



<b>Environment and Sustainable Communities Committee</b>		Agenda Item
<b>22 January 2024</b>		<b>9</b>
Title:	£100k homes – Conditional release of resale price restrictions	
Report of:	Steve Cox, Interim Executive Director of Place and Connectivity	
Lead Member:	Cllr Bridget Smith	
Public Report:	Yes	
Key Decision:	Yes KD 2023/053	
Voting Arrangements:	A simple majority of voting Members	

#### Recommendations:

A	<p>The Environment and Sustainable Communities Committee is recommended to request Officers undertake one of the following two options:</p> <ol style="list-style-type: none"><li>1. To recommend the Combined Authority Board authorise the conditional release of resale price restrictions affecting eight leasehold £100k homes in Fordham. The release shall be conditional upon future purchasers entering into replacement agreements with the Local Housing Authority East Cambridgeshire District Council (ECDC);</li></ol> <p><b>or</b></p> <ol style="list-style-type: none"><li>2. To explore changing the status of each home to a more conventional type of affordable housing unit at each next available lease transfer opportunity.</li></ol>
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#### Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):	
A	The proposal will support community resilience by enabling more effective management of the affordable homes.

#### 1. Purpose

1.1	This report seeks to regularise management arrangements of eight leasehold homes in Fordham that were delivered in accordance with the former £100k homes initiative.
1.2	The £100k homes initiative ended in September 2021 so it is no longer appropriate for the Combined Authority to manage the reallocation process each time a home becomes available.

## 2. Proposal

2.1	If Option 1 is approved and implemented the reallocation of these eight homes shall be managed by ECDC that operates an allocations policy for other £100k homes in East Cambridgeshire. Existing resale price agreements would be terminated at the next available sale of each property, but this would be conditional upon the purchaser entering into replacement agreements with East Cambridgeshire District Council (ECDC).
2.2	If Option 2 is approved Officers will report findings back to the Committee at the appropriate time.
2.3	It is anticipated that neither option will be implemented until the next sale of each property. This action should save current leaseholders and mortgage providers from undertaking a separate and additional legal exercise in order to release the Combined Authority from existing agreements.

## 3. Background

3.1	The former £100k homes policy was adopted under the former mayoral administration. Eight leasehold homes at Fordham were delivered and sales were administered by the former Community Homes team. The policy then closed on 29 September 2021, but no action was taken to discharge the Combined Authority's responsibilities for allocating new purchasers for the homes.
3.2	The Combined Authority was approached by a homeowner who wanted to sell their home and the Combined Authority was unable to identify a purchaser because the £100k homes initiative ended in 2021 and no waiting list is maintained. Arrangements were made under delegated authority for ECDC to allocate a purchaser as set out in the Officer Decision Notice at Appendix A.
3.3	This proposal seeks to simplify administrative arrangements and ensure the homes continue to provide affordable housing that is effectively managed.
3.4	The option of the Combined Authority continuing to allocate purchasers was considered and rejected because the Combined Authority's former £100k homes policy ended in 2021.

## 4. Appendices

4.1	Appendix A – Officer Decision Notice, 20 Beech Close, Fordham - <a href="#">ODN</a>
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## 5. Implications

### Financial Implications

5.1	The Combined Authority is not a financial beneficiary from the sale of £100k homes. However, there is a social value in controlling the re-sale of these homes in-line with the £100k homes policy by maintaining discounted sale prices.
5.2	The decision has been identified as a Key Decision because the accumulative value of equity locked into the properties could exceed £500k by the time the next sale of each home completes.

### Legal Implications

6.1	If the Combined Authority fails to respond to notices from homeowners intending to sell their property, the homes could be sold on the open market. The Combined Authority no longer maintains a register of interested purchasers, so it is not currently able to nominate eligible purchasers.
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### Public Health Implications

7.1	No public health implications have been identified
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Environmental & Climate Change Implications	
8.1	No environmental and climate change implications have been identified
Other Significant Implications	
9.1	No other significant implications have been identified
Background Papers	
10.1	Approvals can be found from the following Links: Business case adopted by CPCA at item 3.2 Board 29 Jan 2020: <a href="#">CMIS &gt; Meetings</a> Allocations policy amended by Committee at item 2.6 March 2021: <a href="#">Allocations Mar 21</a> Closure: <a href="#">Board closure Sep 21</a>