



14 November 2022

RUGBY BOROUGH COUNCIL

An ordinary meeting of Rugby Borough Council will be held in the Council Chamber at the Town Hall, Rugby at 7.00pm on Wednesday 23 November 2022.

Members of the public may also view the meeting via the livestream available on the Council's website.

Mannie Ketley
Chief Executive

A G E N D A

PART 1 – PUBLIC BUSINESS

1. Apologies for absence.
2. Minutes.
To approve the minutes of the ordinary meeting held on 28 September 2022.
3. Declaration of Interests.
To receive declarations of -
 - (a) non-pecuniary interests as defined by the Council's Code of Conduct for Councillors;
 - (b) pecuniary interests as defined by the Council's Code of Conduct for Councillors; and
 - (c) notice under Section 106 Local Government Finance Act 1992 - non-payment of Community Charge or Council Tax.
4. To receive the Mayor's Announcements.

5. Questions pursuant to Standing Order 10.
6. To receive the reports of Cabinet and Committees which have met since the last meeting of the Council and to pass such resolutions and to make such orders thereon as may be necessary:
7. To receive and consider the reports of officers.
 - (a) UK Shared Prosperity Fund – report of the Chief Officer – Growth and Investment (report to follow).
 - (b) Property Acquisition and Disposal Policy – report of the Chief Executive.
 - (c) Appointments to Outside Bodies – Rugby First - report of the Chief Officer – Legal and Governance.
8. Notices of Motion pursuant to Standing Order 11.
 - (a) “Rugby Borough Council and the National Landlords’ Association previously jointly ran a Private Sector Landlords’ Forum. According to the agenda of the Cabinet published on 2 September 2015, the Forum met quarterly and its aims were to: “Improve relationships between private-sector landlords and the council; provide training opportunities for landlords – particularly in terms of keeping them up to date on legislative changes that may affect them; provide an arena in which landlords, agents and the council can share information and concerns; and encourage networking amongst landlords, the council and other relevant partners.”

This motion asks the Council to reconstitute the Private Sector Landlords’ Forum with its previous objectives, in order that all relevant stakeholders, including councillors, can work together in a collaborative, constructive manner. It is hoped that the proper functioning of this Forum will help stakeholders work together to undertake their respective responsibilities towards each other in full and encourage good neighbourly behaviour. It will consider issues and concerns that affect landlords, tenants and the wider community, including:

- Supply, quality and cost of rental properties;
- Improving relations between tenants and landlords;
- Enhancing relations between the private rented sector and the wider community;
- Tackling anti-social behaviour that can sometimes arise from rented accommodation, such as fly-tipping, noise and lack of parking.

This motion further proposes that alongside reconstituting the Private Sector Landlords’ Forum, the Council will develop and launch a free, standalone Landlord Accreditation Scheme, whose objectives will be to improve the condition and management of the private rented sector in Rugby Borough. While membership will be voluntary, the Council would actively promote the Scheme across the Borough. The Council would publicise good behaviour and transgressions in order to ensure that the high standards of most landlords are the norm and that good property conditions are maintained.”

Proposer: Councillor Slinger
Seconder: Councillor Moran

(b) “On 3 November 2022 The Bank of England raised its base rate to 3% from 2.25, its highest level in 14 years, in a move that is set to add an average of around £3,000 per year to mortgage bills for those households that are set to renew their mortgages. Weeks earlier the new Energy Price Guarantee tariff confirmed average energy bills at £2,500 which is 27% higher than the Summer price cap and 96% higher than the Winter 21 cap. Meanwhile, food and drink prices are increasing at their fastest pace since April 1980 rocketing by 14.6% over the year to September 2022.

The situation is unlikely to improve in the short term with the Governor of the Bank of England warning that the UK is facing its longest recession since records began and a “very challenging” time ahead. The people of Rugby are clearly not immune to this crisis and the Labour Group is very concerned that not only will the most vulnerable be dramatically impacted but that whole sections of our society will be exposed.

Like the Coronavirus pandemic an urgent collaborative, multi-agency approach is required. The work of senior officers in reporting to the Scrutiny Committee is very welcome but the matter requires greater prioritisation and a co-ordinated financial assessment such that real and necessary action can be taken in the short-term.

This Motion asks the Council to work with Warwickshire County Council and all other relevant partners to formulate an Action Plan as soon as possible that explicitly addresses the needs of its constituents when faced with this level of existential crisis. Specifically, we call upon the Council to:

- Conduct an urgent re-appraisal of the Council’s financial situation with regards identifying the potential impact of the Financial Crisis on the Borough’s growth plans and associated budget forecasts
- Conduct an urgent assessment of the financial cost of addressing the needs of constituents in meeting the multi-faceted challenges of this Financial Crisis with particular regard to homelessness and also food/energy poverty
- Detail clearly what additional central government funding is available to the Borough going forward and, to provide context, detail what similar additional/extraordinary funding such as “Levelling Up” or similar the Borough has received since 2019
- Following the above analysis to produce an options appraisal setting out all of the strategic choices available to the Council to achieve its bottom-line objective of safeguarding the health and welfare of the people of Rugby.”

Proposer: Councillor Michael Moran
Seconder: Councillor John Slinger

(c) “The Labour Group is extremely concerned about the impact the cost-of-living crisis will have on children in Rugby. Currently, 3,414 children rely on free school meals for basic nutrition in Rugby which represents 19.2% of the school population in the town. This is the third highest rate on Warwickshire, and this number is likely to rise. Families with multiple children who pay for school meals may find it increasingly difficult to afford school meals, as the cost-of living crisis hits them. We are gravely worried about the impact this will have on children’s ability to learn, their physical health and their long-term well-being, mentally ,socially and physically.

