

Name of policy:	Housing Acquisitions Policy
Date approved at Cabinet:	
Minute reference:	
Review date:	

## Contents

1. Introduction
2. Aims and objectives
3. Policy scope
4. Delegation
5. Finance
6. Performance monitoring
7. Related policies

## **1. Introduction**

This document sets out the Council’s policy on acquiring homes to meet local housing need. It sets out the different methods of acquisition included in the policy, how the Council will assess housing need for acquisitions and the criteria for decision-making when pursuing or rejecting each acquisition opportunity. It also sets out how acquired homes may be utilised.

## **2. Aims and objectives**

The Council delivers affordable housing through its Housing Delivery Programme. This includes

- Council build: New build homes on Council-owned sites.
- SME: Homes delivered by Small and Medium-Sized Enterprise (SME) developers through the Council’s innovative Small Sites Homebuilding Initiative.
- Section 106: Acquisitions from developers to meet their affordable housing planning obligations.
- Market Acquisitions: Acquisitions from the open market.

The Council aims to deliver homes through acquisitions that meet strategic need, are in areas of high demand and/or in locations where there is little or no recent or forecasted delivery via the Housing Delivery Programme (Council build, SME or Section 106 acquisitions).

The acquisition of homes through this policy will help improve access to council homes across the borough in order to meet local housing needs.

The delivery of Council housing through this programme aims to help meet the following priorities, set out in the Rotherham Housing Strategy 2025-30:

- Leading by example by building and acquiring hundreds of new Council homes
- We will provide a range of housing to suit the needs of individual households
- Bringing empty homes back into use

It will also contribute to the delivery of the Homelessness Prevention and Rough Sleeper Strategy 2026-2031 – Priority 2 – Increase to the supply of and access to suitable, affordable housing

## **3. Policy scope**

### **a. Methods of acquisition**

The following section covers all acquisition types that will be covered by this policy.

The majority are based on approaches made by members of the public offering the Council the opportunity to acquire properties. In addition to this, the Council will actively seek properties to acquire that meet current housing need on the open market.

- i. The Right of First Refusal on homes sold by the Council through the Right to Buy Scheme. If a former Council tenant sells their property purchased through the Right to Buy Scheme within the first ten years of the initial sale, the Council has right of first refusal to reacquire the property. If the property is sold within the first five years of the initial sale, the former tenant must pay back a percentage of the discount they received on the property.
- ii. Council homes sold through the Right to Buy scheme that are outside the Right of First Refusal period. The Council is occasionally offered former Council homes where there is no statutory obligation for the current occupant to do so.
- iii. Acquisition of homes on the open market through local agents to meet an identified need which cannot be met through existing stock or new build provisions.
- iv. Acquisition of empty homes, identified through Council Tax records by the Empty Homes Officer. This can help meet housing need whilst reducing the number of empty homes in the Borough.
- v. Disposals from Housing Associations that are offered to the Council. The Council is offered properties from Housing Associations on an infrequent basis due to low demand and/or cost of refurbishment. The Council will consider these offers in areas of strategic importance.
- vi. New build properties that are not part of Section 106 agreements. These are offered to the Council on an ad-hoc basis but are usually at full market value.
- vii. S106 acquisitions secured via planning policy as detailed in the [Supplementary Planning Document No. 8: Affordable Housing](#) and are limited to geographical areas where there are developments large enough to provide affordable housing.

#### **b. Assessment of acquisition opportunities**

All potential housing acquisition opportunities will be considered against a set of approved principles to determine whether they support the Council's strategic housing objectives. In considering acquisition opportunities, the Council will consider:

- i. Strategic housing need, including current and emerging demand for council housing in the relevant location and existing stock and turnover levels.
- ii. The supply and delivery of affordable housing, including recent and anticipated delivery of social housing through all Housing Delivery Programme workstreams:
  - a. Council build

- b. SME - Homes delivered by Small and Medium-Sized Enterprise developers through the Council’s Small Sites Homebuilding Initiative.
- c. Section 106 acquisitions
- iii. Property suitability, including the condition, adaptability, and long-term viability of the homes for inclusion in the Council’s housing stock.
- iv. Value for money, ensuring that acquisitions represent an appropriate and sustainable use of Housing Revenue Account resources.
- v. Former Council homes which support the efficient management and sustainability of the housing stock may be prioritised where they align with strategic need.

The Council will not acquire:

- i. Properties offered with sitting tenants.
- ii. Leaseholder properties, except for flats where the block is in Council ownership and there are existing Council rent tenancies in the block.
- iii. Shared ownership properties.
- iv. Properties of a “defective” construction type (Housing Act 1984).
- v. Properties where the homeowner wishes to stay in the property as a tenant.

This policy provides a framework to guide decision-making but does not create any obligation on the Council to acquire any property. The Council retains discretion to pursue or decline any acquisition opportunity and may withdraw from a proposed acquisition at any point prior to completion.

### **c. Post-acquisition**

All homes acquired under this policy will become part of the Council’s Housing Revenue Account (HRA) stock. Acquired homes will be made available in accordance with the current Housing Allocation Policy as accommodation to support the Council’s statutory homelessness duties, or to meet other identified housing need in the borough.

## **4. Delegation**

All decisions require the approval of the delegated officer, the Service Director of Housing, in consultation with the Cabinet Member for Housing, as approved 16<sup>th</sup> October 2023.

## **5. Finance**

Housing acquisition opportunities will only be pursued if there is funding available at the time it is offered, and the Council has the right to refuse any housing acquisition opportunity where no funding is available at that time.

The budget position will be reported to Cabinet annually as part of the Housing Capital Cabinet Report.

## **6. Monitoring**

The Policy will be reviewed every two years, and any changes proposed will be reported to Cabinet for approval.

The Council will record all housing acquisition opportunities, both completed and rejected, to monitor trends in types and sizes of homes offered to the Council, to enable forward planning of further acquisitions and to inform the Housing Delivery Programme.

## **7. Related policies and legislation**

- a. The Housing Act 2004 c.34 Part 6 [Housing Act 2004 \(legislation.gov.uk\)](http://legislation.gov.uk).
- b. [Housing Allocation Policy – Rotherham Metropolitan Borough Council](#)
- c. Policy Statement on Rents for Social Housing: [Policy statement on rents for social housing - GOV.UK \(www.gov.uk\)](http://www.gov.uk)
- d. The Council's Empty Homes Scope & Standard
- e. [Rotherham Supplementary Planning Document No. 8: Affordable Housing](#)