



# Disposals of Assets Policy

## 1.0 Introduction

1.1 As a not-for-profit registered provider of housing with charitable objectives, we must comply with charity law and our regulatory obligations when disposing of assets. This Policy sets out the criteria for voluntarily disposing of assets, whether vacant or occupied. It does not apply where we are directed under a compulsory purchase order.

1.2 This Policy covers assets of all tenures, including:

- Houses
- Flats
- Land
- Garages and car park areas
- Offices
- Community spaces
- Assets classified as investment properties
- Wayleave / rights over land or property.

It does not cover:

- Homes sold under Right to Buy or Right to Acquire
- Sales of shares in shared ownership leases
- Collective enfranchisement
- Lease extensions to existing leaseholders.

1.3 This Policy helps us to make the best use of our assets to operate efficiently.

1.4 In this Policy, the terms 'we', 'our', and 'us' mean Southern Housing.

## 2.0 Criteria for disposing of assets

2.1 We may dispose voluntarily of assets where they fall into one or more of the criteria below:

- a) Is outside our core operational area, meaning it's challenging to deliver services to meet our standards, and/or management costs could be high
- b) Where demand is low, meaning it is/becoming harder to let or turnover is high
- c) Projected rental income is not sufficient to cover short or long term management and maintenance costs

- d) Where an asset becomes void and has a high value for the location, and selling would enable us to improve the overall Net Present Value of stock
  - e) Requires significant investment to relet or maintain, meaning it would be uneconomic and wasteful of resources, including, but not limited to, modern standards for sound/acoustics, energy efficiency, accessibility, building safety, decent homes standards etc.
  - f) Has a history of expensive or uneconomic repairs
  - g) Is, in either the short or long term, unsuitable to be retained as social housing
  - h) Is part of an existing building or scheme we have decided to dispose of
  - i) May pose a risk, if not dealt with, to our reputation, or a health and safety risk
  - j) Is located in a building where we have no, or a very limited, role. In particular where there are likely to be major communal repairs in the foreseeable future.
  - k) Where we are approached by a potential buyer.
- 2.2 Despite an asset meeting the criteria above, we may decide not to dispose of it if there is a potential advantage to our continued ownership.
- 2.3 We may dispose of empty or occupied assets.
- 2.4 Where assets identified for potential disposal are occupied, we'll consider the impact on residents, in line with our [Reasonable Adjustments & Vulnerable Needs Policy](#), in our options appraisal. Where we decide to dispose of occupied assets, we'll:
- Consult residents in line with regulatory obligations under the [Transparency, Influence and Accountability Standard](#)
  - Only sell dwellings to registered providers of social housing.
- 2.5 Where we decide to dispose of an occupied dwelling with vacant possession, we will do so in line with our [Replacement Homes Policy](#) and [Compensation Policy](#), so it is vacant before we sell it.
- 2.6 We'll carry out an options appraisal for each asset or group of assets meeting one or more of the above criteria. All disposals will be at a price within 10% of the value supported by a RICS qualified valuer undertaken within six months of sale price agreed.
- 2.7 We will carry out disposals in line with our Governance Framework & Delegations and the Disposal Procedure, which set out the approvals needed. Board must approve any disposal which falls outside this Policy.
- 2.8 Regulations govern the disposal of our social housing dwellings including specific guidance on notification. We will dispose of properties in accordance with government regulations. These may change from time to time.

### 3.0 Conclusion

- 3.1 It's important we manage our assets effectively and efficiently. Sometimes the best option will be to dispose of individual or a group of assets.
- 3.2 Our Policy sets out the criteria under which we will consider an asset for disposal.

### 4.0 What we've done to ensure this Policy is fair

- 4.1 We've carried out an Equality Impact Assessment to consider the positive and negative impacts this Policy may have on people with protected characteristics under the [Equality Act 2010](#).
- 4.2 We recognise some residents may need adjustments due to a language barrier, disability, cultural need, or vulnerability. In these circumstances, in line with our [Reasonable Adjustments & Vulnerable Needs Policy](#), we'll work with residents to ensure we consider their specific needs, on a case-by-case basis, provided it doesn't compromise health and safety to individuals or homes. This includes working in partnership with other agencies to ensure we manage and mitigate any known risks of safety and wellbeing.
- 4.3 We aspire to embed diversity and inclusion within the culture of our business activities.

### 5.0 Review

- 5.1 We will review this Policy to address legislative, regulatory, best practice, or operational issues.

<b>Policy controls</b>
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