

Public Document Pack



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5 April 2019

Dear Councillor

NOTICE OF DELEGATED DECISIONS – (DD40/DD41/DD42/DD43) PURCHASE OF PROPERTIES IN DOVER AND DEAL

Please find attached details of decisions taken by Mr Mike Davis, Strategic Director (Corporate Resources), to purchase properties at 11 Tudor House (Deal) and 32 Rokesley Road and 46 and 72 Leyburne Road (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 democraticservices@dover.gov.uk.

Yours sincerely

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

Democratic Services Officer

ENCL

1 **NOTICE OF DELEGATED DECISIONS - (DD40/DD41/DD42/DD43) PURCHASE OF PROPERTIES IN DOVER AND DEAL** (Pages 2-17)

Decision Notice

Delegated Decision

Decision No:	DD40
Subject:	PURCHASE OF 11 TUDOR HOUSE, DEAL
Notification Date:	5 April 2019
Implementation Date:	6 March 2019
Decision taken by:	Mike Davis, Strategic Director (Corporate Resources)
Delegated Authority:	Delegation B40 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.'
Decision Type:	Executive Non-Key Decision
Call-In to Apply?	No (<i>Call-in does not apply to Non-Key Officer Decisions</i>)
Classification:	Unrestricted

Reason for the Decision: A former Council flat at 11 Tudor House, Deal has come onto the market. A decision is necessary in order to take advantage of the opportunity to purchase the property which will add to the Council's social housing stock.

Decision: To purchase 11 Tudor House, Deal.

1. **Consideration and Alternatives** (*if applicable*)
 - 1.1 See attached report.
2. **Any Conflicts of Interest Declared?**
 - 2.1 None.
3. **Supporting Information** (*as applicable*)
4. See attached report.

Subject:	PURCHASE OF 11 TUDOR HOUSE, DEAL
Date:	6 March 2019
Decision to be taken by:	Mike Davis, Strategic Director (Corporate Resources)
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 a Non-Key Officer Decision</i>)
Classification:	Unrestricted
Delegated Authority:	Delegation B40 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.'
Purpose of the report:	A former Council flat at 11 Tudor House, Deal recently came onto the market. A decision is necessary in order to take advantage of the opportunity to purchase the property which will add to the Council's social housing stock.
Recommendation:	To purchase 11 Tudor House, Deal.

1. Summary

At its meeting held on 1 March 2017, Cabinet agreed that the Director of Finance, Housing and Community, now the Strategic Director (Corporate Resources), should be authorised to purchase properties on the open market or at auction, in consultation with the Portfolio Holder for Corporate Resources and Performance, providing they represent good value for money. This was affirmed when Cabinet approved the draft Council budget and Medium-Term Financial Plan on 5 February 2018.

- 1.1 The former Council property, 11 Tudor House, 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 (and Cabinet) 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 arise, subject to them representing good value for money or otherwise improving the housing stock. On the basis that market opportunities to purchase these properties are likely to arise at short notice, Cabinet also agreed in March 2017 to delegate to the Director of Finance, Housing and Community, now the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Corporate

Resources and Performance, the approval of offers, tenders or bids for the purchase of properties on the open market or at auction.

- 2.2 This was affirmed by Cabinet on 5 February 2018 when, in approving the draft Council budget 2018/2019 and Medium-Term Financial Plan 2018/19-2021/22, Cabinet agreed to:-

“Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, the power to acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.”

This authority is now contained within the scheme of officer delegations in the Constitution of the Council.

- 2.3 11 Tudor House is a 2-bedroom flat that was purchased from the Council under the ‘Right to Buy’ (RTB) 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 £140,500 was made and subsequently accepted by the vendor. The Estate Valuation Manager considers the price offered represents good value for money. Once purchased the intention is to let the property.
- 2.4 The cost of purchasing the property will be met from a combination of Housing Initiative Reserve (HIR) funds (within the Housing Revenue Account (HRA)) and excess RTB receipts which are ring-fenced for ‘one for one’ affordable housing replacement. This will help to ensure that the Council maximises the expenditure of RTB receipts before their ‘use by’ date. The rental income from the property will be credited to the Housing Revenue Account (HRA).

3. Identification of Options

- 3.1 Option 1: To purchase 11 Tudor House, Deal
- 3.2 Option 2: Not purchase 11 Tudor House, Deal

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 to ensure that the Council maximises the expenditure 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 rental income of £4,311.84 per annum and on this basis the investment should be repaid within 33 years.

