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| 15 December 2015 |

**APPROVAL OF A POLICY FOR DISPOSALS OF VACANT SOCIAL HOUSING DWELLINGS UNDER SECTION 172 OF THE HOUSING AND REGENERATION ACT 2008 (HRA 2008), IN ACCORDANCE WITH CATEGORY 5 OF THE GENERAL CONSENT 2015**

**TO: Origin Housing Limited, a private registered provider, (“the Provider”)**

**RE: APPLICATION REF: H2032478**

**REGISTERED NUMBER: L0871**

**POLICY TITLE: Social Housing to Market Rent Conversion Programme to support Affordable Homes Programme 2015-2018, (“the Policy”)**

Following consideration of an application from the provider for approval of a policy for disposals so that certain properties can be let out at open market rent levels instead of at social rent levels, the Homes and Communities Agency (HCA) acting as the Social Housing Regulator (‘the regulator’) approves the Policy named above for the purposes of Category 5 of Part I of the General Consent 2015 (“Category 5”) solely on the basis set out in this approval.

This approval takes effect on 4 January 2016and remainsvalid until the Expiry Date (being the earlier of 30 November 2018 or until one of the cessation events listed below occurs). That means that it covers those disposals which comply with the requirements below and which are made after 4 January 2016; that no further disposals may be made under the Policy after the Expiry Date.

**Valid Use of this Approval**

To be a valid use of Category 5, each disposal made under the Policy must comply with the following requirements:

1. Must require consent under s172 of HRA 2008;
2. Must comply with the specific conditions set out in Category 5,
3. Must comply with the general conditions set out in Part II of the General Consent 2015, except that compliance with condition 3(b) is not required since condition 3(b) is disapplied for the purposes of this approval.
4. Must comply with the information and objectives set out in the Policy and, the Policy Particulars (set out below).

**Policy Particulars**

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| 1 | The Properties | Those properties which comply with the Policy Particulars set out below. |
| 2 | Selection criteria of the Properties to be disposed of under the Policy | 1. Unoccupied social housing dwellings.
2. Studios, 1 or 2 bedroom properties approved for disposal by the Provider’s Asset Review Group, giving priority to category of properties types set out in the Provider’s Property Asset Disposal and Change of Use Policy 2014-2018.
3. Situated within the London Borough of Camden
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| 3 | Limit on numbers | * No more than 75 Properties in total
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| 4 | Interest in the Properties to be disposed of | * Lease for a term of no longer than 5 years, (‘the Lease’).
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| 5 | To be disposed of to  | * Origin Properties Limited only (“the Lessee”) which may not assign or otherwise part with possession other than to market rent residential occupiers.
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| 6 | Receipt by the Provider | The Provider will receive: 1. The rent under each Lease, calculated on the basis of no less than 75% of the open market rental value, (as determined by the Rightmove Automated Valuation Model), calculated by reference to the weekly prevailing open market rent x 52 weeks payable for each year of the lease term;
2. A management fee of £1,000 per unit leased per annum;
3. Any taxable profits received by the Lessee under or arising from the Lease, to be paid by way of Gift Aid to the Provider.
4. The Lessee should make no distribution, transfer, donation or gift out of the profits derived from the properties to any entity other than the Provider
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| 7 | Audit condition | The Provider will when carrying out the audit required by the Specific conditions of Category 5:* ensure that the audit and the report include consideration of the use of the Policy. Such consideration should include the assessment of compliance with these general Policy Particulars, with relevant conditions of the General Consent 2015, and with the information and objectives set out in the Policy; and
* set out findings as to whether anticipated levels of receipts have been received.
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**The cessation events**

The cessation events are those listed below:

1. The regulator issues a notice to the provider withdrawing or revoking this approval (note that such a notice will in addition be published)
2. The regulator issues a notice withdrawing General Consent 2015, or categories of it from the Provider.
3. The provider is deregistered as a registered provider of social housing.

