director of Finance and Development
Approval Level	Executive
Resident Input	Homeownership and Leaseholder consultation
Policy Review Due	November 2029
EIA Date	November 2026
Linked strategies/policies	Sales Policy; Rent Setting Policy; Income Recovery Policy; Complaints Policy; relevant leases, procedures and customer guidance
Version	1
Date of Approval	November 2026

This policy should be read with the relevant lease, transfer, tenancy agreement, funding conditions and detailed procedures. Where there is a conflict, legal and contractual requirements prevail.

Contents

1. What this policy is for 4
2. Who this policy applies to 4
3. Regulation and Legal Requirements 5
4. What we will do 6
Decision-making principles 7
Minimum service standards 7
5. Products and Tenure Routes 8
Shared Ownership 8
Older Persons Shared Ownership 8
Right to Shared Ownership 8
Open market sale 8
Rent to Buy 8
Statutory purchase routes 8
6. Sales, Marketing, Allocation and Affordability 9
Marketing and information 9
Eligibility and allocation 9
Affordability and financial assessment 9
Reservations, exchanges and completion 10
Conflicts of interest 10
7. Lease, Charges and Financial Management 10
Lease and key documents 10
Shared Ownership rent 11
Service charges and reserve funds 11
Administration charges and fees 11
Arrears and credits 12

Right to manage 12

Collective enfranchisement 12

8. Repairs, Maintenance, Building Safety and Insurance 12

Responsibility for repairs 12

Initial Repair Period 12

Communal and structural works 13

Building safety 13

Buildings insurance 13

9. Permissions, consents and changes during ownership 13

10. Staircasing, Resale and Disposal 14

Staircasing 14

Resales 14

Lease extensions, enfranchisement and right to manage 15

11. Rent to Buy 15

12. Right to Buy and Right to Acquire 16

13. Arrears, Breaches, Enforcement and Support 16

14. Equality, Diversity and Inclusion 17

15. Complaints, Data, Fraud and Conflicts of Interest 17

Complaints and reviews 17

Data protection and records 17

Fraud and financial crime 17

16. Who is responsible 17

17. Monitoring and Reporting 18

18. Glossary 19

1. What this policy is for

1.1 This policy sets out Southway Wythenshawe Homes's ("The Group") approach to homeownership and leasehold management from first enquiry and purchase through to ongoing management, staircasing, resale and other post-sale transactions. It provides a single governance framework while allowing detailed operational requirements to sit in procedures and customer guidance.

1.2 The policy is intended to achieve the following outcomes:

- customers receive clear, accurate, timely and accessible information before and after purchase;
- eligibility, affordability and allocation decisions are fair, evidence-based and consistently recorded;
- homeownership products are managed in accordance with leases, legislation, regulatory standards, funding conditions and approved business parameters;
- charges, permissions and transactions are transparent, reasonable and administered efficiently;
- homeownership remains sustainable, with early support where customers face financial difficulty or other vulnerability;
- The Group protects customers, public investment, its assets and its financial and reputational position.

1.3 Detailed process steps, delegated authorities, forms, timescales and fee levels will be maintained in approved procedures and published customer information, rather than fixed in this policy.

2. Who this policy applies to

2.1 This policy applies to the Group and relevant subsidiaries where they develop, sell, own, manage or retain an interest in homes provided through:

- Shared Ownership, including legacy and current model leases;

- Older Persons Shared Ownership and other specialist Shared Ownership products;
- Right to Shared Ownership, where applicable;
- Shared Ownership resales;
- Rent to Buy / Rent to Home Buy;
- open market and outright sale;
- Preserved Right to Buy, Right to Buy and Right to Acquire;
- leasehold properties created through statutory sales or other disposals;
- freehold homes where the Group retains estate, service charge or covenant responsibilities.

2.2 It applies to prospective purchasers, shared owners, leaseholders, relevant freeholders, Rent to Buy customers and colleagues or contractors involved in delivering these services. It does not replace any individual lease, transfer, tenancy agreement, management agreement or statutory right.

