

Committee Name and Date of Committee Meeting
Delegated Officer Decision – 22 January 2025

Report Title
Housing Market Acquisitions

Is this a Key Decision and has it been included on the Forward Plan?
Yes

Strategic Director Approving Submission of the Report
Ian Spicer, Strategic Director of Adult Care, Housing and Public Health

Report Author(s)
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Ward(s) Affected
Borough-wide

Report Summary
This report details decisions taken under the provisions of the Housing Acquisitions Policy and the associated delegation to the Assistant Director for Housing to acquire an initial 50 homes from the market, approved by Cabinet on 16th October 2023.

This is the first progress report to be produced and further reports will be submitted on a quarterly basis hereafter.

In the last reporting period, 38 homes have been purchased and brought into the Council's housing stock (a total of 39 homes have been acquired since approval of the Policy in October 2023).

Recommendation
Note that 38 properties have been acquired under the Housing Acquisitions Policy in the last reporting period.

List of Appendices Included
Appendix 1 – Properties Acquired to Date

Background Papers
Housing Acquisitions Policy Cabinet Report – October 2023
<https://moderngov.rotherham.gov.uk/documents/s143427/Housing%20Acquisitions%20Policy%20Cabinet%20Report%20October%202023%20FINAL%20SK.pdf>

Housing Acquisitions Policy – October 2023

<https://moderngov.rotherham.gov.uk/documents/s143428/Appendix%201%20Housing%20Acquisitions%20Policy.pdf>

Housing Delivery Programme Report – January 2024

<https://moderngov.rotherham.gov.uk/documents/s144733/Cabinet%20Report%20-%20Housing%20Delivery%20Programme%2024-25.pdf>

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

Council Housing Acquisitions

1.	Background
1.1	The Housing Acquisitions Policy was approved at Cabinet on 16 October 2023. The policy detailed the approach to acquiring homes to meet local housing need. It set out the different methods of acquisition, how the Council assesses housing need and the criteria for decision making on each acquisition opportunity.
1.2	Cabinet approved the acquisition of an initial 50 homes as part of the Housing Delivery Programme, contributing to the delivery of hundreds of additional Council homes by 2026. This was in addition to the strategic acquisition opportunities approved by Cabinet in prior Cabinet reports.
2.	Key Issues
2.1	The Housing Acquisitions Policy provides a clear framework for assessing properties and has facilitated an effective approach to acquiring properties under market acquisition. The Council is on target to deliver against an ambition of 100 additional acquisitions by December 2026. 38 properties have been acquired in the 2024/25 financial year and an additional 36 offers have been accepted and are now progressing through the legal process.
3.	Options Considered and Recommendation
3.1	A total of 86 offers have been made to date. The status of these offers is as follows: <ul style="list-style-type: none"> • 39 properties acquired. • 36 accepted offers in the legal process. • 2 pending offers. • 9 offers the vendor has rejected or accepted and then withdrawn from the process.
3.2	Details of the 39 properties acquired are shown in the table at Appendix 1.
3.3	12 properties were acquired at Lake View Road, Wath. These were Section 106 opportunities which were offered to the Council at short notice. The Housing Acquisitions Policy (see background papers) makes provision for this type of acquisition under Section 3. Policy Scope a. Methods of Acquisition.
3.4	The intention going forward is to focus activity on Market Acquisitions rather than Section 106 opportunities. This is reflected in the forward pipeline of 36 accepted offers and current activity to identify further acquisition opportunities.
4.	Consultation on proposal
4.1	Each acquisition opportunity is assessed against the criteria set out in the Housing Acquisitions Policy to include: <ul style="list-style-type: none"> • Current housing need. • Recent and proposed delivery of affordable housing via the Housing delivery Programme.

	<ul style="list-style-type: none"> • Property Condition. • Value for money.
4.2	The decision to proceed on each acquisition has been approved by the Assistant Director of Housing.
5.	Timetable and Accountability for Implementing this Decision
5.1	The properties subject to this report have been acquired in line with the delegation allowing the Council to acquire an initial 50 homes as part of the Housing Delivery Programme.
6.	Financial and Procurement Advice and Implications
6.1	The Policy outlines that acquisition opportunities will only be pursued if there is funding available at the time they are offered, and the Council has the right to refuse any housing acquisition opportunity where no funding is available at that time.
6.2	The properties subject to this report have been assessed in line with the value for money criteria set out in the Housing Acquisitions Policy.
6.3	The budget for market acquisitions has been allocated based on an average purchase price of £140k per unit. The current average purchase price of the 39 acquired properties is £125,600. When including the agreed sale properties, the average purchase price reduces to £95,654.
7.	Legal Advice and Implications
7.1	There are no substantive legal issues arising from the contents of this report. All legal implications were covered in the drafting of the Housing Acquisitions Policy and the necessary resource is in place to ensure that the Council can meet the statutory timescales associated with Right of First Refusal properties.
8.	Human Resources Advice and Implications
8.1	There are no Human Resources implications arising from this report.
9.	Implications for Children and Young People and Vulnerable Adults
9.1	The Housing Acquisitions Policy allows for adapted homes to be prioritised and accommodation to be considered that will create opportunities for providing supported, shared dispersed accommodation for Care Leavers. It also allows for the acquisition of family-sized homes which will help to ensure children are able to live in homes that are safe and secure. This has the potential to help with other issues such as the prevention of overcrowding or allowing families to access larger homes where they can support fostering opportunities or for those being supported through a Pathway to Care.
9.2	All but 1 of the 39 completed acquisitions are family accommodation, with the following breakdown of bedroom numbers: <ul style="list-style-type: none"> • Three 4-bedroom properties. • Eighteen 3-bedroom properties. • Seventeen 2-bedroom properties.

	<ul style="list-style-type: none"> One 1-bedroom property. 	
10.	Equalities and Human Rights Advice and Implications	
10.1	There are over 7000 active applications on the Housing Register. All 39 properties were purchased in areas of high demand. The type and size of properties added to the housing stock under Market Acquisitions attract multiple bids in the relevant wards. The number of bids for recent similar properties ranges from 52 to 120.	
11.	Implications for CO2 Emissions and Climate Change	
11.1	12 of the acquisitions acquired to date are new build properties which have an EPC rating of B. Refurbishment of the remaining properties aims to include work to achieve an EPC rating of C.	
12.	Implications for Partners	
	The Council has existing contractual arrangements with Equans and Mears through the housing repairs and maintenance contracts. The refurbishment required to bring acquisitions to the Council's lettable standard will be undertaken by either of these contractors.	
13.	Risks and Mitigation	
	Risk	Mitigation
13.1	Cost escalation during refurbishment works	Properties are surveyed prior to acquisition and a full scope of works identified.
		12 properties are new build and require no further works prior to letting.
13.2	Structural or other significant defects on new build acquisitions.	Warranty provided by the developer.
13.3	Difficulty letting	The housing need of all properties was assessed prior to acquisition. There is housing need and demand for all 39 properties.
14.	Accountable Officers	
14.1	James Clark, Assistant Director of Housing	

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