



Report To:	Tracey Carter – Portfolio Holder for Strategic and Operational Housing
Date:	14 November 2025
Subject:	Application to Homes England for a Designated Protected Area (DPA) waiver request – Pinchbeck
Purpose:	<p>The report seeks to formalise the Council’s agreement to a request from Accent Housing (a registered provider of social housing) to submit a DPA waiver request regarding Land east of Surfleet Road, Pinchbeck. This allows Accent Housing to access affordable housing grant from Homes England, enabling them to provide shared ownership homes on the site.</p> <p>This report has been produced in accordance with the agreed procedure for such requests (as captured in the Portfolio Holder - Housing and Health report published 4 September 2020).</p>
Key Decision:	N/A
Portfolio Holder:	Tracey Carter - Portfolio Holder for Strategic and Operational Housing
Report Of:	Matthew Hogan, Assistant Director - Strategic Growth and Development
Report Author:	Julie Hanson – Housing Strategy and Enabling Officer
Ward(s) Affected:	Pinchbeck
Exempt Report:	NO

Summary

A procedure was agreed in September 2020 to determine requests from Registered Providers (RPs) for the authority to apply to Homes England to allow them to sell shared ownership properties in Designated Protected Areas (DPAs) on standard lease terms rather than the restricted lease terms. This procedure has been followed in relation to this current request from Accent Housing to waive the conditions of Homes England grant for the shared ownership homes at Land east of Surfleet Road, Pinchbeck. This report is seeking to determine this request following consultation with the Ward Members and Planning Service.

Recommendations

That an application be made to Homes England on behalf of Accent Housing to apply a waiver to the 'Designated Protected Area' status that applies to the locality.

The report seeks to formalise the Council's agreement to a request from Accent Housing (a registered provider of social housing) to submit a DPA waiver request in respect of Land east of Surfleet Road, Pinchbeck. This allows Accent Housing to access affordable housing grant from Homes England, enabling them to provide shared ownership homes on the site.

This action would empower Accent Housing to advertise the properties using Homes England's standard lease terms, effectively removing any restrictive conditions on 'staircasing' i.e. homeowners will be able to acquire up to 100% of the property. This is as opposed to staircasing being 'capped' at 80%. Applying the DPA waiver removes this cap, whilst also allowing the housing association to access grants to provide the homes.

Reasons for Recommendations

- There is strong evidence for the need for affordable homes in South Holland, and shared ownership is a tenure that plays a demonstrable role in supporting households into home ownership in the area. Granting the waiver allows Accent Housing to utilize the Homes England allocated grant of £1,320,000, which will support investment in South Holland and the delivery of affordable homes.
- It is rare for owners of shared ownership housing to 'staircase' to 100% in Pinchbeck (and indeed across the district as a whole). Therefore, there is limited evidence of the need to use regulation to restrict staircasing in Pinchbeck, as homes tend to remain in supply as shared ownership housing on subsequent sales.
- To support and encourage the provision of new affordable home ownership products in the district. The Homes England grant funding can only be utilized on the units if the DPA waiver is granted. The funding will also be reused, at the point of the shared owners purchasing additional shares, to deliver affordable homes in the future.
- To allow these homes to be sold on the same lease terms as other shared ownership homes in Pinchbeck. The S106 agreement for the site allows the purchaser to buy 100% of the property. Therefore, a waiver is necessary to align with the S106 agreement and to allow the homes to be sold on the same terms as other shared ownership homes Pinchbeck.
- Given the ongoing supply of shared ownership housing, it is reasonable to allow purchasers of these homes to acquire them on a standard lease, as this should improve mortgage availability for prospective buyers.

Other Options Considered

Option One: Take no action, which would result in no application being made to Homes England, preventing Accent Housing from accessing the grant funding to bring the share ownership units forward.

Option two: The council declines the request from Accent Housing and chooses not to seek a waiver from Homes England which would have the same effect as above.

1. BACKGROUND

- 1.1 The report of the Portfolio Holder for Housing and Health titled 'Shared Ownership Housing in Designated Protected Areas', published 4 September 2020, introduced a procedure for determining Designated Protected Area (DPA) waiver requests. That report provided background on Designated Protected Areas and the implications of using restricted shared ownership leases in DPAs. In short, Pinchbeck is covered by a regulatory instrument which is designed to limit the loss of shared ownership properties through outright purchase by their owners. In non-DPA areas, shared ownership owners have the option to 'staircase' to (i.e. progress towards) 100% ownership of their homes. In area covered by a DPA, staircasing is capped at 80%. Pinchbeck (like many parts of South Holland) are covered by this instrument.
- 1.2 Accent Housing are the Registered providers for Land east of Surfleet Road, Pinchbeck. The site has planning approval to deliver 37 units with a division of 15 social rented units and 22 shared ownership units. Accent Housing has successfully secured £1,320,000 of grant funding which is currently allocated for the shared ownership units to be delivered on this site. However, Homes England would only release the allocated grant funding to this site where restrictions on 'staircasing' do not apply. Accent Housing are also investigating further grant funding of £220,000 from Homes England for MMC Construction. Delivery of the units is scheduled by summer of 2026.
- 1.3 Accent Housing has approached the Housing Strategy and Enabling Officer requesting that an application be made to Homes England for them to consider waiving the DPA criteria for the shared ownership dwellings at Land east of Surfleet Road, Pinchbeck. This will allow the homes to be sold by Accent Housing on Homes England's standard lease terms rather than on restricted lease terms and to align with the S106 agreement for the site. Consequently, Accent Housing requires the Council to consider a DPA waiver application to deliver the proposed investment. Such a request needs formal approval from the council. The council has an established process for dealing with such requests, which involves a Portfolio Holder decision informed through ward member consultation.

