

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	29 September 2021
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Council Open Market Purchase Scheme
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1. Purpose of Report

1.1. The purpose of the report is to: -

- ♦ advise on action taken, in terms of Standing Order No 36(c) in view of the timescales involved, by the Executive Director (Housing and Technical Resources), in consultation with the Chair and an ex officio member, to seek approval to purchase a property on the open market

2. Recommendation(s)

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

- (1) that the action taken, in terms of Standing Order No 36(c) by the Executive Director (Housing and Technical Resources), in consultation with the Chair and an ex officio member, to authorise the purchase of 8 Swisscot Avenue, Hamilton on the open market to meet specific housing need and demand within an area, be noted
- (2) that the action taken by Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, to conclude all matters in respect of the purchase of 8 Swisscot Avenue, Hamilton, and to enter into the necessary legal agreements on terms which are in the best interests of the Council, be noted

3. Background

- 3.1. The Council House Open Market Purchase Scheme allows for the purchase of property to increase the supply of Council housing stock aligned to four key strategic outcomes identified in our Local Housing Strategy. One of the key outcomes is the property is of a particular type/size required to meet identified housing needs and demands within an area.
- 3.2. Grant subsidy towards the purchase of any property on the open market is available from the Scottish Government through the Affordable Housing Supply Funding Grant.
- 3.3. The Scheme of Delegation places a financial limit for acquisitions, under this scheme, of £100,000.
- 3.4. Estates Services have been asked to identify properties on the open market suitable to meet a specific housing need that cannot be met within the Council's existing housing stock. A 3 bedroomed semi-detached house at 8 Swisscot Avenue, Hamilton, has become available, however, the value of this property exceeds the maximum financial limit of £100,000 set out in the current Delegated Authority for acquisition of land and property.

4. Proposal

- 4.1. Based on an assessment of market valuations for the type of property required to meet the needs of the applicant, in the location required, Estates Services advise that a reasonable threshold for the purchase of a suitable property would be £125,000. As with every purchase, the Council's surveyors would seek to secure best value in any acquisition.
- 4.2. This purchase is a strictly one-off purchase to meet one of the key objectives as it is of a particular type/size required to meet identified housing needs and demands within an area.
- 4.3. Engagement has taken place with the local housing team to confirm that the property at 8 Swisscot Avenue, Hamilton is suitable and required.
- 4.4. Early approval for the purchase was required in order to meet timescales for the offer process and enabled the Council to negotiate the acquisition more effectively on the open market.
- 4.5. Once the acquisition is concluded, an application will be made to the Scottish Government to recover grant subsidy towards the purchase of this property.

5. Employee Implications

- 5.1. There are no employee implications.

6. Financial Implications

- 6.1. The purchase can be made within approved HRA Capital budgets and additional funding from the Scottish Government will contribute to the purchase.

7. Climate Change, Sustainability and Environmental Services

- 7.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

8. Other Implications

- 8.1. The purchase of a suitable property enabled by this report will ensure the Council meets its statutory duty.
- 8.2. Normal Council protocols to ensure that there are no conflicts of interest apply to this scheme.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 9.2. No formal consultation process was required in terms of the recommendation contained in this report.

Daniel Lowe

Executive Director (Housing and Technical Resources)

19 August 2021

Link(s) to Council Values/Ambitions/Objectives

- ◆ Improve the availability, quality and access of housing.
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities.

- ◆ Achieve results through leadership, good governance and organisational effectiveness.

Previous References

- ◆ None

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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