The Labour group calls upon Rugby Borough Council (working with the county council and other partners where required) to:

- ask the Director of Public Health at the county council to undertake urgent research on the expected rise in the number of children living in poverty in the borough, given that the JNSA is at least 3 years old and for the county council and RBC to make plans to meet that challenge;
- undertake urgent research into the number of children living in precarious housing and make plans to address housing issues and take additional steps to prevent child homelessness where necessary, avoiding the use of temporary accommodation;
- work with local/national organisations such as Magic Breakfast, Make Lunch, schools and other organisations nationally and locally, to help ensure that affordable and nutritious food is available for school children in Rugby;
- work to encourage schools that do not already have them, to host gardening clubs to grow fruit and vegetables for their school community and provide support and advice from the parks department where required; and
- encourage schools in Rugby to set up non-stigmatising second hand uniform sales/swaps.”

Proposer: Cllr Alison Livesey

Seconder: Cllr Barbara Brown

(d) “This Council recognises the enormous social and environmental value of our public open spaces especially our parks and recreation grounds. We have seen anti-social behavior, criminal damage, drug taking, alcohol abuse and graffiti this spoils these areas for residents.

We recognise the work this Council has already done but believe we can go further. Some Councils have introduced Park Watch Schemes engaging local residents, dog walkers and those exercising in our parks and recreation grounds to be vigilant of any untoward activity and report it to their local authority either by email, social media or telephone. This intelligence led approach then enables environmental protection officers and the police to target limited resources in a constructive manner to reduce such incidents whilst re-assuring the public that they can continue to use their local open spaces for peaceful and pleasant pursuits.

Council requests that the relevant officers bring forward proposals of developing a network of volunteers that can support the Council in protecting its green spaces along with a hotline system that could be used to aid communication and reporting of such incidents and where appropriate put forward recommendations for targeted public space protection orders in high incident locations.”

Proposer: Cllr Neil Sandison

Seconder: Jerry Roodhouse

9. Correspondence.

10. Common Seal.

To order the affixing of the Common Seal to the various orders, deeds and documents to be made or entered into for carrying into effect the several decisions, matters and things approved by the Council and more particularly set out in the reports adopted at this meeting.

11. Motion to Exclude the Public under Section 100(A)(4) of the Local Government Act 1972.

To consider the following resolution:

“under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of information defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act.”

PART 2 – EXEMPT INFORMATION

1. To receive and consider the private reports of officers.

- (a) Environmental Health and Community Safety Restructure Amendment – report of the Chief Officer – Regulation and Safety.
- (b) Capital Programme 2022/23 - Queen’s Diamond Jubilee Centre and Section 106 Funding – report of the Chief Officer – Leisure and Wellbeing (report to follow).
- (c) Allocation of insurance monies – report of the Chief Executive.
- (d) Extension of Recycling Contract – report of the Chief Officer – Operations and Traded Services.
- (e) Urgent Decision – Property Repairs Service relocation to the Town Hall – report of the Chief Executive.

QUESTIONS AT COUNCIL

A Councillor may ask a question at the meeting by giving notice in writing of the question to the Chief Executive no later than midday on Thursday 17 November 2022. The rules relating to Questions are set out in Part 3a of the Council’s Constitution.

AGENDA MANAGEMENT SHEET

Report Title: Property Acquisition & Disposal Policy

Name of Committee: Council

Date of Meeting: 23 November 2022

Report Director: Chief Executive

Portfolio: Change and Transformation

Ward Relevance: All Wards

Prior Consultation: Executive Director
Chief Officer - Communities and Homes
Chief Officer - Finance and Performance
Chief Officer - Legal and Governance
Property Manager

Contact Officer: Chloe Britton - Programme Lead - 01788 533636
or chloe.britton@rugby.gov.uk

Public or Private: Public

Report Subject to Call-In: Yes

Report En-Bloc: No

Forward Plan: Yes

Corporate Priorities: This report relates to the following priority(ies):
 Rugby is an environmentally sustainable place, where we work together to reduce and mitigate the effects of climate change. (C)
 Rugby has a diverse and resilient economy that benefits and enables opportunities for all residents. (E)
 Residents live healthy, independent lives, with the most vulnerable protected. (HC)
 Rugby Borough Council is a responsible, effective and efficient organisation. (O)
[Corporate Strategy 2021-2024](#)
 This report does not specifically relate to any Council priorities but

Summary: The report and policy set out:

- Property Acquisition & Disposal Policy (Appendix A) outlines the process and

approval stages for acquiring and disposing of property in line with the Councils Constitution.

Financial Implications:	It is proposed that the purchase of property is to be funded through the Purchase of Council Homes budget and the Housing Acquisition Fund. There are no additional financial implications outside of existing budget provision.
Risk Management/Health and Safety Implications:	<p>If the Property Acquisition & Disposal Policy (Appendix A) is not approved, then the waiting list is less likely to be addressed in a formal matter due to decreasing property stock levels.</p> <p>A Risk Register (Appendix B) has been developed and maintained for this project. It will be regularly reviewed and updated by the project team throughout the life of the project.</p>
Environmental Implications:	A Climate Change and Environmental Impact Assessment (Appendix C) was undertaken on 12 September 2022 and will be reviewed as the associated policy is required an update.
Legal Implications:	The implementation of purchasing property, as a result of approving the Property Acquisition & Disposal Policy will impact on legal resource
Equality and Diversity:	An Equality Impact Assessment (Appendix D) for this policy was undertaken on 12 September 2022 and will be reviewed at key intervals in the acquisition process.
Options:	<ol style="list-style-type: none">1. Approve the recommendations as outlined in this report.2. Not to approve recommendations outlined in this report.
Recommendation:	The Property Acquisition & Disposal policy 2022-2025 and accompanying approval process, as at Appendix 1 to the report, be approved.
Reasons for Recommendation:	The Property Acquisition & Disposal Policy 2022-2025 provides a clear strategy to acquiring and disposing of property, meeting the demands and needs of the borough.

Council - 23 November 2022

Property Acquisition & Disposal Policy

Public Report of the Chief Executive

Recommendation

The Property Acquisition & Disposal policy 2022-2025 and accompanying approval process, as at Appendix 1 to the report, be approved.

