

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

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

24th JANUARY 2020

A.3 FREEHOLD PURCHASE OF TWO RESIDENTIAL PROPERTIES IN CLACTON-ON-SEA

(Report prepared by Heidi Foster)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek approval from Cabinet for the freehold purchase of two residential properties in Clacton-on-Sea.

EXECUTIVE SUMMARY

The proposal is to purchase two vacant freehold three bed houses. The properties are currently vacant and are owned by a Registered Housing Association.

For a number of years the Council has had a strong demand for three bedroom houses. In October 2019 Portfolio Holder approval was obtained to initiate the Council's Property Dealing Procedure, to obtain an independent valuation of the properties and to negotiate a price with the owners.

The market valuations have now been obtained and negotiations with the owners have been completed satisfactorily, to enable the purchases to be progressed to their conclusion. Purchasing these properties will enable them to remain available for social housing.

Part B refers to the detail of negotiations.

RECOMMENDATIONS

That Cabinet authorises the freehold purchase of the two properties in principle, subject to its decision on terms and authorises the Deputy Chief Executive to enter in to a contract and transfer deed to complete the purchase of the properties 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.

Supporting the supply of affordable housing.

Managing 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 two additional dwellings into the Housing Revenue Account that could immediately begin generating a return.

The purchase will funded from Section 106 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.

Ward

Cann Hall Ward – Clacton on Sea

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 a Housing Association who are interested in selling two of their vacant 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 Tenancy Management and Building Services Teams have viewed the properties and carried out full assessments. In October 2019 Portfolio Holder approval was obtained to initiate the Property Dealing Process and independent valuations were undertaken.

FURTHER HEADINGS RELEVANT TO THE REPORT

None

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None