

# **Author/Lead Officer of Report:** Neil Piper, Project Officer

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Report of:	Strategic Housing & Regeneration		
Report to:	Executive Director, People Services and Executive Director, Place		
Date of Decision:	12 July 2017		
Subject:	Declaration of 9 Waterthorpe Glade, Westfield as surplus to the requirements of CYPF and its appropriation for use as social housing		
Is this a Key Decision? If Yes, reason Key Decision:-			
- Expenditure and/or savings over £500,000			
- Affects 2 or more Wards			
Which Cabinet Member Portfolio does this relate to? Housing			
Which Scrutiny and Policy Development Committee does this relate to? Safer and Stronger Communities			
Has an Equality Impact Assessment (EIA) been undertaken? Yes ✓ No ☐			
If YES, what EIA reference number has it been given? See attached document			
Does the report contain confidentia	al or exempt information? Yes No		
Purpose of Report:			
The purpose of this report is to seek permission for a house formerly used to accommodate a school caretaker to be declared surplus to requirements for the purposes of exercising education functions and appropriated for the purposes of Part II of the Housing Act 1985 to be used as general needs accommodation let at an affordable rent and accounted for in the HRA.			

#### Recommendations:

It is recommended that the Executive Director, People Services:

R1. Declares that the house at 9 Waterthorpe Glade, Westfield, shown at Appendix 1 to this report, is surplus to requirements for the purpose of exercising education functions.

It is recommended that the Executive Director, Place:

- R2. Agrees that the house at 9 Waterthorpe Glade, shown at Appendix 1 to this report, be appropriated for the purposes of Part II of the Housing Act 1985 and accounted for in the Housing Revenue Account.
- R3. Agrees that the Director of Finance and Commercial Services in consultation with the Director of Housing and Neighbourhood Services and the Chief Property Officer may make a reasonable financial adjustment between holding accounts as described in the report.

# **Background Papers:**

(Insert details of any background papers used in the compilation of the report.)

Lead Officer to complete:-		
I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms	in respect of any relevant implications	Finance: Karen Jones
	Legal: Andrea Simpson	
	completed / EIA completed, where required.	Equalities: Ian Oldershaw
	Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.	
2	EMT member who approved submission:	
3	Cabinet Member consulted:	
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Neil Piper	Job Title: Project Officer
	Date: 09/05/2017	

#### 9 WATERTHORPE GLADE - APPROPRIATION FOR USE AS SOCIAL HOUSING

#### 1. PROPOSAL

- 1.1 The purpose of this report is to seek permission for a house formerly used to accommodate a school caretaker to be declared surplus to requirements for the purposes of exercising education functions and appropriated for the purposes of Part II of the Housing Act 1985 to be used as general needs accommodation let at an affordable rent and accounted for in the HRA.
- 1.2 The property is a 3-bed house in Westfield and was used as a caretaker's house by CYPF for Shortbrook Primary School. The school's governing body no longer has a requirement for a resident caretaker, so the property is no longer required by CYPF for education purposes. It is therefore recommended that the Executive Director, CYPF declares the property surplus to requirements.
- 1.3 In February 2014, Cabinet approved a Stock Increase Programme, aimed at delivering more Council housing through a combination of new build and acquisitions. The appropriation of this property for use as Council housing would contribute towards this programme.
- 1.4 The Council's Housing Acquisition Strategy was approved by the Cabinet Member for Homes and Regeneration in April 2015 and sets out how the Council will prioritise acquisitions across the city in order to meet the targets of the Stock Increase Programme. 3-bed houses in Westfield score highly on the priority scoring system (based on the local demand for the size of the property and the turnover of equivalent property types within the existing Council stock in that area) and would therefore be considered favourably when assessing a potential acquisition.
- 1.5 The property is at 9 Waterthorpe Glade, Westfield. Appendix 1 shows the site location and boundary.

#### 2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Sheffield's Strategic Housing Market Assessment 2013 estimated that an additional 725 affordable homes would be required each year for the 5 years from 2013 to 2018 to meet projected need.
- 2.2 In February 2014, Cabinet approved a Stock Increase Programme, aimed at delivering more Council housing through a combination of new build and acquisitions. The appropriation of this property for use as Council housing would contribute towards this programme.
- 2.3 This proposal contributes directly to the following Corporate Plan priority:
  - Thriving Neighbourhoods and Communities: adding this property to Council housing stock for use as affordable housing would create additional affordable housing, improving the availability and choice of

such housing in the city.

#### 3. HAS THERE BEEN ANY CONSULTATION?

3.1 The proposal is to declare a single property surplus to requirements for the purpose for which it is currently held and to appropriate it to housing purposes. There is no duty to consult on such a proposal.

# 4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

# 4.1 Equality of Opportunity Implications

4.1.1 An Equalities Impact Assessment was carried out for the overall Stock Increase Programme in 2014 and will apply to this individual property. It concluded that fundamentally the proposal was equality neutral, affecting all local people the same regardless of age, sex, race, faith, disability, sexuality, etc. It noted that the programme could be particularly positive for people who are less well off or financially excluded and that it should also prove positive for community cohesion and for disabled and older people. No negative equality impacts were identified.

# 4.2 Financial and Commercial Implications

- 4.2.1 The property will be declared surplus to the requirements of CYPF and then appropriated for use as Council housing, the viability of which has been assessed under the financial viability parameters of the Council's Stock Increase Programme.
- 4.2.2 The Council's Property Services team valued the property at £85,000. Together with the associated fees (approximately £1,700) and the improvement works to bring the property up to a lettable standard (£7,370), this total expenditure, when considered against the anticipated rent level for a 3-bed property in Westfield, demonstrated that the appropriation of the property for use as social housing is a financially viable proposition.
- 4.2.3 A financial adjustment within the Council's accounts of £85,000 has been agreed, to account for the value of the appropriated asset and enabling this property to be appropriated into the Housing Revenue Account (HRA).

# 4.3 Legal Implications

- 4.3.1 Section 122 of the Local Government Act 1972 empowers the Council to appropriate for any purpose land belonging to it and no longer required for the purpose for which it is held immediately before the appropriation.
- 4.3.2 As a local housing authority the Council may appropriate land, including dwelling-houses, for the purposes of Part II of the Housing Act 1985 under section 19 of that Act. The property must then be accounted for within the HRA by virtue of Part VI of the Local Government and Housing

Act 1989.

- 4.3.3 On appropriation it must make such adjustment in its accounts as may be requisite in the circumstances by virtue of section 24 of the Town and Country Planning Act 1959.
- 4.3.4 Section 24 of the 1985 Act provides that the Council may make such reasonable charges as it may determine for the tenancies of its houses. Properties acquired for the stock increase programme are let at Affordable Rent (calculated as no more than 80% of the market rent) where consistent with government guidance.

#### 5. ALTERNATIVE OPTIONS CONSIDERED

5.1 **Open Market Disposal:** once declared surplus, if there were no interest from other Council departments the property would have been marketed for sale on the open market. Whilst this would have generated an immediate capital receipt, control over the use of the property and the opportunity to retain it for use as social housing would have been lost.

# 6. REASONS FOR RECOMMENDATIONS

6.1 Retaining the property for use as social housing will contribute to the Council's priority of increasing the availability of affordable housing in the city, whilst also providing an ongoing revenue stream through rental income.

# Appendix 1



