

<b>Key Decision Required:</b>	<b>No</b>	<b>In the Forward Plan:</b>	<b>No</b>
-------------------------------	-----------	-----------------------------	-----------

## PORTFOLIO HOLDER FOR FINANCE AND CORPORATE RESOURCES

8 October 2019

### A.1 INITIATION OF THE PROPERTY DEALING PROCEDURE: PURCHASE OF A THREE BEDROOM HOUSE IN DOVERCOURT

(Report prepared by Heidi Foster)

#### PART 1 – KEY INFORMATION

##### PURPOSE OF THE REPORT

To consider whether to initiate the Council's Property Dealing Process for the potential purchase of a three bedroom house in Dovercourt.

##### EXECUTIVE SUMMARY

The property was purchased from TDC 1 year and 8 months ago under the Right to Buy scheme. The homeowner's family now wish to sell the property, however they are within the Buyback Right of First Refusal period (10 years). The Council has capital receipts from Right to Buy sales and S106 income. Given our shortage of three bedroom properties in Dovercourt, purchasing such a property would make an ideal use of these funds.

##### RECOMMENDATION(S)

**That the Portfolio Holder initiates the property dealing process, in respect of the potential purchase of a three bedroom house from the current owner's family, in order that Officers may consider the potential transaction, including valuation, examinations, and negotiations in accordance with the Council's Property Dealing Policy, as set out in the Constitution.**

#### 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. To aid and support housing land allocations made which will support sustainable mixed developments and the supply of affordable housing sites apply high design standards to all new proposals.

To manage public money effectively meaning value for money principles are embedded in the delivery of all our services

##### 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 transaction could be financed through funds already held from Right to Buy and/or S106 receipts.

###### 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 All Saints Ward

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

For a number of years the Council has had a very strong demand for three bedroom properties in the Tendring district. However our stock has dwindled and turnover of tenancies is very slow.

The property was purchased from TDC one year and eight months ago under the Right to Buy scheme so now that the property is being resold we are still within the period of having first option. Identifying ex-Council properties that have been sold originally through the Right to Buy scheme, present value for money and are easier to maintain as their construction is known to the Building Services Team.

### **CURRENT POSITION**

The Senior Tenancy Management Officer and the Building Services Manager have viewed the property via appointment with the family in order to determine its suitability.

Authorisation is now required to enter into negotiations.

### **BACKGROUND PAPERS FOR THE DECISION**

None

### **APPENDICES**

None