

ITEM 15: APPENDIX J

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 8 JULY 2014

Title:

PURCHASE OF FORMER COUNCIL PROPERTY IN BRAMLEY
[Portfolio Holder: Cllr Keith Webster]
[Wards Affected: Bramley, Busbridge & Hascombe]

Note pursuant to Section 100B(5) of the Local Government Act 1972

An annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates as specified in Paragraph 3 of Part 1 of schedule 12A to the Local Government Act 1972, namely

Information relating to the financial or business affairs of any particular person including the authority holding that information.

Summary and purpose:

This report seeks approval to purchase a former Council property in Bramley that was purchased under the Right to Buy.

How this report relates to the Council's Corporate Priorities:

This report contributes towards meeting the corporate priority of delivering affordable housing in the Borough for people in housing need.

Financial Implications:

The budget for the Borough-wide buy-backs programme that is included in the Affordable Homes Capital Programme has been fully committed. It is proposed that this purchase will be funded from HRA capital receipts.

Legal Implications:

The purchase would be subject to a satisfactory structural survey. The conveyancing transaction would be handled by the Council's in-house Legal Services team, and the Council would bear its own legal costs of purchasing the property.

Introduction

1. On 2 July 2013 the Executive agreed a framework for the purchase of land or property. Contained within that report was the criteria for purchasing former Council properties.

2. A one-bedroom first floor flat has come onto the market in Bramley. The flat is on the ground floor in a block of four, and the freehold is held by the Council.
3. This property is on the market for £152,500.
4. Details of the property and proposed purchase price are contained within the (Exempt) Annexe to this report.

Housing Need

5. The Housing Register provides one indicator of housing need. There are currently 1,069 applicants on the Housing Register with a one-bedroom need, of which 21 currently live in Bramley.

Refurbishment Costs

6. The estimated costs of bringing the property up to a lettable standard are shown below. They are based on a visual inspection. A more detailed survey would be required to establish a programme of works.

Works Required	Estimated cost per property
New heating	£3,500
New windows	£1,500
New external door	£600
New bathroom	£3,500
Decoration	£1,000
Asbestos Survey	£150
Other H&S checks	£350
Total	£10,500

Rent

7. The rent that would be charged on this property would be £93.34 a week.

Budget

8. The cost of the purchase and repair of this property would be met from the New Affordable Homes Budget in 2014/15 and falls within the threshold set by the framework. The approved budget for Borough-wide buybacks in 2014/15 is £480,000.
9. The Executive is considering the future use of a high value property located elsewhere in Bramley. One of the options is to dispose of this property and use the proceeds to fund the purchase of two affordable homes in the local area, of which this could be one.

Conclusion

10. This property is in an area of significant housing need and meets the criteria for purchasing former Council properties set out in the Framework agreed by the Executive on 2 July 2013.

Recommendation

It is recommended that:

1. the property identified in (Exempt) Annexe 1 be purchased subject to final agreement by the Director of Finance and Resources and the Portfolio Holder for Finance; and
2. the purchase be subject to a satisfactory structural survey and funded from HRA capital receipts.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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