

Report of: Housing Services and OBS Business Managers

To: EXECUTIVE BOARD

Date: 3rd April 2006

Item No:

Title of Report : Disposal of 2 properties



Summary and Recommendations



Purpose of report: To seek approval for the disposal of 2 void properties that would be too expensive to bring up to Decent Homes standard.



Key decision: No

Portfolio Holder: Cllr Ed Turner

Scrutiny Responsibility: Housing Scrutiny Committee



Area(s) affected: Hinksey Park, Barton and Sandhills

Report Approved by: Graham Bourton, OBS Business Manager
Graham Stratford, Housing Business Manager
Jeremy King, Legal Services
Mike Baish, Financial Services



Policy Framework: None



Recommendation(s): That the Executive Board agrees to the disposal of 2 properties, namely 225 London Road (3 bedroom house) and 111 Marlborough Road (2 bedroom house) on the open market. A copy of this report has been submitted to Housing Advisory Board who agreed to dispose of these properties and the capital receipts put towards funding the Decent Homes work programme.



1. Summary -

This report is to advise the Board, in accordance with the Voids Policy, on the financial implications of Oxford City Council carrying out work to bring both properties up to Decent Homes Standard in order to re-let. The alternative options are given and indicative open market values are given within the confidential Appendix One. The financial implications of this report will be reported orally at the meeting.

2. Council's Vision and strategic aim –

Achieving Decent Homes Standard for all Oxford City Council stock is a major objective of the Council and disposing of those properties that are not financially viable will ensure that money is available to achieve this objective within the timescales set by Central Government.

3. Background –

3.1 The properties are as follows;

225 London Road – Semi-detached three-bedroom parlour house built in the 1920s of traditional construction with 280mm solid brick walls to the main building and a 115mm solid brick wall to the rear extension.

3.2 111 Marlborough – Mid-terraced house built in the late 1920s of traditional construction (solid brick walls). Originally a three-bedroom house with a downstairs bathroom. Bathroom moved upstairs and, as a consequence now two-bedroom property.

3.3 Currently, for a three-bedroom parlour property in the same location as 225 London Road there are 37 applicants on the Housing Register. For a two-bedroom property in the same location as 111 Marlborough Road there are 328 applicants on the Housing Register. These figures include the HA96 applicants who do not have a choice of areas.

4. Options Considered -

4.1 Retain as properties within the HRA Housing Stock -

4.1.1 Both properties will need works to bring them up to the Decent Homes standard.

4.1.2 There is a demand for two and three bedroom houses.

4.2 Open Market Sale -

4.2.1 Indicative open market values are set out in the confidential Appendix One attached.

5. Financial implications -

- 5.1 At the time of writing this report the properties have been unoccupied for a period of 65 days and 9 days and it is the proposed intention to minimise this rent loss.
- 5.2 The cost of bringing the property up to Decent homes Standard and carrying out necessary structural works for 225 London Road is approximately £34,000 and for 111 Marlborough Road is approximately £30,000.
- 5.3 Full information on the financial implications of this proposal and updated information on the indicative valuations in Appendix 1 will be reported orally at the meeting.
- 5.4 It is proposed that any sale receipts go to the HRA Capital programme to help meet the Decent Homes standard.

6. Legal Implications -

- 6.1 If Members decide to recommend that a sale of the properties is the best option, a further report will be submitted before the sale is completed. The report will address the proposed use of the building by the proposed purchaser and the terms of the proposed disposal (including offer price).
- 6.2 In accordance with The General Housing Consents 2005 Section A3.1 a local authority may, subject to the provisions of this consent [General Housing Consent 2005], dispose of a vacant dwelling-house to an individual, who intends to use it as his only or principal home, for a consideration equal to its market value.
- 6.3 In accordance with The General Housing Consents 2005 Section A3.2 a local authority may, subject to the provisions of this consent [General Housing Consent 2005], dispose of a vacant dwelling-house to any person for a consideration equal to its market value, where the dwelling-house is in need of substantial works of repair, improvement or conversion and that person enters into a covenant to carry out those works and then

to dispose of the dwelling-house or any dwelling-house created from it to an individual who intends to use it or and dwelling-house created from it as his only or principal home.

- 6.4 In accordance with The General Housing Consents 2005 Section A51.1 Oxford City Council may dispose of one vacant house or vacant converted house provided that the purchaser (alone or with others) has not acquired another dwelling house from the authority previously in the same financial year.
- 6.5 Oxford City Council could also consider disposing of the property to a Registered Social Landlord for the best consideration that can be obtained (General Housing Consent 2005 A5 2.1).

7. Staffing Implications -

- 7.1 There are no staffing implications to this report. If the sale option is agreed then it is proposed to sell the properties on the open market using the Estate Agent who has valued the properties at the highest price.

8. The Grounds for Recommending -

- 8.1 The summary of options has been set out in the attached confidential Appendix One and recommendations have been based on those issues.

9. The Timetable for Action following the decision -

- 9.1 Check how long Estate agents would take to sell.

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Background papers: None

