

## Notice of a public

### **Decision Session - Executive Leader (incorporating Finance & Performance)**

**To:** Councillor Gillies (Executive Leader)

**Date:** Monday, 23 July 2018

**Time:** 9.15 am

**Venue:** The Craven Room - Ground Floor, West Offices (G048)

### **AGENDA**

Written representations in respect of items on this agenda should be submitted to Democratic Services by **5:00pm on Thursday, 19 July 2018**.

#### **1. Declarations of Interest**

At this point in the meeting, the Executive Member is asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

#### **2. Public Participation**

At this point in the meeting, members of the public who have registered to speak can do so. The deadline for registering is **5.00pm on Friday, 20 July 2018**. Members of the public can speak on agenda items or matters within the Executive Member's remit.

To register to speak please contact Democratic Services, on the details at the foot of the agenda.

### **Filming, Recording or Webcasting Meetings**

Please note that, subject to available resources, this meeting will be filmed and webcast, or recorded, including any registered public speakers who have given their permission. The broadcast can be viewed at <http://www.york.gov.uk/webcasts> or, if recorded, this will be uploaded onto the Council's website following the meeting.

Residents are welcome to photograph, film or record Councillors and Officers at all meetings open to the press and public. This includes the use of social media reporting, i.e. tweeting. Anyone wishing to film, record or take photos at any public meeting should contact the Democracy Officer (contact details are at the foot of this agenda) in advance of the meeting.

The Council's protocol on Webcasting, Filming & Recording of Meetings ensures that these practices are carried out in a manner both respectful to the conduct of the meeting and all those present. It can be viewed at

[https://www.york.gov.uk/downloads/file/11406/protocol\\_for\\_webcasting\\_filming\\_and\\_recording\\_of\\_council\\_meetings\\_20160809](https://www.york.gov.uk/downloads/file/11406/protocol_for_webcasting_filming_and_recording_of_council_meetings_20160809)

### **3. Purchase of Elmwood House (Cemetery Road) (Pages 1 - 4)**

This report requests approval for the purchase by Housing Services of four apartments under the council's Shared Ownership Programme.

The session has been convened so that this matter, which is a key decision, can be dealt with in accordance with the urgency procedures in Regulation 10 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. The reason for the urgency is to enable the purchase to go ahead without delay, as there is a risk that otherwise the seller will withdraw from the sale.

### **4. Urgent Business**

Any other business which the Executive Member considers urgent under the Local Government Act 1972.

## Democratic Services:

Telephone: 01904 551088  
Email: democratic.services@york.gov.uk

For more information about any of the following, please contact Democratic Services:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports and
- For receiving reports in other formats

Contact details are set out above.

**This information can be provided in your own language.**

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 (01904) 551550

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**Decision Session, Executive Leader  
(Incorporating Finance & Performance)**

**23 July 2018**

**Report of the Assistant Director Of Housing and Community Safety**

**Purchase of Elmwood House (Cemetery Road)**

**Summary**

1. This report requests approval for the purchase by Housing Services of four apartments under the council's Shared Ownership Programme.
2. An urgent approval is needed to secure the purchase of the flats and prevent the owner from withdrawing from the sale.

**Recommendations**

3. The Executive Leader is asked to approve:
  - The freehold purchase of four one and two bedroom apartments at Elmwood House, Cemetery Road, York for £680,000

**Reason:**

- To enable the acquisition of these dwellings for the council's Shared Ownership Programme and to ensure that the purchase is not delayed and therefore put at risk of the seller withdrawing from an agreement to sell them to the council.
- The purchase of the flats is a Key Decision and therefore cannot be approved under officer delegation

**Background**

4. In May 2017 the Executive approved the award of £2.76m grant from the Homes and Communities Agency and agreed to match fund this with capital spend to deliver a programme of 65 shared ownership homes by 2020

