

## CABINET

Wednesday, 12 December 2018

### APPLICATION FOR DESIGNATED PROTECTED AREA (SHARED OWNERSHIP) - SOUTHWOLD (REP1948)

#### EXECUTIVE SUMMARY

1. Cabinet is requested to approve an application to the Secretary of State for Housing in relation to Southwold becoming a Designated Protected Area (DPA) in relation to shared ownership within the town.
2. Should the town achieve the DPA, it will enable the prevention of out-right ownership of shared ownership properties in Southwold, keeping it as affordable housing in perpetuity.

<b>Wards Affected:</b>	Southwold
<b>Cabinet Member:</b>	Councillor Chis Punt Cabinet Member for Housing
<b>Supporting Officer:</b>	David Howson Housing Strategy Manager 01502 523146 <a href="mailto:dave.howson@eastsoffolk.gov.uk">dave.howson@eastsoffolk.gov.uk</a>

## **1 INTRODUCTION**

- 1.1 A request has been received from Southwold Town Council that a formal application is made to the Government to designate Southwold as a Protected Area for Shared Ownership under the Housing and Regeneration Act 2008.
- 1.2 The designation would require any shared ownership properties constructed within the parish to have restricted leaseholder equity of 80% or 100% ownership with a requirement that the property is sold back to the landlord. The landlord will usually be a Registered Provider but could also be the Council or Southwold Town Council.
- 1.3 The intention of the designation is to ensure that this type of affordable housing is available in perpetuity.

## **2 SOUTHWOLD APPLICATION**

- 2.1 The Secretary of State for Housing will consider the application for a Designated Protected Area (DPA) in relation to shared ownership. Evidence is required to support the application to justify why Southwold should be designated. The designation already applies to Reydon, the neighbouring parish, which automatically received the original designation in 2008 when the Act came into force.
- 2.2 The application will be in the form of a letter and supporting evidence to the Ministry of Housing, Communities and Local Government. The application has been jointly prepared between the Housing team and the Southwold Town Council and a draft of this is attached at Appendix A.
- 2.3 The Southwold application is supported by officers though it is accepted that the impact will not be significant due to the likely numbers of shared ownership developments in the town in the future.

## **3 HOW DOES THIS RELATE TO THE EAST SUFFOLK BUSINESS PLAN?**

- 3.1 The Vision in the Business Plan states that we have a “need for new homes that are affordable and local to our communities”. Achieving the designation of a DPA will help deliver permanent affordable homes in our area.

## **4 FINANCIAL AND GOVERNANCE IMPLICATIONS**

- 4.1 There are no financial implications for the Council in achieving the DPA

## **5 CONSULTATION**

- 5.1 Detailed consultation has taken place with Southwold Town Council with the joint preparation of the evidence to support the application.

## **6 OTHER OPTIONS CONSIDERED**

- 6.1 None

## **7 REASON FOR RECOMMENDATION**

It is recognised that there is very little affordable home ownership within Southwold and that previous experience has shown that affordable housing can be lost through ‘staircasing’ to outright ownership and subsequent resale as a holiday let etc. Officers within the Housing

Team have worked with the Town Council to develop an application that evidences the need for a DPA for Southwold to try and preserve affordable home ownership in the town.

**RECOMMENDATION**

That Cabinet approves the application to the Secretary of State requesting that Southwold is designated as a Designated Protected Area for shared ownership.

**APPENDICES**

**Appendix A**

Evidence to Support the application and the application letter. Draft versions.