6. **Corporate Implications**

6.1 Comment from the Section 151 Officer: "Accountancy have been consulted in the writing of this report and have no further comment to add (AHC)."

6.2 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."

6.3 Comment from the Equalities Officer: "This report does not specifically highlight any equality implications however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>."

6.4 Other Officers (as appropriate):

7. **Appendices**

None.

8. **Background Papers**

Relevant papers on file

Contact Officer: Rebecca Champion, Valuation Officer

Decision Notice

Delegated Decision

Decision No:	DD41
Subject:	PURCHASE OF 32 ROKESLEY ROAD, DOVER
Notification Date:	5 April 2019
Implementation Date:	6 March 2019
Decision taken by:	Mike Davis, Strategic Director (Corporate Resources)
Delegated Authority:	Delegation B40 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.'
Decision Type:	Executive Non-Key Decision
Call-In to Apply?	No (<i>Call-in does not apply to Non-Key Officer Decisions</i>)
Classification:	Unrestricted

Reason for the Decision: A former Council flat at 32 Rokesley Road, Dover has come onto the market. A decision is necessary in order to take advantage of the opportunity to purchase the property which will add to the Council's social housing stock.

Decision: To purchase 32 Rokesley Road, Dover.

1. **Consideration and Alternatives** (*if applicable*)
 - 1.1 See attached report.
2. **Any Conflicts of Interest Declared?**
 - 2.1 None.
3. **Supporting Information** (*as applicable*)
4. See attached report.

Subject:	PURCHASE OF 32 ROKESLEY ROAD, DOVER
Date:	6 March 2019
Decision to be taken by:	Mike Davis, Strategic Director (Corporate Resources)
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 a Non-Key Officer Decision</i>)
Classification:	Unrestricted
Delegated Authority:	Delegation B40 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.'
Purpose of the report:	A former Council flat at 32 Rokesley Road, Dover recently came onto the market. A decision is necessary in order to take advantage of the opportunity to purchase the property which will add to the Council's social housing stock.
Recommendation:	To purchase 32 Rokesley Road, Dover.

1. Summary

At its meeting held on 1 March 2017, Cabinet agreed that the Director of Finance, Housing and Community, now the Strategic Director (Corporate Resources), should be authorised to purchase properties on the open market or at auction, in consultation with the Portfolio Holder for Corporate Resources and Performance, providing they represent good value for money. This was affirmed when Cabinet approved the draft Council budget and Medium-Term Financial Plan on 5 February 2018.

- 1.1 The former Council property, 32 Rokesley Road, 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 (and Cabinet) 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 arise, subject to them representing good value for money or otherwise improving the housing stock. On the basis that market opportunities to purchase these properties are likely to arise at short notice, Cabinet also agreed in March 2017 to delegate to the Director of Finance, Housing and Community, now the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Corporate

Resources and Performance, the approval of offers, tenders or bids for the purchase of properties on the open market or at auction.

- 2.2 This was affirmed by Cabinet on 5 February 2018 when, in approving the draft Council budget 2018/2019 and Medium-Term Financial Plan 2018/19-2021/22, Cabinet agreed to:-

“Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, the power to acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.”

This authority is now contained within the scheme of officer delegations in the Constitution of the Council.

- 2.3 32 Rokesley Road is a 1 bedroom flat that was purchased from the Council under the ‘Right to Buy’ (RTB) 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 £102,000 was made and subsequently accepted by the vendor. The Estate Valuation Manager considers the price offered represents good value for money. Once purchased the intention is to let the property.
- 2.4 The cost of purchasing the property will be met from a combination of Housing Initiative Reserve (HIR) funds (within the Housing Revenue Account (HRA)) and excess RTB receipts which are ring-fenced for ‘one for one’ affordable housing replacement. This will help to ensure that the Council maximises the expenditure of RTB receipts before their ‘use by’ date. The rental income from the property will be credited to the Housing Revenue Account (HRA).

3. Identification of Options

- 3.1 Option 1: To purchase 32 Rokesley Road, Dover
- 3.2 Option 2: Not purchase 32 Rokesley Road, 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 to ensure that the Council maximises the expenditure 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 rental income of £3,645.20 per annum and on this basis the investment should be repaid within 28 years.

6. **Corporate Implications**

6.1 Comment from the Section 151 Officer: "Accountancy have been consulted in the writing of this report and have no further comment to add (AHC)."

6.2 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."