5. In December 2017 a report to the Decision Session - Executive Member for Housing and Safer Neighbourhoods, setting out the property acquisition strategy for the shared ownership programme, was approved.
6. Specifically, approval was given:
  - For the Assistant Director of Housing and Community Safety in consultation the Director of Customer and Corporate Services to have delegated authority to approve the purchase of homes for the programme.
  - For flexibility on the balance of the programme between homes delivered on new developments and those on the second hand market
  - For dwellings to be purchased by the council in advance of them being marketed and sold on as shared ownership homes.
7. The acquisition strategy ensures a clear and appropriate level of scrutiny before approval is given for purchases of properties whilst also being within a timescale that will not put the council at a disadvantage in purchasing properties in a competitive housing market.
8. In December officers began negotiations with the developer who was converting the former Melbourne pub on Cemetery Road, York into four self contained flats. Agreement on the freehold purchase price for the four flats was agreed and validated by independent market valuation. The flats were due to be completed early in 2018, but have only been fully completed at the beginning of July.
9. Approval to purchase the flats was sought in accordance with the delegated authority and processes contained in the property acquisition strategy.
10. However, because the total purchase price of these four flats is over £500k it is a Key Decision and therefore not one that Executive Member can make. It follows that in this circumstance the Executive Member cannot delegate to an officer a power that he does not have.
11. **Options**
12. Option 1: to approve the recommendation of this report.
  - This is recommended option

13. Option 2: to refuse the recommendation of this report.

### **Analysis**

14. The purchase of these four flats would be the first homes to be sold by Housing Services under the Shared Ownership Programme and enable and affordable home ownership option for first time buyers. They are new conversions of an existing building and are expected to be popular given their price and location within walking distance of the city centre.
15. There are 3 two bedroom flats and 1 one bedroom flat. Individually they are valued between £160k and £175k and £680,000 in total.
16. The flats are now ready for sale and the conveyance work has been completed by the council's solicitor ready for the purchase to proceed immediately. The developer has, understandably, assumed the purchase will go ahead without delay and there is a significant risk that if it cannot that they will withdraw from the sale.
17. If the purchase does not proceed for any reason the council will not be able to draw down approximately £170k of Homes England grant funding. Although that funding would not, at this stage, be at risk it would nevertheless put increase the risk of the council failing to meet the programme delivery timetable agreed with Homes England.

### **Council Plan**

18. The delivery of 65 Shared Ownership homes will meet a number of the council's corporate priorities 2015-19 including:
  - Residents can access affordable homes while the greenbelt and unique character of the city is protected
  - Everyone is supported to achieve their full potential
  - All York residents live and thrive in a city which allows them to contribute fully to their communities and neighbourhoods
  - Every child has the opportunity to get the best possible start in life.

### **Implications**

19. **Financial.** The financial implications of the overall programme were covered in the Executive report in May 2017. There are no immediate financial implications with no completing the purchase of the flats other than officer time and legal expenses to do with the conveyance.

20. **Legal.** Under the Council's Constitution the making of a key decision is generally reserved to the Executive but the Leader may make such a decision where it cannot reasonably await the next meeting. The report provides an adequate explanation for why this decision cannot await the next scheduled meeting of the Executive.

### **Risk Management**

21. The risk management of the programme overall was covered in the May 2017 Executive report and has not changed.

### **Contact Details**

**Author:**

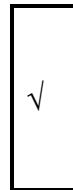
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Assistant Director for  
Housing and Community Safety  
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Paul Landais-Stamp  
Housing Strategy Manager  
Housing and Community Safety  
Tel No. 554098

**Chief Officer Responsible for the report:**

Martin Farran  
Corporate Director of Health, Housing and  
Adult Social Care

**Report  
Approved**



**Date** 15/7/18

**Wards Affected:** Fishergate

**For further information please contact the author of the report**

### **Background Papers:**

Shared Ownership Affordable Housing Programme. Executive, 18 May 2017.

Shared Ownership Programme 2017-21 – Property acquisition strategy.  
Decision Session – Executive Member for Housing and Safer  
Neighbourhoods. 18 December 2017