

## MORE HOMES DIVISION GUIDANCE NOTE



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**To:** All Local Authorities  
All Registered Social Landlords

**Subject:** Changes to After-Sales Shared Equity Procedures (ASSEP) (ref. MHDGN 2017/05).

**Issued by:** More Homes Division

**Ref no:** MHDGN 2017/05

**Pages:** 2

**Issued:** 2 October 2017

This guidance note explains the changes to the **After Sales Shared Equity procedures**

The changes will apply with **immediate effect**.

Section 4 – clarification on additional lending by primary lender.

Section 8 – new text to explain that entering into another security without permission from Scottish Ministers is a payment event. Also, confirms that Scottish Ministers will no longer give consent to the creation of any such additional securities

Section 9 – clarifies that permission to let is only likely to be granted in exception circumstances. It will only be granted for a period of 6 months, and potentially for a further 6 months extension period and then only in certain circumstances as set out. It refers to Annex 5C with recommended actions in certain scenarios. Clarifies evidence requirement in permission to let cases where applicant is not using a solicitor or letting agent. It introduces new timescales for permissions to let. It clarifies what is to happen if it is found that a shared equity owner is letting without permission. It explains the process to be followed if consent to let is not sought. Finally, it clarifies that where grant of tenancy has been agreed this should not be processed through HARP.

Section 16 – text deleted as now covered under section 8.

Annex 1 – new text, for properties sold under Help to Buy, regarding a declaration form (Annex 1 (G)) to be completed by an additional owner which declares their interest in any other residential properties.

Annex 5 – new letter/email templates and application form provided for handling temporary permission to let applications. Also, new guidance on assessing such applications and responding to them

Annex 8 – new letter/email template to owner who has requested consent to the creation of a subsequent standard security.

Annex 10A – minor changes to text of letter.

Annex 10B – minor changes to text of letter.

Throughout document - changes to reflect new More Homes Division name.

You will find a copy of this [guidance on the Scottish Government website](#).