

Council Housing Stock Acquisition and Disposal Policy

Approved by Committee on
20xx with an implementation date of 20xx



Document Control

Approval Date Calibri bold 12pt	- Calibri Regular12pt
Implementation Date	2024
Policy Number	
Policy Author(s) and Owner	Housing Asset Team Leader, Corporate Landlord
Approval Authority	Chief Officer, Corporate Landlord
Scheduled Review	2029
Date and Changes: 15/01/23 – Previous policy document updated to reflect Corporate Template 1/3/2023 – CO-CL – changes and updates	

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1 Why does the Council need this Policy?

- 1.1 This policy document is being taken forward to ensure that the existing stand-alone policies for the acquisition of former Council housing (Buy Back scheme) and disposal of existing Council housing are linked and consistent with each other. These policies require to operate in tandem so that they have the flexibility and adaptability to meet existing housing need and demand, yet still reflect current local and national outcomes.
- 1.2 Linking these policies will ensure that no property is acquired by or disposed of from the Housing Revenue Account (HRA) without first being subjected to rigorous testing against set criteria. Properties will only be acquired or disposed of where this links to housing need and demand.

2 Application and Scope Statement

2.1 The policy will affect:

- Private owners who are applying to sell their property to the Council
- Officers involved in the management of the Council's HRA assets
- Officers involved in the allocation of Council homes
- Prospective and current Council tenants
- Elected Members

- 2.2 This policy applies to properties being re-acquired under the Council House Buy Back scheme or for disposal under the Strategic Disposal policy, but also introduces flexibility to consider special identified needs.

3 Responsibilities

- 3.1 The Chief Officer Corporate Landlord has overall responsibility for this document. The document owner is the Housing Assets Team Leader.

4 Supporting Procedures & Documentation

- 4.1 Links to supporting documentation have been provided at section 13 below. Procedures will be drafted/amended following the policy submission to committee.

5 About this Policy

- 5.1 The policy will ensure that when considering either acquisition or disposal officers are referring to the latest statutory requirements regarding the needs of future tenants (Scottish Housing Quality Standard (SHQS)/ Housing for Varying Needs (HFVN)), Net Zero aspirations, Energy Efficiency Standards for Social Housing (EESH2), Aberdeen City Local Housing Strategy and Housing Need and Demand Assessment.
- 5.2 The policy will also ensure that local issues such as lettable, affordability and the Council's other duties with regard to homelessness and other areas of housing need and demand are considered during decision making.

- 5.3 On 30 October 2012 the then Housing & Environment Committee approved a policy which allowed individual properties within the Council's housing stock, which were in mixed ownership blocks, to be considered for disposal when they became vacant.
- 5.4 On 7 February 2019 the then Community and Resources Committee approved a policy to buy back former Council owned properties where they met a strategic need.
- 5.5 In addition to these policies the Chief Officer – Corporate Landlord has the delegated power, following consultation with the Convener of the Finance and Resources Committee, to instruct the Chief Officer - Governance to purchase properties on the open market where the consideration is less than £250,000. This allows for the purchase of properties which may not be former Council housing, but which meet a specific demand not provided for within the current Council housing stock, such as properties for larger families or properties that have specific facilities.
- 5.6 This document reviews these policies to ensure they are adequately aligned and meet additional requirements around SHQS, HFVN, EESSH2 and net zero, the Aberdeen City Local Housing Strategy and Housing Need and Demand Assessment.
- 5.7 This policy intends to give clear guidance on the properties meeting the key criteria for consideration for acquisition or disposal that:

Acquisition should only be pursued where:

- There is an identified specific demand that requires a property of a particular size or type.
- There is demonstrable demand for the property type: and
- The property gives the HRA a majority interest in a building or full ownership of a block
- The Property has not been subject to a tenancy which has been brought to an end to allow a sale.
- Vacant possession is available.
- The property can be brought to minimum letting standard/ meets HFVN, SHQS and EESSH 2 requirements at reasonable costs.
- The purchase is affordable for the HRA in both capital and revenue (maintenance and management) costs.
- There is a proven urgent need for a property size, or property with specific adaptations/facilities, which cannot be currently met from the existing housing stock

A property that does not meet any one of these requirements should be refused automatically and the owner should be advised their application is being declined.