1. Executive Summary

- 1.1 In November 2017, the Council approved and adopted a Housing Acquisition & Disposal policy which outlined the proposed approach to acquiring and disposing land and property to increase the Council's housing stock. The 2017-2020 policy was introduced to support the acquisition of Section 106 new build units and provide a framework for disposals.
- 1.2 A revised Property Acquisition & Disposal Policy 2022-2025 (Appendix A) has been prepared due to the change in Right To Buy receipt cap, the revised delegated authority in line with the Council's Constitution in March 2022, the Corporate Strategy Delivery Plan approval in July 2022, alongside the Housing Strategy 2022-2024. The policy has been updated to reflect a streamlined approval process to compliment the Constitution's delegated powers and the boroughs needs.
- 1.3 Market-led opportunities generally arise with short timescales driven by developers and thus reduce the ability of officers to produce recommendations to Cabinet and Council in line with the current committee timetable.

2. Background

- 2.1 The Council has an existing Housing Acquisition & Disposal Policy 2017-2020 however this has become outdated due to several changes to supporting corporate documents.
- 2.2 With Rugby being one of the fastest growing boroughs in the country, with ambitious plans to build a track record of delivery of growth and investment, while supporting the borough's communities and creating opportunities for all, the revised Property Acquisition & Disposal 2022-2025 (Appendix A) will provide a proposal a framework to support the growth of the borough, providing opportunities to purchase and dispose of property. The policy

streamlines the approval process, in the line with the revised March 2022 Council Constitution and associated delegated powers.

- 2.3 The 2022-2025 policy sets out how the Council will ensure value for money and a robust process map for purchasing and disposing of property. A proposed acquisition or disposal will only be progressed if the acquisition/disposal criteria is met in addition to pursuant associated delegated powers.
- 2.4 The policy outlines the change in Right To Buy receipt spending rules, in place from 01 April 2022. The timescale to spend receipts has extended from 3 years to 5 years and percentage use receipt has increased from 30% to 40%.
- 2.5 The 2022-2025 policy links directly to the four Corporate Strategy outcomes of; Climate, Economy, Health and Wellbeing, and Organisation.

Name of Meeting: Council
Date of Meeting: 23 November 2022
Subject Matter: Property Acquisition & Disposal Policy
Originating Department: Executive Director's Office

DO ANY BACKGROUND PAPERS APPLY YES NO

LIST OF BACKGROUND PAPERS

Doc No	Title of Document and Hyperlink

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A

Rugby Borough Council **Property Acquisition** **& Disposal Policy**

2022-2025



Document History

Version	Date	Notes	Prepared by
0.1	July 2022	Draft Property Acquisition & Disposal Policy	Chloe Britton
0.2	August 2022	Finance input for Sections 4 & 5	-
0.3	September 2022	Amendments following circulation to internal stakeholders	-
0.4	23 November 2022	Council	-

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1 Introduction

The Property Acquisition and Disposal Policy sets out the Council’s approach to acquiring and disposing of property to meet the needs of the borough. For the purpose of this policy, property is defined as physical buildings and/or land assets. The policy is supported by the themes within the Housing Strategy 2022-2024 alongside the outcomes in the Corporate Strategy 2021-2024 and adjoining Corporate Strategy Delivery Plan 2022-2023.

Housing Strategy 2022-2024	Corporate Strategy 2021-2024	Corporate Strategy Delivery Plan 2022- 2023
<ul style="list-style-type: none">• ‘To increase the affordable housing supply available to meet needs, through new supply or making most effective use of existing housing stock’.	<ul style="list-style-type: none">• ‘Make sure that residents of Rugby have access to high quality, affordable and environmentally sustainable homes’.	<ul style="list-style-type: none">• ‘Implement a revised approach to council house building and property acquisitions’.

Meeting the themes and priority outcomes can be achieved through direct investment in new build housing or through strategic acquisition – open market, off market, right of first refusal. The strategic disposal of property will allow the Council to make best use of its existing properties.

Rugby being one of the fastest growing boroughs in the Country, with the population increasing by 14.3% between 2011-2021 (Census, 2021), has ambitious plans to build on our track record of delivery of growth and investment, while supporting our communities and creating opportunities for all. Rugby Borough Council (RBC) is committed to delivering, increasing, managing and maintaining the supply of quality affordable housing for residents in the town and maximising the delivery of new sustainable housing in a range of sizes, types, tenures and locations.

2 Policy Objectives

The objectives of this Property Acquisition & Disposal Policy are:

- To facilitate the acquisition of property that will increase the supply of additional suitable affordable housing by recognising the increasing demand on the housing waiting list.
- Provide opportunity to rebalance the mix of housing owned by the Council.
- To facilitate the acquisition of property that will assist in the delivery of identified and potential new build opportunities.
- To facilitate the disposal of property that no longer meets the service or business need and where the receipt could be positively utilised elsewhere.
- To provide a framework to assess the viability and value for money of acquiring or disposing of specific property, delivering the flexibility to be able to act within limited timescales, as opportunities arise.
- To ensure the Council's property portfolio is fit for purpose.
- To reduce reliance on Private Sector Leasing properties.

3 Background

As part of the Right to Buy (RTB) legislation in April 2012, a retention agreement with Government was retrospectively introduced and entered by the Council – with the Council opting to retain a proportion of RTB receipts to replace properties lost through this process.

From 01 April 2022, the Council is required to re-invest the retained receipts within a 5-year time frame; using it to fund a maximum of 40% of either a new build affordable dwelling or the purchase of an existing dwelling which is offered for sale. The Council’s preference is to invest in new build dwellings, as this increases the overall supply of housing within the borough. However, shortage in available land and the tight development timeframe mean that the ability to purchase existing dwellings needs to be actively exercised to ensure an increase in supply of affordable housing. This policy seeks to ensure that the Council can meet its obligations under the Right to Buy retention agreement, taking advantage of opportunities as they arise.