6.3 Comment from the Equalities Officer: "This report does not specifically highlight any equality implications however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>."

6.4 Other Officers (as appropriate):

7. **Appendices**

None.

8. **Background Papers**

Relevant papers on file

Contact Officer: Rebecca Champion, Valuation Officer

Decision Notice

Delegated Decision

Decision No:	DD42
Subject:	PURCHASE OF 46 LEYBURNE ROAD, DOVER
Notification Date:	5 April 2019
Implementation Date:	6 March 2019
Decision taken by:	Mike Davis, Strategic Director (Corporate Resources)
Delegated Authority:	Delegation B40 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.'
Decision Type:	Executive Non-Key Decision
Call-In to Apply?	No (<i>Call-in does not apply to Non-Key Officer Decisions</i>)
Classification:	Unrestricted

Reason for the Decision: A former Council flat at 46 Leyburne Road, Dover has come onto the market. A decision is necessary in order to take advantage of the opportunity to purchase the property which will add to the Council's social housing stock.

Decision: To purchase 46 Leyburne Road, Dover.

1. **Consideration and Alternatives** (*if applicable*)
 - 1.1 See attached report.
2. **Any Conflicts of Interest Declared?**
 - 2.1 None.
3. **Supporting Information** (*as applicable*)
4. See attached report.

Subject:	PURCHASE OF 46 LEYBURNE ROAD, DOVER
Date:	6 March 2019
Decision to be taken by:	Mike Davis, Strategic Director (Corporate Resources)
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 a Non-Key Officer Decision</i>)
Classification:	Unrestricted
Delegated Authority:	Delegation B40 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.'
Purpose of the report:	A former Council flat at 46 Leyburne Road, Dover recently came onto the market. A decision is necessary in order to take advantage of the opportunity to purchase the property which will add to the Council's social housing stock.
Recommendation:	To purchase 46 Leyburne Road, Dover.

1. Summary

At its meeting held on 1 March 2017, Cabinet agreed that the Director of Finance, Housing and Community, now the Strategic Director (Corporate Resources), should be authorised to purchase properties on the open market or at auction, in consultation with the Portfolio Holder for Corporate Resources and Performance, providing they represent good value for money. This was affirmed when Cabinet approved the draft Council budget and Medium-Term Financial Plan on 5 February 2018.

- 1.1 The former Council property, 46 Leyburne Road, 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 (and Cabinet) 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 arise, subject to them representing good value for money or otherwise improving the housing stock. On the basis that market opportunities to purchase these properties are likely to arise at short notice, Cabinet also agreed in March 2017 to delegate to the Director of Finance, Housing and Community, now the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Corporate

Resources and Performance, the approval of offers, tenders or bids for the purchase of properties on the open market or at auction.

- 2.2 This was affirmed by Cabinet on 5 February 2018 when, in approving the draft Council budget 2018/2019 and Medium-Term Financial Plan 2018/19-2021/22, Cabinet agreed to:-

“Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, the power to acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.”

This authority is now contained within the scheme of officer delegations in the Constitution of the Council.

- 2.3 46 Leyburne Road is a 2 bedroom flat that was purchased from the Council under the ‘Right to Buy’ (RTB) 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 £142,000 was made and subsequently accepted by the vendor. The Estate Valuation Manager considers the price offered represents good value for money. Once purchased the intention is to let the property.
- 2.4 The cost of purchasing the property will be met from a combination of Housing Initiative Reserve (HIR) funds (within the Housing Revenue Account (HRA)) and excess RTB receipts which are ring-fenced for ‘one for one’ affordable housing replacement. This will help to ensure that the Council maximises the expenditure of RTB receipts before their ‘use by’ date. The rental income from the property will be credited to the Housing Revenue Account (HRA).

3. Identification of Options

- 3.1 Option 1: To purchase 46 Leyburne Road, Dover
- 3.2 Option 2: Not purchase 46 Leyburne Road, 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 to ensure that the Council maximises the expenditure 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 rental income of £4,515.16 per annum and on this basis the investment should be repaid within 32 years.

6. **Corporate Implications**

6.1 Comment from the Section 151 Officer: "Accountancy have been consulted in the writing of this report and have no further comment to add (AHC)."

6.2 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."

6.3 Comment from the Equalities Officer: "This report does not specifically highlight any equality implications however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>."

6.4 Other Officers (as appropriate):

7. **Appendices**

None.

