

Sandwell Metropolitan Borough Council

Action Taken Under Delegated Powers

Report to the Director of Housing and Communities to enter into formal legal negotiations to acquire:
43 Queens Close, Smethwick. B67 7DZ

1 Summary Statement

- 1.1 The Council has received an enquiry, asking if the Council wish to consider the re-purchase of No 43 Queens Close, Smethwick (the property).
- 1.2 A valuation has been carried out by an external Chartered Surveyor and based on this valuation a purchase price of £117,000 has been advised.
- 1.3 Officers have completed assessments of condition, required investment, current demand and projected income to determine the potential value for money of the property purchase.
- 1.4 The council is not committed to purchase the property and as an alternative could elect not to. However, based on the assessment by officers this property would be considered a suitable addition to the Council's housing stock and officers are satisfied that the offer price demonstrates best value.
- 1.5 The purchase will be funded through the Housing Revenue Account as part of the commitment to replace the Council's housing stock lost following Right to Buy sales.

2 Recommendation

- 2.1 That the Council enter into formal legal negotiations to acquire No 43 Queens Close, Smethwick at the purchase price of £117,000.

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In accordance with the authority delegated to Chief Officers to act on matters within the authority delegated to them under Part 3 of the Council's Constitution, I intend to take the action(s) recommended above.

I ~~do~~/do not have an interest to declare in this matter.



Director of Housing and Communities

Date 19 July 2018

I confirm that I have been consulted on the above proposals and have no objection to their proceeding.



Executive Director Resources

Date 24-7-2018

Contact Officer

Steve Greenhouse - Service Manager – Asset Management & Maintenance

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3.0 Background Details

3.1 The delegation is as follows:

Buy Back Provisions

Re-purchase of Former Right to Buy Properties

To enter into formal negotiations with homeowners of residential properties bought from the Council (or predecessors) and that subject to the satisfactory outcome of the value for money evaluation in consultation with the Executive Director - Resources, negotiate terms and conditions, as necessary, to complete the acquisition of homes considered suitable additions to the Council's housing stock.

3.2 In order to demonstrate value for money a number of assessments have been completed.

3.2.1 Valuation – the property value and rental income have been assessed taking into account local sales and lettings information.

3.2.2 Letting Demand – consideration has been given to any factors that could affect demand for this particular type of property, and has included historical Choice Based Lettings bid history, any anti-social behaviour and local lettings policy and any factors relevant to this particular case.

3.2.3 Condition & Investment – the present property condition has been assessed and an estimate of likely future spend prepared.

3.3 Officers from Housing & Communities, Strategic Finance and Strategic Assets & Land have met as a panel to discuss all necessary factors that have determined the recommendation to acquire at 2.1 above.

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- 3.4** In accordance with the Council's property protocol, the seller has been asked to make a declaration, as to whether they are employed by the Council, or are related to an employee or Member. The seller of this property has declared and confirmed that they are related to an employee of the Council. All necessary steps have been taken to ensure that the relationship has not influenced the transaction, and the matter has been progressed in accordance with the Council's procedures with regard to managing potential conflicts of interest.

Source Documents

Scheme of Delegations to Officers 2018/19