

Brighton & Hove City Council

Cabinet

Agenda Item 55

Subject: Housing Supply and Asset Management Plan

Date of meeting: 16 October 2025

Report of: Cabinet Member for Finance and City Regeneration
Cabinet Member for Housing & New Homes

Lead Officer: Interim Director Property & Finance
Corporate Director Homes & Adult Social Care

Contact Officer: Jessica Hamilton, Head of Strategic Property
Diane Hughes, Head of Housing Strategy & Supply

Email: Jessica.hamilton@brighton-hove.gov.uk
Email: diane.hughes@brighton-hove.gov.uk

Ward(s) affected: All Wards

Key Decision: Yes

Reason(s) Key: Expenditure which is, or the making of savings which are, significant having regard to the expenditure of the City Council's budget, namely above £1,000,000.

For general release

1. Purpose of the report and policy context

- 1.1 The council faces significant financial challenges. A key source of financial pressure is the provision of Temporary and Emergency Accommodation to families and individuals at risk of homelessness – particularly units of housing that are “spot purchased” from the private sector. This report seeks to maximise the use of council assets to acquire more “in house” temporary accommodation – thus supporting families and individuals and reducing financial pressure on the General Fund. The report sets out an Asset Management Plan (AMP), and identifies a number of property transactions that could release capital receipts, which in turn can be used to support the acquisition of housing – as well as strengthening the overall financial stability through investing in transformation. The report also outlines specific properties for acquisition that will increase the supply of affordable housing and includes recommendations to support the council acting promptly in a buyer's market to further increase affordable housing.
- 1.2 The council owns a significant and varied property portfolio, which it retains to meet a number of different objectives including operational, financial, economic, environmental and social. However, the retention of such a large property portfolio is a substantial drain on the council's budget as well as being a significant lost opportunity in terms of being able to use these properties and their value to deliver other objectives.

- 1.3 The Asset Management Plan (AMP) sets out objectives for the strategic management of the council's land and buildings to support the outcomes of the council plan, achieve priority objectives including supporting the supply of affordable housing and help deliver the Medium Term Financial Strategy (MTFS). The plan sets out a target of £50m to be generated through capital receipts, which will be used to increase the supply of council owned temporary accommodation in the city as well as supporting the council's revenue budget through flexible use of capital receipts to fund transformation projects that will deliver savings and increase income for the council. We will initiate a programme to purchase 200 homes to be used for temporary accommodation. An initial £10m will be allocated to this, funded by capital receipts. There are further recommendations in this report to support delivery of the AMP objectives.
- 1.4 The Council holds considerably more operational property than it needs to deliver services to residents in the city, and this means the costs of maintaining these properties is much more than is necessary. The AMP therefore sets out a target of reducing the Council's property maintenance costs by 25%. A review of the Council's operational property will take place and report back to Cabinet setting out a plan to reduce property maintenance costs.
- 1.5 Brighton and Hove is facing a significant housing crisis, characterised by a severe shortage of affordable housing, with an increasing number of people on the Housing Register, many in temporary accommodation. The council is committed to increasing the supply of affordable housing in the city. This report details opportunities for the council to utilise resources within the council's own portfolio to increase the supply of council housing and temporary accommodation. In addition we seek opportunities to increase social housing stock by buying off plan from developers or through off-market approaches.
- 1.6 This report presents to the Cabinet an opportunity to acquire three separate blocks of flats delivering 19 homes which will be held within the Housing Revenue Account (HRA). This will enable the council to meet a range of housing need by purchasing a new build development and existing housing stock to provide a mix of general needs and temporary accommodation. Further detail of all the properties identified, including those that are commercially sensitive, are summarised in Part 2 of this report. The flats are located at the following locations:
- Freehold Terrace, Brighton, BN2 4AB
 - Beech Grove, Brighton, BN2 4TN
 - Vaughan Williams Way, Rottingdean BN2 7GB
- 1.7 The housing market is fast moving and we have found an increasing number of owners approaching the council seeking to sell. To maximise our ability to respond rapidly to opportunities delegated authority is sought for the Corporate Director – Homes & Adult Social Care to agree acquisitions for the supply of new affordable housing (including for the purposes of

temporary accommodation) in consultation with the relevant Cabinet Members or Members and the Director for Finance and Property reporting back to the next Cabinet detailing any purchases made using these delegations.