This policy details criteria under which potential acquisitions or disposals can be assessed quickly, enabling the required decisions to be made to facilitate completion within an appropriate timeframe.

RBC is continuing to develop new-build schemes, but the availability of land owned by the Housing Revenue Account (HRA), and in the borough in general is a consideration. Schemes will continue to be presented for Council decision on a scheme-by-scheme basis, confirming the funding proposed for each scheme as it is approved, including any requirement for prudential borrowing.

This policy focuses particularly on the consideration required in respect of strategic acquisitions, buy-backs and disposals, establishing criteria upon which acquisition or disposal decisions can be made. The provision of any acquisition will need to be aligned with the identified need for housing in the borough, indicated by the need for temporary accommodation and the housing waiting list, which is regularly reviewed to ensure it is representative of current need.

It is proposed that any properties acquired are let at either social rent levels, assuming that they are introduced directly at target rent or, at affordable rents in line with Government policy (if this is necessary to demonstrate that the acquisition is financially viable). With affordable rents, the affordability of the property decreases with the size of the property.

Inclusive of 01 April 2019 to 31 August 2022, RBC have completed on 65 property acquisitions, mainly located in urban areas for the HRA. A breakdown of completed property, bedroom types is detailed here:

Bedroom Type	1 Bed	2 Bed	3 Bed	4 Bed	Total
Total	18	24	20	3	65

In addition, RBC have actively disposed of property (generally to facilitate development).

4 Sources of Funding Acquisitions

Acquisitions of property will be undertaken when economically and/or strategically viable. Several funding sources are available to the Council to improve the viability of property purchase these include:

- a. Right to Buy Receipts – proceeds from the sale of Council houses.
- b. Capital Receipts – proceeds from the sale of fixed assets.
- c. Revenue – income generated from day-to-day activities.
- d. Reserves – money that has previously been allocated to fund future property acquisitions expenditure.
- e. 3rd Party Grant funding – a sum of money awarded by an external body.
- f. Borrowing – loans taken out to fund the purchase of properties.
- g. Budget allocation – Council agreed sum to execute strategic plans (including, Housing Acquisition Fund).

In most cases acquisitions of property will be funded from a combination of these sources.

a. Right To Buy (RTB) Receipts

From 01 April 2021, the rules on spending retained additional receipts have changed.

The timeframe in which local authorities have to spend new and existing RTB receipts was extended from 3 years to 5 years. This made it easier for local authorities to undertake longer-term planning, including remediation of larger plots of land. The percentage cost of a new home that local authorities can fund using RTB receipts increased from 30% to 40%. This made it simpler for authorities to fund replacement homes using RTB receipts, as well as aiding councils to build homes for social rent.

The Government is keen for homes supplied using retained additional receipts to represent the best value for money, and to add to overall housing supply as much as possible. A cap was introduced on the use of RTB receipts for acquisitions to help drive new supply with effect from 1 April 2022 and will be phased in over 2022-23 to 2024-25.

This has been set as a percentage of the number of homes that a local Council acquires using RTB receipts each year, rather than as a restriction on the cost of individual acquisitions. As it will take time for local authorities to prepare for the introduction of this cap and to ramp up their build programmes the government introduced a phased approach to the introduction of the cap.

Initially it will prohibit more than 50% of RTB replacements being delivered as acquisitions in financial year 2022-2023. That threshold will reduce progressively over the following two years from 50% to 30%, as set out below:

2021-22 – No cap

2022-23 – 50%

2023-24 – 40%

2024-25 onwards – 30%

Some local authorities receive low levels of receipts from RTB sales and find it more difficult to deliver replacement properties through new build. Therefore, the first 20 units of delivery in each year will be excluded from the cap for all local authorities. Local authorities are still allowed to acquire properties above the cap, but they are unable to use retained additional receipts to do so.

Some acquisitions are exempt from the cap such as, acquisitions of new build from a local Council's own housing company or arm's-length management organisation or from regeneration projects that contribute to net supply. Acquisitions of new builds from a private developer are not exempt.

e. 3rd Party Grant Funding

Opportunities may arise with funding bodies to help aid future acquisitions. Grant funding is likely to have specific requirements and obligations that the Council must meet. Before accepting such funding, the Council must be confident of meeting those obligations. If those obligations include the provision of matched funding, the financing of the matched funding must be identified prior to the bid for grant funding being submitted. Such requirements and obligations will form part of the ongoing project monitoring by the budget manager in addition to appropriate Cabinet or Council approval before acceptance of any 3rd Party funding agreements.

g. Budget Allocation

Within the Council's overall capital programme there is an annual budget allocation for the purchase of Council Homes, detail can be found in the Council approved [Capital Strategy 2022-2023](#). Should further budget requests be required, appropriate Cabinet or Council approval would be obtained.

5 Value for Money

The ability to demonstrate value for money in respect of any acquisition or disposal is paramount to the approval process. When a potential acquisition or disposal is identified, there is the need for the Council to respond within a reasonable time frame to ensure a successful outcome. This will not necessarily fit within the existing committee timetable therefore the process requires the use of officer's delegated authority. Where the budget is already in place, then delegated authority pursuant to paragraph 2.15(a) of Part 2B of the Council's Constitution can be used to secure an acquisition or disposal.

A financial appraisal will typically be carried out using Net Present Value (NPV) modelling (some funding bodies require additional methods of analysis), ensuring that the financial impact of the proposed acquisition or disposal is clearly demonstrated over time. In addition, an analysis of the potential cost of temporary accommodation, if needs are not met, will be carried out to support an acquisition or disposal. Where an acquisition is to facilitate future development, an assessment of the anticipated gain because of the purchase will need to be made. This may be best demonstrated by the additional numbers of units that could be delivered on the site as a direct result of the purchase, or other such measures.

An independent property valuation will be carried out by an appointed Chartered Surveyor prior to entering a contract to purchase. Should the property purchase price differ from the valuation, negotiations on the purchase price will commence.