3. Regulation and Legal Requirements

3.1 Services will be delivered in accordance with the legal and contractual requirements applicable at the time. These include, where relevant:

- Housing Acts 1980, 1985, 1988, 1996 and 2004, as amended;
- Landlord and Tenant Acts 1985 and 1987;
- Leasehold Reform, Housing and Urban Development Act 1993;
- Commonhold and Leasehold Reform Act 2002;
- Leasehold Reform (Ground Rent) Act 2022;
- Leasehold and Freehold Reform Act 2024 and implementing provisions in force;
- Building Safety Act 2022 and associated regulations;
- Equality Act 2010;
- Data Protection Act 2018 and UK GDPR;
- consumer protection legislation and applicable new homes consumer codes;
- Regulator of Social Housing consumer standards;

- Homes England Capital Funding Guide, model leases, Key Information Documents, funding agreements and programme requirements;
- statutory guidance governing Right to Buy, Preserved Right to Buy and Right to Acquire.

3.2 Because legislation and funding guidance change, procedures and customer documents will be updated when required. The Head of Sales, Homeownership and Market Rent will ensure material changes are assessed and escalated through the Group's governance arrangements.

4. What we will do

4.1 We will apply the following principles to every homeownership service and decision:

Principle	Our commitment
Fairness and consistency	Use published criteria, relevant evidence and recorded reasons, while considering individual circumstances where discretion is lawful.
Transparency	Explain the product, costs, risks, responsibilities, options, fees, timescales and routes to challenge a decision.
Sustainability	Promote purchases and borrowing that are affordable over time and respond early to financial difficulty.
Accessibility	Provide reasonable adjustments and information in an appropriate format or channel.
Customer focus	Communicate clearly, keep customers informed and coordinate across teams to avoid unnecessary hand-offs.
Compliance	Follow the applicable lease, law, regulatory standards, funding requirements, consumer standards and delegated authority.
Value and stewardship	Protect public subsidy, customer interests, the Group's assets and the long-term quality and safety of homes.

4.2 We will not provide financial or legal advice. Customers will be encouraged to obtain independent advice from appropriately qualified and regulated advisers.

Decision-making principles

4.3 Where this policy allows discretion, the decision-maker must:

- Confirm the legal, leasehold, funding and policy framework that applies.
- Establish the relevant facts and obtain proportionate evidence.
- Consider the customer's circumstances, including vulnerability and reasonable adjustments.
- Treat comparable cases consistently while recognising relevant differences.
- Assess customer, safety, asset, financial, subsidy and reputational impacts.
- Use the correct delegated authority and seek specialist advice where needed.
- Record the decision, reasons, conditions, review route and any precedent or learning.

Minimum service standards

4.4 Detailed timescales will be published in procedures and customer information. As a minimum, teams will:

- acknowledge enquiries and applications promptly and state the next step;
- identify any missing evidence at the earliest reasonable point;
- provide a named or identifiable point of contact for live transactions;
- keep customers informed where a target cannot be met;
- give written reasons for refusals or material conditions;
- explain fees before they are incurred;
- record decisions, approvals and exceptions;
- signpost complaints, reviews and independent advice where relevant.

5. Products and Tenure Routes

Shared Ownership

5.1 Shared Ownership enables an eligible purchaser to buy an initial share and pay rent on the share retained by the Group. Initial shares, minimum lease terms, rent, repair arrangements and staircasing rights will follow the applicable funding programme and lease. The property must normally be the purchaser's only or principal home.

Older Persons Shared Ownership

5.2 Older Persons Shared Ownership will be administered in line with scheme eligibility, lease terms and funding requirements. Any cap on staircasing, rent treatment at the maximum permitted share, service charges and sinking or reserve fund obligations will be explained before purchase.

Right to Shared Ownership

5.3 Where a home and tenant qualify, applications will be administered using the statutory and Homes England requirements in force. The Group will explain eligibility, exclusions, valuation, affordability, costs and timescales.

Open market sale

5.4 Open market homes will be sold professionally, fairly and transparently under the sales procedure for open market sale and approved scheme parameters. Where the Group retains no legal or management interest after completion, its obligations will ordinarily end at legal completion, subject to warranties and any continuing contractual responsibilities.

Rent to Buy

5.5 Rent to Buy provides an intermediate-rent route intended to help eligible working households save towards homeownership. The specific property, rent, tenancy, review and purchase arrangements will follow the funding programme, tenancy and approved procedures.

Statutory purchase routes

5.6 Right to Buy, Preserved Right to Buy and Right to Acquire applications will be determined under the legislation, property eligibility, tenancy history, discount and statutory process applicable to each case.

6. Sales, Marketing, Allocation and Affordability

Marketing and information

6.1 Marketing will be accurate, clear and not misleading. Before reservation or commitment, customers will receive the information required for the relevant product, including tenure, price or share, estimated rent and service charges, known estate charges, lease length, repair obligations, restrictions, fees, warranties, building safety information and the key stages of the purchase.

