

South Ayrshire Council

Report by Head of Housing & Facilities to Leadership Panel of 1st November 2016

Subject: Purchase of 2 properties for use as Council Housing

1. Purpose

- 1.1 The purpose of this report is to seek the Leadership Panel's agreement to purchase 2 properties for use as Council housing.

2. Recommendations

2.1 It is recommended that the Leadership Panel agrees to:

2.1.1 Submit an offer to purchase 2 properties in Ayr, as detailed in section 3.2 of the report, for use as Council housing

2.1.2 Delegate authority to the Executive Director – Resources, Governance and Organisation to conclude the legal transaction on such reasonable terms and conditions as is appropriate.

3. Background

3.1 The Council has a Strategic Local Programme Agreement in place with the Scottish Government to increase the supply of affordable housing. This agreement includes acquisition of houses on the open market in priority areas.

3.2 There are 2 properties available on the open market within our priority areas. Following negotiation with the owner (or their agent) an opportunity exists to purchase these 2 properties:

- 1) 17C Campbell Court, Ayr – a 1 bedroom first floor flat for £40,000
- 2) 89B Walker Road, Ayr – a 2 bedroom ground floor flat for £42,000.

The District Valuer has provided market valuations for these properties of £45,000 and £50,000 respectively.

3.3 In discussion with the Scottish Government and in a bid to increase the availability of affordable housing, the Council will receive £40,000 per property towards acquisition costs.

4. Proposals

- 4.1 It is proposed that the Leadership Panel agrees to the submission of an offer for these 2 properties for use within the Council's housing stock. Prior to their first let, both properties will be fully modernised to ensure compliance with the Scottish Housing Quality Standard. Subject to the offer being accepted, it is further proposed that delegated authority be granted to the Executive Director – Resource, Governance and Organisation, to conclude the legal transaction on such reasonable terms and conditions.

5. Legal and Procurement Implications

- 5.1 The recommendations within this report are consistent with Legal requirements. Legal Services will be required to conclude the purchases, the cost of which will be met by the Housing Revenue Account.
- 5.2 There are no procurement implications arising from this report.

6 *Financial*

- 6.1 The Scottish Government has confirmed that £40,000 affordable housing subsidy will be available for both of these properties. Therefore, the cost to the Housing Revenue Account capital budget to purchase these 2 properties is £2,000.
- 6.2 Both properties will be modernised to meet the SHQS and this will be funded from existing housing modernisation capital budgets.

7 *Human Resources*

- 7.1 Not applicable

8 Risk

8.1 Risk implication of adopting the recommendations

There is no risk to the Council as a result of adopting these recommendations.

8.2 Risk implications of rejecting the recommendations

The Council would miss out on the opportunity to acquire a 1 bedroom property and a 2 bedroom property for a modest net cost.

9. Equalities

- 9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process, and there are no significant equality impacts of agreeing the recommendations. A copy of the Equalities Scoping Assessment is attached as Appendix 1.

10. Sustainable Development Implications

- 10.1 This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An option appraisal has not been carried out in relation to this proposal.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to the Council strategic objective of 'Working in partnership to maximise the Potential of our Environment' and within that to the outcome 'People are able to find a Suitable and Affordable Place to Stay in a Community'.

13. Results of Consultation

- (1) There has been no public consultation in relation to the contents of this report.
- (2) The Portfolio Carrier for Housing and Customer First, Councillor Philip Saxton, has been consulted on the contents of this report and supports the recommendations.

14. Next Steps for Decision Tracking Purposes

14.1 If the recommendations above are approved by Members, the Head of Property and Risk will ensure that the following steps are taken within the following timescales, with progress reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the steps are completed:

| <i>Steps to be taken</i> | <i>By what date</i> | <i>Managed by</i> |
|--------------------------|-----------------------------|------------------------------|
| Conclude Purchases | 31 st March 2017 | Head of Housing & Facilities |

Background Papers Home Reports & DV Valuations

Person to Contact David Burns – Head of Housing and Facilities
County Buildings
Wellington Square, Ayr
E-mail: david.burns@south-ayrshire.gov.uk

Date: 1 September 2016

1. Proposal details

| | |
|---|---|
| Proposal Title Purchase of 2 No flatted dwellings | Lead Officer Heather Anderson |
|---|---|

2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this proposal? Please indicate whether these would be positive or negative impacts

| Community, Groups of People or Themes | Negative Impacts | Positive impacts |
|---|------------------|------------------|
| The whole community of South Ayrshire | No | No |
| People from different racial groups, ethnic or national origin. | No | No |
| Women and/ or men (boys and girls) | No | No |
| People with disabilities | No | No |
| People from particular age groups for example Older people, children and young people | No | No |
| Lesbian, gay, bisexual and heterosexual people | No | No |
| People who are proposing to undergo, are undergoing or have undergone a process to change sex | No | No |
| Pregnant women and new mothers | No | No |
| People who are married or in a civil partnership | No | No |
| People who share a particular religion or belief | No | No |
| Thematic Groups: Health, Human Rights, Rurality and Deprivation | No | No |

3. Do you have evidence or reason to believe that the proposal will support the Council to:

| General Duty and other Equality Themes | Level of Negative and/ or Positive Impact (high, medium or low) |
|---|---|
| Eliminate discrimination and harassment faced by particular communities or groups | - |
| Promote equality of opportunity between particular communities or groups | - |
| Foster good relations between particular communities or groups | - |
| Promote positive attitudes towards different communities or groups | - |
| Increase participation of particular communities or groups in public life | - |
| Improve the health and wellbeing of particular communities or groups | - |
| Promote the human rights of particular communities or groups | - |
| Tackle deprivation faced by particular communities or groups | - |

4. Summary Assessment

| | | |
|---|--|--|
| Is a full Equality Impact Assessment (EQIA) required? (A full EQIA must be carried out on all high and medium impact proposals) | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| Rationale for decision: The proposal does not have a significant negative or positive impact on any particular group. | | |
| Signed : David Burns | Head of Service | |
| Date: 1 September 2016 | Copy to equalities@south-ayrshire.gov.uk | |