Properties should be considered for disposal only when:

- There is no demonstrable need and demand for the property size and type; and
- ACC are a minority owner in a block; and
- There is a level of repair or maintenance required to meet SHQS and EESSH2 that does not constitute value for money to the HRA, or
- The property is unable to meet future energy or performance requirements

- 5.8 The Delegated Power to instruct the Chief Officer – Governance to acquire or dispose of properties, where the consideration is less than £250,000, rests with the Chief Officer – Corporate Landlord following consultation with the Convener of the Finance and Resources

Committee. Any purchases/disposals above this level will be reported to the appropriate Committee for a decision.

6 Risk

6.1 Strategic Risks

The application of this policy will ensure that properties will be acquired or disposed of in conjunction with the Council's strategic requirements.

Operational Risks

The application of this policy will ensure that when properties are being considered for acquisition or disposal consideration will be given to operational issues such as housing need and demand, management and maintenance costs

Financial Risks

The financial assessments currently in use in conjunction with this policy will ensure that when acquiring or disposing of an HRA property the risk of financial damage will be reduced and there will be no unexpected financial outlays.

Reputational Risks

The policy sets out the principles/terms/standards required in order to reduce the risk of inconsistent decision making that could lead to reputational damage.

Environment/Climate Risks

Surveys to establish a property's compliance with ESSH 2 will reduce the risk of not meeting the Council's environmental and climate change targets for its housing stock.

7 Environmental Considerations

7.1 The policy clearly addresses the environmental performance of property as a key consideration in both the acquisition and disposal process.

8 Policy Performance

8.1 The effectiveness of this policy will be determined by continually monitoring the demand for properties acquired through the buy back process to ensure that demand remains for the type of property, the number of future void events the property experiences and the length of each future void period when compared to similar property types in the same or similar letting areas.

8.2 This will be managed through the asset management plan for the HRA.

8.3 Long term empty residential properties will also be considered through the acquisition process

9 Design and Delivery

9.1 The policy is aligned with the strategic objectives contained within the LOIP

- Council's Strategic Priority of Energy Transition and Net Zero Council's Statutory Obligations, Aberdeen City Local Housing Strategy and Housing Need and Demand Assessment

10 Housekeeping and Maintenance

10.1 The policy will be reviewed every five years or when a change in legislation requires or where major humanitarian events which impact on the demand for housing occurs

11 Communication and Distribution

11.1 This policy will be available to internal users on the Council's intranet. External parties will be able to access it on the Council House Buy Back section of the Council's website.

12 Information Management

12.1 Data and information related to applicants interested in either selling their property to the Council, or interested in a property being disposed of, will be managed in line with the Corporate Information Policy and supporting procedures.

13 Definitions and Understanding this Policy

13.1 Provide clear definitions for any terms, technical terms and concepts included within the policy.

SHQS - <https://www.gov.scot/publications/shqs-technical-guidance-for-social-landlords/>

EESH2 -

<https://www.gov.scot/binaries/content/documents/govscot/publications/advice-and-guidance/2020/11/draft-guidance-for-the-energy-efficiency-standard-for-social-housing-post-2020/documents/draft-eesh-2-document/draft-eesh-2-document/govscot%3Adocument/EESH%2B2%2BGuidance%2B-%2Bdraft%2B-%2B2.2%2B-%2BNovember%2B2020.pdf>

HFVN - <https://www.viva-access.com/wp-content/uploads/2020/06/Housing-for-Varying-Needs-1998-Scotland.pdf>

Aberdeen City Local Housing Strategy and Housing Need and Demand Assessment (Appendix 7) – <https://www.aberdeencity.gov.uk/services/housing/local-housing-strategy>

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