

Item: 12

Education, Leisure and Housing Committee: 5 February 2020.

Low Cost Home Ownership Scheme – Proposed Golden Share.

Report by Executive Director of Education, Leisure and Housing.

1. Purpose of Report

To consider the request from Orkney Housing Association Limited to introduce Golden Share in respect of new supply Shared Equity Housing developments in Kirkwall.

2. Recommendations

The Committee is invited to note:

2.1.

That Orkney Housing Association Limited has approached the Council to seek support in its application to the Scottish Government to enable a Golden Share to be implemented in respect of any new supply Shared Equity properties developed in Kirkwall in the coming years.

2.2.

That implementation of the Golden Share would allow Orkney Housing Association Limited to retain a percentage share in each new supply Shared Equity low cost home ownership property developed by Orkney Housing Association Limited in Kirkwall from 2020 onwards.

2.3.

That implementation of a Golden Share would not impact upon existing Orkney Housing Association Limited's low-cost home ownership properties, only those built after any approval is granted.

2.4.

That, as the Council is the strategic housing authority for Orkney, prior to approving the request from Orkney Housing Association Limited, the Scottish Government is seeking assurance that the Council supports implementation of the Golden Share.

It is recommended:

2.5.

That the Council support the request from Orkney Housing Association Limited towards implementation of a Golden Share in new supply Shared Equity properties developed in Kirkwall.

3. Golden Share Scheme

3.1.

The objective behind a Golden Share scheme is to ensure that the property in question is always sold to households that meet the criteria for shared equity. This approach retains more affordable housing as affordable housing helping to meet demand, particularly in high demand areas.

3.2.

Orkney Housing Association Limited has approached the Council seeking support in its application to the Scottish Government to allow a Golden Share to be implemented in any new supply Shared Equity properties that are developed in Kirkwall over the coming years.

3.3.

Implementation of the Golden Share would allow Orkney Housing Association Limited to retain a percentage share in each New Supply Shared Equity low cost home ownership property developed by Orkney Housing Association Limited in Kirkwall from 2020 onwards.

3.4.

Implementation of a Golden Share would not impact upon existing Orkney Housing Association low cost home ownership properties, only those built after any approval is granted.

3.5.

The waiting list for Orkney Housing Association Limited's shared equity properties in Orkney currently sits at 39 households, 25 of which are looking for properties in Kirkwall making it the highest demand area.

3.6.

Orkney Housing Association Limited has requested that a Golden Share be implemented due to the level of housing pressure and the high level of demand for low cost home ownership in Kirkwall.

3.7.

As the Council is the strategic housing authority for Orkney, the Scottish Government requires the Council to be in support of implementation of a Golden Share before it approves Orkney Housing Association Limited's request.

4. Links to Council Plan

4.1.

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Council Plan strategic priority of Quality of Life.

4.2.

The proposals in this report relate directly to the Priority to work with partners to provide opportunities to make Orkney an attractive location for young people to live, work and study.

5. Links to Local Outcomes Improvement Plan

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Local Outcomes Improvement Plan priority of Strong Communities.

6. Financial Implications

There are no direct financial implications arising from the recommendations of this report.

7. Legal Aspects

There are no direct legal implications arising from the recommendations of this report.

8. Contact Officers

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