

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	22 August 2018
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Council House Open Market Purchase for Specific and Urgent Housing Need
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ request Committee approval for the purchase of a property on the open market exceeding £100,000 to meet an urgent and specific applicant's housing need

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the Executive Director (Housing and Technical Resources) be authorised to progress the purchase of a property on the open market to meet the urgent housing needs of a specific applicant with complex medical and care needs; and
- (2) that authority be granted to the Executive Director (Housing and Technical Resources), in conjunction with the Head of Legal Services to conclude matters for the purchase of a property over the authorised value of £100,000, and to enter into the necessary legal agreements on terms which are in the best interests of the Council.

3. Background

3.1. A previous report to the Housing and Technical Resources Committee (1 July 2015) approved proposals for a Council House Open Market Purchase Scheme to increase the supply of Council housing stock aligned to four key strategic outcomes identified in our Local Housing Strategy including:-

- ◆ the purchase of high demand property types in areas where stock has been depleted through RTB
- ◆ the purchase of property to support area regeneration activity or address Empty Homes blight
- ◆ the purchase of property to secure majority owner status in shared blocks to facilitate planned maintenance and improvement works
- ◆ the purchase of property to address an urgent and specific applicant housing need promptly and more cost effectively than adapting and/or converting an existing Council house

3.2. To facilitate implementation of the Scheme, a subsequent report to the Executive Committee on 26 August 2015 approved a revision to the Scheme of Delegation increasing the Executive Director (Housing and Technical Resources) financial limit for acquisitions to £100,000.

- 3.3. In July 2018, Estates Services were asked to identify properties on the open market suitable to meet the complex medical and care needs of a specific applicant whose needs cannot be met within the Council's existing housing stock. A potentially suitable property has now been identified, however, the value of this property exceeds maximum financial limit of £100,000 in the current Delegated Authority set for acquisition of land and property.
- 3.4. Based on an assessment of market valuations for the type of property required to meet the needs of the applicant, in the locations required, Estates advise that a reasonable threshold for the purchase of suitable property would be in the region of £140,000. As with every purchase, the Council's surveyors would seek to secure best value in any acquisition on the basis of a negotiated reduction on the property Home Report value.
- 3.5. It should also be emphasised that this purchase will be made on the basis as a strictly one off purchase to meet the needs of a certain individual.
- 3.6. As this report is seeking approval to purchase a property type to meet the specific needs of a vulnerable individual, it is inappropriate to include within this report information that could lead to the identification of the applicant involved. The property purchased would be added to the Council's operational housing stock.

4. Employee Implications

- 4.1. There are no employee implications.

5. Financial Implications

- 5.1. The specific housing needs of the applicant identified cannot be met through adaptation of existing stock. The approved delegated authority maximum threshold for acquisition of the purchase of a suitable property is up to £100,000 and it is expected that the purchase of the property outlined in this report will be over that limit. The purchase is required quickly in order to meet the urgent and specific housing needs of the identified applicant and will enable the Council to negotiate an acquisition of a suitable property more effectively on the open market.
- 5.2. The purchase can be made within approved HRA Capital budgets and funding.

6. Other Implications

- 6.1. The purchase of a suitable property enabled by this report will ensure the Council meets its statutory duty to house the vulnerable individual concerned. There are no significant risk or sustainability issues associated with this report.
- 6.2. Normal Council protocols to ensure that there are no conflicts of interest apply to this scheme.

7. Equality Impact Assessment and Consultation Arrangements

- 7.1. This report does not introduce a new policy, function or strategy and therefore no separate impact assessment is required.
- 7.2. No formal consultation process was required in terms of the recommendation contained in this report.

Daniel Lowe
Executive Director (Housing and Technical Resources)

2 August 2018

Link(s) to Council Values/Objectives

- ◆ Improve the availability, quality, and access of housing
- ◆ Improve later life
- ◆ Support our communities by tackling disadvantage and deprivation and supporting aspiration
- ◆ Deliver better health and social care outcomes for all

Previous References

- ◆ Housing and Technical Resources Committee, 1 July 2015
- ◆ Executive Committee, 26 August 2015

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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