

Officer Non Key Executive Decision

Relevant Chief Officer (Decision Maker):	Antony Lockley, Director of Strategy/Deputy Chief Executive
Relevant Cabinet Member (for consultation purposes):	Councillor Ivan Taylor, Cabinet Member for Partnerships and Performance.
Report Author (Officer name and title):	Jenn Nicholls, Housing Strategy and Development Manager.
Implementation Date of Decision:	20 September 2021

Purchase of 62 Clayton Crescent, Blackpool FY4 3PT by the Council for affordable rent.

1.0 Purpose of the report:

- 1.1 To seek approval for the purchase of 62 Clayton Crescent, Blackpool FY4 3PT by the Council through the Housing Revenue Account (HRA).

2.0 Recommendation(s):

- 2.1 That 62 Clayton Crescent is purchased by the Council through its Housing Revenue Account (HRA) for £55,000 in line with the already approved Council Housing Investment Programme (CHIP).

3.0 Reasons for recommendation(s):

- 3.1 To increase the Council's stock of good quality affordable housing as set out in the Council Housing Investment Programme (CHIP).

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

- “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. 62 Clayton Crescent was originally built by the Council but sold through Right To Buy. It is a 1 bedroom leasehold first floor flat that last sold in November 2015 for £50,500. There is a strong demand for good quality Council owned stock of this type, and currently this is the only leasehold property in the block as the Council still owns the rest.

5.2 The property has been surveyed and found to be in decent condition with some capital works required. The property has been valued at £55,000.

5.3 The property is being purchased at market value. A financial appraisal (see Appendix 1) shows that the Council’s purchase and repair costs can be recovered within a 30 year timescale letting the property at Affordable Rent, provided the purchase is supported by Homes England grant funding which has been approved.

5.4 Does the information submitted include any exempt information? Yes

List of Appendices:

Appendix 1 – Financial Appraisal.

6.0 Legal considerations:

6.1 Completion of the purchase will be undertaken through the Council’s Legal Services.

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 Homes England grant funding 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 all years, with CPI assumed to be 1.5%. 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 Approval of the Council Housing Investment Programme (CHIP).

13.0 Decision of Chief Officer

13.1 That 62 Clayton Crescent is purchased by the Council through its Housing Revenue Account (HRA) for £55,000 in line with the already approved Council Housing Investment Programme (CHIP).

14.0 Reasons for the Decision of the Chief Officer

14.1 To increase the Council's stock of good quality affordable housing as set out in the Council Housing Investment Programme (CHIP).