PROPERTY DISPOSALS POLICY

Freebridge
COMMUNITY HOUSING

Property Disposals Policy			
Last Reviewed:	**June 2026**	**Next Review:**	**June 2027**
Responsible Officer:	Chief Operations Officer		

Policy Statement

This policy sets out Freebridge Community Housing's framework for the disposal of property assets. It applies to houses, bungalows, flats, garages, car parks, offices, community facilities, and wayleaves or rights over land or property.

It does not apply to:

- Right to Buy or Right to Acquire sales
- Shared ownership sales
- Lease extensions
- Standalone land disposals

The policy supports proactive asset management to ensure our homes remain safe, warm, affordable, and sustainable.

An initial four-year period (2026/27–2029/30) will involve increased disposal activity to address the poorest-performing properties and reduce disproportionate capital and retrofit investment requirements, particularly in relation to achieving EPC 'C'. Beyond 2030, investment will focus on retained stock to support transition toward net zero carbon standards.

Disposal decisions will always be evidence-led, strategically aligned, and handled with clarity, fairness, and respect for affected customers.

Policy Rationale

Freebridge Community Housing is committed to maintaining a safe, sustainable, and financially resilient housing portfolio.

A proportion of the existing stock presents long-term challenges due to age, construction type, energy performance, and disproportionate lifecycle costs. In certain cases, continued investment would not represent best value when assessed against alternative uses of capital.

Where assets no longer represent strategic fit or sustainable long-term value, disposal may be appropriate. Capital receipts will be recycled into retained stock, new supply, and strategic priorities.

Disposals will be considered within a wider strategic context including stock performance data, financial viability, demand, social value, and regulatory requirements. The policy aligns with the Asset Management Strategy, Business Plan and Environmental Sustainability objectives.

Where homes are occupied, we recognise the direct impact on customers and will communicate clearly and provide appropriate support.

Strategic Approach to the Disposal of Poorly Performing Stock

Freebridge Community Housing adopts a structured and evidence-led approach to the identification and disposal of its poorest performing housing stock.

The purpose of this approach is not to reduce numbers, but to actively reshape the portfolio to ensure long-term sustainability, improved quality, and better outcomes for customers. Properties may be considered for disposal where they demonstrate sustained underperformance across a combination of financial, operational, and environmental measures, including:

- Disproportionately high lifecycle or maintenance costs
- Poor energy performance and limited retrofit viability
- Structural or construction-related constraints
- Low relative rental performance or weak long-term demand
- Significant future capital liability when assessed over a 30-year period

Decisions will be based on comparative data across the portfolio rather than isolated indicators. This ensures disposals are targeted, proportionate and aligned with the organisation's Asset Management Strategy and Business Plan.

Capital receipts generated through this strategic programme will be reinvested to:

- Improve retained stock
- Support new supply and regeneration activity
- Reduce long-term carbon and compliance risk
- Strengthen financial resilience

This approach enables Freebridge Community Housing to focus investment where it delivers the greatest benefit to customers while maintaining a high-quality, sustainable, and financially robust housing portfolio.

Scope

As a Registered Provider, Freebridge will comply with the Charities Act 2011 and regulatory requirements when disposing of property assets. This policy:

- Defines criteria for voluntary disposals (vacant or occupied)
- Establishes a structured decision-making framework
- Delegates authority within defined parameters
- Ensures transparency and accountability

Disposals outside defined criteria, or those with significant financial, strategic, or reputational implications, will be escalated to the Board.

An annual summary of disposals will be reported for oversight.

Principles

Freebridge will:

- Comply with regulatory requirements and notify the Regulator where required
- Seek appropriate legal advice for all transactions
- Ensure compliance with relevant legislation, guidance, and best practice

For tenanted properties, we may consider stock transfer to another Registered Provider where appropriate.

Where open market sale or auction is pursued for occupied homes, we will work with customers to identify suitable alternative housing within Freebridge wherever reasonably practicable, linking with the Moving Out Policy.

Customer communication will be clear, timely and accessible throughout the process.

Criteria for Identifying Potential Disposal Assets

The entire housing stock will undergo a top-level 'property metrics' assessment, scoring the stock in following areas:

- Average 30-year capital costs – from the corporate Business Plan
- Average revenue costs – based on the average of the last five years revenue spending
- Current EPC/SAP rating
- Age of the asset
- Construction type
- Rental income

Scoring is applied to the above areas as follows:

- 30 Year Capital Costs: 1 – 10 (lowest cost = 10, Highest cost = 1)
- 5 Year Repair Costs: 1 – 10 (lowest cost = 10, Highest cost = 1)
- EPC Rating: 1 – 10 (Highest Rating = 10, Lowest Rating = 1)
- Age of Property: 1 – 10 (Newest = 10, Oldest = 1)
- Construction Type: 1 – 10 (New Traditional = 10, PRC = 1)
- 52 W Rental Income: 1 – 10 (Highest Income = 10, Lowest Income = 1)

Assets are then categorised as one of the following based on their score, with the potential disposals represented by the bottom third of the combined scores:

- Core Stock
- Maintain & Invest
- Potential Disposal

Core Stock will generally not be considered for disposal.