- 1.8 The proposed AMP and the acquisitions in this report supports the Council Plan 2023-2027, specifically:

Outcome 1: A city to be proud of is supported through enabling new homes and investment to regenerate the city and through improving sustainability within the property portfolios and also supports biodiversity and the council's City Downland Estate Plan.

Outcome 2: A fair and inclusive city is supported through increasing housing supply.

Outcome 4: A responsive council with well-run services is supported by providing critical investment for the Innovation Fund which uses the government's capital receipt flexibilities to invest in improvements to service delivery, achieve savings and efficiencies, improve the council's digital services and enable best use of the council's assets to deliver capital investment and financial sustainability.

2. Recommendations

- 2.1 Cabinet approves the Asset Management Plan and the financial targets within the plan (£50m capital receipts by 2030 and a 25% reduction in the Council's operational property maintenance costs).
- 2.2 Cabinet agrees to the appropriation for housing purposes or disposal of the properties identified at paragraphs 3.7 to 3.23 of this Part 1 report together with the further properties set out in Part 2 report in the manner set out in this report.
- 2.3 Cabinet agrees that the priorities for the City Downland Estate are considered as part of the capital programme and the proceeds from disposals of properties in the City Downland Estate are used to fund these priorities or any other priorities based on the council's Corporate Plan.
- 2.4 Cabinet agrees to the purchase of 8 flats at Freehold Terrace, Brighton, BN2 4AB on a freehold basis for a sum to be negotiated up to the maximum set out in Part 2 report.
- 2.5 Cabinet agrees to the purchase of 5 flats at Beech Grove, Brighton, BN2 4TN on a freehold basis for a sum to be negotiated up to the maximum set out in the Part 2 report.
- 2.6 Cabinet agrees to the purchase of 6 flats at Vaughan Williams Way, Rottingdean BN2 7GB on a freehold basis for a sum to be negotiated up to the maximum set out in the Part 2 report.

- 2.7 Cabinet approves an HRA capital budget of £4.749m inclusive of all fees and statutory taxes to be funded by HRA Borrowing and commuted sums for the purchase of the above properties.
- 2.8 Cabinet delegates authority to;
- Director Property & Finance in consultation with the Director Governance & Law and the Cabinet Member for Finance and City Regeneration to approve terms and take any necessary steps to facilitate and complete the appropriation for housing purposes or disposals of the properties at the best consideration reasonably obtainable identified at paragraphs 3.7 to 3.23 and in the Part 2 report.
 - Corporate Director Homes & Adult Social Care in consultation with the Cabinet Member for Housing & New Homes to take the steps necessary to agree and complete: (a) the purchase of the 19 flats on the terms set out in the Part 2 paper and (b) any other relevant ancillary legal and financial documents necessary to deliver the project and give effect to recommendations 2.4-2.6.
- 2.9 Cabinet delegates authority to the Corporate Director Homes & Adult Social Care to take the steps necessary to agree future acquisitions for the supply of affordable housing in consultation with:
- the Cabinet Member for Housing & New Homes, for acquisitions with a value between £500k and £3 million.
 - the Cabinet Member for Housing & New Homes, the Cabinet Member for Finance and City Regeneration and the Director for Finance and Property, for acquisitions with a value between £3 million and £10 million.
- 2.10 Cabinet approves £10 million of capital receipts to be ringfenced for the provision of temporary accommodation.

