PORTFOLIO HOLDER FOR HOUSING AND PLANNING

REPORT OF THE CORPORATE DIRECTOR – OPERATIONS & DELIVERY

30 JANUARY 2026

A. PURCHASE OF THE LEASEHOLD INTEREST IN A RESIDENTIAL PROPERTY IN DOVERCOURT

(Report prepared by Heidi Foster)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To seek approval from the Housing and Planning Portfolio Holder for the purchase of a one-bedroom flat in Dovercourt.

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. This proposal is to purchase a one-bedroom flat in Dovercourt. The property is within an area where TDC already own numerous properties so this acquisition will add an additional property to our housing stock and is of a type that is of high demand for our customers. The existing New Build and Acquisitions budget within the HRA capital programme will be used for this purchase. The property has scored highly on the acquisition matrix, which forms part of the Acquisitions and Development Policy adopted by Cabinet in October 2020. In October 2025 Portfolio Holder approval was obtained to initiate the Council's Property Dealing Procedure, to obtain an independent valuation of the property and to negotiate a price with the owners. An independent market valuation was subsequently obtained and negotiations with the owner have been completed satisfactorily, to enable the purchase to be progressed to a conclusion. Purchasing this property will add an additional property to the Council's housing stock in the Housing Revenue Account. Part B of this report refers to the detail of negotiations.

RECOMMENDATION(S)
It is recommended that the Portfolio Holder for Housing and Planning: (a) Agrees the proposal to purchase the Leasehold Interest in a residential property in Dovercourt, meets the requirements of the Council's Housing Acquisition and Development Policy; (b) authorises, in principle, to proceed with the acquisition of the property, subject to the decision in Part B of this report; and (c) in accordance with the Council's Scheme of Delegation, authorises the Assistant Director for Housing and Environment, in consultation with Legal Services, to enter into contract and transfer deed, as necessary, to complete the purchase of the property.

REASON(S) FOR THE RECOMMENDATION(S)
Although the purchase of the property carries a financial cost, it will provide an additional dwelling for the Council's housing stock to meet local need and generate rental income.

ALTERNATIVE OPTIONS CONSIDERED
Not to purchase the property has been considered. Given the demand for this type of property as a rental within the Council's own housing stock this option has been discounted.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The purchase of the property has 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 January 2026 includes the following four priorities:

1. **Maintain and improve our existing housing stock.**

   This focusses on the Councill's role as a landlord and the management of its homes ensuring compliance with statutory obligations along with the Consumer Standards and Tenant Satisfaction Measures

2. **Preventing and reducing homelessness.**

   With homelessness having increased and the majority of councils facing significant cost pressures this priority is setting out what the Council is doing to reduce expenditure and increase its prevention work.

3. **Delivering, with partners, high quality homes.**

   This priority focuses on the delivery of affordable housing in the district

4. **Supporting people in their homes and communities.**

   This priority is aimed at those living in the privately rented sector and those owning their own homes and sets out what the Council is doing to ensure housing standards are maintained across all tenures.

The acquisition of additional homes contributes to these priorities by providing additional high quality, affordable housing for residents of the district. This will help to alleviate homelessness and if the home can be adapted to meet the needs of someone living with a disability it will contribute to supporting people in their homes and communities.

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)

Consultation has been undertaken with:

The Principal Building Surveyor and Housing Solutions Manager, who both support the purchase of this property.

The Chair of the Tenants' Panel who 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
X 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>3 November 2025</td></tr>
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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:**

The feedback on the recommendations has been taken into account and consequently, there are no further comments to add to the report

FINANCE AND OTHER RESOURCE IMPLICATIONS

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

The purchase is to be met from the existing New Build and Acquisitions budget within the HRA capital programme. Further detail is set out in the Part B report.

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 within the report. However, as part of existing Officer delegations, the proposed funding approach set out within the report is subject to review as part of the wider outturn processes for 2025/26, where changes may arise in

circumstances that are potentially advantageous to the Council e.g. the use of retained Right to Buy Receipts.	
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 approval, anticipated completion is likely to be in January 2026 and the transaction 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 this property 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**
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	**None noted**

Health Inequalities	**None noted**
Area or Ward affected	**All Saints Ward**

PART 3 – SUPPORTING INFORMATION

BACKGROUND
The Council's 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 one-bedroom properties in Dovercourt. However our stock has dwindled and turnover of tenancies is very slow. There now exists an opportunity to purchase a one-bedroom property in Dovercourt within an area where TDC already own numerous properties so this acquisition will add an additional property to our housing stock. The purchase is to be met from the existing New Build and Acquisitions budget within the HRA capital programme and by purchasing the property using these funds we will be able to add an additional property to our housing stock. The property has been viewed by the Principal Building Surveyor and has been identified as a property of high demand with a construction type known to the Building Services Team. The Council's Housing Acquisition and Development Policy includes a mechanism for scoring the suitability of a property for acquisition. This scoring matrix has been used to assess this property, achieving an overall score of 17 which exceeds the minimum score of 15 required.
PREVIOUS RELEVANT DECISIONS
Property Dealing Procedure Initiation report published October 2025.
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
Published in the Notice of forthcoming decisions for the Council on 3 November 2025.

APPENDICES
1) Acquisition Matrix

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