6.2 Homes will be advertised through approved channels. Scheme-specific eligibility or priority criteria will be stated clearly and applied consistently.

Eligibility and allocation

6.3 Applicants must satisfy the current national, funding and scheme-specific criteria. Assessments may include age, household income, existing property ownership, local connection or priority, immigration status where relevant, intended occupation, housing need, tenancy conduct and the ability to sustain the costs of ownership.

6.4 Where demand exceeds supply, allocation will follow the approved allocation procedure and any mandatory priority requirements. Decisions and reasons will be recorded, and applicants will be told how to seek a review or make a complaint.

Affordability and financial assessment

6.5 Prospective Shared Ownership purchasers will complete an affordability and sustainability assessment in accordance with the current Homes England Capital Funding Guide. The assessment will consider income, essential expenditure, debts, savings, assets, mortgage costs, rent, service charges and reasonably foreseeable changes in circumstances.

- The purchaser should buy a share that is both suitable and sustainably affordable.
- The Group retains responsibility for the eligibility and affordability decision, even where an external adviser undertakes the assessment.
- Evidence and the decision rationale will be retained in line with record-retention requirements.
- Customers must obtain their own independent mortgage, legal and financial advice.
- Mortgage offers, additional security and borrowing must comply with the lease, lender requirements, funding guidance and the Group's procedure.

Reservations, exchanges and completion

6.6 Reservation, exchange and completion requirements will be communicated clearly. The Group may withdraw an offer or reservation where information is false or incomplete, criteria are no longer met, deadlines are not reasonably progressed, fraud or coercion is suspected, or proceeding would breach a legal, regulatory or funding requirement. Any decision will be documented and explained.

Conflicts of interest

6.7 Applications involving employees, Board members, connected persons or other potential conflicts will be declared and managed under the Group's probity, declarations and delegated-authority arrangements. No person with a conflict will approve their own case.

7. Lease, Charges and Financial Management

Lease and key documents

7.1 The appropriate form of lease or transfer will be used. Customers will receive the required Key Information Documents and a clear explanation of the respective responsibilities of the customer, the Group and any superior landlord or managing agent.

Shared Ownership rent

7.2 Initial rent and annual reviews will be calculated and notified in accordance with the lease, applicable funding requirements and the Rent Setting Policy. Rent reduces proportionately following staircasing and normally ceases on 100% ownership, although service charges, estate charges and other leasehold liabilities may continue.

Service charges and reserve funds

7.3 Service charges will be calculated, apportioned, demanded, reconciled and recovered in accordance with the lease and legislation. We will provide estimates, accounts and explanatory information within the applicable requirements, and respond to reasonable enquiries about costs and expenditure.

- Variable charges will reflect eligible costs reasonably incurred or expected to be incurred.
- Where customers have fixed service charges, as a landlord, we may choose to increase or adjust the fixed amount for the next year to better match anticipated inflation or contract changes. Any adjustments are governed by general contract law and will therefore require careful application.
- Reserve or sinking funds will be administered in accordance with the lease.
- Consultation will be undertaken where legally required for qualifying work or long-term agreements.
- Customers will be told about available rights to information, challenge, consultation and dispute resolution.

Administration charges and fees

7.4 Administration charges will only be made where permitted and will be published in an approved schedule. Charges will be reasonable, transparent and reviewed in line with delegated authority. Any statutory summary of rights and obligations will be provided where required.

Arrears and credits

7.5 Rent, service charge and other account balances will be managed under the Income Recovery Policy and the lease. Credits and shortfalls following annual reconciliation will be dealt with in accordance with the lease and stated clearly to the customer.

Right to manage

7.6 The right introduced by the Commonhold and Leasehold Reform Act 2002 that lets leaseholders take over the management of their building without buying the freehold. We would consider this option provided that at least two-thirds of the flats are let on long leases, and at least 75% of the building is residential.

Collective enfranchisement

7.7 Collective enfranchisement is the right of qualifying leaseholders to jointly purchase the freehold of their building from the landlord. For us to consider this route for leaseholders, at least 50% of the flat owners must participate, the building must have a minimum number of flats, and non-residential use must generally be 25% or less. Leaseholders must pay a market valuation for the freehold, plus the freeholder's professional and legal costs

8. Repairs, Maintenance, Building Safety and Insurance

Responsibility for repairs

8.1 Repair and maintenance responsibilities will follow the lease, transfer, title documents, warranty and applicable law. These responsibilities will be explained before purchase and when a customer raises a repair.