Maintain & Invest assets may be considered following further appraisal.

Potential Disposal assets are most likely to proceed to option appraisal.

Properties significantly adapted through Disabled Facilities Grants may be excluded where appropriate.

The Property Metrics assessment is not attempting to be over prescriptive. It is looking for the poorest scoring properties that should be targeted on a proactive disposals program.

The Property Metrics assessment is designed to be updatable as the capital business plan is refreshed and the revenue spending on housing changes, along with EPC/SAP and asset data changes.

For proactively targeted disposals, only the lowest-scoring uncharged properties will be recommended for disposal. This approach minimises the need to engage with lenders regarding the transfer of charges to alternative FCH homes. Charged properties identified as high-cost voids through the stock option appraisal process may also be considered for disposal. See **Stock Options Appraisal.**

Stock Option Appraisal

When a property becomes void, is identified for potential disposal via the property metrics appraisal or requires major investment, a full Stock Option Appraisal will assess:

- Stock Classification: Maintain, invest, dispose
- Property details, such as tenanted or void, off road parking, adequately sized garden, adequate property size, and layout.
- Property details (no scoring).
- Build date.
- Construction type.
- Void Costs (capital & revenue).
- Responsive repair costs (revenue)
- Planned (Capital) costs.
- Tenancy Length
- Property risks
- Income & Expenditure.
- Market valuation (estimated).
- SAP (EPC) score.
- Regeneration/Development potential.

Maximum Score 116

Score	Outcome
0–45	Dispose or Redevelop
46–55	Consider Disposal
56–70	Maintain or Refurbish
71+	Retain as Core Stock

Properties scoring 45 or below will normally proceed to disposal consideration.

No ‘charged’ property will enter the disposal process until confirmed by the Chief Finance and Technology Officer.

Method of Disposal

The preferred method is auction via Auction House East Anglia. Alternative routes may be used where they deliver improved value, including open market sale.

Customers affected by disposal will be informed of the chosen method and likely timescales.

Managing the Asset Prior to Disposal

All properties selected for disposal will be secured and safely maintained until the point of sale, including both the property itself and any associated outdoor space.

The Local Authority may be approached where alternative public use (e.g. Temporary Accommodation) could be appropriate.

Delegated Authority

The Chief Operations Officer, on behalf of the Chief Executive Officer, is authorised to approve disposals within the criteria set out in this policy.

Escalation to the Board will occur where:

- Disposals fall outside criteria
- There are significant strategic or reputational implications

Disposals will not exceed 270 units by the end of 2029/30.

Progress will be monitored through governance reporting.

A flexible and phased programme will mitigate delivery risks arising from customer engagement requirements, market conditions, or transaction delays.

Formal Disposal & Recording

No access will be granted to purchasers between deposit and completion.

Buyer-type information will be requested via the auction house for monitoring purposes.

Equality, Diversity & Inclusion

Freebridge will comply with the Equality Act 2010 and its Equality, Diversity & Inclusion Policy.

We will:

- Ensure fair and consistent treatment
- Make reasonable adjustments where required
- Provide accessible communication
- Avoid discrimination in disposal or rehousing processes

See also **Customer Equality, Diversity and Inclusion Polic**y.

Treatment of Customers in Occupation

Where a property identified for disposal is occupied, Freebridge Community Housing recognises that a home represents stability, security, and community connection. Decisions will therefore be managed sensitively and in accordance with legal and regulatory requirements.

We will:

- Inform affected customers at the earliest reasonable stage once a disposal decision is confirmed
- Clearly explain the reasons for disposal, proposed timescales, and next steps
- Ensure that customers receive the full package of compensation (both statutory and discretionary) that they are entitled to – see also **Moving Out Policy**
- Where practicable, offer suitable alternative accommodation within Freebridge stock
- Provide support throughout the rehousing process, including assistance with bidding, moving arrangements and access to advice
- Consider the specific needs of each household and make reasonable adjustments where required, including reasonable adaptations required
- Ensure customers are not disadvantaged because of the disposal decision

Where disposal is via transfer to another Registered Provider, appropriate consultation requirements will be followed.

Disposal decisions will never be implemented in a manner that places customers at risk of homelessness.

Policy Review

The policy will be reviewed annually, or sooner if required by regulatory or market changes.