

## Report of the Portfolio Holder for Housing

### Shared Ownership Policy

#### 1. Purpose of Report

To seek Cabinet approval for a new Shared Ownership Policy.

#### 2. Recommendation

**Cabinet is asked to RESOLVE that the new Shared Ownership Policy and the fees and charges contained in Appendix 3 be approved.**

#### 3. Detail

Shared Ownership is an affordable housing product that allows people to purchase a share of a property whilst paying rent on the remaining share. Purchasing a share in a property requires a smaller deposit and mortgage, thereby making it a more affordable route into home ownership. Homes for Shared Ownership will usually, but not exclusively, be built by developers via section 106 agreements.

Later this year the Council will acquire its first properties for Shared Ownership at Field Farm in Stapleford. There are further opportunities in the pipeline for more Shared Ownership properties to be acquired to develop a portfolio of properties to assist Broxtowe residents with affordable home ownership.

This Policy, included at **Appendix 1**, sets out how the Council will manage its Shared Ownership properties and the leasehold model which will be used. It has been written to ensure it complies with the Homes England guidance. The way that Shared Ownership properties are managed, for example how rent is set or repairs are completed, is very different to how the Council manages homes for Social Rent.

A new set of fees and charges are required. Going forward these will be included annually and approved through the Council's budget setting process. However, to ensure that these are approved prior to the sale of the Council's first Shared Ownership properties these are listed in **Appendix 3**.

#### 4. Key Decision

This report a key decision as defined under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 as it is significant in terms of its effects on communities living or working in an area comprising two or more Wards or electoral divisions in the Council's area

5. Updates from Scrutiny

This report went to Policy Overview Working Group on 6 June 2024.

6. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no direct financial implications arising from this Policy document.

Any acquisition of properties for Shared Ownership, requiring the Council's own financial resources, will only be considered if part of an approved housing acquisitions budget within the Capital Programme for development.

Rent will be calculated and increased in accordance with the Homes England Capital Funding Guide. Any rental income will be received into the Housing Revenue Account (HRA). A suitable provision may need to be made within the HRA towards any of the Council's own prudential borrowing costs.

7. Legal Implications

The comments from the Head of Legal Services were as follows:

The Council has the power under s32 of the Housing Act 1985 (and the General Housing Consents 2013) to dispose of such properties on a shared ownership basis, subject to the limitation set out in the legislation. The Council will also be subject to the Homes England and Capital Funding Guide and as landlord will also be subject to the relevant land and tenant legislation. All relevant legislation is contained within the Policy document.

8. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

9. Union Comments

The Union comments were as follows:

Not applicable.

10. Climate Change Implications

The climate change implications are contained within the report.

11. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

12. Equality Impact Assessment

As this is a new Policy an Equality Impact Assessment is included in **Appendix 2** to this report.

13. Background Papers

Nil.