Initial Repair Period

8.2 For Shared Ownership homes with an Initial Repair Period, the Group will administer eligible external, structural and internal repair support in accordance with the lease and current funding requirements. Eligibility, annual allowance, evidence, approved contractor requirements, exclusions,

carry-forward rules and review arrangements will be set out in the repairs procedure and customer guidance.

Communal and structural works

8.3 Where the Group is responsible, it will maintain communal areas, structure and services in accordance with the lease, asset standards and statutory obligations. Customers will be consulted on qualifying work where the law requires it and kept informed about significant programmes affecting their home or charges.

Building safety

8.4 The Group will meet applicable building and fire safety duties and cooperate with accountable persons, managing agents, residents and regulators. Leaseholders and shared owners must comply with reasonable safety requirements and provide access where the lease or law permits. Building safety costs will only be recovered where legally and contractually allowable.

Buildings insurance

8.5 Where responsible, the Group will arrange appropriate buildings insurance and recover premiums in accordance with the lease and law. Customers will receive information about cover, claims and their responsibility to arrange contents insurance.

9. Permissions, consents and changes during ownership

9.1 Requests requiring landlord consent will be considered fairly, reasonably and within published service standards, subject to the lease, law, funding conditions and protection of the building and other residents. This includes:

- alterations and improvements;
- subletting or other occupation arrangements;
- pets where consent is required;
- remortgaging, transfer of equity and additional borrowing;
- home-based businesses, satellite equipment or other restricted uses;

- assignments, deeds, certificates and information packs.

9.2 Consent may be conditional and a published fee may apply. Where consent is refused, reasons and any review or complaint route will be provided. Shared Ownership subletting is not normally permitted, but exceptional requests may be considered where the lease and current guidance allow it.

10. Staircasing, Resale and Disposal

Staircasing

10.1 Shared owners may purchase additional shares in accordance with their lease and the funding programme. Valuation, minimum increments, fees, timescales and any restrictions will be confirmed at the start of the transaction.

- Standard staircasing will use an independent valuation meeting lease and Homes England requirements.
- Gradual staircasing, including 1% options, will be administered only where the lease provides for it and using the prescribed valuation method.
- Rent will be recalculated after completion.
- Restrictions may apply to Older Persons Shared Ownership, Designated Protected Areas, rural exception sites and other protected schemes.
- Downward staircasing will be considered in exceptional cases where a customer may be in long term financial difficulty due to change in circumstances.
- On 100% staircasing, a house may transfer to freehold where the Group owns the freehold and the lease permits; flats and some houses will remain leasehold.

Resales

10.2 Resales will be managed in line with the lease, nomination rights, valuation requirements and current procedure. We will explain the nomination period,

marketing arrangements, fees, buyer requirements and what happens if a buyer is not nominated within the contractual period.

Lease extensions, enfranchisement and right to manage

10.3 Statutory or voluntary applications will be handled in accordance with the law, the Group's legal advice and delegated authority. Customers are responsible for obtaining independent legal and valuation advice. The Group will provide information and respond within applicable statutory or reasonable timescales.

11. Rent to Buy

11.1 Rent to Buy homes will only be offered where the property and funding permit. Current programme requirements, rather than fixed figures in this policy, will govern eligibility, rent, tenancy length, review and disposal.

- Applicants must demonstrate that the product is appropriate and that the rent and associated costs are affordable.
- Customers are expected to work towards homeownership, while recognising that circumstances can change. We expect to carry out financial checks throughout the initial 5 years to ensure there is an on- going intention to purchase
- Purchase may be through outright sale or Shared Ownership where permitted, subject to valuation, eligibility, affordability and approval.
- Any conversion, continued letting or alternative disposal will comply with funding conditions and approved business decisions.
- Annual or periodic reviews will support customers to understand their progress and options. If purchasers are unable to demonstrate progress towards purchase of the property before the end of 5 years , the tenancy will be terminated.

12. Right to Buy and Right to Acquire

12.1 The Group will administer statutory sales accurately, transparently and within applicable timescales. It will verify applicant, tenancy and property eligibility; obtain the required valuation; calculate discount and any cost-floor restrictions; issue statutory notices; and identify service charge, major works and other post-sale liabilities.

12.2 Appropriate checks will be undertaken to prevent fraud, money laundering, coercion and misuse of discount. Where an application is refused, delayed, withdrawn or disputed, the applicant will be informed of the reason and any statutory review, appeal, delay or complaint route.

