



Mayor and Cabinet

Shared Ownership: Approval to Market, Sell and Manage

Date: 03/11/2021

Key decision: Yes

Class: Part 1

Ward(s) affected: ALL WARDS

Contributors:

Outline and recommendations

It is recommended that Mayor and Cabinet:

Approve that Lewisham Council become a provider of Shared Ownership homes within the London Borough of Lewisham.

Approve the proposed Shared Ownership Policy set out at Section 5 of this report.

Approve the process of marketing, sale and management of Shared Ownership homes to facilitate existing programmes through Lewisham Homes.

Delegate to the Executive Director for Housing, Regeneration and Public Realm in consultation with the Director of Legal, Corporate Governance and Elections, authority to agree a variation to the Council's Management Agreement with Lewisham Homes to appoint Lewisham Homes as the Council's sales and marketing agent for all the Council's Shared Ownership homes and to provide all necessary management services in this respect.

Delegate to the Director of Inclusive Regeneration, in consultation with the Director of Law, Corporate Governance & Elections, authority to agree terms for the sale of the Shared Ownership homes developed through the Building for Lewisham programme, subject to a RICS valuation and the sales being in conformity with GLA funding, including all subsequent staircasing sales. This decision is dependent on Mayor and Cabinet accepting GLA AHP Funding in the 2021-2026 Programme which is being considered by separate report on 3rd November 2021.

To apply GLA AHP 2021-2026 grant, if accepted by Mayor and Cabinet by separate report on the 3rd November 2021 to 171 Shared Ownership homes and to agree that Right to Buy Receipts will be applied to the remaining Shared Ownership homes in the Building for Lewisham programme where GLA funding is unavailable. This application and any subsequent reallocation of these funds to be delegated to the Executive Director for Housing, Regeneration and Public Realm.

To delegate to the Director of Inclusive Regeneration the ability to vary the rent on the unsold equity of these Shared Ownership homes, if necessary, to make them more affordable but within agreed viability assumptions.

Timeline of engagement and decision-making

15 January 2020 Mayor and Cabinet approved the commencement of the Building for Lewisham Programme, a continuation of the Council's housebuilding programme.

November 2020 London Mayor announced the Affordable Homes for London AHP 2021-2026 Prospectus.

1. Summary

- 1.1. This report seeks permission for the Council in partnership with Lewisham Homes to market, sell and manage Shared Ownership homes, as part of the Building for Lewisham Programme. In addition, it sets out the priority criteria for the sale of these homes to Lewisham residents and other purchasers.

2. Recommendations

It is recommended that Mayor and Cabinet:

- 2.1 Approve that Lewisham Council become a provider of Shared Ownership homes within the London Borough of Lewisham.
- 2.2 Approve the the proposed Shared Ownership Policy set out at Section 5 of this report.
- 2.3 Approve the process of marketing, sale and management of Shared Ownership homes to facilitate existing programmes through Lewisham Homes.
- 2.4 Delegate to the Executive Director for Housing, Regeneration and Public Realm in

consultation with the Director of Legal, Corporate Governance and Elections, authority to agree a variation to the Council's Management Agreement with Lewisham Homes to appoint Lewisham Homes as the Council's sales and marketing agent for all the Council's Shared Ownership homes and to provide all necessary management services in this respect.

- 2.5 Delegate to the Director of Inclusive Regeneration, in consultation with the Director of Law, Corporate Governance & Elections, authority to agree terms for the sale of the Shared Ownership homes developed through the Building for Lewisham programme, subject to a RICS valuation and the sales being in conformity with GLA funding, including all subsequent staircasing sales. This decision is dependent on Mayor and Cabinet accepting GLA AHP grant funding in the 2021-2026 Programme which is being considered by separate report on 3rd November 2021.
- 2.6 To apply GLA AHP 2021-2026 grant, if accepted by Mayor and Cabinet by separate report on the 3rd November 2021 to 171 Shared Ownership homes and to agree that Right to Buy Receipts will be applied to the remaining Shared Ownership homes in the Building for Lewisham programme where GLA funding is unavailable. This application and any subsequent reallocation of these funds to be delegated to the Executive Director for Housing, Regeneration and Public Realm.
- 2.7 To delegate to the Director of Inclusive Regeneration the ability to vary the rent on the unsold equity of these Shared Ownership homes, if necessary, to make them more affordable but within agreed viability assumptions.

3. Policy Context

Housing

- 3.1. The Council's Corporate Strategy (2018-2022) outlines the Council's vision to deliver for residents over the next four years. Building on Lewisham's historic values of fairness, equality and putting our community at the heart of everything we do, the Council will create deliverable policies underpinned by a desire to promote vibrant communities, champion local diversity and promote social, economic and environmental sustainability. Delivering this strategy includes the following priority outcomes that relate to the provision of new affordable homes:
 - Tackling the Housing Crisis – Providing a decent and secure home for everyone.
 - Building an Inclusive local economy – Ensuring every resident can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.
 - Building Safer Communities – Ensuring every resident feels safe and secure living here as we work together towards a borough free from fear of crime.
- 3.2. Lewisham's Housing Strategy (2020-2026), includes the following themes that relate to the provision of new affordable homes:
 1. Delivering the homes that Lewisham needs.
 2. Preventing homelessness and meeting housing need.
 3. Improving the quality, standard and safety of housing.
 4. Supporting our residents to live safe, independent and active lives.
 5. Strengthening communities and embracing diversity.