8. **Background Papers**

Relevant papers on file

Contact Officer: Rebecca Champion, Valuation Officer

Decision Notice

Delegated Decision

Decision No:	DD43
Subject:	PURCHASE OF 72 LEYBURNE ROAD, DOVER
Notification Date:	5 April 2019
Implementation Date:	6 March 2019
Decision taken by:	Mike Davis, Strategic Director (Corporate Resources)
Delegated Authority:	Delegation B40 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.'
Decision Type:	Executive Non-Key Decision
Call-In to Apply?	No (<i>Call-in does not apply to Non-Key Officer Decisions</i>)
Classification:	Unrestricted

Reason for the Decision: A former Council flat at 72 Leyburne Road, Dover has come onto the market. A decision is necessary in order to take advantage of the opportunity to purchase the property which will add to the Council's social housing stock.

Decision: To purchase 72 Leyburne Road, Dover.

1. **Consideration and Alternatives** (*if applicable*)
 - 1.1 See attached report.
2. **Any Conflicts of Interest Declared?**
 - 2.1 None.
3. **Supporting Information** (*as applicable*)
4. See attached report.

Subject:	PURCHASE OF 72 LEYBURNE ROAD, DOVER
Date:	6 March 2019
Decision to be taken by:	Mike Davis, Strategic Director (Corporate Resources)
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 a Non-Key Officer Decision</i>)
Classification:	Unrestricted
Delegated Authority:	Delegation B40 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution: 'To acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.'
Purpose of the report:	A former Council flat at 72 Leyburne Road, Dover recently came onto the market. A decision is necessary in order to take advantage of the opportunity to purchase the property which will add to the Council's social housing stock.
Recommendation:	To purchase 72 Leyburne Road, Dover.

1. Summary

At its meeting held on 1 March 2017, Cabinet agreed that the Director of Finance, Housing and Community, now the Strategic Director (Corporate Resources), should be authorised to purchase properties on the open market or at auction, in consultation with the Portfolio Holder for Corporate Resources and Performance, providing they represent good value for money. This was affirmed when Cabinet approved the draft Council budget and Medium-Term Financial Plan on 5 February 2018.

- 1.1 The former Council property, 72 Leyburne Road, 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 (and Cabinet) 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 arise, subject to them representing good value for money or otherwise improving the housing stock. On the basis that market opportunities to purchase these properties are likely to arise at short notice, Cabinet also agreed in March 2017 to delegate to the Director of Finance, Housing and Community, now the Strategic Director (Corporate Resources), in consultation with the Portfolio Holder for Corporate

Resources and Performance, the approval of offers, tenders or bids for the purchase of properties on the open market or at auction.

- 2.2 This was affirmed by Cabinet on 5 February 2018 when, in approving the draft Council budget 2018/2019 and Medium-Term Financial Plan 2018/19-2021/22, Cabinet agreed to:-

“Delegate to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder for Corporate Resources and Performance, the power to acquire freehold or leasehold residential properties and to agree terms and conditions in connection therewith.”

This authority is now contained within the scheme of officer delegations in the Constitution of the Council.

- 2.3 72 Leyburne Road is a 2 bedroom flat that was purchased from the Council under the ‘Right to Buy’ (RTB) 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 £135,000 was made and subsequently accepted by the vendor. The Estate Valuation Manager considers the price offered represents good value for money. Once purchased the intention is to let the property.
- 2.4 The cost of purchasing the property will be met from a combination of Housing Initiative Reserve (HIR) funds (within the Housing Revenue Account (HRA)) and excess RTB receipts which are ring-fenced for ‘one for one’ affordable housing replacement. This will help to ensure that the Council maximises the expenditure of RTB receipts before their ‘use by’ date. The rental income from the property will be credited to the Housing Revenue Account (HRA).

3. Identification of Options

- 3.1 Option 1: To purchase 72 Leyburne Road, Dover
- 3.2 Option 2: Not purchase 72 Leyburne Road, 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 to ensure that the Council maximises the expenditure 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 rental income of £4,498.52 per annum and on this basis the investment should be repaid within 31 years.

6. **Corporate Implications**

6.1 Comment from the Section 151 Officer: "Accountancy have been consulted in the writing of this report and have no further comment to add (AHC)."

6.2 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."

6.3 Comment from the Equalities Officer: "This report does not specifically highlight any equality implications however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>."

6.4 Other Officers (as appropriate):

7. **Appendices**

None.

8. **Background Papers**

Relevant papers on file

Contact Officer: Rebecca Champion, Valuation Officer