

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	17 February 2021
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Open Market Purchase Scheme
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ seek approval for the criteria for the Open Market Purchase Scheme to be extended to include consideration of long-term empty properties in the private sector not being marketed for sale

2. Recommendation(s)

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

- (1) that the additional criterion for the Open Market Purchase Scheme, as set out at 4.1, be approved.

3. Background

3.1. The existing Open Market Purchase Scheme (OMPS) was approved by Housing and Technical Resources Committee in July 2015. The innovative scheme allows for a targeted approach to acquire additional housing stock to support outcomes in the Local Housing Strategy, whilst maximising use of Scottish Government grant funding.

3.2. The criteria for the OMPS aligns to key strategic outcomes as set out within the Local Housing Strategy:-

- ◆ property is of a particular type/size required to meet identified housing needs and demands within an area
- ◆ property will support regeneration within an area or allow the Council to tackle a particular issue in an area
- ◆ property would make the Council the majority owner in a block and allow for future investment or improvement work to be undertaken
- ◆ property provides the most cost effective and appropriate solution to meeting an urgent and specific housing need

In addition to the above, the property must be actively marketed for sale with a Home Report.

- 3.3. Currently the Council have a target to acquire 60 units through the OMPS by the end of this financial year. Subsequent yearly targets are set out in the Strategic Housing Investment Plan. To facilitate this, property selling websites are reviewed regularly to identify properties which meet the criteria set out for the OMPS.

4. Impact of long term empty homes

- 4.1. It is widely recognised that long term empty homes can have a detrimental impact on surrounding properties and the areas in which they are located. Issues with empty homes present themselves in the form of deteriorating property condition, non-participation in common repairs and properties can also become a target for antisocial behaviour activities.
- 4.2. A large proportion of long term empty properties are empty as a result of the owner not having the funds to bring the property back into use. Bringing a property to market can involve significant marketing and other associated cost, thereby creating an additional barrier for owners. Consequently, OMPS can act as another tool for bringing long term empty properties back into use and a number of other local authorities have included this in their criteria.

5. Proposal for extending the OMPS criteria

- 5.1. As noted at 3.2, the current criteria for the OMPS includes a requirement for the property to be actively marketed for sale. To help alleviate the impact long term empty homes have on local areas as well as the financial barriers some owners of long term empty homes face, it is proposed that the current criteria for the OMPS be extended to allow consideration to be given to purchasing long term empty homes which are not marketed for sale.

- 5.2. The additional criterion proposed is detailed below:-

'Where a property has been empty for a period exceeding two years as determined by council tax records, the property may be considered by the Council for purchase under the scheme, without being actively marketed for sale. All other criteria will still apply.'

- 5.3. The additional criterion proposed would provide greater flexibility in acquiring properties under the OMPS, where owners of long term empty homes were unable to bring these back into use with the other support available to them from the Council.
- 5.4. The key focus of the work of the Empty Homes Officer (EHO) will be to continue to work with owners to advise on the range of options available to them to bring the property back into use. Any property identified by the EHO as potentially suitable for OMPS will be considered in terms of operational and strategic suitability.
- 5.5. The purchase of long term empty properties will contribute to the Council's target to acquire units through the OMPS, whilst simultaneously improving the local area and providing a cost effective means of increasing affordable housing supply.

6. Next Steps

- 6.1. It is proposed that the additional criterion for the OMPS be introduced with immediate effect. Details of the Scheme will be updated on the Council's website.

7. Employee Implications

- 7.1. There are no employee implications associated with this report.

8. Financial Implications

- 8.1. The purchase of properties through the OMPS are made within approved Housing Revenue Account Capital budgets and funding.

9. Climate Change, Sustainability and Environmental Implications

- 9.1. This report does not introduce a new policy, function or strategy which impacts on the natural environment, climate change or sustainability.
- 9.2. 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 strategic environmental assessment is required.

10. Other Implications

- 10.1. There are no other implications as a consequence of this report.

11. Equality Impact Assessment and Consultation Arrangements

- 11.1. The proposal outlined in this report is consistent with approved actions set out in the Council's Local Housing Strategy which has undergone an Equalities Impact Assessment. It does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no separate impact assessment is required.
- 11.2. Internal consultation on the proposals contained within this report has taken place with relevant stakeholders.

Daniel Lowe

Executive Director (Housing and Technical Resources)

6 January 2021

Link(s) to Council Values/Ambitions/Objectives

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

Previous References

- ◆ Housing and Technical Resources Committee Report, 1 July 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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