



**Title of meeting:** Cabinet Member for Housing & Preventing Homelessness

**Date of meeting:** 25<sup>th</sup> October 2021

**Subject:** Acquisition of Viking Court and Shootpool

**Report by:** James Hill - Director for Housing, Neighbourhood and Building Services

**Author:** Jo Bennett - Head of Business Growth, Play and Youth

**Wards affected:** Charles Dickens

**Key decision:** Yes

**Full Council decision:** No

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**1. Purpose of report**

- 1.1 To seek approval from Cabinet Member for Housing and Preventing Homelessness to acquire the buildings known as Viking Court and Shootpool to provide 24 units of accommodation.
- 1.2 To seek approval of a capital spend of £3,250,000 to acquire and refurbish the 24 units of accommodation to be held in the Housing Revenue Account

**2. Recommendations**

- 2.1 **That the Cabinet Member for Housing and Preventing Homelessness approves Housing Revenue Account (HRA) Capital Expenditure of £3,250,000, to deliver 24 units of accommodation.**
- 2.2 **That the Cabinet Member for Housing and Preventing Homelessness delegates authority to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources & S151 Officer to agree the use of either Grant funding or 141 receipts to support this acquisition.**
- 2.3 **That the Cabinet Member for Housing and Preventing Homelessness delegates to the Director of Housing, Neighbourhood and Building Services to apply for any grant funding to support the acquisition.**
- 2.4 **That the Cabinet Member for Housing and Preventing Homelessness delegates to the Director of Housing, Neighbourhood and Building**



**Services in consultation with the City Solicitor to enter into contracts and grant agreements as needed to support the acquisition.**

**3. Background**

- 3.1 Viking Court was built in approximately 2004 and is situated at 165 Arundel Street, PO1 1HG. The location and pictures of the property are shown in Appendix A.
- 3.2 The building known as Viking Court is a 3-4 storey block of flats comprising 12no. two-bedroom flats and 2 no. one-bedroom flats with a bike store on the ground floor
- 3.3 Shootpool was built in approximately 2001. Shootpool is situated at 207-209 Fratton Road, PO1 5EY. The location and pictures of the property are shown in Appendix A.
- 3.4 Shootpool comprises 10no. one-bedroom flats with a detached cycle store building located in the southwest corner of the garden.
- 3.5 Viking Court and Shootpool are owned by private individuals trading as a property company.
- 3.6 The properties are currently leased from the property company to Vivid Housing Ltd. The lease ran for 36 months from 1<sup>st</sup> May 2018 and expired 30<sup>th</sup> April 2021.
- 3.7 Officers have been told by the agents acting for the property company that the disposal relates to retirement planning.
- 3.8 The agent has confirmed that the existing parties failed to reach agreement regarding the future of the buildings.
- 3.9 Negotiations and an agreement on terms have been reached between the property company and Portsmouth City Council.
- 3.10 The original properties were built without Homes England grant funding and accordingly there is no requirement for the properties to remain as affordable housing.
- 3.11 Sale of the units on the open market rather than to a Social Landlord would see a reduction in the city's affordable housing numbers.

**4. Acquisition Considerations**

**4.1 Current occupiers**

- 4.1.1 The lease between the owners of the property and Vivid requires that a six-month notice is issued by the owners to Vivid. The intention of the



owners is to provide this notice on exchange of contracts with Portsmouth City Council.

- 4.1.2 On approval of the transaction officers will work with their counterparts at Vivid to discuss the options for this property and the housing of those living in the properties.
- 4.1.3 In the event that residents are unable to source alternative accommodation independently and seek support from the Local Authority, Housing Needs, Advice and Support will seek to understand the resident's circumstances in order to support them to secure an alternative suitable property. The Homeless Reduction Act places a duty on the local authority to relieve homelessness and reasonable steps must be taken to help an applicant secure accommodation that becomes available for at least six months.
- 4.1.4 There will also be a duty to assess whether a [main housing duty](#) exists. Where a full duty is owed there is a responsibility placed on the Authority to secure an alternative temporary or permanent property. This duty may be discharged by sourcing a reasonable and affordable private rented property or social housing tenancy.

## 4.2 Building Condition

- 4.2.1 Initial survey works have taken place to understand the buildings condition. Initial cost estimates are based on these inspections. The costs of the refurbishment works have been reflected in the property valuations and the acquisition costs have been negotiated to allow for this.
- 4.2.2 The Viking Court survey identified the following repairs as being necessary, please note this list is not exhaustive and further detailed surveys will be required:
- Lift replacement
  - Replacing defective rainwater goods and repair of associated elevations
  - Replace inoperable or defective windows
  - Replace flat entrance fire doors
  - Addressing condensation issues
  - Kitchen repairs
  - Bathroom repairs
  - Electrical up-grades and testing
- 4.2.3 The Shootpool survey identified the following as being necessary, again please note that this list is not exhaustive and further detailed survey works are needed:



- Asphalt roof coverings to flat roof terrace
- Rainwater gutters and hoppers overflowing
- External communal doors and frames
- Mould affected plaster to flats
- Water penetration around windows
- Water penetration through flat roof
- Electrical installations to communal areas

4.2.4 Floor plans for the units are attached at Appendix B, C and D. In addition to the flats each block has purpose-built cycle storage. There are no issues with the construction or layout of the buildings which provide concern with regards to building management.

