

<b>Key Decision Required:</b>	<b>No</b>	<b>In the Forward Plan:</b>	<b>No</b>
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**17 January 2022**

**A.1 INITIATION OF THE PROPERTY DEALING PROCEDURE:  
PURCHASE OF A TWO BEDROOM HOUSE IN CLACTON**

(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 two bedroom ex-Council house in Clacton on Sea.

**EXECUTIVE SUMMARY**

The Council has Section 106 and Right to Buy sale receipts and given our chronic shortage of two 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.

The property has scored very high on the acquisition matrix which forms part of the Acquisitions and Developments Policy which was adopted by Cabinet in October 2020.

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

**RECOMMENDATION(S)**

**That the Deputy Leader and Portfolio Holder for Corporate Finance and Governance initiates the property dealing process, in respect of the potential purchase of a two bedroom house, 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.

**Climate Impacts**

The purchase of this property does not present a direct impact on the Council’s target for net zero greenhouse gas emissions from its business operations by 2030. It does however present an opportunity to improve the energy efficiency of the property as part of the refurbishment process and thereby reduce the greenhouse gas emissions generated by the eventual tenants. The aim will be to improve the energy performance of the property as much as reasonably possible

## **FINANCE, OTHER RESOURCES AND RISK**

### **Finance and other resources**

The purchase of properties 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 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**

Bluehouse Ward

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

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

The property was purchased under Right to Buy on 9 January 2017, we are within the Buyback Right of First Refusal and the construction is known to the Building Services Team.

### **CURRENT POSITION**

The Senior Tenancy Management Officer and Development and Building Manager have visited the property and are agreed that it is a suitable property 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