4. Background

- 4.1. There is another report on this agenda which is being considered, relating to the acceptance of GLA AHP 2021-2026 grant. The recommendations in this report which assume that grant being available are therefore subject to the grant being accepted by Mayor & Cabinet.
- 4.2. As part of the Building for Lewisham programme the Council is developing new social homes to meet the housing needs of Lewisham residents. As part of this programme the Council is also bringing forward a pipeline of shared ownership homes to meet affordable housing needs.
- 4.3. As part of the GLA's Building Council Homes for Londoners and the GLA's Affordable Housing Programme 2021-2026, Lewisham Council has been successful in bidding for grant to support the delivery of 171 shared ownership homes. The Council envisages using RTB receipts to fund any homes above the 171 GLA funded homes (currently circa 123 as set out below), to maximise their affordability for local residents and help deliver the maximum number of family and social rented homes.
- 4.4. These shared ownership homes are at present located on the following sites (please note these are indicative numbers and are subject to further planning and feasibility testing):
 - Creekside: circa 34
 - Achilles Street Regeneration Scheme: circa 163
 - Ladywell Phase 2: circa 30
 - Thomas Lane Yard: circa 8
 - Drakes Court: circa 6
 - Markwell Close: circa 3
 - Valentine Court: circa 11
 - Dacres Road: circa 4
 - Evelyn Community Centre: circa 35
- 4.5. For the Achilles Street Regeneration Scheme: 163 Shared Ownership homes have received GLA funding at £60,000 per unit. For Thomas Lane Yard 8 Shared Ownership homes have received GLA funding at £60,000 per home i.e. £10.26m in total.
- 4.6. RTB receipts have been allocated at 40% of Total Scheme Costs for the circa 123 other Shared Ownership homes currently in the Building for Lewisham Programme where GLA grant funding is not available.

The Shared Ownership Market

- 4.7. Shared ownership has been around for many years and is the most established affordable home ownership product. It has helped more than 150,000 people, predominantly First Time Buyers get a foot on the property ladder. Shared Ownership was firstly offered through Housing Associations. 53 institutional investors have entered the market which shows that the product has financial security and that the financial institutions are comfortable with development risk.

Shared Ownership in Lewisham

- 4.8. Shared ownership buyers tend to be young singles, couples and sharers or new families in their mid to late thirties. They are aspirational buyers, are well-informed and have household incomes upward of £35,000. Whilst most providers advertise shares for sale from 25%, the average purchased share is between 30-35% and has been on a slight downward trajectory from nearer 40% two years ago. The average share

initially purchased in the London Borough of Lewisham is around 37% based on research from other Registered Providers operating in the Borough. Lewisham has a high percentage of its population at working age (70% 2017 London Datastore statistics) with an average age of 35, falling perfectly into the profile of the average shared ownership buyer.

- 4.9. Prior to Covid-19 the bi annual Affordable Home Show in London sees more than 4500 attendees looking for an affordable homeownership. The demand for shared ownership in London remains strong mainly due to a lack of affordability and high property values on the open market. It has become the only way that some first time buyers and those who have had relationship breakdowns have the opportunity to buy.
- 4.10. In the Lewisham area, the Share to Buy website¹, indicates that one bed properties average 39.54 enquiries per property and two bed properties average 44.57 enquiries per property a phenomenally high volume showing the strong demand for affordable home ownership with shared ownership. Share to buy have reviewed the London Borough of Lewisham's area to establish the socio economic demographic of people on their database who already live in the borough earn within £25 - £60k.
- 4.11. For those looking to buy in the Borough in January 2021 the data shows that their income fell within a £30 - £65k range with deposits fairly evenly balanced through all levels to £50k+. 84.3% are looking to buy a 1 or 2 bed property. 66.2% are currently living in private rented housing and 21.7% with family or friends.
- 4.12. Average property prices in the borough are as follows (data from Hometrack):

Property size	Property price range
1 bed flats	£307,500 - £350,000
2 bed flats	£394,000, - £440,000
2 bed houses	£430,000 - £490,000
3 bed houses	£525,000 - £600,500

- 4.13. Based on the above data this equates to a house price to earnings ratio of 12.5:1. Based on a 3.5x income, 86.2% of first time buyers are priced out of buying a flat and 97.9% a terraced house on the open market.
- 4.14. A further indicator that shared ownership is a more affordable option for Lewisham's residents is a comparison with private renting costs. If a resident buys a 25% share in a 1 bed flat for £780pcm and £990pcm for a 2 bed flat (based on a 90% LTV mortgage, using a (very high) 3.99% interest rate), this compares favourably to median average rental values of £1,144pcm for a 1 bed flat and £1,400pcm for a 2 bed flat (based on Hometrack data).

What is Shared Ownership?

- 4.15. Shared ownership in London is open to those with a household income of up to £90,000, assessed with a debt to income ratio of up to 50%, debt being the rent on the unsold share (rent will not exceed 3% of the capital value of the unsold equity at the point of the initial sale), service charge and any loans or credit cards. Shared ownership is regulated by the Regulator of Social Housing based around the Homes England (former HCA) Capital Funding Guide with a GLA variant for London

¹ A national Shared Ownership online portal

properties.

- 4.16. Shared Ownership allows first time buyers and those that do not currently own a home to buy a defined equity share of a property whilst paying a subsidised rent on the remaining share (which remains owned by the landlord).
- 4.17. Shared Owners have the option to buy further shares in the property at a later date up to the full value of the property.
- 4.18. Shared Ownership properties are part buy and part rent properties. The lease applies to the equity share the buyer owns and lays out the roles and responsibilities of both Landlord and shared ownership Leaseholder. This includes how the Leaseholder buys more shares or sells the property, and the terms of review of the rent and services charges.
- 4.19. Shared owners are buy-to live owner occupiers and provide a stable base of residents who are invested and present. This helps to create stable mixed communities.

How the Shared Ownership Model works

- 4.20. Eligible applicants buy a defined share of a flat or house from the Council and pay subsidised rent on the remaining share which is retained by the Council.
- 4.21. Applicants can buy a new build home on a Shared Ownership basis or can buy an existing Shared Ownership home through a subsequent resale of a shared ownership unit.
- 4.22. Applicants will initially purchase between 25% and 75% of the home. The size of the share is determined by the purchaser's ability to afford and sustain the purchase based on a Mortgage Advisor's assessment using the Homes England Shared Ownership Calculator as a guide. With resales the buyer must buy the share the existing Shared Owner has or more.
- 4.23. Buyers must be able to raise a sufficient deposit (usually between 5% and 10%) and secure a mortgage to buy a share of the property. There are fewer mortgage products available for Shared Ownership than for purchase on the open market, although Lenders offering Shared Ownership mortgages have increased from 6 in 2010 to more than 29 Lenders now. Lenders and underwriters are seeing this as a long term product with a track record, unlike Help to Buy which is likely to be phased out.
- 4.24. The Shared Owner can keep buying shares until they own the property outright. This process is known as staircasing.
- 4.25. The buyer can buy in 10% multiples based on a RICS valuation which the Shared Owner must pay for.
- 4.26. The Shared Owner will buy a 999 year lease from the Council at a premium fee on new build properties. As part of the lease, they will be required to enter the concurrent tenancy with the Council and pay rent to the Council. This is calculated as a proportion of the equity retained by the Council.
- 4.27. The Developer who builds the properties will build with a build warranty which covers major repairs to the building. Any repairs to the building and or communal areas that fall outside of the build warranty are payable through the service charge which the Shared Owner pays monthly.
- 4.28. The Shared Owner is responsible for repairs and maintenance inside the property after the end of the defect liability period (usually one year after build complete).
- 4.29. If the Shared Owner does not own 100% of the property and wishes to sell the property, they must allow the Council eight weeks to find a buyer. If no buyer is found the Shared Owner can sell the property on the open market. The purchaser benefits from any capital uplift of the purchased share.

