

HRA Funded Purchase of Adapted Long Term Empty Property

SUMMARY

- 1.1 The report proposes the purchase of a long term empty property in Normanton, which has been adapted for physically disabled people. The acquisition shall bring the property into the Council's housing stock.

RECOMMENDATION

- 2.1 To approve the purchase of the property in Normanton at the agreed price of £135k.
- 2.2 To approve the designation of the property as specialist housing in perpetuity, invoking Paragraph 7, Schedule 5 of the Housing Act 1985 exempting the property from the Right to Buy.

REASONS FOR RECOMMENDATION

- 3.1 Properties already adapted for use by disabled people rarely become available for purchase on the open market and there is high demand from those on the housing register.
- 3.2 Exempting the property from the Right to Buy (RtB) via the Housing Act 1985 ensures the Council is able to retain the asset in perpetuity maintaining its portfolio of specialist homes for disabled Derby residents.

SUPPORTING INFORMATION

- 4.1 The property is a three bedroom bungalow that is adapted to suit disabled people with physical impairments and it has been vacant for over 12 months. The property is offered on the open market at £149,950.

- 4.2 The property requires updating throughout including kitchen and bathrooms, although the final cost of refurbishment is dependent on the specific needs of the end user(s). It is expected to be in the region of £50k which will be met from existing HRA budgets.
- 4.3 At present there is high demand from those on the Housing Register for properties adapted for wheelchair users as there are few wheelchair accessible properties within the Councils stock and these rarely become available.
- 4.4 The acquisition and subsequent adaptation of this property will bring a wheelchair accessible property into the Councils housing stock and meet the needs of a household requiring this type of property.
- 4.5 The substantive cost of the purchase and refurbishment of the dwelling will be funded via the existing Housing Revenue Account new build and acquisition capital budget and is eligible to attract Empty Homes funding under the Councils 2015-2018 HCA allocation.
- 4.6 In accordance with Paragraph 7, Schedule 5 of the Housing Act 1985 the dwelling can be exempted from RtB as it:
 “has features which are substantially different from those of ordinary dwelling-houses and are designed to make it suitable for occupation by physically disabled persons, and—
 (a) it is one of a group of dwelling-houses which it is the practice of the landlord to let for occupation by physically disabled persons, and
 (b) a social service or special facilities are provided in close proximity to the group of dwelling-houses wholly or partly for the purpose of assisting those persons.”
- 4.7 The property can also be excluded from RtB where it is occupied by those suffering from a mental disorder in accordance with Paragraph 9, Schedule 7 of the same Act:
 “The right to buy does not arise if—
 (a) the dwelling-house is one of a group of dwelling-houses which it is the practice of the landlord to let for occupation by persons who are suffering or have suffered from a mental disorder, and
 (b) a social service or special facilities are provided wholly or partly for the purpose of assisting those persons.
- 4.8 It is common practice for Local Authorities to exempt specialist housing from RtB as dwellings adapted for use by disabled persons are in high demand and require greater financial investment than general needs properties, making it more difficult for Councils to replace them one for one when lost via the RtB.

This report has been approved by the following officers:

Legal officer	Olu Idowu - Approved
Financial officer	Toni Nash – Approved
Human Resources officer	Liz Moore - Approved
Estates/Property officer	Steve Sprason - Approved
Risk Management	Richard Boneham - Approved
Service Director(s)	Perveez Sadiq - Approved
Other(s)	Ian Fullagar, Head of Strategic Housing – Approved Ann Webster, Lead on Equality and Diversity – Approved

For more information contact: Background papers: List of appendices:	Carly Saunt 01332 640321 None Appendix 1 – Implications
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IMPLICATIONS

Financial and Value for Money

- 1.1 The purchase and refurbishment of the property will be funded through the existing Housing Revenue Account capital build for new build development and acquisitions and HCA empty homes grant of £18k.
- 1.3 The acquisition could reduce financial pressures on other Council budgets depending upon the support needs of the tenant who lives in the property.
- 1.5 As the property has been empty in excess of 6 months the purchase will provide the Council with New Homes Bonus at the applicable council tax band rate together with the affordable housing supplement.

Legal

- 2.1 The property purchase shall be subject to due diligence through the conveyance process.

Paragraph 7, Schedule 5 of the Housing Act 1985 allows the exemption of specialist properties from Right to Buy.

Personnel

- 3.1 None directly arising from this report.

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- 4.1 None directly arising from this report.

Equalities Impact

- 5.1 This proposal would promote the provision of care in the community and providing suitable housing for individuals with care needs. An accessible home is extremely important to give equality for disabled people.
- 5.2 Exempting the property from Right to Buy does allow the Council to afford to undertake this purchase, by retaining a valuable asset which is rarely available and ensuring that it is occupied by those with the greatest need.

Health and Safety

- 6.1 None directly arising from this report.

Environmental Sustainability

- 7.1 Return of empty homes to the useful housing stock makes best use of existing resources.

Asset Management

- 8.1 The acquisition would bring a vacant property back into residential use.
- 8.2 Excluding the property from the RtB as discussed above would ensure that the Council can retain the asset in perpetuity.
- 8.3 If the property was allocated to an existing Council tenant this would make available an affordable home elsewhere in the city.

Risk Management

- 9.1 None directly arising from this report.

Corporate objectives and priorities for change

- 10.1 A strong community.