12.3 After completion, the Group will administer any discount repayment, right of first refusal, covenant, leasehold management or service charge obligation that continues to apply.

13. Arrears, Breaches, Enforcement and Support

13.1 We will intervene early where a homeowner experiences arrears or breaches a lease or transfer. Communication will be proportionate, respectful and clear about the amount owed, the breach, available support, required action and potential consequences.

- We will consider vulnerability, affordability, reasonable adjustments and opportunities to resolve matters before enforcement.
- We may work with lenders, advisers, support agencies or other parties where lawful, necessary and proportionate.
- Formal notices, legal action, forfeiture or possession will only be pursued in accordance with the lease, law, court requirements, delegated authority and relevant policies.
- We will not fetter the Group's ability to act promptly where there is serious safety risk, fraud, persistent breach or risk to the asset or other residents.

14. Equality, Diversity and Inclusion

14.1 The Group will provide fair and inclusive services and will not unlawfully discriminate. We will make reasonable adjustments, offer accessible formats and communication support, and consider whether a policy or decision could create a disproportionate barrier.

14.2 An Equality Impact Assessment will accompany approval and significant review of this policy. Service data, complaints and outcomes will be used to identify potential disparities and improvement actions.

15. Complaints, Data, Fraud and Conflicts of Interest

Complaints and reviews

15.1 Customers may use the Group's Complaints Policy where dissatisfied with service or an administrative decision. This is without prejudice to statutory review, tribunal, ombudsman, court or other legal rights. Routes that apply to a particular decision will be signposted.

Data protection and records

15.2 Personal information will be collected, used, shared, retained and disposed of lawfully and securely. Records will be sufficient to evidence eligibility, affordability, consent, decision-making, charges, transactions and compliance.

Fraud and financial crime

15.3 The Group will take proportionate steps to prevent and detect tenancy and application fraud, money laundering, coercion, identity misuse and misrepresentation. Concerns may be referred for specialist investigation or to relevant authorities in accordance with law and policy.

16. Who is responsible

16.1 The people responsible for overseeing this policy are listed below

Role	Responsibility
Executive	Approves the policy where required and receives assurance on material risks and compliance.
Executive Director	Provides strategic sponsorship, ensures adequate control and escalates significant issues.
Head of Homeownership and leasehold management	Owns implementation, procedures, training, compliance oversight and policy review.
Homeownership Manager	Leads operational delivery, quality control, escalations and performance management.
Sales and Homeownership Team	Delivers customer service, assessments, transactions, records and communication.
Finance, Assets, Building Safety, Income, Legal and Customer teams	Provide specialist delivery and assurance within their responsibilities.
All colleagues and contractors	Follow the policy, delegated authority, procedures, data requirements and customer standards.

17. Monitoring and Reporting

17.1 Performance and compliance will be monitored through a balanced set of measures, including:

- transaction volumes, completion times and aged cases;
- customer satisfaction, complaints, compliments and avoidable contact;
- rent, service charge and arrears performance;
- accuracy and timeliness of service charge information;
- permissions, resales, staircasing and statutory sales performance;
- equality, accessibility and outcome analysis where data is available and appropriate;
- legal, regulatory, funding and internal control compliance;

- audit findings, errors, redress, financial exposure and improvement actions.

17.2 Material exceptions and risks will be reported through the Group's governance framework. This policy will be reviewed at least every three years and earlier following significant legal, regulatory, funding, organisational or service change.

18. Glossary

Term	Definition
Administration charge	A charge for an approval, information or service where permitted by the lease or law.
Initial Repair Period	A lease-defined period during which specific repair responsibilities and support apply to eligible Shared Ownership homes.
Leaseholder	A person or entity that owns a leasehold interest in a property.
Nomination period	The period in which the landlord may nominate a purchaser for a Shared Ownership resale, as defined by the lease.
Reserve / sinking fund	Money collected for future major works or replacement, administered under the lease.
Service charge	A charge towards services, repairs, maintenance, insurance, management or other recoverable costs.
Shared owner	A customer who owns a share of a Shared Ownership home and normally pays rent on the unsold share.
Staircasing	The purchase of additional shares in a Shared Ownership property.
Key Information Documents	Prescribed or approved documents setting out key costs, rights, restrictions and responsibilities before purchase.
Group	Southway Wythenshawe Homes and any subsidiary to which this policy is formally applied.