Changes to the shared ownership model lease following the "Right to Shared

Ownership Changes”

- 4.30. In 2020 the UK Government announced major reforms of the shared ownership regime. The details are as follows:
- The “Right to Shared Ownership” contained within the Homes England Capital Funding Guidance has made changes to the shared ownership model lease for homes built and funded by the GLA’s Affordable Housing Programme (AHP) 2021 – 26. The changes only apply to this funding and not homes using funding prior to April 2021. The changes that apply to the Council are: The minimum initial share is to be reduced from 25% to 10%
 - Staircasing **can** take place in tranches of 1% with reduced fees for a minimum of 15 years. Purchasers have the option to buy additional shares in increments of 1% each year based on the original purchase price adjusted upwards/downwards in accordance with the area House Price Index and afterwards by 5% minimum tranches. Landlord cannot charge valuation or administration fees.
 - Landlords will be responsible for essential repairs and maintenance for the first 10 years from practical completion or until the shared ownership leaseholder staircases to 100% ownership, where work is not covered under the new build guarantee warranty. Essential repairs relate to the composition of the building and external structural parts where the landlord is the owner this include internal structural repairs to floors, stairs, walls and ceilings.
 - Essential repairs and maintenance inside the flat is the Leaseholders responsibility, however, they will be able to reclaim costs from the landlord for essential repairs and maintenance up to £500 per year carrying forward any unused money to the following year. The work to be undertaken with the Councils approved contractors and repaid on completion of the work.
 - Nomination period and pre-emption clause for the Landlords exclusive marketing period to find a buyer suitable for shared ownership on a resale (pre-owned shared ownership home selling period) is reduced from 8weeks to 4weeks.
 - The shared ownership standard model lease term changes from 125 years to 999 years.
 - The final change, which Councils are exempt from is the introduction of the “Right to Shared Ownership” to enable social housing tenants, subject to qualifying criteria to purchase their rented home using the new shared ownership model.
- 4.31. The Shared Ownership element of the BfL programme has been modelled and tested using these proposed changes.
- 4.32. It is noted however that the first tranche of shared ownership homes at the Creekside development will be sold under the 2018-2022 GLA Shared Ownership model where the council will be obliged to follow their affordability and priority guidelines and will be exempt from any changes that may result from “the Right to Shared Ownership” guidance’.
- Why households would consider choosing this tenure**
- 4.33. The Shared Ownership tenure can help households to purchase a particular type of home, or a home in a particular part of Lewisham that they would not be able afford to buy in full on the open market.
- 4.34. The option of a Shared Ownership home can increase household choices particularly in neighbourhoods that have a limited supply of homes for sale.
- 4.35. The option of a Shared Ownership home can allow or enable households on limited incomes to purchase a larger or specialist type of home to meet their needs.

- 4.36. Deposits and mortgage costs for Shared ownership homes can be much lower than when buying a home in full, therefore making it a more affordable route into home ownership.
- 4.37. Shared Ownership homes and their availability can also help to bridge the affordability gap in Lewisham where average house prices are 12.5 times average earnings.

5. Lewisham Council Proposed Shared Ownership Policy

- 5.1. In order to market, sell and manage a portfolio of shared ownership homes the Council has developed a Shared Ownership Policy that will be used to assess eligibility and prioritisation.

Introduction to Lewisham's Shared Ownership Policy

- 5.1.1. This section outlines the Council's Policy with regards to:

- The income eligibility range for applicants to these schemes in the Borough;
- The prioritisation of applicants for Lewisham Council Shared Ownership properties; and
- The role of Registered Providers (RPs) in providing Shared Ownership in the Borough.

- 5.1.2 This policy is developed in accordance with:

- Home England Affordable Housing Capital Funding Guide
- Greater London Authority (GLA) Affordable Housing Capital Funding Guide
- EU General Data Protection Regulations (GDPR) (2016/679)
- Data Protection Act (DPA) 2018
- The Equality Act 2010
- Health and Safety at Work Act 1974

- 5.1.3 This policy applies to Lewisham Council Shared Ownership properties only.

Definition of Shared Ownership

- 5.1.4 Shared ownership is where an organisation owns the freehold or main lease of a property and sells a share to the person who lives in the property. Shares are initially made available between a minimum of 10 per cent and a maximum of 75 per cent. The occupier can staircase at any point until they eventually buy the full share of the property. Rent is paid on the unsold equity.

5.2 Eligibility for Shared Ownership properties

5.2.1 Financial eligibility

The GLA set a maximum salary cap on the household income for shared ownership at £90,000. Beyond this households are not eligible for shared ownership.

5.2.2 General eligibility

Applicants must also:

- Be unable to purchase a property suitable to meet their needs on the open market; and

- Be able to afford their purchase and sustain their housing costs and demonstrate that they have the financial resource available to do so. Applicants will be required to undertake appropriate checks with the seller of the property. The application process also includes an assessment of affordability using a calculator provided by Homes England (HE) to ensure that buyers are able to afford and sustain their share; and
- Be first time buyers, except where they are downsizing, moving from or within a Lewisham Council regeneration scheme, or moving into a larger home to meet their household need; and
- Be British or EEA citizens who are exercising their treaty rights or have indefinite leave to remain.

5.3 Prioritisation

5.3.1 For any type of Shared Ownership property, priority will go to Armed Forces personnel (serving military personnel and former members of the British Armed Forces discharged in the last 2 years), in accordance with Homes England and GLA guidance, and Armed Forces Covenant for Lewisham.