2. REPORT

- 2.1 The Homes England grant process is established in such a way that the funds would not be released to Accent Housing to further this development without the DPA waiver and Accent Housing has indicated that they are unable to guarantee that they can buy back the properties.
- 2.2 On balance, this report recommends supporting the waiver request, as doing so would provide the following benefits to the council:
- Approving the waiver will enable Accent Housing to access the Homes England grant, which will boost investment in the district and facilitate the delivery of affordable homes. There is strong evidence of the need for affordable housing in South Holland, and shared ownership has proven to be an effective means of helping households achieve homeownership.

- In Pinchbeck, and across the district, it is uncommon for shared ownership homeowners to 'staircase' to 100% ownership. As a result, there is little need to impose regulations restricting staircasing in Pinchbeck, as shared ownership homes typically remain available for future buyers.

2.3 There are existing shared ownership properties in Pinchbeck that follow Homes England's standard lease terms, with additional shared ownership homes currently under construction. Further shared ownership properties are also expected to be available in Pinchbeck on designated sites as outlined in the South East Lincolnshire Plan through 2036.

2.4 Ward members have been consulted on the proposals, The Ward Members advised that they either had no objections to the proposals and/or that were content to allow the Portfolio Holder for Strategic and Operational Housing to decide on the matter.

2.5 The Planning Service have been informed of the request. They have no concerns with the request as the Local Plan and associated planning guidance does not contain any provisions that shared ownership housing within a DPA should be restricted.

3. CONCLUSION

3.1 As set out in Section 2 of this report, there is an existing and future supply of shared ownership housing in Pinchbeck. Therefore, this is not a location where the shared ownership housing will be difficult to replace.

3.2 Allowing the standard lease terms to be used will enable the opportunity for shared owners to eventually own their homes outright. If Homes England does not provide a waiver, the properties will have a restricted lease agreement meaning that the purchasers can only ever own up to 80% of the property, unless Accent Housing is able to commit to buying back the property (which they have indicated they are unable to do).

3.3 The report recommends supporting the waiver request, as it will enable investment in affordable housing through the Homes England grant and is not hindered by the low rate of full ownership 'staircasing' in shared ownership properties in the district.

Implications

South and East Lincolnshire Councils Partnership

The report's recommendations align with the Partnership's strategic priorities for Growth and Prosperity, particularly regarding the delivery of affordable housing.

Corporate Priorities

The provision of shared ownership housing supports the ambition in the SELCP Sub-regional strategy 2024/25 – 2028/29 to improve housing standards, and deliver affordable housing based on housing needs now.

Staffing

None

Workforce Capacity Implications

None

Constitutional and Legal Implications

- Homes England has a procedure in place which allows Local Authorities to apply on behalf of RPs, or themselves, for a waiver which allows the RP to provide shared ownership homes in a DPA with the benefit of a standard lease rather than a restricted lease.
- The report of the Portfolio Holder for Housing and Health titled 'Shared Ownership Housing in Designated Protected Areas', published 4 September 2020, agreed an internal procedure for the Portfolio Holder for Housing and Health to determine any applications made by RPs for the authority to apply for a waiver, following liaison with Ward Members, Strategic Housing Manager and the Planning Service.

Data Protection

None

Financial

As a condition of the Homes England grant funding Accent Housing are required to recycle the grant as the shared owner purchases more shares. This grant will be reused for the future delivery of affordable homes.

Risk Management

DPAs are established to safeguard areas where replacing shared ownership properties would be difficult. If Homes England grants the waiver to Accent Housing, it would allow owners to staircase to 100% ownership and gain full rights to the property. This implication raises concerns that such properties may be removed from the affordable housing pool. However, considering the estimated growth percentage for the area and the ongoing development of new affordable housing, there should be sufficient new housing available to offset any potential loss.

Stakeholder / Consultation / Timescales

The local Ward Councillors and the Planning Service have been consulted with their feedback referenced in this report.

Reputation

None

Contracts