3. Context and background information

Asset Management Plan

- 3.1 The council owns a significant and varied property portfolio which it has acquired historically for different purposes. The General Fund (GF) properties are now held in four portfolios:
- Operational
 - Commercial
 - Agricultural
 - Seafront.
- 3.2 The retention of such a large property portfolio represents substantial expenditure for the council's revenue and capital budgets, as the council has financial responsibility for the operational costs of these properties including their repair, maintenance, Health & Safety compliance, business rates, and utilities. Given the pressure on the council's financial position it is imperative that the retention of such a large portfolio is scrutinised and challenged to

ensure it is supporting the delivery the council's strategic objectives and doing so within budget.

3.3 The Asset Management Plan, attached as **Appendix 1**, has been prepared in consultation with officers across the council to set out the strategic objectives for the management of the council's GF properties, to support delivery of the Council Plan and Medium-Term Financial Strategy.

3.4 The AMP objectives are:

1. Identify sites and capital receipts for delivery or purchase of Affordable Housing and Temporary Accommodation.
2. Ensure council operational assets and buildings are safe, well maintained and are used effectively and efficiently to meet service need.
3. Deliver environmentally sustainable solutions as part of our property maintenance programme.
4. Provide accommodation to support the city economy and local businesses and city regeneration and preserve the city's culture & heritage.
5. Seek value for money and best use of our assets to achieve income and capital receipts and reduce expenditure to support the MTFS.

3.5 To support delivery of these objectives the AMP sets out in **Part 6** of the plan a series of actions. This includes rationalisation of the operational, commercial and agricultural portfolios to support development of affordable housing, disposal of properties that no longer meet our operational requirements, making best use of our assets to meet service need, prioritising financial resources, reducing operational costs and reducing risk within the commercial portfolio.

Disposals and Appropriation

3.6 The council has already made progress in achieving the strategic objectives of the AMP and fulfilling some of the actions. Properties previously approved for appropriation by Committee or Cabinet have been or are being transferred to the Housing Revenue Account for proposed refurbishment, conversion or redevelopment to provide affordable housing. This includes:

- Former Oxford Street Housing Office – refurbished to provide 10 homes
- Palace Place – being converted to provide 11 Temporary Accommodation units
- 8 Shenfield Way – To be converted to provide 3 units
- 10 Hangleton Way – To be refurbished to provide a family home
- Slipper Baths – To be converted to provide 11 Temporary Accommodation units
- Land at Mile Oak – To be developed to provide 20 units
- Land at Southdowns Riding School – To be developed to provide 15 units

Further disposals to support the AMP have been identified as set out in the following paragraphs and in Part 2 of this report. An estimate of the likely sale prices to be obtained from the proposed disposals are set out in **Appendix 1** of the **Part 2** report.

Operational Portfolio

- 3.7 **St Peters School** is part owned by the council and part leased in. The school is no longer in use and the Families Children & Wellbeing directorate have determined that there is no future use for education purposes. There is a strong desire to retain the site for the benefit of the community and as such the site is recommended for appropriation to the Housing Revenue Account and redeveloped to provide 10 units of affordable housing. The change of use of the site will require Secretary of State consent which will be applied for. The value of the site has not yet been determined as the development proposals are at the early stages.
- 3.8 **Bartholomew House** is an office block constructed in the mid 1980's by Brighton Borough Council to provide administrative space and has continued to be occupied by the council since that time. Post covid the council vacated the third and fourth floors which were let to Freedom Works on a turnover rent, to provide flexible office space for a range of occupiers. More recently proposals were approved for the council to vacate the remaining floors of the building, the ground, first and second floors, to rationalise the council's occupational portfolio and significantly reduce expenditure on property costs, to provide much needed revenue savings. Council staff currently located at Bartholomew House will be relocated to Hove Town Hall.
- 3.9 Agents will be instructed to let the ground, first and second floors once vacated and the council will remain responsible for the costs associated with the vacant floors until they are let. Continued ownership of the property therefore has the potential to provide new income streams for the council by way of rent received but has financial risks attached in the event such lettings are not achieved. Disposal of this property would eliminate the risk of further financial liability and would also achieve a capital receipt to support the council's budget strategy and financial planning.
- 3.10 Whilst the council owns the freehold of Bartholomew Square and the buildings within it, the council granted a long lease in 1985, which included the hotel and Bartholomew House. A sub long lease of Bartholomew House only was then granted back to the council, also from 1985, of which there are 110 years remaining, and it is this interest, the council's sublease, that is recommended for disposal (assignment), subject to legal and market investigations and subject to the existing and any future sub-lets.
- 3.11 As part of the decant from Bartholomew House a capital budget will be needed to support adaptations to Hove Town Hall to facilitate the relocation of council staff. These costs are estimated to be **£520,000**, with an additional cost of **£518,500** for the repayment of a loan for the refurbishment of the third and fourth floors. These costs are set out in **Appendix 2**. The

