

Public Document Pack



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5 December 2017

Dear Councillor

NOTICE OF DELEGATED DECISIONS – (DD17/DD18/DD19) PURCHASE OF PROPERTIES IN DOVER

Please find attached details of decisions taken by Mr Mike Davis, Director of Finance, Housing and Community, to purchase properties at 6 and 8 Huron Terrace and 7 Dour Street, Dover.

As non-Key Officer Decisions, call-in does not apply (paragraph 18(a) of Part 4 (Rules of Procedure) of the Constitution).

Members of the public who require further information are asked to contact Kate Batty-Smith on 01304 872303 or by e-mail at kate.batty-smith@dover.gov.uk.

Yours sincerely

A handwritten signature in black ink that reads "Kate Batty - Smith". Below the signature is a short horizontal line.

Democratic Support Officer

ENCL

1 **(DD17/DD18/DD19) - PURCHASE OF PROPERTIES IN DOVER** (Pages 2-13)

Decision Notice

Delegated Decision

Decision No:	DD17
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Subject:	PURCHASE OF 6 HURON TERRACE, DOVER
Notification Date:	5 December 2017
Implementation Date:	12 October 2017
Decision taken by:	Mike Davis, Director of Finance, Housing and Community
Delegated Authority:	Authority delegated by Cabinet at its meeting held on 1 March 2017 (CAB 155(iii) (C) to: ‘Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities’.
Decision Type:	Executive Non Key Decision
Call-In to Apply?	No (Call-in does not apply to Non-Key Officer Decisions)
Classification:	Unrestricted

Reason for the Decision:	6 Huron Terrace recently came onto the market, and the opportunity was taken to purchase the property as the purchase price represented good value for money and its acquisition will help to improve the Council’s housing stock.
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Decision:	To purchase 6 Huron Terrace, Dover.
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1. **Consideration and Alternatives** *(if applicable)*
 - 1.1 See attached report.
2. **Any Conflicts of Interest Declared?**
 - 2.1 See attached report.
3. **Supporting Information** *(as applicable)*
 - 3.1 See attached report.

Decision Notice

Delegated Decision

Decision No:	DD18
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Subject:	PURCHASE OF 8 HURON TERRACE, DOVER
Notification Date:	5 December 2017
Implementation Date:	12 October 2017
Decision taken by:	Mike Davis, Director of Finance, Housing and Community
Delegated Authority:	Authority delegated by Cabinet at its meeting held on 1 March 2017 (CAB 155(iii) (C) to: ‘Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities’.
Decision Type:	Executive Non Key Decision
Call-In to Apply?	No (Call-in does not apply to Non-Key Officer Decisions)
Classification:	Unrestricted

Reason for the Decision:	8 Huron Terrace recently came onto the market, and the opportunity was taken to purchase the property as the purchase price represented good value for money and its acquisition will help to improve the Council’s housing stock.
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Decision:	To purchase 8 Huron Terrace, Dover.
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1. **Consideration and Alternatives** (*if applicable*)
 - 1.1 See attached report.
2. **Any Conflicts of Interest Declared?**
 - 2.1 See attached report.
3. **Supporting Information** (*as applicable*)
 - 3.1 See attached report.

Decision Notice

Delegated Decision

Decision No:	DD19
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Subject:	PURCHASE OF 7 DOUR STREET, DOVER
Notification Date:	5 December 2017
Implementation Date:	12 October 2017
Decision taken by:	Mike Davis, Director of Finance, Housing and Community
Delegated Authority:	Authority delegated by Cabinet at its meeting held on 1 March 2017 (CAB 155(iii) (C) to: 'Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities'.
Decision Type:	Executive Non Key Decision
Call-In to Apply?	No (Call-in does not apply to Non-Key Officer Decisions)
Classification:	Unrestricted

Reason for the Decision:	7 Dour Street recently came onto the market, and the opportunity was taken to purchase the property as the purchase price represented good value for money and its acquisition will help to improve the Council's housing stock.
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Decision:	To purchase 7 Dour Street, Dover.
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1. **Consideration and Alternatives** *(if applicable)*
 - 1.1 See attached report.
2. **Any Conflicts of Interest Declared?**
 - 2.1 See attached report.
3. **Supporting Information** *(as applicable)*
 - 3.1 See attached report.

Subject: PURCHASE OF 6 HURON TERRACE, DOVER

Date: 12 October 2017

Decision to be taken by: Mike Davis, Director of Finance, Housing and Community

Report of: Rebecca Champion, Valuation Officer

Portfolio Holder: Councillor Michael Conolly, Portfolio Holder for Corporate Resources and Performance

Decision Type: Executive Non-Key Decision

Call-in to be suspended: No (*Call-in does not apply to Non-Key Officer Decisions*)

Classification: Unrestricted

Delegated Authority: Authority delegated by Cabinet at its meeting held on 1 March 2017 (CAB 155(iii) (C) to: 'Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities'.

Purpose of the report: To purchase 6 Huron Terrace, Dover.

Recommendation: To purchase 6 Huron Terrace, Dover.