6 Implementation – Acquisition Criteria

Each potential acquisition will be assessed on an individual basis, in line with the criteria set out in this policy, considering the financial implications of the acquisition, identified housing need and strategic value.

Definition of an Acquisition

The purchase of freehold or leasehold property from a third party.

Streams of Acquiring Property

- Open Market – opportunities arise from local estate agents / land agents. The open market purchasing stream naturally generates competitiveness and is critical to respond in a timely matter.
- Off Market – opportunities arise from individuals looking to sell directly to the Council. These could include private sector leasing properties or leaseholders (where the Council owns the freehold).
- Right of First Refusal – properties previously sold by the Council through RTB.
- Section 106 – affordable housing requirements on developments.
- Council officers identifying property with strategic value to the Council's future aspirations.

A proposed acquisition will only be progressed if the criteria below are met, and the relative financial benefits can be demonstrated. In all circumstances, progression to acquisition will only take place where the necessary approvals are in place, from either Members or utilising officer's delegated approval pursuant to paragraph 2.15(a) of Part 2B of the Council's Constitution.

Acquisition Criteria

Acquisition criteria defines how a property is individually identified to suit the needs of the borough:

- a. **Property Demand** – a freehold property type in an area of need, identified by the housing waiting list.
- b. **Adapted Property** – a property that has, or is suitable for, disabled adaptations which would meet the needs of an identified applicant on the housing waiting list.
- c. **Regeneration & Development** – a property in a location that could facilitate the regeneration of an area, provide social / affordable housing in an area, or unlock development on Council owned land or for strategic value.
- d. **New Build Home** – an existing market unit on a new build development site, where this could increase the balance of affordable housing provision on the site.
- e. **Section 106 Home** – a property or properties secured through competitive bidding against other Registered Partner's (RP's) through a Section 106 (S106) agreement.
- f. **Ex-Stock (inc. ex-stock leasehold)** – the property was formerly owned by the Council and sold through the RTB or previous disposal route. The purchase of a leasehold property, where the Council is the freeholder, is advantageous and will mitigate future impact on recovery of charges through Section 20 of the Landlord

& Tenant Act 1985 (as amended by the Commonhold and Leasehold Reform Act 2002) such as subsequent collection of associated charges.

- g. **Empty Property** – where a property is in disrepair or classified as an empty property in the borough, causing concerns in the locality, and where works undertaken to allow letting would improve not only the dwelling, but also the surrounding area.
- h. **Other** – any other property, where in line with the Council’s Corporate Strategy objectives, it may be in the Council’s interests to purchase and value for money or strategic value can be demonstrated.

a. Property Demand

Where demonstrated through robust evidence, a freehold property in an area of need will be considered to supplement the current stock and address the boroughs needs.

The Council’s current housing stock profile (as at 10 August 2022) is:

Property Type	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	Total
Bedsit	2					2
Bungalow	134	317				451
Flat	1,093	195	2			1,290
House	40	505	1,090	45	5	1,685
Maisonette	4	15				19
Traveller Accommodation	19					19
Total	1,292	1,032	1,092	45	5	3,466
Percentage	37%	30%	32%	1%	<1%	100%

There are, at present, 547 households on the current need housing waiting list (as at 16 September 2022) however this does not represent the complete boroughs need. The split of applicants by property type is below:

	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	6 Bed	7 Bed	Total
Total	229	138	99	44	22	11	3	547
Percentage	42%	25%	18%	8%	4%	2%	1%	100%

The statistics from the Council’s housing waiting list identify the property demand and need according to property type. The waiting list changes daily due to new applications, allocations, and priority changes in line with current circumstances. However, the current property open market does not provide sufficient or suitable 1-bedroom properties to purchase, for example a lot of 1 bed properties on the open market are leasehold flats, where RBC are not the freeholder. These properties are not currently purchased due to potential management issues and high service charge / ground rent which would be passed to the tenant. Although the demand for 4beds is 8% of the total waiting list, the S106 stream of acquiring properties has not provided any 4 beds for affordable or social rent therefore reliance is on the open market. The impact of this on the housing waiting list is that demand for larger properties is increasing.

A property in urban areas of Rugby is preferred due to accessibility and the applicant's reliance on support services within the town centre and ease of housing management / maintenance. Properties purchased outside of the Rugby borough are by exception, not the norm. There has historically been a shortfall in family sized accommodation, and more recently, due to a combination of our current re-development programme and tenants needing to be decanted, there is a significant emerging shortfall in one bedroom accommodation.

Typically, the Council does not purchase terraced properties which are not built to modern Building Regulation Standards, due to the age of the property and potential high costs of maintenance.

b. Adapted Property

Consideration is given to the purchase of property which is suitable for conversion, or extension, to create adapted facilities including ground floor bathing facilities, level access showers, etc.

c. Regeneration & Development

The purchase of a property in a location where the ownership would improve a future or current development allowing for maximisation of future affordable / social homes for strategic value. The property may also unlock landlocked land that would have previously had no development potential.

Where the opportunity arises, the Council may consider acquisition of small strips of land, garages, or existing dwellings, where ownership of the property would aid the design of a potential development scheme. This would allow maximisation of development opportunities to deliver the greatest number of additional dwellings and add strategic value.

d. New Build Home

Properties that have been built recently will aid our tenants due to the high energy efficiency of the property and therefore make energy bills more affordable. The Council will work with developer partners and consider open market units on existing and future development sites to increase the overall percentage of affordable housing with potential opportunities to acquire both general needs and shared ownership housing. The Council will be mindful that there may be significant service charges attached to the purchase of any flat / leasehold property on the open market or purchased directly from a developer.

e. Section 106 Home

Opportunities to purchase new build, S106 homes through competitive bidding are more apparent due to the vast expansion of Rugby. When considering the purchase of S106 homes, all aspects will be evaluated including the Land Registry title and affordability of any potential estates charge, which the tenant would be liable to pay. Historical bids have allowed the Council to successfully purchase 54 homes (as at 15 August 2022) through S106. The purchase of S106 properties will allow for mixed communities and provide energy efficient homes for our tenants.

f. Ex-Stock (inc. ex-stock leasehold)

Property in or around existing housing estates proves efficient to manage and maintain, particularly due to its locality, giving escalation to consideration for purchase. Therefore, ex-stock will be highly considered for purchase.

