

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

PORTFOLIO HOLDER FOR CORPORATE FINANCE AND GOVERNANCE SERVICES

28 November 2019

A.1 INITIATION OF THE PROPERTY DEALING PROCEDURE: PURCHASE OF A THREE BEDROOM HOUSE IN CLACTON ON SEA

(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 property in Clacton on Sea.

EXECUTIVE SUMMARY

The property is currently for sale on the open market

The Council has capital receipts from Right to Buy sales and given our shortage of three bedroom houses in the Clacton on Sea area, purchasing this property would make an ideal purchase using these funds.

RECOMMENDATION(S)

That the Portfolio Holder initiates the property dealing process, in respect of the potential purchase of the house from the current owner (or similar alternative house under same conditions), 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 property carries a financial cost but would bring an additional dwelling 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 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

Coppins Ward, Clacton on Sea

PART 3 – SUPPORTING INFORMATION

BACKGROUND

For a number of years the Council has had a strong demand for three bed houses in the Clacton area. However our stock has dwindled and turnover of tenancies is very slow. Officers have been exploring the market for possible purchases and this property has become available. It is an ex council house having been sold through the right to buy scheme. The Council still owns other properties in the road and as the design and construction are known to the Building Services team it makes a sensible proposition.

CURRENT POSITION

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

Authorisation is now required to enter into negotiations.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None