1. Summary

- 1.1 The Council approved a recommendation within the Budget 2015/16 and Medium Term Financial Plan 2015/16 – 2017/18 to purchase properties through normal sale/negotiation, submission of bids or bids at auction as and when they arose subject to them representing good value for money.
- 1.2 The former Council property, 6 Huron Terrace, has become available on the market and it is considered that the Council should attempt to purchase it.

2. Introduction and Background

- 2.1 The Council's Budget 2015/16 and Medium Term Financial Plan 2015/16 – 2017/18 report recognised that market opportunities to purchase properties through normal sale/negotiation, submission of bids or bids at auction were likely to arise, often at short notice and that the Housing Initiatives Reserve (HIR) within the Housing Revenue Account (HRA) could be applied to these opportunities where they represent good value for money or otherwise improve the housing stock.
- 2.2 On the basis of this, Cabinet agreed to delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources

and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities.

2.3 6 Huron Terrace is a 3-bedroom maisonette that was purchased from the Council under the Right to Buy scheme. The property recently came onto the market and an officer from the Council's Property Services Team carried out a survey of the property and confirmed it would meet the Council's requirements. Following consultation with the Portfolio Holder for Corporate Resources and Performance, an offer of £130,000 was made and subsequently accepted by the vendor. The Estate Valuation Manager considers the price offered represents good value for money and a decision needs to be taken to proceed with the purchase.

2.4 Once purchased the intention is to let the property.

3. Identification of Options

3.1 Option 1: Purchase 6 Huron Terrace, Dover

3.2 Option 2: Not purchase 6 Huron Terrace, Dover

4. Evaluation of Options

4.1 Option 1 is the recommended option. The purchase price represents good value for money compared to the cost of a new build property and will increase the Council's Housing stock to meet housing need.

4.2 Option 2 is not recommended as it fails to take advantage of a good opportunity to increase the housing stock to help meet housing need.

5. Resource Implications

5.1 The cost of purchasing the property will be met from a combination of HIR funds and the excess Right to Buy receipts which are ring-fenced for 'one for one' affordable housing replacement. This will help ensure the Council maximises the spend of RTB receipts before their 'use by' date. The rent income from the property will be credited to the HRA.

5.2 It is expected that the properties will generate a gross rent income of £4,807.40 per annum and on this basis the investment should be repaid within 28 years.

5.3 Corporate Implications

5.4 Comment from the Section 151 Officer: Accountancy have been consulted during the writing of this report and have no further comments to make (BW)

5.5 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

5.6 Comment from the Equalities Officer: This report does not specifically highlight any equalities implications, however in discharging their responsibilities members are required to comply with the public sector duty in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

5.7 Other Officers (as appropriate): None received

6. Appendices

None.

7. **Background Papers**

Relevant papers on file.

Contact Officer: Rebecca Champion, Valuation Officer

Subject: PURCHASE OF 8 HURON TERRACE, DOVER

Date: 12 October 2017

Decision to be taken by: Mike Davis, Director of Finance, Housing and Community

Report of: Rebecca Champion, Valuation Officer

Portfolio Holder: Councillor Michael Conolly, Portfolio Holder for Corporate Resources and Performance

Decision Type: Executive Non-Key Decision

Call-in to be suspended: No (*Call-in does not apply to Non-Key Officer Decisions*)

Classification: Unrestricted

Delegated Authority: Authority delegated by Cabinet at its meeting held on 1 March 2017 (CAB 155(iii) (C) to: 'Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities'.

Purpose of the report: To purchase 8 Huron Terrace, Dover.

Recommendation: To purchase 8 Huron Terrace, Dover.

1. Summary

- 1.1 The Council approved a recommendation within the Budget 2015/16 and Medium Term Financial Plan 2015/16 – 2017/18 to purchase properties through normal sale/negotiation, submission of bids or bids at auction as and when they arose subject to them representing good value for money.
- 1.2 The former Council property, 8 Huron Terrace, has become available on the market and it is considered that the Council should attempt to purchase it.

2. Introduction and Background

- 2.1 The Council's Budget 2015/16 and Medium Term Financial Plan 2015/16 – 2017/18 report recognised that market opportunities to purchase properties through normal sale/negotiation, submission of bids or bids at auction were likely to arise, often at short notice and that the Housing Initiatives Reserve (HIR) within the Housing Revenue Account (HRA) could be applied to these opportunities where they represent good value for money or otherwise improve the housing stock.
- 2.2 On the basis of this, Cabinet agreed to delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources

and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities.

2.3 8 Huron Terrace is a 3-bedroom maisonette that was purchased from the Council under the Right to Buy scheme. The property recently came onto the market and an officer from the Council's Property Services Team carried out a survey of the property and confirmed it would meet the Council's requirements. Following consultation with the Portfolio Holder for Corporate Resources and Performance an offer of £130,000 was made and subsequently accepted by the vendor. The Estate Valuation Manager considers the price offered represents good value for money and a decision needs to be taken to proceed with the purchase.