5.3.2 Lewisham Council will also prioritise the following groups for Lewisham Council developments and properties. This includes where there is no grant funding from the GLA.

- **Priority One:**
Lewisham social housing tenants.
- **Priority Two:**
Lewisham residents on the Housing Register.
- **Priority Three:**
Current Lewisham residents.
- **Priority Four:**
Applicants who work in the borough.
- **Priority Five:**
Applicants living or working in another London borough.

5.3.3 Where two people have the same priority status, priority will be on a first come, first serve basis. If two people with the same priority status apply for a Shared Ownership property at the same time, priority will be given to whoever has lived in the borough for longer. For working in the borough priority this will be ordered by who has worked in the borough for the longest period.

5.4 Process for applying

5.4.1 Those interested in purchasing a Shared Ownership house are able to register their interest on the Lewisham Homes website.

5.4.2 Once registered you will be invited to complete a Lewisham Homes Shared Ownership application form and then have a financial assessment with the nominated Mortgage Broker before attending a viewing.

5.5 Equality and diversity

- 5.5.1 Lewisham is home to people from a wide range of backgrounds, from many communities. This Shared Ownership Policy contributes to our aspirations for making Lewisham a good place to live, work and learn for people of all communities.
- 5.5.2 In our Corporate Strategy 2018-22, we committed to creating an “Open Lewisham”, making sure that Lewisham is a place where diversity and cultural heritage is recognised as a strength and celebrated. This means that we are trying to ensure that no section of the community should be excluded from the benefits and opportunities available, and that we have regard to the need to eliminate discrimination, harassment and victimization, the need to advance equality of opportunity and to foster good relations between minority groups and others. We will operate the Shared Ownership Policy equally to everyone who applies to or is on the Housing Register, regardless of their race, gender, gender reassignment, disability, age, sexual orientation, marital or civil partnership status, pregnancy or maternity, religion or belief. We are committed to delivering quality services to all.
- 5.5.3 An Equality Impact Assessment was carried out in relation to this policy in October 2021 which will be kept under regular review.

5.6 Review of this policy

- 5.6.1 This policy will be reviewed on an annual basis.

6. Purchase Process

Marketing & Allocations

6.1 Marketing

- 6.1.1 The Council will use a variety of approaches to advertise Shared Ownership properties across the borough. This will include marketing new Shared Ownership homes in advance of their completion and gaining off plan sales to minimise void loss. The borough will aim to market in local media first to encourage local take up of sales. The extent of marketing will be determined on a site-by-site basis.
- 6.1.2 Resale properties will be advertised through the GLA Shared Ownership website and affordable Homes portals used by Registered Providers.

6.2 Valuations

- 6.2.1 Valuations of Shared Ownership properties will be carried out by an independent member of the Royal Institution of Chartered Surveyors (RICS) and reviewed every 3 months in accordance with the Homes England / GLA Capital Funding Guide. This includes both the market value at initial sale and on all staircasing transactions, except for the gradual staircasing of 1%, which is based on the original purchase price, resale price or remortgage, adjusted in line with the local Housing Price Index.

6.3 Eligibility and Affordability Checks

- 6.3.1 Anyone interested in purchasing a LBL Shared Ownership property must register with the Lewisham /Lewisham Homes website. The agent will assess the eligibility of the prospective purchaser which will include a financial assessment by a specialist shared ownership Mortgage Advisor.

6.3.2 In order to be eligible applicants must:

- have a household income of less than £90,000;
- be unable to purchase a property to meet their needs on the open market;
- be able to afford to meet the housing payments and sustain home ownership in the longer term;
- Move into the home and use it as their primary residence; and
- Not already be a homeowner in the UK or abroad.

6.3.3 Applicants will be required to provide:

- Proof of identification;
- Proof of income (usually by way of latest three pay slips or last three years accounts for self-employed applicants);
- Proof of savings; and
- A mortgage in Principle
- Credit reference (where applicable).

6.3.4 Additional evidence may be required on request.

6.3.5 If more than six months pass between application and exchange of contracts the applicant will be required to provide additional evidence that their circumstances have not changed. Applicants must notify the Council and Sales Agent of any changes to their circumstances after their application has been approved.

6.4 Joint Applicants

6.4.1 More than one person may apply for a Shared Ownership home. Applications from more than one person will be considered as joint applications. Joint applicants must become joint owners of the property. Anyone joining in the application who already owns, or part owns a home must sell it at the time of jointly buying through Shared Ownership.

6.4.2 An existing Council tenant qualifying for Shared Ownership may have a partner who does not wish to join in the application. The application can proceed in the sole name of the qualifying applicant. In this situation other such members of the household will be treated in line with Council policy independently from the Shared Ownership application.

6.5 Affordability

6.5.1 Minimum initial shares will be set at 25% (10% on schemes that must meet the “Right to Shared Ownership” requirements through GLA 2021-26 Affordable Homes Programme funding rules) however applicants will be expected to buy the maximum share they can afford and sustain up to a maximum share of 75%.

6.5.2 The Council will undertake a rigorous affordability check using the Homes England/GLA shared ownership affordability calculator to determine the level of suitable shares ensuring that:

- The monthly housing costs including mortgage repayments, rent and services charges are between 25%-45% of an applicant’s gross wage; and

- The mortgage amount is between 2.5x and 4.5x the applicant's gross annual income
- 6.5.3 The Council will require applicants who are able to purchase their share without mortgage finance to provide evidence as to why this is required. Money laundering checks will be required in these circumstances.
- 6.5.4 The Council will not provide financial advice to applicants and any guidance given will be limited to information only.
- 6.5.5 The Council will require that applicants seek independent financial advice from an advisor with an understanding of the Shared Ownership product and associate lender requirements.

6.6 Reservation

- 6.6.1 A property will be reserved once affordability and eligibility checks have been approved. The Council will charge the applicant an administration fee for this of £500. Upon receipt of the reservation fee the property is held to sell to them provided they exchange contracts within 6 weeks.
- 6.6.2 An applicant who is an existing Council or Social Housing tenant will not be eligible for Shared Ownership if they are in breach of their tenancy agreement at the time of application. This includes but is not limited to rent arrears.
- 6.6.3 Applicants who owe any money to the Council before or during the purchase process will not be allowed to progress until the debts have been cleared, to the satisfaction of the department responsible for collecting the debt.

