

Acquisition of Properties

367 Park Road, Loughborough

Decision under Delegated Powers

Officer Requesting Decision

Beverly Wagstaffe - Housing Strategy and Support Manager

Officer Making the Decision

Alison Simmons - Head of Strategic and Private Sector Housing

Recommendation

To approve the purchase of 367 Park Road, Loughborough and for the Council to formerly Exchange Contracts and Complete the purchase.

Reason

To utilise approved funding for the purchase of additional HRA rental properties.

Authority for Decision

Section 8.3, of the Constitution gives delegated authority to the Head of Strategic and Private Sector Housing to acquire additional properties for rent via the HRA where approved funding exists within the Capital Plan for the relevant financial year, and where any property acquired is subject to a Condition Survey, an Independent Valuation, Standard Legal checks, and meets identified housing needs (item 20 on page 8-20).

Decision and Date

Signed:



Date: 8th July 2019

Head of Strategic and Private Sector Housing

Background

On the 19th October 2017, the Leader gave delegated executive authority to the Head of Strategic and Private Sector Housing to acquire additional properties for rent via the HRA within available approved funding which has subsequently been formalised in an update of the Constitution approved by Council on the 25th June 2018

The following property has now been identified to purchase:

- 367 Park Road, Loughborough – 3 bed bungalow

There is an identified need for this size of property.

The seller of the property has accepted an offer of £267,500.

A Condition Survey, Valuation and Legal checks have all now been satisfactorily completed.

Comments from HR

Not applicable

Financial Implications

The cost of acquiring this property is £267,500 with associated fees estimated at £2,170 and stamp duty of £11,400 (total cost of £281,070).

In August 2018, Cabinet approved a budget of £2,797,000 for 2019-2020 to support delivery of the Housing Acquisition Policy in acquiring additional HRA properties for rent.

To date the Council has purchased 1 other property during 2019-2020 for the sum of £141,643 including associated fees with a further £718,070 committed with 4 other purchases including this property.

The total spent to date and including the funds committed equal £859,713, leaving a balance of £1,937,287 available for 2019-2020.

There is sufficient budget to cover the cost of acquiring 367 Park Road, Loughborough.

Risk Management

No risks identified

Key Decision:

Yes, but exempted from call-in. See agenda item 14; Full Council meeting dated the 6th November 2017.

Background Papers:

Housing Acquisition Policy approved by Cabinet on the 10th May 2018.