

Report to	Housing Executive Board
Date of meeting	10th October 2022
Lead Member / Officer	Councillor Rhys Thomas / Liz Grieve Head of Communities & Customers
Report author	Geoff Davies, Lead Officer – Community Housing
Title	Proposed Disposal of 8 Glascoed Road, Cefn Meriadog

1. What is the report about?

- 1.1. To seek approval to dispose of a council house – 8 Glascoed Road due to asset management considerations.

2. What is the reason for making this report?

As part of our Asset Management plan we are required to consider feasibility and value for money when managing our assets. On a very occasional basis a HRA asset (i.e a council house) may become either surplus to requirements, unviable to retain or simply be the wrong property in the wrong area. We anticipate this will be a very rare occurrence but we have to ensure we can provide quality homes in areas where people want to live.

3. What are the Recommendations?

- 3.1. To dispose of a council house – 8 Glascoed Road due to asset management considerations detailed below.

4. Report details

The above house was built in 1930 and since that time, whilst the necessary compliance and aesthetic / comfort improvement works such as replacement kitchen units have been carried out, very limited more structural improvement works have been carried out to the property.

Also during this period all the other houses in this terrace have been sold through the Right to Buy leaving this sole end terrace within the council's ownership.



Housing Need

The property is situated in Cefn Meriadog and is a rural location. It occupies a large corner plot and is elevated from the road level, there is no parking currently and is remote in terms of access to public transport.

We currently have no recorded need from any households with a local connection to this community in need of social housing. The property has remained visibly unoccupied for a year and we have received no enquiries regarding its availability other than offers to buy the property.

The recommendation is we sell this property and use the capital receipt to purchase another home in the same ward but in a higher demand area of Trefnant and adjacent to other homes we own. It is not a decision we take lightly as we are experiencing significant demand for housing however we are still required to make decisions about our housing stock in line with asset management and value for money principles.

We have only sold one property within the last 5 years which demonstrates that this is a rare approach.

Asset Management

The reason for the recommendation to sell is due to the significant investment that would be required to refurbish the property to the standards that we are required to adhere to. We estimate this to be £80,000 to bring to the current WHQS standards. Further investment will be required to achieve forthcoming WHQS 2 particularly with regards to energy efficiency. The fact that this is an end terrace which can lead to complications when undertaking external enveloping works requiring party wall agreements to be put in place for example.

Under different circumstances we would undertake this work as usual however as this property is the only one retained in the council's ownership in the terrace, allied to the lack of local need, the logical asset management decision would suggest sale as the most prudent option.

We appreciate that we are facing unprecedented demand for housing in other areas of the county and have therefore pre-empted this sale by identifying and purchasing a similar 3-bedroom house, 21 Maes Gruffydd in the nearby village of Trefnant where we have more adjacent stock and more housing need.

Investment Detail

The property would require significant investment to meet WHQS standards and our target EPC rating, if this will be possible at all. The neighbouring privately owned property currently has an EPC of G. The installation of PV panels, external wall insulation and new non-fossil fuel heating would potentially only achieve a D. We calculate, that a B rating could be achieved with exceptional investment such as through the installation of a wind turbine.

A summary of the investment required -

- The floors would require excavating, insulating & concreting, a damp proof injection would be required and full re-plastering throughout.
- The Kitchen and bathroom need replacing,
- Removal of oil boiler and replacement is required
- The Roof is in need of full replacement
- A Full electrical re-wire is required
- External enveloping, inc External Wall Insulation
- Property would benefit from a driveway due to lack of safe parking
- Garden and boundary requires extensive work to make secure and usable

Conclusion

In summary, the reasons for this recommendation are:

- There is no recorded need from any households with a local connection to this community.
- Significant investment that would be required to refurbish the property to the standards that we are required to adhere to with current WHQS.
- Further investment will be required to achieve forthcoming WHQS 2
- The property is the only one retained in the council's ownership in the terrace
- We will use the capital receipt to purchase another home in the same ward but in a higher demand

5. How does the decision contribute to the Corporate Priorities?

5.1. Housing is a Corporate Priority and the Asset Management Plan supports the economy by maximising the local employment, training and supply chain opportunities for local people and businesses.

6. What will it cost and how will it affect other services?

The Housing Revenue Account is ring fenced.

7. What are the main conclusions of the Well-being Impact Assessment?

No impact assessment has been completed however the use of the capital receipt to purchase another property will provide a much needed home for a local family in housing need.

8. What consultations have been carried out with Scrutiny and others?

The Asset Management Plan has been approved by the Council's Cabinet

9. Chief Finance Officer Statement

N/A

10. What risks are there and is there anything we can do to reduce them?

The risk is, a failure to follow the Asset Management Plan principles could lead to poor investment decisions and a failure to deliver value for money within the HRA Housing Stock Business Plan.

11. Power to make the decision

Acquisition and disposal of HRA assets is delegated to the Head of Service with further consultation with Head of Legal, Head of Finance and Lead Member where appropriate.