6.7 Existing owners

- 6.7.1 The Council will allow owner-occupiers to apply for a Shared Ownership property where they meet the general eligibility criteria (i.e. their household income is less than £90,000 and they are unable to purchase without assistance) and are assessed by the Council as being in housing need.
- 6.7.2 Owner- occupiers will be required to sell their property as part of the Shared Ownership purchase. In exceptional cases the Council will consider supporting an application to the GLA for this requirement to be waived, e.g. where a separated person no longer has access to their original property.

6.8 Rent and Service Charges

- 6.8.1 Shared Owners will pay rent and service charge, including administration fees relating to the property, to the Council.

6.9 Rent

- 6.9.1 The initial annual rent will not exceed 3% of the capital value of the unsold equity at the point of the initial sale.
- 6.9.2 The Council will take local market conditions into account when setting the rent and may consider charging a rent lower than 2.75 % where affordability is considered to be an issue and the scheme and programme viability can be maintained. This will be determined by the Director of Inclusive Regeneration, as set out in recommendation 2.7

- 6.9.3 The Council will review the rent on an annual basis. Annual rent increase will be limited to Retail Price Index (RPI) plus 0.5%. When RPI is nil or negative, rent increases will be 0.5%. This will be explained to all buyers at the point of sale.
- 6.9.4 The Council will notify Shared Owners of the new rent in writing, as detailed in the lease.

6.10 Service charges

- 6.10.1 The Council will charge service charges on all its Shared Ownership properties. Service charges will be calculated on an annual basis.
- 6.10.2 The Council will consult on service charges where required. It will meet its statutory obligations under section 20 of the Landlord and Tenant Act 1985 to consult leaseholders before carrying out certain works or entering into certain agreements that affect the dwelling or building which will result in service charges being incurred.
- 6.10.3 The service charge provisions differ for Shared Ownership houses and flats:
- 6.10.4 For flats the Council will estimate the charges to be incurred in the following year reconciled at the end of the Account Year. An annual service charge will be set based on this estimate. Shared Owners will be charged for this monthly at the same time as rent to spread the cost.
- 6.10.5 The Council will provide a summary of the costs incurred.
- 6.10.6 The Council will charge an administration fee for time spent on tasks relating to service charges.
- 6.10.7 Some Shared Ownership units may be subject to estate charges which will still be in place should the Shared Owners purchase 100% of the property (referred to as 'staircasing out').
- 6.10.8 Where flats are offered for Shared Ownership the Council will set up a sinking fund for their long-term upkeep. Shared Owners will pay into the fund monthly from the start of the purchase until the property is sold. This ensures accurate assessment of sustained affordability when assessing buyers for shared ownership. The sinking fund will not be used within the first 10 years during the major repair free period. If the Shared Owner sells the flat, the value of the sinking fund remains with the property for the next owner.

6.11 Building and Contents Insurance

- 6.11.1 The Council will arrange suitable buildings insurance for the property. A copy of the relevant building insurance certificate confirming the sum for which the property is insured, the name of the insurer, and the risks covered in the policy will be provided to Shared Owners.
- 6.11.2 The Shared Owner will be recharged the cost of obtaining the building insurance on a yearly basis in the form of a service charge.
- 6.11.3 It is the Shared Owner's sole responsibility to obtain and secure contents insurance for the property. The Shared Owner is not required to obtain contents insurance but, in any repair dispute the Council may request from the Shared Owner a copy of the

contents insurance policy documents or any other insurances relating to the property by giving 28 days' notice in writing.

6.12 Service charge disputes

6.12.1 In the first instance the Council would aim to resolve any issues with service charges directly with the Shared Owner. The Shared Owner also has a statutory right to apply to the First Tier Tribunal to determine whether a service charge has been reasonably incurred and how much is payable.

6.12.2 The Council will ensure that Shared Owners are made aware of their rights and the contact details for the tribunal.

6.13 Rent payments

6.13.1 Shared Owners are obliged to pay rent as part of their lease agreement on the first day of every month. Shared Owners will be expected to pay on time and in full unless they have contacted the Council and an agreement is in place.

6.13.2 Rent must be paid by the Shared Owner by equal monthly payments. Payments should be made by direct debit.

6.14 Rent and Service Charge Arrears

6.14.1 The Council will help and support Shared Owners who are experiencing financial difficulty which affects their ability to pay rent or service charge.

6.14.2 The Council will refer Shared Owners to relevant specialist advice and support with the permission of the Shared Owner.

6.14.3 The Council will contact Shared Owners who fail to pay rent or service charge payments to discuss the circumstances and make a repayment agreement to clear the debt to the satisfaction of the Council.

6.14.4 The Council will use a variety of methods of communication to ensure the Shared Owner is fully aware of their circumstances during any period they have rent or service charge arrears.

6.14.5 Where arrears continue to accumulate the use of legal proceedings will be assessed and the lender must be informed when arrears exceed 2 months which is reciprocal if the same occurred with the Lender. The Council must agree to sign a mortgage undertaking in relation to arrears at exchange of contracts.

6.14.6 Prior to commencement of legal proceedings, the Council will assess the financial viability of other options, including whether the property satisfies the Councils current buy back scheme, or approaching the mortgage lender to consolidate the arrears onto the outstanding mortgage.

6.14.7 As set out in the lease, the Council will provide the Shared Owner's mortgage lender with 28 days' notice of its intention to commence possession proceedings. This will include details of the level of arrears.

6.14.8 Should the mortgage lender choose to repossess the property the Council will share all necessary information regarding the property and arrears payments.

6.15 Paying back equity stake

6.15.1 If the Council must repossess a Shared Ownership property, a proportion of the equity stake will be returned to the outgoing Shared Owner minus the following costs:

- The outstanding mortgage balance and any others costs due to the lender;
- Any rent arrears/service charges outstanding;
- Any legal costs incurred as a result of taking possession action;
- Any costs incurred by the Council to carry out repairs or make good any damage to the property that are not due to fair wear and tear;
- Any costs associated with the sale of the property including any legal costs;
- Any other costs not listed above incurred as a direct result of taking repossession action; and
- Any other sums due to the Council.

6.15.2 If the Shared Owners equity stake is less than the costs incurred above the Shared Owner will owe the balance of the costs outstanding to the Council.

