

WELWYN HATFIELD BOROUGH COUNCIL
CABINET – 4 JUNE 2024
REPORT OF THE EXECUTIVE DIRECTOR (RESIDENT SERVICES AND CLIMATE
CHANGE)

AUTHORITY FOR PROPERTY PURCHASE

1 Executive Summary

- 1.1 This report seeks authority to purchase a 4 bedroom property as a council home. The purpose of the purchase is to meet the housing needs of a family with a disabled family member, and a suitable property has been identified and a survey and valuation undertaken. The property is on the market for £600,000.
- 1.2 The family's current council home has previously been adapted but is no longer suitable for further adaptations that are required. Consideration of 4 bedroom council homes that have become vacant in our housing stock over the last 2 years have not identified a property that could be suitable.
- 1.3 If approval is given to purchase the property, the current family council home will then be sold to offset the purchase cost.

2 Recommendation(s)

- 2.1 That Cabinet approve the purchase of a 4 bedroom property that has been identified to fulfil the housing needs of a family where their current property cannot meet the disability adaptations required.
- 2.2 That delegated authority is granted to the Executive Director (Resident Services and Climate Change) to agree the terms of the purchase in consultation with the Executive Director (Finance and Transformation) and Assist Director (Regeneration and Economic Development).
- 2.3 If the purchase is approved but is not successful, Cabinet agrees to delegate the authority to the Executive Director (Resident Services and Climate Change) in consultation with the Executive Director (Finance and Transformation), Executive Member for Resources and Executive Member for Housing to approve the purchase of an alternative property that would be assessed as suitable up to the value of £650k.

3 Explanation

- 3.1 There is a need to purchase a 4 bedroom property to meet the housing needs of a family of 4 as one of the family members has a disability that cannot be met in the council home they currently occupy.
- 3.2 Their current council home has been adapted in the past but is no longer suitable to meet their housing needs due to a deterioration in the family member's health conditions, and the property cannot be further adapted to meet those needs as assessed by an Occupational Therapist.

- 3.3 Since their current home was determined to be no longer suitable in 2022, we have been reviewing properties within the housing stock that become vacant to identify if they are suitable to meet the family's needs. However, there are limited numbers of 4 bedroom council homes and to date there have not been any suitable properties that have become vacant.
- 3.4 Having considered the health needs of the family member and the period of time that we have been reviewing properties within our housing stock, we consider that the most realistic chance of meeting the housing need is to purchase a suitable property on the open market and undertake any adaptations that are needed.
- 3.5 Officers have searched and assessed a number of properties on the open market over the last few months. A 4 bedroom property has been identified which can be adapted to meet the family member's disability and meets the rest of the family's needs.
- 3.6 The property is on the market for £600K.
- 3.7 A survey has been undertaken of the property which has identified that there are no significant works/repairs required. A valuation of the property has confirmed that the purchase price of £600K is within the appropriate range. Adaptation works to make the property suitable to the needs of the family member's disability will be funded from existing budget.
- 3.8 Subject to approval of this property purchase and a successful purchase, the intention is to sell the current council home to offset the cost of the purchase.

Implications

4 Legal Implication(s)

- 4.1 The council has power, under section 120 Local Government Act 1972, to acquire land by agreement for the purposes of any of their functions. In addition, section 111 of the Act gives the council power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of the council's functions.
- 4.2 Since receipt of an Occupational Therapist report in May 2022 the property has been accepted as no longer suitable for the family to occupy.
- 4.3 There have been threatened judicial review on two occasions with regard to the property, these were both successfully defended without the matter proceeding to court.
- 4.4 In addition there have been several referrals to the Housing Ombudsman and Local Government and Social Care Ombudsman, with findings made against WHBC.
- 4.5 Currently the tenant is eligible to bid under our Allocations scheme and has been given Band B by the Exceptional Circumstances Panel. There is a potential risk is that she will present as homeless due to the unsuitability of the current property, there is the potential then of an application for a mandatory injunction to

compel WHBC to purchase a property, and if granted the timescale will be out of our control.

5 Financial Implication(s)

- 5.1 The council is under a duty to ensure best value is obtained. The property has been valued and the price proposed is within the valuation range expected for the property.
- 5.2 The purchase will be funded via the HRA, with 40% of the property being funded by the use of one-for-one replacement retained right to buy receipts. Due to the value of the property there will be a slight deficit on the long term viability of the property, and additional funding sources to the retained right to buy receipts are being considered to support this purchase. The existing property is likely to be covered by the council's policies covering high-value properties which will also be explored once this property (or alternative property) has been purchased.
- 5.3 The adaptations for the property will be funded using the councils existing aids and adaptations budget, and can be accommodated within the existing budget provision.
- 5.4 Should the purchase for any reason not go through, officer delegations are requested as part of the recommendations to this report. The same financial checks on valuation, viability and funding would be considered as part of any alternative property purchase decision, and would be set out in the financial implications of that decision.

6 Risk Management Implications

- 6.1 The risks related to this proposal are:
- 6.2 There is a risk that, if approved, the offer to purchase the property is not accepted. We will help mitigate this risk by ensuring that we have undertaken a valuation and a survey of the property prior to the offer being made. The Council has a sound reputation in its property transactions which should assist in providing the vendor and agents with assurance.
- 6.3 There is a risk that the property transaction is not successful for some other reason. If this course and approval is given in accordance with the recommendations, we will search for another suitable property and undertake an assessment of its suitability, a valuation and survey before proceeding.

7 Security and Terrorism Implication(s)

- 7.1 There are no implications.

8 Procurement Implication(s)

- 8.1 The proposed purchase does not give rise to any specific procurement implications.

9 Climate Change Implication(s)

- 9.1 There are no implications.

10 Human Resources Implication(s)

10.1 There are no implications.

11 Health and Wellbeing Implication(s)

11.1 The purchase of a property will meet the health and physical housing needs of the family and promote their wellbeing.

12 Communication and Engagement Implication(s)

12.1 There are no implications.

13 Link to Corporate Priorities

13.1 The purchase of this property strongly contributes to one of our five our corporate priorities of 'Homes to be proud of' in WHBC's Community Plan for 2024-27: "Putting Communities at our Heart."

14 Equality and Diversity

14.1 An EqIA was not completed because this report does not propose changes to existing service-related policies or the development of new service-related policies.

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Appendices to be listed