



## **Annex A - Option Appraisal**

### **£100k Homes – Conditional release of resale price restrictions**

At the meeting of the Environmental and Sustainable Communities Committee in January 2024 Members considered the future of the CA's association with eight £100k Homes located in Fordham.

Members asked for three options to be explored more fully, and for the views of ECDC officers and homeowners to be considered. This report assesses each of the options identified.

1. To enable the homes to function as a more conventional type of affordable housing.

A meeting was held with representatives from the housing association that owns the freehold. The prospect of changing the £100k Homes model to a more conventional form of affordable housing such as social rent or shared ownership was considered. This did not appeal to the housing association because the dwellings were fitted out to a higher specification than standard dwellings used for social rent, and this would generate a higher maintenance requirement. Capital investment would also be required to buy each home from the current owners.

The one-bedroom dwellings were considered too small to be sold as shared ownership homes. Consequently, the freeholder did not express any desire to take over future management responsibility for the dwellings.

2. To transfer the CA's responsibilities to ECDC to enable continued occupation as £100k Homes,

Officers from ECDC expressed keen interest in taking over the CA's responsibilities to enable the dwellings to continue operating as £100k Homes alongside other £100k Homes managed by them. Officers confirmed there was strong demand for £100k Homes in East Cambridgeshire currently demonstrated by the high level of interest in the new £100k Homes soon to be available in Ely.

Officers also considered it more appropriate for occupation of these affordable homes to be controlled by the Local Housing Authority that is experienced in processing applications for affordable homes.

3. To retain the CA's responsibilities and association with the properties.

CPCA officers considered the implications of continuing to manage occupancy of the dwellings for continued use as £100k Homes, or as an alternative form of affordable housing.

If the CA were to continue under the current arrangement elements of the former £100k Homes initiative would need to reopen. The former Community Homes team used to manage this process, and these posts no longer exist.

If the homes were to be used for any other form of affordable housing, the CA would require capital to buy the homes from the current owners as they became available, and no current financial provision has been made to enable this.

It would not be appropriate to acquire the dwellings to be let for social housing because the CA is not currently a registered provider of social housing. Acquiring the homes to be sold for shared ownership occupation was not considered to be appropriate for the same reasons expressed by the freeholder.



A consultation letter containing the text below was sent to each of the current homeowners and no responses were received.

### **£100k Homes, Beech Close, Fordham**

I am writing to seek your views about some proposals to be considered by the Cambridgeshire and Peterborough Combined Authority (CPCA) concerning the eight leasehold £100k Homes at Beech Close, Fordham.

The CPCA discontinued the £100k Homes initiative on 29 September 2021, but no action was taken to discharge its responsibility for allocating new purchasers as and when the homes next become available for sale.

In order to resolve the situation, the CPCA is considering potential options as follows:

1. Transferring the CPCA's association with each property to East Cambridgeshire District Council (ECDC) that manages other £100k homes within East Cambridgeshire.
2. Transferring the CPCA's association with each property to the housing association that owns the freehold.
3. Retaining the CPCA's association with each property.

**Please note that options 1 and 2 would only be implemented at the next available sale of each home, so current tenancies would not be affected by any of the proposals.** It is also important to clarify that neither ECDC nor the freeholder have agreed to options 1 or 2, but representatives from those organisations have been made aware of the situation.

The CPCA's Environment and Sustainable Communities Committee asked for the views of current homeowners to be obtained before considering the options. If you would like to comment or require further explanation, then please feel free to contact me by email or telephone.

Yours sincerely

Nick Sweeney  
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