**I, the undersigned, am authorised by the regulator to sign this approval given under s.172 of the HRA 2008**

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| Signature |  |

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| Neill Soane |  |
| Consents Team Leader |  |
| 15 December 2015 |  |

**Attachment**

Appendix - General conditions set out in Part II of the General Consent 2015 and Specific Conditions in relation to Part I of the General Consent 2015 (“Category 5”)

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**Part II**

**General conditions applying to disposals**

A Private Registered Provider may make a disposal under part I of this General Consent (for this purpose disregarding category 6) if all the relevant conditions below (and, where applicable, those specified in the relevant category, but subject to any disapplication or variation of the following conditions specified in the relevant category) are met.

**Conditions**

1. The disposal shall adhere to all relevant law and comply with the Private Registered Provider's governing document and all regulatory requirements.
2. If the disposal is of a Social Housing Dwelling subject to a legal charge or mortgage, the consent of the mortgagee to the disposal should be obtained before exchanging contracts, unless the charge or mortgage will be discharged from the disposal proceeds.
3. a. Every disposal under this General Consent shall be at Best Consideration or in the case of an auction, the reserve price shall be the Best Consideration.

 b. Every decision to dispose shall be supported by a Valuation carried out by a Valuer.

4. Each disposal shall have governing body authority and decisions shall be properly minuted. Subject to the Private Registered Provider’s constitution, governing bodies may delegate authority to a sub-committee or two or more Officers for any of the categories in part I of this General Consent, according to an appropriate scheme of delegation.

5. Before any disposal takes place the Secretary (or equivalent) and one other authorised Officer or employee of the Private Registered Provider shall certify to the disponee in a form specified by the Regulator:

* that the provisions of section 172 of the Act or Section 133 of the Housing Act 1988 or Section 171D of the Housing Act 1985 as appropriate have been complied with, that the disposal accords with the General Consent and that the conditions of the General Consent have been complied with;
	+ specifying the category of the General Consent that applies;
	+ identifying the interest or title being disposed of; and
	+ identifying the Social Housing Dwelling(s) which are the subject of the disposal

6. A Private Registered Provider shall maintain a register of disposals made under the authority of the General Consent which contains:

* a copy of the certification to the disponee with the same information as required in the certification to the disponee;
* the identity of the disponee;
* the date of the disposal; and
* if one was required, the valuation obtained in accordance with General Condition 3B and supply or make this available to the Regulator if requested.

7. If the disposal is of a Social Housing Dwelling funded by Capital Grant or by Financial Assistance from the Homes and Communities Agency or the Greater London Authority, the Private Registered Provider should consult the Homes and Communities Agency’s Affordable Housing Capital Funding Guide and any other terms (including under contractual arrangements) under which grant was given, or the equivalent publication of the Greater London Authority in respect of a disposal in Greater London, to see whether the disposal is one that calls for the repayment or recycling of the Capital Grant or Financial Assistance. If so, the Private Registered Provider shall follow the timetables for reporting and recording published in the guide or any other relevant requirements.

8. The disposal shall not, in the opinion of the Private Registered Provider’s governing body, materially affect the Private Registered Provider’s assets that are available as security for its existing financial commitments.

9. Disposals shall not be made to or for the benefit of the Private Registered Provider’s officers, employees, and their relatives, or any businesses trading for profit in which those parties have an interest.

**Category 5**

**Application: Disposals under Section 172 of the Act**

A Private Registered Provider may dispose of an Unoccupied Social Housing Dwelling by way of a transfer or by way of a grant, surrender or assignment of a lease in accordance with the terms of a policy for disposals submitted by the Private Registered Provider to the Regulator and which is approved by the Regulator after the Effective Date. In approving a policy for disposals, the Regulator may disapply or modify General Condition 3.

Specific conditions

* In addition to the certification required by General Condition 5, a Private Registered Provider shall certify to the person(s) to whom the disposal is made (or their solicitor) that the disposal is in accordance with the terms of a policy for disposals submitted by the Private Registered Provider to the Regulator and approved by the Regulator.
* The Private Registered Provider must carry out an independent audit (which need not be an external audit) and prepare a report on its use of this category of consent every twelve months from the date of the Regulator's approval of the policy. A copy of the report must be provided to the Regulator on request.