RECORD OF EXECUTIVE DECISION

TITLE OF THE DECISION :-

Date	Decision Maker	Decision	Reason(s) for Decision	Alternative Options Considered	Conflicts of Interest Declared (and Dispensations granted by the Monitoring Officer)	Consultation with relevant Ward Member(s) Yes/No	Subject to Call-in? Yes/No
16 June 2025	Leader and Portfolio Holder for Corporate Finance and Governance and the Portfolio Holder for Housing	Initiate the property dealing process, in respect of the potential purchase of three properties that are available as Section 106 obligation homes at a new housing development in the village of Wix.	To consider the request received to in accordance with the Council's Property Dealing Procedure.	To not initiate the Property Dealing Procedure	None	To be confirmed	Yes

URGENT DECISIONS ONLY (If non-urgent go to "Agreement to Decision" below):-

GENERAL EXCEPTION APPLIES? (Rule 14 Access to Information Procedure Rules)	NO	If yes, has at least 5 clear days notice been given to the Chairman of the relevant overview and scrutiny committee?	N/A
SPECIAL URGENCY APPLIES? (Rule 15 Access to Information Procedure Rules)	NO	If yes, has the Chairman of the relevant overview and scrutiny committee's consent been obtained?	N/A
EXEMPTION FROM CALL-IN APPLIES? (Rule 18i Overview and Scrutiny Procedure Rules)	NO	If yes, has the Chairman of the relevant overview and scrutiny committee's consent been obtained?	N/A
URGENT & OUTSIDE BUDGET OR POLICY FRAMEWORK? (Rule 6 Budget and Policy Framework Procedure Rules)	NO	If yes, why is it not practical to convene a quorate meeting of full Council?	
		If yes, has the Chairman of the relevant overview and scrutiny committee's consent been obtained?	N/A

AGREEMENT TO DECISION:-

Signed:- .... Decision Maker PFH responsible for Housing	Date:- 16/6/25	Delegated Power Reference (in Part 3 of the Constitution):- **Housing Portfolio Holder Delegated Powers (Housing Management) – Part 3.33** **Property Dealing Procedure Appendix A Levels of Decision Making (Part 5)** ....

Original signed copy to be retained by Service.
Electronic copy to be sent to democraticservices@tendringdc.gov.uk for publication.

TDC/DS&E/Record of Executive Decision/v2/12.22

LEADER OF THE COUNCIL

Leader and Portfolio Holder for Corporate Finance and Governance and the Portfolio Holder for Housing

REPORT OF THE CORPORATE DIRECTOR – OPERATIONS & DELIVERY

11 June 2025

A.1 INITIATION OF THE PROPERTY DEALING PROCEDURE: PURCHASE OF THREE PROPERTIES IN THE VILLAGE OF WIX

(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 freehold purchase of three properties in the village of Wix.

EXECUTIVE SUMMARY

The Council is committed to increasing its housing stock in order to meet rising demands for high quality, affordable housing in the district. This commitment is a priority in the Council's Corporate Plan and Housing Strategy. These homes will be acquired or built via a range of approaches.

The Senior Housing Manager has identified three properties that are available as Section 106 obligation homes at a new housing development in the village of Wix. The properties are of high demand, and the construction is known to the Building Services Team.

The Council has Section 106 and Right to Buy sale receipts and given our chronic shortage of two, three and four-bedroom homes in Wix, purchasing these properties would make an ideal use of these funds in areas where such accommodation is in high demand.

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

RECOMMENDATION(S)

It is recommended that:

That the Leader and Portfolio Holder for Corporate Finance and Governance and the Portfolio Holder for Housing initiates the property dealing process, in respect of the potential purchase of three properties that are available as a Section 106 obligations at a new housing development in the village of Wix, in order that Officers may consider the potential transactions, including valuations, examinations, and negotiations in accordance with the Council's Property Dealing Policy, as set out in the Constitution.

REASON(S) FOR THE RECOMMENDATION(S)

Although the purchase of the freehold interest in the properties carry a financial cost, it will provide three additional dwellings for the Council's housing stock to meet local need and generate rental income. In order to fully explore this option the property dealing procedure must be initiated.

ALTERNATIVE OPTIONS CONSIDERED

Not to initiate the property dealing procedure which will result in another social housing provider needing to be found to purchase the properties. Given the shortage of two, three and four bedroom houses in Wix within our housing stock this option has been discounted.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Initiating the Property Dealing Procedure and exploring the purchase allows us to explore if the freehold interests have potential to contribute to the priorities in the Corporate Plan for pride in our area and services to residents as well as financial sustainability and openness.