remaining capital receipt will be used to support the council's budget strategy.

Commercial Portfolio

- 3.12 In identifying properties for disposal from the Commercial Portfolio consideration has been given to the Brighton & Hove Economic Plan 2024 to 2027, to ensure that the recommendations within this report do not impact on the long term aims of the Plan.
- 3.13 The land at **Bellevue Cottages** is a relatively small plot and has previously been considered for the development of a single housing unit, however the vehicular access to the plot is not public highway and is privately owned. Development of the site is therefore subject to the negotiation of vehicular access rights. This has implications for complexity, risk, timing and financial viability. Given the limited resources within the council this site is less of a priority and it is recommended that this be sold, possibly to the party who owns the road, or to a third party willing to negotiate access.
- 3.14 The council owns three of the four **Woodingdean Cottages** – Ash, Oak and Beech - as well as the adjacent **outdoor swimming pool**, which has been vacant and unused since 2008. The cottages were originally built in C1920's as detached residential properties but have long been used for commercial uses including offices, training facilities and a children's nursery. Given their original purpose, design and construction the properties are not fit for purpose in terms of accessibility, energy efficiency and functionality.
- 3.15 The Estates Regeneration Team have begun investigating whether the combined site (excluding Hazel Cottage, which is not council owned) can be redeveloped for the provision of affordable housing and are confident that it can achieve approximately 50 units. It is therefore recommended that the site be appropriated to the Housing Revenue Account at best consideration, which at this early stage has not yet been determined.
- 3.16 The council holds many properties for which it has granted **long leases** receiving ground or rack rents. Whilst the grant of a long lease provides the council with a greater degree of control over its use as well as opportunities to renegotiate terms for a premium, it prevents the council from influencing its use or indeed developing the site for say affordable housing as the council does not have control of the site until the long lease expires many years into the future, or is terminated by mutual agreement of the parties at significant cost to the council.
- 3.17 For some of these properties it is now less relevant for the council to control the use and where the long lessee is keen to acquire the freehold they may, as a special interest purchaser, be willing to pay a sum greater than the market value of for the freehold (reversionary) interest. It is recommended that the council negotiate terms for the disposal of three properties identified at paragraph 3.4 in Part 2 of this report, to the existing leaseholders to achieve such beneficial terms.

- 3.18 At the Cabinet meeting **24 April 2025**, this Cabinet approved the disposal of 8 Bond Street and 1, 2, 3 and 4 Bond Street Cottages. To further boost the marketability and value of these properties it is recommended that **7, 9, 10 and 11 Bond Street** also be sold along with the properties previously approved for disposal as the combined property holding creates a strategic block that would be attractive to a property investor as an opportunity for refurbishment and improvement. The current rent for the combined block is £179,850 pa. Legal advice has been sought to ensure the disposal includes covenants to protect future sublets to independent retailers.
- 3.19 **16-17 Cranbourne Street** is a retail property with residential upper parts. It was previously leased to Pylones UK Ltd who went into administration and disclaimed their lease in 2020. The property was then occupied for a meanwhile use before being relet as a Korean Street Food take away, paying a rent of £63,000pa. Whilst the location is central it is an isolated property in a secondary location and is recommended for disposal.
- 3.20 **Lyndean House** is a multi let building on the west side of Queens Road with associated car parking and is leased to three tenants. Sainsbury occupy the basement and ground floors, a strong covenant, and their lease expires in 2032.
- 3.21 The first, second and third floors are leased by way of three leases (one for each floor) to a privately owned software development company providing digital communication solutions for the airline industry. There is one year remaining on all three leases.
- 3.22 The fourth floor is leased to a company who provide support services for the insurance industry. The lease expires in two years and there is a break clause in one year. The current total rent for the property is £316,950pa and is recommended for disposal.