6.15.3 If the Shared Owner is unable to settle this debt promptly the Council will take action to recover any monies outstanding from the Shared Owner.

6.16 Production of accounts

6.16.1 Lewisham Homes on behalf of the Council will maintain a property record for each Shared Ownership property.

6.16.2 An account statement will be produced for each account and sent to the Shared Owner on an annual basis, or upon request at any other time.

6.17 Repairs

6.17.1 For new build properties the ten-year New Build Guarantee will apply. This covers essential repairs to the external fabric of the building and structural repairs to walls, floors, ceilings, and stairs inside of the home. In the first instance the Shared Owner will be expected to claim against this for any required repairs.

6.17.2 Where the New Build Guarantee does not cover external fabric repairs the Council will undertake this work.

6.17.3 For new build properties in the AHP 2021-26 programme. Shared Owners will also be able to apply to claim back £500 each year for some essential internal repairs from the Council.

6.17.4 Essential internal repairs include:

- installations for the supply of water;
- installations for the supply of gas and electricity;
- installations for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity) pipes and drainage; and
- installations for space heating and heating water

6.17.5 The claim period for claiming essential internal repair costs will run April to April.

6.17.6 If the Shared Owner staircases to 100% within the first ten years, the responsibility for either internal or external repairs transfers from the Council to the owner.

- 6.17.7 After the ten-year repairs period, if the Shared Owner has not purchased all the equity shares (staircased out), they become responsible for all repairs and all costs associated with repairs.
- 6.17.8 If the Shared Owner allows the property to fall into disrepair, this will be considered a breach of their lease.
- 6.17.9 Should the property fall into disrepair, the Council may seek legal action to enforce the Shared Owner to carry out remedial works or for the Council to carry out the works and recharge the Shared Owner for the cost, including any legal costs incurred.

6.18 Maintenance

- 6.18.1 At all times, the Shared Owner will be solely responsible for the general maintenance of the property. In line with the lease, they must keep the property in good and substantial repair and condition.
- 6.18.2 The Shared Owner will be responsible for arranging annual testing for all gas installations within the property. A copy of the gas service certificate must be provided to the Council within 28 days of the service being due. The Council can undertake this service upon request by the Shared Owner and the costs will be recharged to the Shared Owner.
- 6.18.3 The Council will take legal action to gain entry to the property to carry out the required test where the Shared Owner fails to provide the certificate or have the safety check carried out. The cost of the service, and any legal costs incurred, will be recharged to the Shared Owner.

6.19 Alterations and improvements

- 6.19.1 Shared Owners wishing to make alterations and or improvements to the property will need prior written permission from the Council. Requests will need to be made in writing and include full details of the proposed works. The Council reserve the right to monitor work where any major structural works are requested. Lewisham Homes on behalf of the Council will keep a record of improvements which will be signed off by the Building Safety Manager and adopted into the Building Safety File.
- 6.19.2 Where the work of professional tradespersons are required for example but not limited to; gas works or electrical works, a certificate verifying the work carried out must be provided to the Council within 28 days of the work being completed.
- 6.19.3 For larger pieces of work such as but not limited to; changing the fabric or structure of the building, The Council may provide a list of conditions which will need to be met by the Shared Owner for the permission to remain valid. This may include but not limited to; obtaining planning permission or building regulations consent and sign off.
- 6.19.4 The Council reserves the right to inspect any alterations and improvements once completed by arranging a mutually convenient appointment with the Shared Owner.
- 6.19.5 Where unauthorised alterations or improvements have been carried out, the Council may request the Shared Owner to reinstate the work. Where work causes damage to the building, building safety and the enjoyment to other residents the Shared Owner would be liable for repair cost – significant costs if the building had communal heating and hot water systems. Should the Shared Owner fail to make good the works, the

Council may take legal action to carry out the necessary work and recharge the Shared Owner for the cost, including any legal costs incurred as a result.

6.19.6 The Council will not withhold consent for an improvement unreasonably. In normal circumstances permission will only be withheld for the following reasons:

- The requested work would result in the property devaluing in price;
- The requested work would cause a nuisance or annoyance to neighbouring properties;
- The requested work would impact on overall building safety; or,
- The Shared Owner is in rent arrears or a Court Order is pending or in force, in relation to possession action.

6.19.7 Any refusal of the proposed alteration or improvement will be accompanied with a full written explanation. There is no appeals process. The terms of the lease will be referred to on all occasions.

6.20 Other lease management issues

6.20.1 The Council will take appropriate action whenever it becomes aware that a Shared Owner is acting in breach of the terms of the lease which may include:

- Non-payment of rental income;
- Unapproved works to the property;
- Improper use of the home or building;
- Failure to maintain or damage to the property;
- Refusal of access to Council staff and or its contractors or agents;
- Anti-social behaviour by the Shared Owner, their household members or visitors that causes a nuisance, alarm, or distress to other residents in the vicinity of the property, including but not limited to:
 - Intimidation of neighbours and others through threats or actual violence
 - Harassment, including racial harassment
 - Verbal abuse
 - Homophobic behaviour
 - Noise
 - Dumping rubbish
 - Pets will be permitted but animal nuisance, including dog fouling, will constitute a breach of the lease arrangements
 - Vandalism, property damage and graffiti

6.20.2 The Council will work with the Shared Owner and other relevant services or agencies to resolve any issues. Should the breach continue, the Council will consider taking legal action which could include seeking an injunction, or action for the forfeiture (termination) of their lease.

6.21 Subletting

6.21.1 Subletting is prohibited.

6.21.2 In exceptional circumstances the Council may grant permission for a Shared Owner to sublet, for example, for Ministry of Defence personnel who are posted away from the property. In all cases, sub-letting must be approved by the Council in writing for a maximum of 6 months. The Shared Owner should not profit from the let if approved.

6.22 After-sales

6.22.1 Lewisham Homes will be responsible for dealing with all after-sales transactions, including stair-casing and re-sales. Shared Owners will be responsible for paying fees associated with Land Registry registration, the payment of stamp duty land tax and legal fees.

6.23 Stair-casing

6.23.1 Shared Owners can apply to increase the share that they own at any time during the term of the Shared Ownership lease. Shared Owners who buy properties outside the AHP 2021-26 programme will be able to buy a further minimum 5% stake each year.

