

Agenda item:

Decision maker: Cabinet Member for Housing

Subject: THE PURCHASE OF WELLS TERRACE, FORMER
BERESFORD PUBLIC HOUSE, STAMSHAW

Date of decision:

Report by: OWEN BUCKWELL – HEAD OF HOUSING MANAGEMENT

Wards affected: NELSON

Key decision: Yes – Over £250,000

Budget & policy framework decision: No

1. Summary & Purpose of report

- 1.1 To seek permission to purchase a terraced development comprising three units of 3 bedrooms and one unit of 2 bedrooms and one unit of 1 bedroom, all with one allocated parking space each
- 1.2 To seek permission to spend £525,000 to purchase the finished development
- 1.3 To seek permission, once purchase, to market the one and two bedroom units immediately for sale on the open market
- 1.4 The purchasing of the development will provide much need three bedroom units for inclusion within the housing stock
- 1.5 It is anticipated that the purchasing of the units will completed no later than the 30th September, provided there are no encumbrances on the registered title and suitable terms can be agreed.

2. Background

- 2.1 The development sits on the site of the former Beresford public house, Twyford Avenue, Stamshaw
- 2.2 The property is owned and was converted by South Hants Property Services Ltd and is currently undergoing final completion, including the installation of a dropped kerb for access to the parking area

- 2.3 The proposed purchasing price has been based on a lower than market value, the reduction reflecting future use and estimated costs for management and repairs as well as the purchasing and sale costs
- 2.4 The three bedroom units have been finished to a high standard and benefit from cycle storage, parking and outside space, meeting the minimum space standards for new affordable housing. The two bedroom and one bedroom units fall short of these standards, leading to the need to dispose of them on the open market.

3. Recommendations

- 3.1 That approval is given to the purchase of the full development for the sum of £525,000.
- 3.2 That authority be delegated to the Head of Housing Management and the Head of Asset Management to dispose of the two bedroom and one bedroom units on the open market following the completion of the purchase, and the resulting receipts earmarked for the future reprovion of Housing.

4. Reasons for recommendations

- 4.1 The purchase of the development will provide much needed three bedroom units for the supply general housing.
- 4.2 The development is in the inner city and meets the Council's corporate priority – "Increase availability, affordability and quality of housing".
- 4.3 The development meets the requirements under the housing management Business plan to contribute to the sustainability of the environment with the installation of argon filled double glazing, additional insulation and sound proofing, ventilation and once unit benefitting from PV conversion unit.

5. Options considered and rejected

- 5.1 Do nothing – This was rejected as it would not provide the additional general housing accommodation required.

6. Duty to involve

- 6.1 Resident surveys were undertaken by the Planning development officers at the time of the planning application for the conversion of the former public house into residential units. Objections were considered and planning was granted accordingly.

7. Implications

7.1 It is considered that the purchase of these units will be a welcomed addition to the general housing stock.

7.2 The standard of construction and the considerations for a sustainable development means that this terraced development offers accommodation which meets the standards expected for new housing.

8. Corporate priorities

8.1 This report and the purchase of the additional residential accommodation contribute to the following Corporate Priorities:

- Increase availability and quality of housing
- Regenerate the city

9. Equality impact assessment (EIA)

9.1 An EIA is not needed for this project. It will not affect any equality group and there is no adverse impact on people who belong to any equality groups.

9.2 This purchase will have a positive outcome on the availability and quality of the housing stock for all equality groups.

10. Head of Legal, Licensing and Registrar' comments

10.1 Local housing authorities have a power under section 17 of the Housing Act 1985 to acquire houses together with any land occupied with the houses. This power includes power to acquire land for the purpose of disposing of houses provided on the land. Land may be acquired by agreement or, with the authority of the Secretary of State, should it be acquired compulsorily.

10.2 Under section 18 of the Act where a local housing authority acquire a house they shall as soon as practicable after the acquisition secure that the house is used as housing accommodation.

10.3 There is power under section 32 of the Act to dispose of land held by the local authority for the purposes of Part 2 of the Housing Act. A disposal may be effected in any manner but shall not be made without the consent of the Secretary of State. The current forms of consent are contained in the General Housing Consents 2005. Further consideration will need to be given to this when the time comes to dispose of the property.

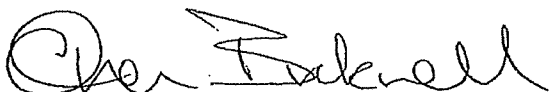
10.4 Land acquired for the purposes of Part 2 of the Housing Act must be held as part of the housing revenue account. Land acquired by the authority for the purposes of

disposing of the houses provided on the land does not have to be held as part of the housing account.

11. Head of Financial Services comments

11.1 The Housing Investment Programme approved by Full Council on 14 February 2012 included a scheme to fund the acquisition of new properties. This scheme is funded from HRA revenue contributions and although previously not anticipated to be incurred during 2012/13, the phasing of this spend can be met from approved resources in the current year.

11.2 It is proposed that the proceeds from the open market resale of both the two bedroom and one bedroom units be earmarked for the future reprovision of Housing, in line with Portsmouth City Council's commitment to create new homes and replace our housing stock.



Signed by: **Owen Buckwell – Head of Housing Management**

Appendices: None

Background list of documents: Section 100D of the Local Government Act 1972

The recommendation(s) set out above were approved / approved as amended / deferred /
rejected by the on

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Signed by: **[Councillor Steven Wylie]**