Agricultural Portfolio

- 3.23 **15 Stanmer Village** has been leased to the Brighton & Hove Estates Conservation Trust for 20 years and sublet. The property has been vacant since the previous subtenancy expired as it requires a full refurbishment. The lease to the Trust has recently expired and a new lease granted excluding this property, which is now under the control of the council. It is recommended that this property be sold on the open market to achieve best consideration.

Housing supply acquisitions

- 3.24 The proposed acquisition of housing stock directly supports the Council Plan 2023–2027 mission to create a fair, inclusive and healthy city where people can thrive. It aligns with the priority outcomes set out in the Homes for everyone: Housing Strategy 2024 to 2029, particularly Priority 2: “Deliver the homes our city needs” and Priority 3: “Prevent homelessness and meet housing need”.
- 3.25 Purchasing additional homes will help increase the supply of affordable, high-quality housing, reduce reliance on temporary accommodation, and

enable more residents to access secure and sustainable tenures. This approach complements the council's long-term investment programme and commitment to deliver at least 2,000 affordable homes over five years, as well as its efforts to reduce under-occupancy and bring empty homes back into us.

3.26 The recommendations related to delegations for acquisitions support taking a one council and agile approach to increasing housing supply.

3.27 The council's Home Purchase Policy includes options to proactively purchase homes through off-market negotiation to maximise the supply of affordable homes in the city and to increase the supply of council owned settled temporary accommodation to help deliver on strategic priorities. Purchase decisions will be subject to considerations set out in the Home Purchase Policy. This will include the price and availability of a budget for the purchase, location, type and size of property as well as the council's ability to maintain and manage the homes as part of its wider council housing portfolio.

3.28 The properties available for purchase are:

Freehold terrace, Brighton, BN2 4AB	Number
Type	Number
1 bed flat – 2 persons (approx.50sqm)	1
2 bed flat – 3 persons (approx. 60sqm)	6
3 bed flat – 4 persons (approx. 70sqm)	1
	8
Beech Grove, Brighton, BN2 4TN	
Type	Number
2 bed flat – 3 persons (approx. 55,68sqm)	3
2 bed flat – 4 persons (approx. 67,74sqm)	2
Total	5
Vaughan Williams Way, BN2 7GB	
Type	Number
2 bed flat – 4 persons (74-75sqm)	6
Total	19

3.29 The Council commissioned an independent 'Redbook' valuations for all potential purchases (a valuation report that adheres to the Royal Institution of Chartered Surveyor's Valuation Professional Standards). The details of the valuations are set out in the Part 2 paper. The council's Strategic Property Service have also reviewed and validated the valuation.

- 3.30 An independent technical condition and specialist reports have been commissioned to support a decision. They focused on the critical areas of fire safety and compliance, mechanical and electrical systems, and drainage. No significant concerns have been raised at this stage, and we will continue to work to resolve any unforeseen issues should they arise prior to purchase.
- 3.31 It is proposed to use the Vaughan Williams Way homes for general needs housing, providing new permanent social housing in the city. This mirrors our approach to date with the other 21 homes purchased at this site. A lettings plan will be considered to ensure these homes can be used for instance as an option for tenants under occupying and wishing to transfer and downsize. Freehold Terrace & Beech Grove will be considered to support in-house temporary accommodation provision to help reduce significant budget pressures on the general fund and to provide good quality accommodation to households.