6.23.2 Shared Owners in the AHP 2021-26 programme will be able to buy a further minimum 1% stake each year for 15 years, without the need for a RICS valuation; the Council will not charge an admin fee for this. At any time, the leaseholder can buy a larger stake.

6.23.3 After 15 years, the stake will be 5% or more and will include a RICS qualified surveyor carrying out a valuation and will be subject to an administration fee.

6.24 Downward stair-casing

6.24.1 Downward stair-casing involves the Council repurchasing some of the equity from the existing Shared Owner, who will remain living in the property owning a smaller share of it.

6.24.2 Downward stair-casing will be considered at the discretion of the Council in exceptional circumstances such as where the Shared Owner is at risk of repossession or falling into arrears and where no alternative solution can be found.

6.24.3 Shared Owners will be required to maintain a minimum share of 10% in order that the property is preserved for Shared Ownership

6.25 Re-sales

6.25.1 Shared Owners are required to notify the Council if they intend to sell the property. Lewisham Council will then appoint an independent RICS qualified surveyor within 14 days to establish the market value of the property.

6.25.2 Under the terms of the lease, the Council has four weeks from notification that the Shared Owner wishes to sell to nominate a purchaser who is eligible under the Shared Ownership guidance.

6.25.3 If the Council is unable to nominate a buyer within the nomination period within the lease, or a purchaser is nominated but fails to exchange contracts within 12 weeks, the Shared Owner is entitled to advertise their property on a Shared Ownership basis on the open market.

6.25.4 Re-sale applicants must still meet the eligibility criteria of this Policy

6.25.5 Re-sale applicants will be required to purchase a share equal to or higher than that purchased by the current Shared Owner. For clarity this includes the initial stake purchased and any staircasing since.

6.26 Leasehold repurchase

6.26.1 Shared Owners can request that the Council purchases their entire share of the property. Such requests will be considered in exceptional circumstances where the Shared Owner is able to demonstrate a genuine need, including but not limited to financial hardship, to move and all other alternatives have been exhausted. The Council will consider repurchase requests on a case by case basis and will provide a determination within 28 days of receipt of written notice of a Shared Owner's intention to sell.

6.27 Re-mortgaging and additional borrowing

6.27.1 Shared Owner's may request to increase the borrowing secured against their share of the property subject to the Council's approval.

6.27.2 The Council will consider such requests only where the funds are to be used to:

- Enable the purchase of further shares (stair-casing);
- Enable the Shared Owner to comply with the terms of the lease, for example, to carry out essential repairs; or
- Allow one Shared Owner to buy out another Shared Owner's interest in the property.

6.27.3 Consent will only be given for essential repairs and maintenance. The Council will not permit additional lending for home improvements. As an example, the replacement of a boiler or repairing the roof would be permitted; further borrowing for the addition of a conservatory would not be approved.

6.28 Involvement and consultation

6.28.1 The Council will provide appropriate opportunities for Shared Owners to influence the quality, cost and efficiency of the services they receive. This will include consultation on policies and procedures that affect the Shared Ownership service offered.

6.28.2 Where qualifying works or a long-term agreement is required for the property, the Council will consult with Shared Owners in line with its statutory obligations.

7. Resident consultation and engagement

7.1 As part of the constituent planning applications on the schemes containing shared ownership consultation and information will be given to residents and local stakeholders which will include public exhibitions, drop in sessions and Section 105 consultations.

8. Financial implications

8.1 This report seeks approval for a number of proposals related to the authority becoming a provider of Shared Ownership homes, the introduction of a Shared Ownership Policy and the approval of marketing, sale and management arrangements/agreements for Shared Ownership properties with Lewisham Homes.

8.2 The delivery of the Shared Ownership Units within the BfL programme will include applying GLA AHP 2021-2026 grant to the Shared Ownership units. Right to Buy Receipts will be applied, where GLA funding is unavailable. The total number of Shared Ownership Units outlined in paragraph 4.3 is 294 of which 171 units on Achilles Street and Thomas Lane have attracted GLA funding. It is expected that the remaining 123 units will attract RTB funding if no further GLA funding is secured. The total number of Shared Units within the programme is 328 which is approximately 22.8% of the BfL programme.

8.3 The report seeks further approval for delegated powers to the Executive Director for

Housing, Regeneration and Public Realm to agree a variation to the Management Agreement with Lewisham Homes where the Council is freeholder and Lewisham Homes shall be sales agent for the shared ownership units.

8.4 There are no direct financial implications arising from this report in seeking approval for a Shared Ownership Policy or for agreements for a variation to the Management Agreement with Lewisham Homes to market, sell and manage the units once they have been delivered by the Building for Lewisham Programme.

8.5 Detailed financial implications and risks will be included as each individual project, which includes shared ownership units are brought forward to Mayor and Cabinet for approval. These detailed considerations will include;

- Ensure Optimix project assessment have been completed and confirmation that financial hurdles have been met and agreed;
- Ensure Optimix overall scheme consolidations are within the approved financial limits for the programme as a whole;
- Ensure compliance with grant conditions (GLA, RTB or other) to enable a claim to be made and accepted;
- Ensure that costs associated to the ongoing maintenance, management and future investment needs of the Shared Ownership units are recoverable and included in either the rent or service charge element;
- Ensure that the sales and marketing costs are identified and included within the project assessment and are set-aside and available within the revenue stream;
- Assessment of the suitability of Shared Ownership within the individual projects feasibility with reference to location and demand for these type of units within the location;
- Accounting treatment of the share of the units which remain with the council and included as part of the overall HRA stock; and
- Accounting treatment of reservation fees and final sales income.

9. Legal implications

9.1. Section 1 of the Localism Act 2011 grants Councils a general power of competence whereby a local authority has power to do anything which individuals generally may do. However, that power does not enable a local authority to do anything which it is unable to do by virtue of a pre-commencement limitation. Section 32 of the Housing Act 1985 is a pre-commencement statute which imposes limitations on the Council's power of disposal.

