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Ms Margaret Uhure
Affordable Housing Division
Department for Communities and Local Government
Zone 2/J10 Eland House
Bressenden Place
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18 December 2008

Dear Ms Uhure

Thank you for giving us the opportunity to comment on the Shared Ownership and Leasehold Enfranchisement and Designation of 'Protected Areas' consultation paper.

We have answered the questions we believe are applicable to us as a registered social landlord (attached).

In addition we would like to point out is that in our experience stair casing can make it extremely difficult for applicants to get a mortgage. We are experiencing this on many schemes as lenders will not offer products on restricted stair casing sales in nearly all cases and we are therefore mostly limited to selling to buyers with enough savings to buy their shares without needing a mortgage.

We would like to call for some sort of provision to be made to allow flexibility, such as a cascade mechanism. Where we have exhausted all possible options for securing a buyer with the stair casing restriction applying, there should be the flexibility to remove the restriction if a buyer can't be found.

Alternatively discussions should take place with lenders to support these sales.

We are happy for the answers to this consultation to be public.

Please do not hesitate to contact me if you require any further clarification.

Yours sincerely

Clare Brine
Head of Public and Community Affairs

RESPONSES FROM CIRCLE ANGLIA

Shared Ownership and Leasehold Enfranchisement and Designation of 'Protected Areas' consultation paper

Question 1 - Do you agree with the criteria for protecting areas?

A: We believe that the criteria appear to be quite broad and do not in themselves appear to preclude local authorities from designating large areas as 'protected'

Question 2 – Are there any other criteria which you consider should be used to demonstrate the difficulty in replacing shared ownership homes in a particular area?

A: Circle Anglia suggests that if local authorities have chosen to protect areas they should be required to maintain waiting lists for shared ownership which is updated at least annually

Question 3 – On the basis of these criteria, what type of locations in your area would you wish to put forward for consideration for designation?

A: Rural areas or places where there is a limited stock of homes and restrictions on new development

Questions 4 – Do you agree that all these conditions should be applied to non-housing associations?

A: Circle Anglia agrees that these conditions should be applied to non-housing associations

Question 5 – Do you agree that it should be a requirement for non-housing association leases to set out the initial rent and the basis for any increases?

A: We agree with this proposal

Question 6 – Do you consider it necessary to apply this requirement to leases granted by housing associations?

A: We agree it is necessary to do this

Question 7 – Do you consider that any other additional provisions in relation to rent should be specified in regulations for non-housing associations?

A: No we do not consider that other additional provisions should be specified in regulations for non-housing associations

Question 8 – Do you agree that the minimum initial share which purchasers can buy should be limited to 25 per cent?

A: Yes we agree with this proposal

Question 10 – Do you agree that shared owners should not be required to staircase in less than 10 per cent instalments?

A: Yes we agree with this statement

Question 11 – Do you agree that shared owners should not be required to acquire more than 25 per cent in any one instalment?

A: Yes we agree with this statement

Question 12 – Do you agree that shared owners should be able to acquire additional shares in instalments of less than 10 per cent or more than 25 per cent, if they choose to do so?

A: Yes we agree with this statement

Question 13 – Do you have any further comments on these requirements for protected areas?

A: Not further comments

Question 14 – Do you consider it essential that all shared ownership leases, irrespective of provider, should include a mortgagee in possession clause? If so, why? A: We think it should. The reason being to enable the widest availability of mortgage funding, but lenders should be reminded of the benefit of additional security that this gives them

Question 15 – Are there any other condition which you consider should be applied in regulations to non-housing association providers?

A: Nothing further to add