4. Analysis and consideration of alternative options

- 4.1 The retention of surplus operational assets will incur ongoing occupational costs including NNDR (business rates), utilities, cleaning, Health & Safety testing and inspections, security, repair and maintenance. The cost of these is an ongoing pressure on the council's Corporate Landlord budgets. By releasing these assets, Corporate Landlord expenditure is therefore reduced and, where budgets are currently sufficient, revenue savings can be made.
- 4.2 The unnecessary retention of sites suitable for development presents a missed opportunity to provide additional housing for the city or development for regeneration, supporting businesses and employment. Unless best consideration cannot be achieved due to market conditions, these sites should not normally be retained.
- 4.3 The retention of commercial properties will result in the retention of income streams but for higher risk properties in the portfolio where there is risk of tenant default, the council will become liable for the occupational costs of the building and potentially repairs and dilapidations.
- 4.4 In accordance with the council's capital strategy the council will look at the potential community use of assets that it no longer has a use for and considers all land and property for potential housing supply or development.
- 4.5 In all circumstances, by retaining properties the council will forgo a capital receipt which if invested as part of the Innovation Fund would yield savings in the council's service delivery and/or improvement of service delivery.
- 4.6 We have seen increased interest from landlords who wish to dispose of their properties due to various factors. There is an option not to purchase, however the properties at Freehold Terrace and Beech Grove will be marketed and the opportunity to use these as affordable housing could be lost.

- 4.7 The council has an increased demand to deliver more affordable housing in the city and actively pursues opportunities to acquire new homes to help achieve key objectives.
- 4.8 If we do nothing, and do not purchase properties for temporary accommodation, then the opportunity cost for the council (when comparing the average unit cost of spot purchased provision) is £164,000 per annum for 13 units.

5. Community engagement and consultation

- 5.1 To ensure the AMP meets the requirements and expectations of all parts of the council who have a role in delivering or are impacted by the delivery of the AMP, including those who represent budget holders, service providers and internal stakeholders for property, internal consultation has been carried out to include:

- Adult Social Care Commissioning & Partnerships
- Bereavement Operations
- Brighton Centre
- Building Surveying & Maintenance
- City Downland Estate
- Conservation
- Crematorium
- Culture & Events
- Economic Development
- Education
- Education Capital Strategy
- Education & Learning
- Estate Regeneration
- Estates
- Facilities & Building Services
- Family Help & Protection
- Finance
- Health & Safety
- Homes and Investment
- Housing & Development
- Housing Regeneration
- Library Service
- Museums & Heritage
- Net Zero
- Parks & Leisure
- Seafront Development
- Sports Facilities
- Transport Control
- Workstyles

- 5.2 The council has sought advice from its managing agents, SHW and Knight Frank. Advice has also been sought from the Estates Regeneration Team.

- 5.3 Statutory consultation was undertaken as part of the planning process on the properties at Vaughan Williams Way. Ward Councilors and Rottingdean Parish Council have been notified of the potential purchase.

6. Financial implications

- 6.1 The recommendations made in this report are part of the Medium-Term Financial Plan to make the council more financially sustainable. The report sets out ways in which this can be achieved, first through capital receipts which would be used to fund the Innovation Programme in place, that provides investments to generate efficiencies and savings across the council. Realising capital receipts will also reduce the running costs associated with operational buildings providing a saving for the authority. The second option is to lease buildings which would then generate longer term financial income to the council and finally the recommendations support the council's priority to unlock sites to potentially develop housing either for council tenants or temporary accommodation which will look to relieve the pressure on the General Fund Temporary Accommodation budgets.
- 6.2 The proposed disposal of Bartholomew House would result in a capital receipt outlined in the Part 2 report. The first call on the receipt will be to fund the costs associated with the relocation of staff to Hove Town Hall and the repayment of the loan that funded the works to floors 3 and 4 to make them lettable. The remaining receipt will be use to support the council's budget plans.
- 6.3 Detailed financial analysis needs to be undertaken on the remaining options outlined in the report to understand which provides the council with the most financially advantageous route without compromising the day-to-day operations of the services being provided. This includes an understanding of each business case and a cost benefit analysis undertaken.
- 6.4 The proposed acquisition of 19 properties, 13 designated for temporary accommodation and 6 intended for general needs housing, represents a strategic investment aimed at reducing long-term costs and strengthening financial resilience. Council owned Temporary Accommodation is significantly cheaper than more expensive forms such as spot purchase. If the 13 designated for temporary accommodation were used instead of spot purchase they would create a saving of approximately £164,000 per annum.
- 6.5 A comprehensive financial appraisal has been carried out for each property block, modelling cashflows over a 60-year period in accordance with the anticipated lifespan of the assets. This analysis evaluates whether rental income, after deduction of service charges, management expenses, maintenance, major repairs and voids, will be enough to repay the initial investment independently of existing tenants' rents.

