

Key Decision Required:	No	In the Forward Plan:	No
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PORTFOLIO HOLDER FOR FINANCE AND CORPORATE RESOURCES

16 October 2019

A.1 INITIATION OF THE PROPERTY DEALING PROCEDURE: PURCHASE OF TWO, THREE BEDROOM HOUSES IN CLACTON (Report prepared by Matthew Wicks)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider whether to initiate the Council's Property Dealing Process for the potential purchase of two, three bedroom houses in Clacton from London and Quadrant Housing Association.

EXECUTIVE SUMMARY

The Council has capital receipts from Right to Buy sales and given our chronic shortage of three bedroom accommodation in Clacton on Sea, purchasing such properties would make an ideal use of these funds in an area where such accommodation is in high demand.

In order to fully explore this option the property dealing procedure must be initiated.

RECOMMENDATION(S)

That the Portfolio Holder initiates the property dealing process, in respect of the potential purchase of two, three bedroom houses from London and Quadrant, 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

Clacton Wards

PART 3 – SUPPORTING INFORMATION

BACKGROUND

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

Officers have been approached by London and Quadrant Housing Association who are interested in selling two of their properties. The properties have been viewed by the Housing Manager, Development & Building Manager and Senior Housing Renewal & Adaptations Officer and have been identified as properties of high demand, potentially adaptable to accommodate families with disabilities and the construction is known to the Building Services Team.

CURRENT POSITION

The Housing Manager and the Development & Building Manager have visited the properties and are agreed that they are suitable properties to bring into the Council's housing stock.

Authorisation is now required to obtain a valuation and enter into negotiations.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None