RBC has 55 leasehold flats (as at 09 August 2022), where the Council is the freeholder and where properties have been sold under the RTB legislation.

Under the terms of the lease, leaseholders are required to pay ground rent (where applicable) and annual service charges for services and facilities provided to them, or that they benefit from. The service charge also contributes towards the cost of any major repair / replacement / improvement works to the block in which they reside.

Legislation requires the Council undertake Section 20 of the Landlord & Tenant Act 1985 consultation with all leaseholders affected prior to letting contracts or awarding works to a block, adhering to prescriptive time frames and processes, where contributions to that work will be sought from the leaseholders. Following the completion of works, the Council attempts to recover the cost of the works from the leaseholders in the block via the service charge. An individual household's contribution to major works can be significant, and collection of the monies can prove difficult and costly. Any offer to spread or defer repayments has a negative impact on the cashflow for the HRA. Where opportunities arise, the Council should prioritise buying back leasehold properties.

g. Empty Property

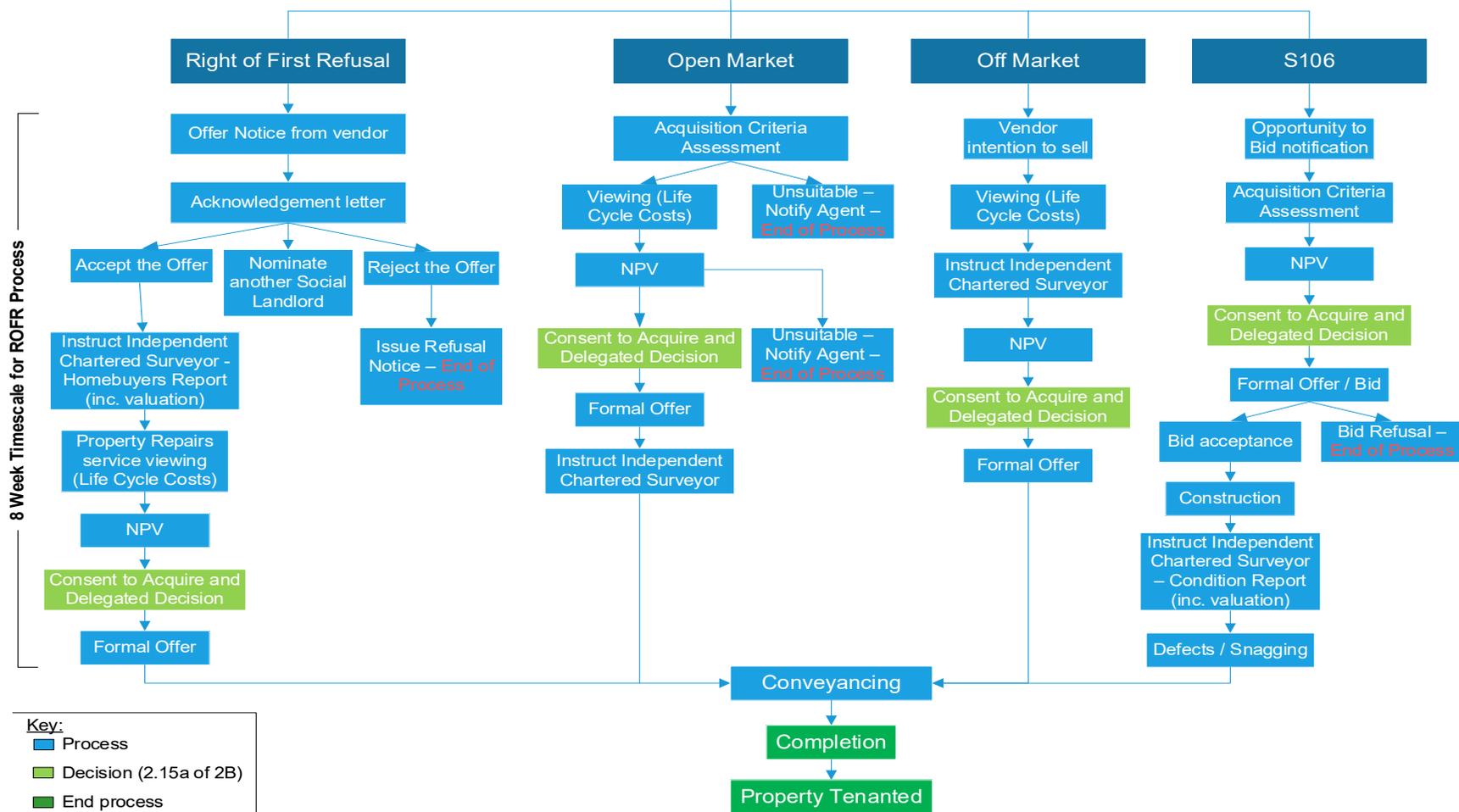
Privately owned dwellings do not always receive the same level of improvement works as those in public ownership. Sometimes this is because the owner (often a former Council tenant when the properties are on existing Council estates) is not financially able or willing to undertake improvement works. In these instances, the Council will consider the opportunity to purchase the property, evaluating viability against the improvement costs, future asset maintenance and management, prior to letting the dwelling as an additional social housing unit.

h. Other

From time to time there may be other opportunities to acquire property. In these circumstances, a business case will be prepared to demonstrate the financial viability of any proposed acquisition to demonstrate potential strategic value.