The Council's Housing Strategy, adopted in October 2020, also has delivering homes to meet the needs of local people as one of its key strategic priorities.

OUTCOME OF CONSULTATION AND ENGAGEMENT (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

The Chair of the Tenants' Panel has agreed to the principle of purchasing properties that meet the Council's acquisition priorities.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

<table>
<tr><td rowspan="2">Is the recommendation a Key Decision (see the criteria stated here)</td><td rowspan="2">~~YES~~/NO</td><td>If Yes, indicate which by which criteria it is a Key Decision</td><td>□ Significant effect on two or more wards
□ Involves £100,000 expenditure/income
□ Is otherwise significant for the service budget</td></tr>
<tr><td>And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)</td><td></td></tr>
</table>

Section 17(1)(b) of the Housing Act 1985 provides the principal power for the acquisition of houses, or buildings which may be made suitable as houses, together with any land occupied with the houses or buildings, for housing purposes.

In accordance with Section 56 of the Housing Act 1985, “house” includes any yard, garden, outhouses and appurtenances belonging to the house or usually enjoyed with it.

Pursuant to Section 9 of the Housing Act 1985 (“the 85 Act”), a local housing authority may provide housing accommodation by acquiring houses. Section 24 of the 85 Act provides that the Council acting as a housing authority may make such reasonable charges as they may determine for the tenancy or occupation of their houses.

☐ **The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

There are no further comments over and above those set out elsewhere in this report.

FINANCE AND OTHER RESOURCE IMPLICATIONS

The purchase of the properties carries a financial cost but this also results in three additional properties being added to the Housing Revenue Account that can generate a return via the future rental income received.

The purchases would be wholly funded by Right to Buy receipts and Section 106 agreements for affordable housing.

Risk

Officers have not identified any significant risk associated with the proposals other than the risk associated with the Right to Buy – a financial risk that is inherent to almost all Council owned housing.

However, Section 131 of the Housing Act 1985 (as amended) limits the Right to Buy discount to ensure that the purchase price does not fall below what has been spent on building, buying, repairing or maintaining it over a certain period of time – known as relevant expenditure. For properties built or acquired before 1 April 2012, this period is 10 years but this period increases to 15 years for those built or acquired after 1 April 2012.

☐ **The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

There are no further comments over and above those set out elsewhere in this report.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	This is set out in the Finance and Other Resource Implications section of this report.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	This is set out in the Legal Requirements section of this report.

C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	This is set out in the Finance and Other Resource Implications section of this report.

MILESTONES AND DELIVERY

Subject to Portfolio Holder approvals, it is anticipated that valuation and negotiations will be completed by the end of June 2025. If the transactions were then to proceed it would be completed by the Council's Legal Service.

ASSOCIATED RISKS AND MITIGATION

Officers have not identified any significant risk associated with the proposals other than the risk associated with the Right to Buy – a financial risk that is inherent to almost all Council owned housing.

However, as stated under Finance and Other Resource Implications, Section 131 of the Housing Act 1985 (as amended) limits the Right to Buy discount to ensure that the purchase price does not fall below what has been spent on building, buying, repairing or maintaining it over a certain period of time – known as relevant expenditure.

EQUALITY IMPLICATIONS

The proposal does not impact on the protected characteristics of any individuals

SOCIAL VALUE CONSIDERATIONS

None identified

IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION

None identified

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

The purchase of these properties does not present a direct impact on the Council's target for net zero greenhouse gas emissions from its business operations by 2050. 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.

OTHER RELEVANT CONSIDERATIONS OR 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	**None noted**
Health Inequalities	**None noted**
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	**None noted**

Area or Ward affected	**Oakleys and Wix**

PART 3 – SUPPORTING INFORMATION

BACKGROUND
The Council's Corporate Plan and Housing Strategy include commitments to add further homes to the Council's housing stock. For a number of years, the Council has had strong demand for two-, three- and four-bedroom properties in the village of Wix. However our stock has dwindled and turnover of tenancies is very slow. The three homes have been identified as a properties of high demand and the construction is known to the Building Services Team. The Council has Section 106 and Right to Buy sale capital receipts and by purchasing the properties using the Section 106 and Right to Buy funds we will be able to add three additional properties to our housing stock. The Senior Housing Manager has identified that monies are available to potentially purchase this property and that big demand exists. Authorisation is now required to obtain a valuation and enter into negotiations.
PREVIOUS RELEVANT DECISIONS
None
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
None

APPENDICES
None

REPORT CONTACT OFFICER(S)	
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