

Key Decision Required:	Yes	In the Forward Plan:	Yes
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CABINET

JOINT REPORT OF THE PORTFOLIO HOLDER FOR CORPORATE FINANCE AND GOVERNANCE AND THE PORTFOLIO HOLDER FOR HOUSING

11th OCTOBER 2019

A.4 FREEHOLD PURCHASE OF A RESIDENTIAL PROPERTY

(Report prepared by Matthew Wicks & Tim R Clarke)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek approval from Cabinet for the freehold purchase of a residential property in Tendring

EXECUTIVE SUMMARY

The Council is investigating the best way to support a family living with complex disabilities who are threatened with homelessness and have applied to join the Housing Register. The most appropriate option appears to be to purchase their current property which is one that was purchased from the Council a number of years ago through the Right to Buy scheme.

Due to the sensitive nature of the case and the desire to protect the confidentiality of the residents, details of the location are only set out in the Part B report.

Full details of the purchase can be found in Part B of this Report.

RECOMMENDATION(S)

That Cabinet authorises the freehold purchase of the property in principle, subject to its decision on terms and authorising the Corporate Director (Operational Corporate Services) to enter in to a contract and transfer deed to complete the purchase of the property all as set out in the report in Part B of this agenda.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Our priorities include providing decent affordable housing and to ensure all our residents live in high quality housing which meets local needs.

The purchase of this property will ensure the provision of an affordable home that adapted to suit their specific needs.

To manage public money effectively meaning value for money principles are embedded in the delivery of all our services. The freehold purchase of this property is likely to save the costs associated with the family becoming homeless.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The purchase of properties carries a financial cost but would bring an additional dwelling/s into the Housing Revenue Account that could immediately begin generating a return.

The purchase will be 30% funded from capital receipts that have been generated from previous Right to Buy sales and in order to comply with capital receipt pooling regulations 70% will be funded from the Housing Revenue Account (HRA) New Build and Acquisitions fund.

Risk

Officers have not identified any significant risk associated with the proposals.

LEGAL

In coming to decisions in relation to the management or procurement of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the District.

Section 17 of the Housing Act 1985 provides the principal power for the acquisition of land for housing purposes, including land as a site for the erection of houses; this includes the power to acquire land for the purposes of disposing of the land to a person who intends to provide housing accommodation on it.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

Area or Ward Affected

Dovercourt area

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Council is working with a family who are threatened with homelessness due to mortgage arrears but who also have a need for an adapted property. It is likely that the Council will be in a position where it needs to find suitable accommodation in order to prevent or relieve homelessness.

For a number of years the Council has had a very strong demand for this size of property which have been adapted to assist tenants with disabilities. Turnover of tenancies is very slow and it is very unlikely that a property suitable for this family will become available.

The property currently occupied by the family was purchased from the Council a number of years ago through the Right to Buy scheme. Taking a broad and pragmatic view of what are very unusual and complex circumstances an effective option is for the Council explore the purchase of their current property that is already undergoing adaptations via a Disabled Facilities Grant. This would bring a further adapted property into the housing stock whilst discharging a statutory homelessness duty.

The family have been accepted onto the councils Housing Register and are in a high priority banding that would qualify them for a property such as this were it to become available. It is therefore proposed that the family become tenants on completion of the sale.

CURRENT POSITION

The Housing Manager and the Development & Building Manager have visited the property and are agreed that it is suitable to bring back into the Council's housing stock.

A Chartered Surveyor valuation has been obtained and a purchase price agreed.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None