



Environment and Sustainable Communities Committee

31 July 2024

Title:	£100k Homes – Conditional release of resale price restrictions
Report of:	Judith Barker, 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	It is recommended that Members submit a recommendation to the Combined Authority's Board in accordance with point 2 of the Options Appraisal, to release resale price restrictions affecting eight £100k Homes in Fordham. Each restriction is to be released at the next point of sale of each dwelling and purchasers shall immediately enter into replacement resale price agreements with the Local Housing Authority: East Cambridgeshire District Council (ECDC).
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Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

A	Enabling Resilient Growth: The proposal will support community resilience by enabling more effective management of affordable homes that were provided for people with local connections.
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1. Purpose

1.1	The proposal seeks to address a housing procedural issue and safeguard eight affordable homes that were delivered by the former £100k Homes initiative.
1.2	The proposal seeks to transfer the Combined Authority's (CA) responsibilities and association with these affordable homes to ECDC, without affecting any current or future homeowners.

2. Proposal

2.1	Under current agreements each homeowner is obliged to serve a notice on the Combined Authority when electing to sell their property. The CA is then supposed to nominate a purchaser from a waiting list of eligible purchasers, but no list has been maintained since the initiative ended in September 2021.
2.2	Under this proposal, the CA will authorise ECDC to nominate new purchasers from the waiting list of £100k Home applicants that is maintained by ECDC.

2.3	At the point of completion of the next sale of each property, the resale price restriction agreements made by the current homeowners and the CA will terminate. The incoming owners will then immediately enter into replacement agreements with ECDC.
2.4	The effect of the proposal will be to transfer the CA's responsibilities and association with these homes to ECDC.

3. Background

3.1	The former £100k Homes policy was adopted under the former mayoral administration. The initiative was administered by the former Community Homes team whose responsibilities included maintaining a waiting list and nominating eligible purchasers.
3.2	The policy then closed on 29 September 2021, but no action was taken to discharge the CA's ongoing responsibilities.
3.3	At the meeting of the Environmental and Sustainable Communities Committee in January 2024, Members considered the future of the CA's legal association with these homes and asked for the following options to be explored more fully: <ul style="list-style-type: none"> To enable the homes to function as a more conventional type of affordable housing, To transfer the CA's responsibilities to ECDC to enable continued occupation as £100k Homes, To retain the CA's responsibilities and association with the properties.
3.4	The report at Appendix A provides an assessment of the pros and cons of each option and summarises consultations undertaken as part of the exercise. The preferred option identified is to transfer the CA's responsibilities and association with these homes to ECDC.

4. Appendices

4.1	Appendix A – Options assessment
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5. Implications

Financial Implications

5.1	The CA 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. The Combined Authority has no entitlement to realise the equity that is locked into the properties.

Legal Implications

5.3	If the CA fails to respond to notices from homeowners intending to sell their property, the homes could be sold on the open market. As the CA no longer maintains a register of interested purchasers it is considered appropriate for the Local Housing Authority to nominate eligible purchasers and manage the homes as affordable housing.
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Public Health Implications

5.4	The supply of decent and affordable housing is beneficial to public health.
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Environmental & Climate Change Implications

5.5	No environmental and climate change implications have been identified
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Other Significant Implications	
5.6	No other significant implications have been identified
Background Papers	
5.7	Information and previous decisions can be found from the following links: Business case adopted by CPCA at item 3.2 Board 29 Jan 2020: CMIS > Meetings Allocations policy amended by Cttee at item 2.6 March 2021: Allocations Mar 21 Closure: Board closure Sep 21 ESCC Jan 24: 22 January 2024