9.2. Any disposal of land held for housing purposes under Part II of the Housing Act 1985 can only proceed in accordance with section 32 of the Housing Act 1985, for which purposes the consent of the Secretary of State for the Department of Communities and Local Government is required. A number of general consents have been issued under the General Housing Consents 2013. Under General Consent A3.1.1, a local authority may dispose of land for a consideration equal to its market value. For this purpose, disposal includes the grant of a shared ownership lease. Accordingly, a RICS valuation will be required for each shared ownership disposal to ensure the Council will be receiving market value. In the event that any disposal takes place from the General Fund in which case the power to dispose is governed by Section 123 of the Local Government Act 1972, an authority may dispose of a dwelling-house to an individual or individuals if it could make the disposal under The General Consent for the Disposal of Land held for the Purposes of Part II of the Housing Act 1985- 2013 were the dwelling-house and the authority ones to which the consent applied. Accordingly the position is

the same for all disposals. The General Consents also stipulate what additional provisions may be included in shared ownership leases. For example, provisions excluding sub-letting and a right of pre-emption (first refusal).

- 9.3. This report proposes that the existing management agreement with Lewisham Homes is varied to include the appointment of Lewisham Homes as the Council's sales and marketing agent for all the Council's Shared Ownership Homes and to provide all necessary management services in connection with those units. The terms of the appointment will be agreed under the authority delegated by this report.
- 9.4. As Lewisham Homes is a wholly owned company, the Teckal exemption will apply and it will be permissible under the Public Contracts Regulations 2015 for the Council to award the contract to LHL for the proposed appointment without undertaking a tender exercise.
- 9.5. The variation is not one which requires Secretary of State's approval under Section 27 of the Housing Act 1985.
- 9.6. In taking this decision, the Council's public sector equality duty must be taken into account. It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 9.7. In summary, the Council must, in the exercise of its functions, have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act; advance equality of opportunity between people who share a protected characteristic and those who do not; foster good relations between people who share a protected characteristic and those who do not.
- 9.8. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above. The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made bearing in mind the issues of relevance and proportionality and understanding the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 9.9. The Equality and Human Rights Commission (EHRC) has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance. The Council must have regard to the statutory code in so far as it relates to the duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found on the EHRC website.
- 9.10. The EHRC has issued five guides for public authorities in England giving advice on the equality duty. The 'Essential' guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice.

10. Equalities implications

- 10.1 An Equalities Impact Assessment has been completed in relation to the proposed Shared Ownership policy and is attached at Appendix 1 in full.

11. Climate change and environmental implications

- 11.1 Existing planning consents are and will be in line with the high standards expected by Lewisham Council and the GLA. Developments will meet or exceed guidance including seeking to reduce energy consumption, emissions, and climate change.
- 11.2 Every effort will be made to enhance the natural environment. This will include undertaking demolition and construction works in line with environmental protection and public health guidelines and seek to limit the impact on neighbours.

12. Crime and disorder implications

- 12.1 There are no crime and disorder implications arising from this report.

13. Health and wellbeing implications

- 13.1 There are no direct health and wellbeing implications arising from this report although the provision of new social homes will have a positive impact on health and wellbeing of people on the housing register waiting for permanent accommodation.

14. Social Value implications

- 14.1 As part of the development, the Council seeks to deliver wider benefits to local residents and businesses by setting targets on employment and training opportunities for Lewisham residents as well as using Lewisham businesses.
- 14.2 Lewisham Homes, the main contractor, setting out their commitments to deliver on the social value aspects of the scheme. This is monitored by officers throughout the build period to maximise the opportunity for Lewisham residents and businesses.

15. Background papers

- 15.1 More information on the previous Mayor and Cabinet reports are available on the Council's website at <https://councilmeetings.lewisham.gov.uk/>

16. Glossary

- 16.1. Definitions for the purposes of this Report

Term	Definition
Equity Stake	The percentage of the property owned by the Shared Owner.
Greater London Authority	The non-departmental public body that provides grant funding for new affordable housing in England. Grant-funded Shared Ownership schemes must be managed in line with the HE guidelines which are set out in the Capital Funding Guide England.
Housing Register	The system used by the Council to prioritise applicants for social housing based on housing need.
Lease	The legal agreement that sets out the rights and responsibilities of both the Shared Owner and the Registered Provider. The lease is granted for a fixed term; however, it is possible for the Shared Owner to extend this lease.

Term	Definition
Leaseholder	A person with an interest in a property granted by a lease which gives them the right to occupy the property for a fixed period.
Lender	The Bank or Building Society who provide the loan to the Shared Owner to purchase their share of the property.
Market Value	The price that the leasehold interest in the property would fetch if sold on the open market by a willing seller, upon the terms and conditions of the Shared Ownership lease and on the assumption the leaseholder would acquire a 100% interest in the lease.
Ministry of Defence Personnel	<ul style="list-style-type: none"> • They have completed their basic (phase 1) training and they are one of the following: • Regular service personnel (including Navy, Army and Air Force) • Clinical staff (with the exception of doctors and dentists) • Ministry of Defence Police Officers • Uniformed staff in the Defence Fire Service • They are ex-regular service personnel who have served in the Armed Forces for a minimum of six years, and can produce a Discharge Certificate (or similar documentation) as proof, where they apply within two years (24 months) of the date of discharge from service or • They are the surviving partners of regular service personnel who have died in service, where they apply within two years (24 months) of the date of being bereaved.
Rent	A monthly amount charged by the Registered Provider that is based on the unsold share of the property. The Shared Owner is required to pay the rent to the Registered Provider/ The Council under the terms of the lease.
Retail Price Index (RPI)	A measure of inflation published monthly by the Office for National Statistics that represents the change in the cost of a representative sample of retail goods and services.
Service Charge	A monthly amount charged by the Registered Provider to recover the cost of providing services, such as maintaining communal parts of a scheme, providing buildings insurance and administration costs. The Shared Owner is required to pay the service charge to the Registered Provider under the terms of the lease.
Shared Owner	The occupier of a property who owns part of the property and pays rent on the remaining share is the Leaseholder of the property.
Shared Ownership	<p>A low cost home ownership scheme which enables a buyer to purchase a share of their home (initially between 25% and 75%) and pay rent on the remainder to a Registered Provider.</p> <p>https://www.gov.uk/guidance/capital-funding-guide/1-help-to-buy-shared-ownership.</p>

Term	Definition
Stair-casing	The process of acquiring additional shares in a Shared Ownership home
The Council	London Borough of Lewisham

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Appendix 1 - Equalities Impact Assessment for Shared Ownership Policy