



Record of Cabinet Portfolio Holder Decision

Local Government Act 2000 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Decision made by	Portfolio Holder for Housing and Communities
Decision Title	Acquisition through Right to Buy Receipts
Key decision?	Yes
Date of decision (same as date form signed)	23 November 2020
Name and job title of Officer requesting the decision	Lee Byrne – Regeneration Manager
Officer contact details	lbyrne@melton.gov.uk
Decision	To purchase two three bedroom houses in Station Lane, Asfordby, Melton Mowbray.
Reason for Decision	<p>Under the agreement the Council entered into regarding the use of retained of Right to Buy receipts, the Council is required to return any unspent Right to Buy receipts to central Government if they are not spent within 3 years of receipt with an interest charge. At Place committee in September 2018, members were informed of the need to spend some of our Right to Buy receipts within the next financial year and agreed to give delegated authority to the director for Growth and Regeneration (in consultation with the chair of the Place committee and relevant ward members) to use of the Right to Buy receipts to purchase housing and retain the benefits of the Right to Buy receipts within the Council and local community.</p> <p>Parameters for suitable housing were set out; this focussed the use of receipts on good quality</p>

	<p>homes, ideally new or modern build; with modern building regulation standards, higher levels of energy efficiency and not in need of significant repair works or long term maintenance. The property search was also targeted on bungalows and 2-4 bedroom family houses in line with local affordable housing needs. The Council also needed to be confident that that any purchase could complete within the spending deadlines for the use of the Right to Buy receipts, so did not make offers on suitable properties with potentially protracted or long housing chains.</p> <p>Both properties identified meet the criteria set out above.</p> <p>This property purchase will be sufficient to use up all of the RTB receipts that require spending by end December 2020.</p>
<p>Alternative options rejected</p>	<ol style="list-style-type: none"> 1. Return RTB receipts to Government. If the RTB receipts are not spent by the end of December 2020 they will need to be returned to central government. This option has been rejected because this would result in a loss of potential capital investment for the provision of new council housing. There would be an additional interest charge to pay if the funds were returned to the government, resulting in an additional unacceptable financial loss to the Council. 2. Use RTB receipts to buy alternative housing. This option has been rejected because the property subject to this notice is considered to meet all the required criteria for use of the RTB receipts spending. It is one of only a dozen properties current available for sale and completion within the Right to Buy receipts spending requirement timeframe. It performed well in comparison to the alternative properties that were assessed as being suitable and available for sale within the spending timeframes in terms of housing need, value for money and property condition.
<p>Legal implications</p>	<p>S.120 Local Government Act 1972 provides a power for a local authority to acquire land.</p>

Financial implications	<p>The funding for the property subject to this decision will require a total spend of £400,000. In accordance with rules regarding the use of the Right to Buy receipts, a maximum of 30% of purchase costs can be made from the Right to Buy (RTB) receipts, totalling £120,000. The remaining 70% of the funding will come from the HRA (£280,000). The Purchase of these properties will ensure that the required Right to Buy spend is met to the end of December 2020.</p> <p>The Council still needs to spend a further £44,901 RTB receipts by March 2021. When combined with 70% match funding from the HRA (£104,769), the total required spend by the end of March 2021 is £149,670.</p>			
Other implications	<p>Under the Cabinet Scheme of Delegation (Chapter 2, Part 5 of the MBC Constitution) the Portfolio holder for housing may take decisions in relation to housing assets within the budget and policy framework.</p>			
Background papers considered	None			
Declarations/conflict of interest?	None			
List consultees		Name	Outcome	Date
	Ward Councillors	Cllr De Burle Cllr Carter	Agreed	
	Legal	Louise Arnold	Agreed	08/12/20
	Finance	David Scott	Agreed	07/12/20
	Human Resources	N/A	N/A	N/A
	Equalities	N/A	N/A	N/A
	Communications			
Confidential Decision?	No			
Call In Waived by Scrutiny Committee Chair?	No			
Has this been discussed by Cabinet Members?	N/A			
Cabinet Portfolio Holder Signature	A Pearson (approved by email) 23 November 2020			

ONCE SIGNED, THIS FORM MUST BE HANDED TO DEMOCRATIC SERVICES IMMEDIATELY.

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Form Received	8 December 2020	
Date published to all Councillors	8 December 2020	
Call In Deadline	11 December 2020	