7 Acquisitions – Process Map and Approval Stages

Acquisition Management Process 2022-2025



Approval

The approval of an acquisition will be determined by the relevant officer from the Change Unit or Communities and Homes, in consultation with the appropriate Chief Officer and the appointed officer from Finance and Performance, pursuant to paragraph 2.15(a) of Part 2B of the Council's Constitution. All information gathered will be presented in the format of a Consent To Acquire Certificate (Appendix 1) and a Delegated Decision (Appendix 2).

8 Implementation – Disposal Criteria

As services across the Council evolve to suit the needs of the borough, it is inevitable that the needs of its property will change, and disposal may be required. Over many years, the Council has disposed of areas of land and properties where it was considered that continued use was not an option for the Council, and they were of no strategic or social value. A formal approach will ensure that each potential disposal will be assessed on an individual basis and will be evaluated in a consistent manner. Prior to disposing of property, the financial implications will be considered alongside the relative merits in value for money terms and strategic value in addition to the social value of the property. The Council will aim to maximise its capital receipts, where possible, by enhancing the land prior to disposal; for example, by obtaining planning permission if this would result in a reasonable uplift in capital receipt after costs are considered.

A proposed disposal will only be progressed if the criteria below is met, and key benefits can be demonstrated. In all circumstances, progression to disposal will only take place following approval under delegated authority pursuant to paragraph 2.15(a) of Part 2B of the Council's Constitution.

All disposals will be subject to any necessary consents by the Secretary of State, where appropriate.

Definition of a Disposal

The sale of the freehold, leasehold or lease of a term exceeding 7 years or more to a third party for a capital or revenue receipt.

Streams of Disposal

1. **Open Market Sale** – advertise with an agent to determine best price.
2. **Off Market Sale** – instances may derive where realistically there is only one potential purchaser, and a private treaty sale may be considered.
3. **Formal Tendering** – invitation of sealed bids.
4. **Auction** – marketed in an auction process. A reserve price will be set if appropriate or if recommended by the auctioneer.
5. **Joint Development** – two or more parties working together to achieve a desired outcome.

Disposal Criteria

Disposal criteria define how a property is assessed and is identified through the following:

- a. **Location** – where there is no demand for social housing identified by the housing waiting list or a property where the location detracts from ease of housing management and maintenance activity.
- b. **Build Type** – a property where the build type detracts from ease of housing maintenance.
- c. **Specific Interest** – a property may attract interest from a single party and

the potential receipt should be evaluated.

- d. **Negative Financial Contribution** – a property may not be economically viable to own, operate or maintain.
- e. **Use No Longer Required** – A property no longer used for the purpose it was acquired for with no future or strategic value.

a. Location

On occasions the location of a particular dwelling makes it difficult to let, manage or maintain. In these instances, consideration should be given to strategic disposal, particularly where the capital receipt anticipated can be demonstrated to deliver greater benefit elsewhere in the future provision of affordable housing. For example, where the receipt can be used to replace the dwelling with another / others in a location where there is housing need.

b. Build Type

The construction type of some of the housing stock is non-traditional. In some cases, this can make routine maintenance and future improvement of the dwelling difficult or impossible, particularly when it comes to energy efficiency works or adaptations.

In specific circumstances it may be beneficial to the Council to dispose of such property, with a view to replace the dwelling through the acquisition process with another of a traditional construction type.

c. Specific Interest

There may be instances where a property attracts interest from a 3rd party. A private treaty sale will be considered in instances where disposal of the property would:

- be advantageous to an adjoining landowner
- bring positive social, environmental, or economic benefit

d. Negative Financial Contribution

A negative financial contribution may occur when a property does not meet the desired letting standard or a condition survey highlights repair / maintenance liabilities or highlighted in capital accounting during a periodic review of the Asset Register.

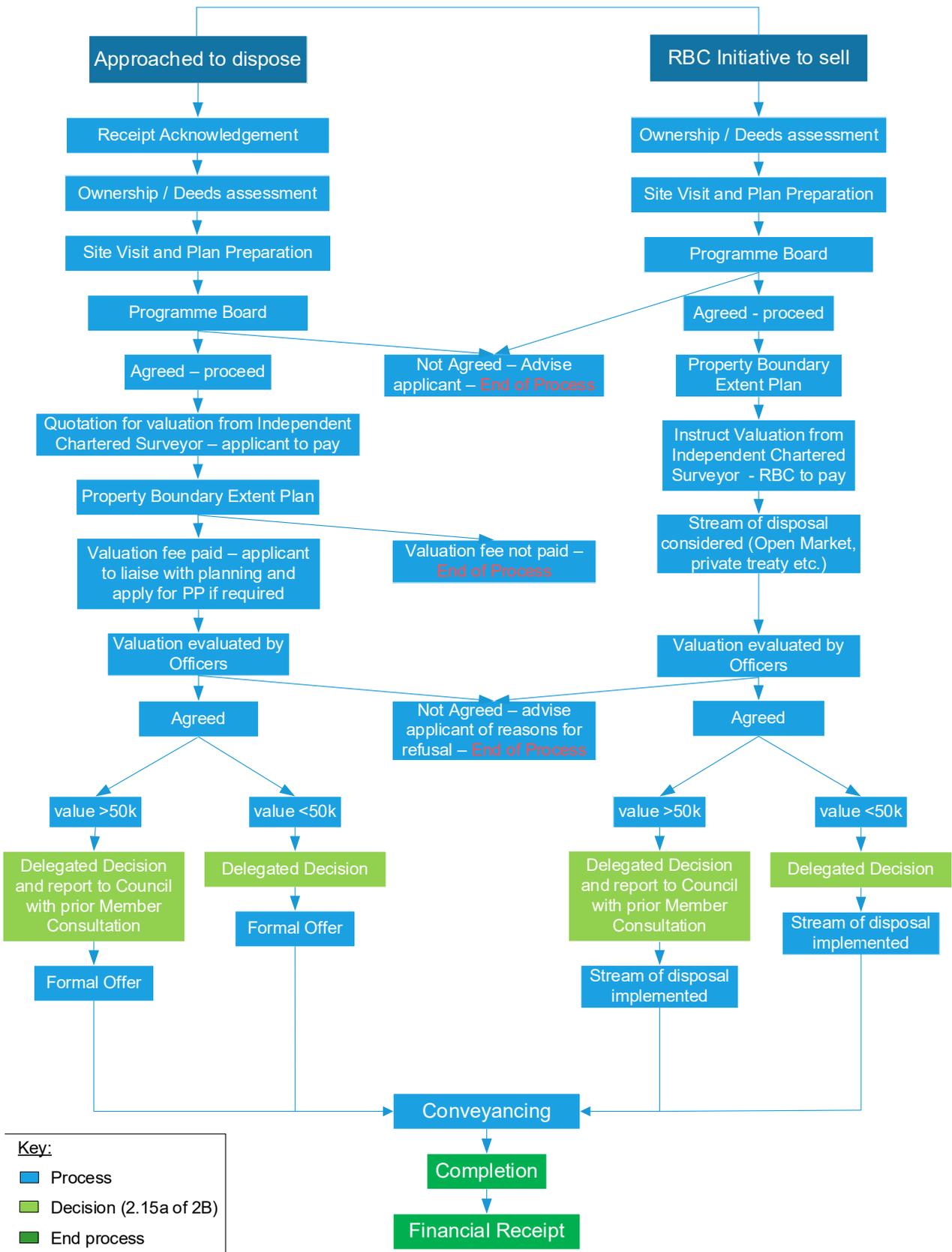
A property where the business case indicates a negative contribution to the business plan, or the use of excessive resources to derive the benefit, with anticipated costs of managing, maintaining, and improving to the required standard, are expected to outweigh the rental stream realisable, with no clear social benefit to retention. The property should actively be considered for disposal.

