

RECORD OF DECISION MADE BY THE LEADER OF THE COUNCIL

This form should be used to record Executive decisions taken by Cabinet Members

Decision Ref. No:

**Responsible Officer: Mark Sheppard
(Housing Development Officer)**

Subject: Gladstone Road – Police Houses

Decision taken: The acquisition and refurbishment of five former police houses in Gladstone Road as per the business case "Gladstone Road" which was approved by the Executive Gateway Board on the 10th of December 2013.

Reasons for the decision: The timetable to draw down funds from the Homes and Communities Agency will require the purchase of the properties as soon as possible to allow the works to be completed by the end of the financial year.

Call-in and Urgency: It is subject to Call-in.

Background: This purchase underpins the objectives of the business case "Gladstone Road" which was approved by the executive gateway board on the 10th December 2013.

The Council's Corporate Plan identifies the provision of more affordable housing as a priority. It also identifies the regeneration of Boscombe as a priority and these proposals help to partially meet those aims.

The Homes for Boscombe Strategic Vision states: 'Boscombe will be a place which has a vibrant, mixed and sustainable community who live in good quality housing which is affordable, in an area with appropriate infrastructure and exciting opportunities.'

The opportunity to develop 105 units as part of a three year programme has been identified across a total of 11 sites within the Council's ownership and approved in principle by Cabinet on the 15th of February 2012. The Council House Building Programme 2012-2015 Business Case provides the detail for the entire programme with individual business cases being produced for each of the schemes.

The Government is promoting the delivery of affordable housing through programmes of Council New Build. Policy and regulation have been changed in order to support this.

Housing, Parks and Bereavement Services has been successful in being selected as a Registered Provider (RP) with the Homes and Communities Agency (HCA) and Social Housing Grant has been awarded for the delivery of

additional housing up to 2015.

Dorset Police Authority owns five houses in Gladstone Road East, which have been used for a variety of uses in the past and are now surplus to requirements. The properties are being actively marketed on the open market and a deal to purchase these properties has been agreed in principle with the Police Authority.

The proposal helps meet our affordable housing delivery obligation with the HCA, will improve the poorest quality of housing locally, will supply additional family housing and will help in the revitalisation of Boscombe, whilst the completed units will have a positive impact on the Housing Revenue Account.

This business case seeks approval of £865K funded through a mixture of HCA grant, internal borrowing/Housing Revenue Account new build reserves and other funding sources in order to acquire and refurbish the five houses.

The proposal is to acquire five, three bedroom houses in Boscombe which are adjacent to the Police Station in Gloucester Road and which have been used for a number of temporary uses in the recent past. The properties are now considered to be surplus to operational requirements by the Dorset Police Authority and have been put on the open market for disposal.

The properties are in a reasonable structural condition, but will need internal refurbishment to bring the properties up to a lettable standard, but once refurbished the dwellings will provide relatively spacious three bedroom family accommodation.

The proposed development will be funded using a mixture of internal borrowing/HRA reserves and grants from the Homes and Communities Agency.

There is a significant and growing need for affordable housing in Bournemouth. However, market conditions, reduced grant funding and slow new build starts have markedly reduced the opportunity to deliver against this need. Provision in the private sector in recent years has been limited to smaller flats rather than family accommodation. There is a need for both smaller and family sized homes in order to reduce the amount of time that households with priority housing needs are waiting on the housing register.

The Homes for Boscombe Strategic Vision places significant emphasis on bringing more families into Boscombe by the provision of high quality, affordable family housing and the purchase of these five houses will help provide such suitable accommodation in the area.

The Council's Corporate Plan for 2013/14 identifies the provision of more affordable housing as a priority and significant resources have been identified within the Housing Revenue Account Business Plan for the continuing provision of more council housing.

The Government is promoting the delivery of affordable housing through programmes of council new build. Policy and regulation have been changed in

order to support this. Housing, Parks and Bereavement Services have been successful in being selected as a Registered Provider with the HCA and Social Housing Grant can be allocated to this scheme, based on lettings at "Affordable Rents" (80% of market rents).

Options - and reasons for rejection: Do Nothing – rejected due to the over-riding need for more affordable housing within the Borough and because of the positive financial impact the new units will have on the Housing Revenue Account Business Plan.

Consultations undertaken: As per the business case "Gladstone Road" which was approved by the Executive Gateway Board on the 10th of December 2013.

Finance/Resource Implications:

The financial model is the same as that used for other recently completed housing schemes managed by Housing, Parks and Bereavement Services, all of which have been delivered on time and to budget. The model uses assumptions based on actual historic cost data for managing and maintaining the existing housing stock, cost data from the existing maintenance contract and the offer of funding already received from the Homes and Communities Agency as the basis for the 30 year business plan.

The House will generate a long-term surplus to the HRA, which can be used in the future effective operation of the Housing Revenue Account.

The anticipated total cost of acquiring the property and carrying out the necessary works to bring it up to a lettable standard is estimated to be £865,000. The purchase is forecast to produce an overall surplus to the HRA of £295,000 over 25 years plus the retained capital value of the property.

Name: Liz Wilkinson
Date: 18/12/2013

Signature:

Legal implications:

Prior to purchase a report on title will be prepared by legal services confirming that the property has good title.

The consideration for the purchase is £700,000.

The Council has legal powers to purchase the property referred to in this Decision Notice, and the decision is made in accordance with the Council's Constitution.

Name: Tanya Coulter
Date: 18/12/2013

Signature: (of Monitoring Officer)

Risk assessment:

As per the business case "Gladstone Road" which was approved by the executive gateway board on the 10th December 2013.

Name: John Findley

Date: 18/12/2013

Name:

Signature:

Date:

Impact Assessments:

As per the business case "Gladstone Road" which was approved by the executive gateway board on the 10th of December 2013.

Information for/not for publication:

For Publication

Background papers:

Executive Gateway Board Business Case

<http://biz/sites/ProjectHub/Docs/000419/Gateway%202/2.6%20Gladstone%20Road%20Business%20Case%20v2.docx>

Any conflict of interest declared by a Cabinet Member who is consulted by the Member taking the decision	Name of Cabinet Member	Nature of interest	Details of any dispensation granted by the Monitoring Officer
*Yes/No			

* Delete as appropriate

Decision taken by:

CouncillorJohn Beesley..... (Print name)

Cabinet PortfolioResources.....

Signed:

Date of decision: 18/12/2013

Date of publication of record of decision: 20.12.13 (to be inserted by Democratic Services)

Date decision effective - 31.12.13

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