

## Officer Non Key Executive Decision

<b>Relevant Chief Officer (Decision Maker):</b>	Director of Strategy
<b>Relevant Cabinet Member (for consultation purposes):</b>	Councillor Neal Brookes, Cabinet Member for Housing and Welfare Reform
<b>Report Author (Officer name and title):</b>	Andy Foot, Head of Housing
<b>Implementation Date of Decision:</b>	12 July 2019

### PURCHASE OF 7 CHEPSTOW ROAD FOR GENERAL LETTING

#### 1.0 Purpose of the report:

1.1 To seek approval for the purchase of 7 Chepstow Road by the Council through the Housing Revenue Account (HRA).

#### 2.0 Recommendation(s):

2.1 That 7 Chepstow Road be purchased by the Council through its Housing Revenue Account (HRA) at market valuation.

#### 3.0 Reasons for recommendation(s):

3.1 To increase the Council's stock of large family homes.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None.

#### 4.0 Council Priority:

4.1 The relevant Council Priority is both:

- "The economy: Maximising growth and opportunity across Blackpool"

- “Communities: Creating stronger communities and increasing resilience”

## **5.0 Background Information**

5.1 The HRA is the business plan for Council housing and funds the management, maintenance and development of Council homes. 7 Chepstow Road at Grange Park was originally built by the Council but sold in 1973. It is a 4 bedroom house that is currently privately rented but the landlord has placed it up for sale. There is a strong demand for this type of accommodation and the property would be purchased with a sitting tenant who is fully occupying the space and may otherwise be made homeless.

5.2 The property has been surveyed and found to be in good condition with only very minimal initial repair works required.

5.3 The property is being purchased at market value and details of the

5.4 Does the information submitted include any exempt information? No

### **5.5 List of Appendices:**

Appendix A: Market valuation and proposed rent (exempt)

## **6.0 Legal considerations:**

6.1 Completion of the purchase will be undertaken through the Council’s Legal Services. The property at present has a sitting tenant who would become a Council tenant on completion of the acquisition if still resident.

## **7.0 Human Resources considerations:**

7.1 None.

## **8.0 Equalities considerations:**

8.1 None.

## **9.0 Financial considerations:**

9.1 The proposed purchase is to be funded from HRA borrowing and is supported by an appraisal that demonstrates purchase and asset maintenance costs can be met by the rent with a payback period of 30 years.

**10.0 Risk management considerations:**

10.1 The model is based on rents increasing at a rate of CPI +1% for the first 5 years and CPI thereafter and should there be a change to this then the payback period would also change accordingly.

**11.0 Ethical considerations:**

11.1 None.

**12.0 Internal/ External Consultation undertaken:**

12.1 None.

**13.0 Decision of Chief Officer**

13.1 That 7 Chepstow Road be purchased by the Council through its Housing Revenue Account (HRA) at market valuation.

**14.0 Reasons for the Decision of the Chief Officer**

14.1 To increase the Council's stock of large family homes.