

## Appendix 1

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

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## **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 programmes. In addition to this, the Council will consider acquiring properties on new build schemes through Section 106 planning agreements or elsewhere via the open market.

The Council aims to deliver homes through acquisitions in areas of high demand and/or in locations where there is little or no recent or forecasted delivery of Council build 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 2022-25:

- Affordable housing to meet local need
- Investing in existing homes
- Bringing empty homes back into use

It will also contribute to the delivery of the Homelessness Prevention and Rough Sleeper Strategy 2023- 2026 - Priority 3 – 'Increase access to affordable housing options'

## **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**

Each potential housing acquisition opportunity should be submitted to the Council in writing to confirm relevant details regarding the property, or the relevant details will be made available in the case of open market acquisitions, so that the Council can make an assessment against the following criteria using the approved assessment matrix:

- i. Current housing need – the Council will assess each opportunity presented against the strategic need at that time, including current demand (average number of bids per Council home let), stock and turnover figures, housing register analysis and Right to Buy sales in the location of the acquisition opportunity.
- ii. Recent and forecast delivery – the Council will consider recent and forecasted delivery of affordable housing through the Housing Delivery Programme in the location of the acquisition opportunity.

- iii. Condition of property – the Council will assess and factor any costs, in addition to the purchase price, of improving the strategic acquisition opportunity to a lettable standard that meets the Council’s Empty Homes Scope & Standard, into decision making. Former Council homes and homes with adaptations will take priority.
- iv. Value for money – the Council will offer the market valuation for properties and will consider the cost of other similar recent acquisitions when decision making.

The Council will not consider:

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

The Housing Acquisitions Policy provides a policy framework to guide the decision-making process, but not does impart any obligations upon the Council. The assessment criteria will identify priorities for acquisition, but the Council has the right to reject any offer for any reason. Any offer meeting the above criteria will be automatically rejected. In all cases, the Council has the right to cancel any acquisition at any stage before contracts are exchanged and will not pay any compensation to the homeowner. Each party will carry the cost of their respective legal, valuation and administration fees.

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

All acquisitions will become part of the Council’s Housing Revenue Account (HRA) stock.

Once incorporated into the 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 another identified housing need (e.g. to support the Council’s Children Act duties to provide accommodation). The Council may utilise the Direct Let provisions in the Housing Allocation Policy, for example where a property has been acquired to meet the needs of a specific household.

#### **4. Delegation**

All decisions require the approval of the delegated officer, the Assistant 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 development Programme.

#### **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 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2004/34/part-6).
- b. [Rotherham Housing Allocation Policy](#)
- c. Policy Statement on Rents for Social Housing: [Policy statement on rents for social housing - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policies/social-housing)
- d. The Council's Empty Homes Scope & Standard
- e. [Rotherham Supplementary Planning Document No. 8: Affordable Housing](#)