2.4 Once purchased the intention is to let the property.

3. Identification of Options

3.1 Option 1: Purchase 8 Huron Terrace, Dover

3.2 Option 2: Not purchase 8 Huron Terrace, Dover

4. Evaluation of Options

4.1 Option 1 is the recommended option. The purchase price represents good value for money compared to the cost of a new build property and will increase the Council's Housing stock to meet housing need.

4.2 Option 2 is not recommended as it fails to take advantage of a good opportunity to increase the housing stock to help meet housing need.

5. Resource Implications

5.1 The cost of purchasing the property will be met from a combination of HIR funds and the excess Right to Buy receipts which are ring-fenced for 'one for one' affordable housing replacement. This will help ensure the Council maximises the spend of RTB receipts before their 'use by' date. The rent income from the property will be credited to the HRA.

5.2 It is expected that the property will generate a gross rent income of £4,807.40 per annum and on this basis the investment should be repaid within 28 years.

5.3 Corporate Implications

5.4 Comment from the Section 151 Officer: Accountancy have been consulted during the writing of this report and have no further comments to make (BW).

5.5 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

5.6 Comment from the Equalities Officer: This report does not specifically highlight any equalities implications, however in discharging their responsibilities members are required to comply with the public sector duty in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

5.7 Other Officers (as appropriate): None received

6. Appendices

None.

7. **Background Papers**

Relevant papers on file.

Contact Officer: Rebecca Champion, Valuation Officer

Subject:	PURCHASE OF 7 DOUR STREET, DOVER
Date:	12 October 2017
Decision to be taken by:	Mike Davis, Director of Finance, Housing and Community
Report of:	Rebecca Champion, Valuation Officer
Portfolio Holder:	Councillor Michael Conolly, Portfolio Holder for Corporate Resources and Performance
Decision Type:	Executive Non-Key Decision
Call-in to be suspended:	No (<i>Call-in does not apply to Non-Key Officer decisions</i>)
Classification:	Unrestricted
Delegated Authority:	Authority delegated by Cabinet at its meeting held on 1 March 2017 (CAB 155(iii) (C) to: ‘Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities’.
Purpose of the report:	To purchase 7 Dour Street, Dover.
Recommendation:	To purchase 7 Dour Street, Dover.

1. Summary

- 1.1 The Council approved a recommendation within the Budget 2015/16 and Medium Term Financial Plan 2015/16 – 2017/18 to purchase properties through normal sale/negotiation, submission of bids or bids at auction as and when they arose subject to them representing good value for money.
- 1.2 The former Council property 7 Dour Street has become available on the market and it is considered that the Council should attempt to purchase it.

2. Introduction and Background

- 2.1 The Council’s Budget 2015/16 and Medium Term Financial Plan 2015/16 – 2017/18 report recognised that market opportunities to purchase properties through normal sale/negotiation, submission of bids or bids at auction were likely to arise, often at short notice and that the Housing Initiatives Reserve (HIR) within the Housing Revenue Account (HRA) could be applied to these opportunities where they represent good value for money or otherwise improve the housing stock.
- 2.2 On the basis of this, Cabinet agreed to delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources

and Performance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities.

2.3 7 Dour Street is a 2-bedroom flat that was purchased from the Council under the Right to Buy scheme. The property recently came onto the market and an officer from the Council's Property Services Team carried out a survey of the property and confirmed it would meet the Council's requirements. Following consultation with the Portfolio Holder for Corporate Resources and Performance, an offer of £125,000 was made and subsequently accepted by the vendor. The Estate Valuation Manager considers the price offered represents good value for money and a decision needs to be taken to proceed with the purchase.

2.4 Once purchased the intention is to let the property.

3. Identification of Options

3.1 Option 1: 7 Dour Street, Dover

3.2 Option 2: 7 Dour Street, Dover

4. Evaluation of Options

4.1 Option 1 is the recommended option. The purchase price represents good value for money compared to the cost of a new build property and will increase the Council's Housing stock to meet housing need.

4.2 Option 2 is not recommended as it fails to take advantage of a good opportunity to increase the housing stock to help meet housing need.

5. Resource Implications

5.1 The cost of purchasing the property will be met from a combination of HIR funds and the excess Right to Buy receipts which are ring-fenced for 'one for one' affordable housing replacement. This will help ensure the Council maximises the spend of RTB receipts before their 'use by' date. The rent income from the property will be credited to the HRA.

5.2 It is expected that the property will generate a gross rent income of £4,327.44 per annum and on this basis the investment should be repaid within 29 years.

5.3 Corporate Implications

5.4 Comment from the Section 151 Officer: Accountancy have been consulted during the writing of this report and have no further comments to make. (BW)

5.5 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

5.6 Comment from the Equalities Officer: This report does not specifically highlight any equalities implications, however in discharging their responsibilities members are required to comply with the public sector duty in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

5.7 Other Officers (as appropriate): None received.

6. Appendices

None.

7. **Background Papers**

Relevant papers on file.

Contact Officer: Rebecca Champion, Valuation Officer