

Key Decision Required:	No	In the Forward Plan:	No
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REPORT OF THE DEPUTY LEADER, PORTFOLIO HOLDER FOR CORPORATE FINANCE AND GOVERNANCESERVICES

12 November 2021

A. INITIATION OF THE PROPERTY DEALING PROCEDURE: SALE OF A FIVE BEDROOM HOUSE IN HARWICH (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 sale of a five bedroom house in Harwich that needs substantial maintenance work.

EXECUTIVE SUMMARY

The property is grade II listed building, with significant repairs required.

The Housing Service Repairs and Maintenance inspectors anticipate spending in the region of £75,000 in order to bring the property up to our void standard.

The property is in area of lower demand due to housing association new builds in Harwich and so given the projected expenditure the appropriate decision appears to be to sell the property on the open market and reinvest the receipts into a traditional ex-Council house in the Tendring area.

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 sale of the of the five 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

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The sale of the property will avoid the Council having to outlay significant sums on a non-traditional Council house. The use of the receipts could be added to funds already held from Right to Buy and/or S106 receipts and used to bring a more suitable additional dwelling/s into the Housing Revenue Account that could immediately begin generating a return.

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

Harwich Wards

PART 3 – SUPPORTING INFORMATION

BACKGROUND

Our Housing Solutions & Allocations Manager has stated that there is only 1 family on the register for a 5-bed house in Harwich.

The property is grade II listed building, construction was in the 1850s with red Flemish-bond brickwork. Roofs are of C20 imitation slate with hipped ends and windows are timber sliding sash. The works to carry out to get it to a letting standard will be costly. All of the walls have rising damp internal and external and due to the dampness in the walls this may have caused damage to the timber joists. There are signs that this has happened however until we uncover all the ground it is difficult to say how much. The bathrooms and kitchen need renewing and all of the plaster will need removing and replacing. To keep a property of this size is not cost effective as it will continue to be a maintenance problem and being listed makes it more difficult to keep to the high standard that is required within the current budgets. If we were to keep this property it would be in excess of £75,000 to a letting standard. A building surveyor carried out a specification for a similar property in Angel Gate to do everything possible and it was around £180,000.

Therefore this makes selling the property the preferred option.

CURRENT POSITION

A number of Senior Officers from within the Housing and Building and Maintenance Teams have visited the property and are agreed that selling the property is the preferred option.

Authorisation is now required to obtain two valuations and enter into negotiations.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None