- 6.6 Acquiring additional properties for temporary accommodation presents a strategic opportunity to mitigate long-term expenditure and enhance financial sustainability. Current reliance on spot purchase arrangements and high cost leases places significant pressure on budgets. By securing outright ownership of properties, the council can avoid inflated nightly rates and lease premiums, while achieving greater control over tenancy management and service provision

Name of finance officers consulted: Craig Garoghan and Ferrise Hall

Date consulted: 12.09.2025

7. Legal implications

- 7.1 Section 120(1) of the Local Government Act 1972 ("1972 Act") authorises the Council to acquire any land by agreement for the purposes of a) statutory functions or b) for the benefit, improvement or development of its area.
- 7.2 This report confirms that the intended purchases for the discharge of its homelessness duties under Part VII of the Housing Act 1996 and that the purchases will facilitate the supply of affordable homes in the city and increase the supply of council owned settled temporary accommodation. Given the intended housing purposes, the Council may also rely on Section 17 of the Housing Act 1985 when purchasing these properties.
- 7.3 The Council has the power to dispose of land under section 123 of the LGA 72 subject to obtaining the best consideration reasonably obtainable. Where a site is open space, under section 123 (2A) of the LGA 1972, this power is also subject to a requirement to advertise the proposed disposal in a local paper for two consecutive weeks and to consider any objections raised before taking a decision on whether to dispose of the land. In the event of a proposal for land to be appropriated for housing purposes, section 122 of the LGA 72 will apply. Section 122 LGA 72 enables the Council to appropriate (transfer) land it owns from one use to another, as long as (1) the new use is for a purpose it could have purchased the land and (2) the land is no longer required to be held for the purpose for which it is held immediately before the appropriation. The meaning of the words "no longer required for the purpose for which it was held immediately before the appropriation" in law means "not required" or "not needed in the public interest of the locality." Where land is open space, section 122(2A) LGA 72 also has a requirement to advertise the proposed appropriation in a local newspaper for two consecutive weeks and to consider any objections raised before taking a decision on whether to appropriate the land. In exercising the delegations to appropriate or dispose of the properties set out in this report, the Director Property & Finance in consultation with the Director Governance & Law and the Cabinet Member for Finance and City Regeneration will need to be satisfied that these requirements are met.
- 7.4 Prior to any sale or appropriation of the properties set out in this report it will also be necessary for Legal Services to review the titles to the properties to confirm that no interests exist that may prevent a transfer. If any restrictions

or covenants exist, the reviews will ascertain whether or not they are still capable of being enforced.

Name of lawyer consulted: Siobhan Fry and Hannah Bassett

Date consulted 09/09/25

8. Risk implications

- 8.1 The main risks identified are those that occur as a result of retaining the properties identified. This would include the ongoing costs and liability of retaining properties, both occupational costs but also investment needed; the opportunity forgone to create additional housing and regenerative developments; and the capital receipt forgone and the impact this would have on funding for the Capital Programme and Medium Term Financial Strategy.
- 8.2 The main risks associated with the proposed acquisitions are financial, legal and compliance risks. This will be mitigated through a period of due diligence during the conveyancing period to address such risks and ensure the purchases continue to offer the council value for money.
- 8.3 One of the blocks is currently occupied and vacant possession will be required by the current owner ahead of the exchange of contracts and this may lengthen the time taken to complete the purchases. We are mindful of the impact this will have on existing residents and will also arrange a bespoke offer of support through our Housing Advice Team. This will enable any resident that may need support to receive advice on rehousing options.