4.2.5 There are further surveys and detailed investigations to take place before the total sum and works for the refurbishment element are understood. This work will be carried out by the Building Services team.

4.2.6 The building services team will also review the energy use of the building and will seek to improve the energy efficiency of the building if it is practical to do so. This could include the use of renewable technologies.

4.2.7 The budget of £3,250,000 is made up of three different components: acquisition costs, refurbishment and fees.

#### 4.3 Timeline

4.3.1 Assuming the decision is made to acquire these properties, completion of the acquisition is likely to happen in approximately May 2022.

### 5. **Reasons for recommendations**

5.1 These units currently provide affordable homes within Portsmouth and through this acquisition we can ensure that these units remain as affordable homes. These homes will support Portsmouth City Councils corporate priority 1, 'Make Portsmouth a city that works together, enabling communities to thrive and people to live healthy, safe and independent lives'.

5.2 The acquisition will increase the overall number of homes owned and managed by Portsmouth City Council and will be held in the Housing Revenue Account.

5.3 These properties have the capacity to be allocated in a number of ways and can be flexibly used to meet the housing needs felt by the council. The properties would be suitable for general needs, supported housing or temporary accommodation and accordingly are a sound long term investment.

5.4 The properties were constructed within approximately the last twenty years and from a life cycle point of view are relatively young. The majority of our existing

housing stock was built between 40-50 years before these dwellings were constructed.

**6. Integrated impact assessment**

6.1 An integrated impact assessment has been completed and no adverse equality implications were identified. Attached as Appendix E.

**7. Legal implications**

7.1 Under Section 120 (1) of the Local Government Act 1972 local authorities can acquire land for the purposes of any of their functions under the 1972 Act or any other enactment or for the benefit, improvement or development of their area. The land may be situated inside or outside of its area.

**8. Director of Finance's comments**

8.1 The Council will fund the acquisition of the two properties using unsupported borrowing and right to buy receipts within the Housing Revenue Account. The Council will also look to apply for affordable homes grant from Homes England.

8.2 A financial appraisal has been carried out that takes into account the initial capital outlay, funding structure, borrowing costs, ongoing revenue expenditure and rental income. The appraisal shows that the proposal will have a positive effect on the HRA's 30-year business plan.

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Signed by: James Hill - Director of Housing, Neighbourhood and Building Services

**Appendices:**

- Appendix A - Elevations and Red Line Plans
- Appendix B - Shootpool Ground Floor Plans
- Appendix C - Shootpool First and Second Floor Plans
- Appendix D - Viking Floor Plans
- Appendix E - Integrated Impact Assessment

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

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

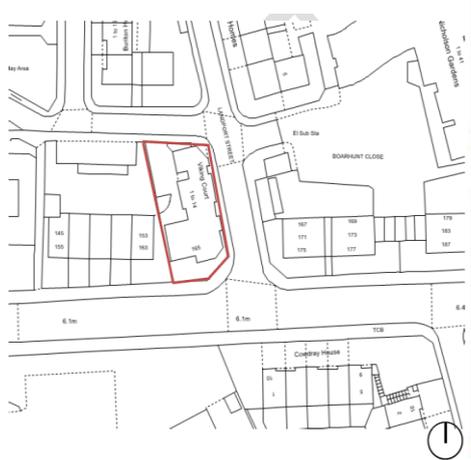
Title of document	Location

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

.....  
Signed by:

**Appendix A - Elevations and Red line plans**

**Photos**  
**Viking Court, Arundel Street**



001- Front Elevation - East



002 - Side Elevation - South



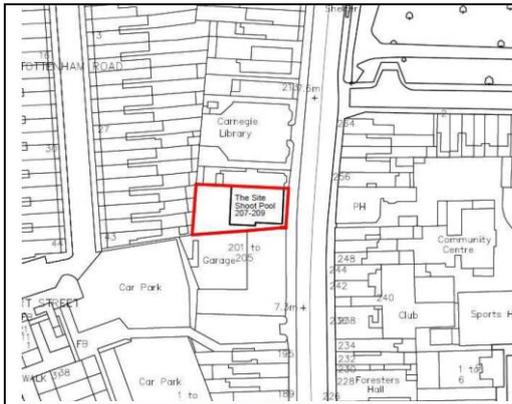
003 - Side Elevation - North



004 - Rear Elevation - West



**Shootpool, 207-209 Fratton Road**



001 - South Elevation



002 - South / East Elevation