9. Equalities implications

- 9.1 The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to: i. The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; ii. The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and; iii. Foster good relations between those who have protected characteristics and those who do not. Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment. An EqHIA (Equality and Health Impact Assessment) is usually carried out when a current or planned service/policy/activity is likely to affect staff, service users, or other residents. For the sites proposed for disposal that are no longer operational, there is no material impact upon groups with protected characteristics. For the remaining sites identified the Director of Finance and Property will take into consideration the equalities implications as necessary in advance of taking forward any transaction.
- 9.2 The purchase of the additional homes enables the council to increase its supply of council housing. Through allocating these homes to applicants on

the Housing Register it will ensure that housing need is met which in turn will help address inequalities.

10. Sustainability implications

- 10.1 For those properties identified for disposal it is anticipated that following transfer the properties would be subject to investment, which would include elements to improve energy efficiency. Any redevelopment would be completed in compliance with current standards and requirements.
- 10.2 The properties identified by this report for purchase have an EPC rating of C which is the minimum standard set for energy efficiency by the emerging Asset Management Strategy and Energy Strategy for the existing council owned stock. This is also in line with proposed changes to make the minimum energy efficiency standard for social housing C rating.
- 10.3 The properties at Vaughan Williams Way have electrical heating with heat pumps and will benefit from other insulation measures. The council already owns 21 homes at this site and has been monitoring and reviewing the operation of the existing heating systems in these homes to ensure residents are able to heat their homes efficiently and economically.
- 10.4 Active travel will be promoted to new residents of St Aubyns in line with the section 106 agreement. The site has car club spaces, electrical charging points and ample cycle storage.

11. Health and Wellbeing Implications

- 11.1 The transfer of properties or appropriation for housing purposes will allow them to be refurbished or redeveloped and occupied as housing or commercial space supporting employment, therefore contributing in a small way to the wider factors influencing health and well-being.
- 11.2 There are strong links between improving housing, providing new affordable homes and reducing health inequalities. The *Health Counts 2024 Survey* found that 0.9% of adults live in temporary or emergency accommodation, with high rates of mental ill-health, substance misuse, and barriers to accessing healthcare. The acquisitions support active travel, which contributes to the health of future tenants and contributes to our Net Zero ambitions.
- 11.3 The properties identified by this report for purchase have an EPC rating of C. Energy efficient homes which are easier and cheaper to heat are likely to have a positive influence on the health and financial wellbeing of occupants of the new homes.

12. Conclusion

- 12.1 An Asset Management Plan has been prepared to set out the strategic objectives for the management of the council's General Fund properties, to support delivery of the Council Plan and Medium Term Financial Strategy.

- 12.2 From the strategic objectives actions have been set out to provide a plan to support members and officers to achieve the strategic objectives.
- 12.3 To deliver the actions a number of disposals and appropriations have been recommended.
- 12.4 The purchase of the homes proposed enables the Council to pursue its aims to increase affordable housing in the city and purchase affordable homes secured through the planning process and by off-market negotiation.
- 12.5 The proposed purchase of these homes enables the Council to pursue its aims to increase affordable housing in the city in line with the Council Plan 2023-2027 and Housing Strategy 2024-2029. It provides an opportunity to acquire 19 additional homes which will be ready to occupy without significant investment and without the additional uncertainty and delay of construction. Financial viability assumptions have demonstrated that this purchase will provide value for money as outlined in Part 2 of this report.

Supporting Documentation

Appendices

- 1. Asset Management Plan
- 2. Staff Relocation costs from Bartholomew House

Background information

- 1. [Home Purchase Policy](#)