e. Use No Longer Required

A property no longer used for the purpose it was acquired for will be evaluated and accessed to determine if a receipt can be utilised better elsewhere.

9 Disposals – Process Map and Approval Stages

Disposal Process 2022-2025



Approval

The approval of a disposal will be determined depending on the value of the disposal. If the disposal is deemed to receive a receipt of over £50,000, the decision will be reported to Council in addition to determination by the relevant officer from the Change Unit or Communities and Homes, in consultation with the appropriate Chief Officer and the appointed officer from Finance and Performance, pursuant to paragraph 2.15(a) of Part 2B of the Council's Constitution. A template for recording delegated decisions in respect of disposals is set out in Appendix 3.

10 Resources, Monitoring & References

Monitoring

The policy recognises and enables the Council to make timely decisions on purchases and disposals of property to meet the needs of the borough.

Regular internal meetings are held to discuss current statistics, opportunities, concerns or improvements to the property acquisition and disposal process.

All transactions are carried out in accordance with the Council's Anti-Fraud and Corruption Strategy.

Reporting

Asset Management Members Working Group (AMMWG) meet on a regular basis throughout the year with statistics reported on acquisitions and disposals.

Delegated Decisions are completed for each acquisition / disposal and are published on the Council's webpage in line with The Openness of Local Government Bodies Regulations 2014.

Resources

To meet expectations and meet the boroughs need, the Transformation Change Unit's Estates and Project Management Team manage and complete day-to-day administration of the acquisition and disposal process, in line with the criteria and process information identified in this policy. Additional internal resource is required from Property Repairs Service (PRS) and Legal and Governance to complete works such as viewings, repairs and conveyancing. Resource is required for approval from the Executive Director or relevant Chief Officer.

References

Census, 2021,
<https://www.ons.gov.uk/visualisations/censuspopulationchange/E07000220/> Accessed 27 September 2022

Policy Review

Officers will review the Property Acquisition & Disposal Policy every 3 years or sooner if there is a significant change.

Policy Date: November 2022

Review Date: November 2025

11 Glossary of Terms

Acronym	Definition
Acquisition	The purchase of the freehold or leasehold property from a third party
Affordable Rent	Rent at least 20% below local market rents (including service charges where applicable) and where the landlord is a registered provider
ALMO	Arms-Length Management Organisation
AMMWG	Asset Management Members Working Group
BCR	Benefit Cost Ratio
Consent to Acquire	Document to consolidate information for delegated officer for sign-off noted in the Council's Constitution is paragraph 2.15 (a)
Council	Rugby Borough Council
Delegated Decision	Delegated Decision form is completed for each acquisition/disposal and published on the Councils webpage in line with The Openness of Local Government Bodies Regulations 2014
Disposal	The sale of the freehold, leasehold or lease of a term exceeding 7 years or more to a third party for a capital or revenue receipt
LHNA	Local Housing Needs Assessment
HRA	Housing Revenue Account
NPV	Net Present Value
Property	For the purpose of this policy, property is classified as land & buildings
PRS	Property Repairs Service
PWLB	Public Works Loan Board
RBC	Rugby Borough Council
RP	Registered Partner
ROFR	Right Of First Refusal
RP	Registered Partner
RTB	Right To Buy
S106	Section 106 of the Town and Country Planning Act – affordable housing built by developers pursuant to a planning obligation
Strategic Acquisition	A proactive acquisition to benefit long-term, Council strategic objectives

12 Appendices

Appendix 1: Consent To Acquire Certificate

Transformation Change Unit

Consent to Acquire Certificate

Address		Ward												
Property Type		Offer Range												
Return on Investment (financial appraisal)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Purchase Price</th> <th style="width: 15%;">Refurb Cost</th> <th style="width: 15%;">Target Rent</th> <th style="width: 15%;">NPV (30yr)</th> <th style="width: 15%;">NPV (40yr)</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Purchase Price	Refurb Cost	Target Rent	NPV (30yr)	NPV (40yr)					
	Purchase Price	Refurb Cost	Target Rent	NPV (30yr)	NPV (40yr)									
Strategic benefits of acquisition														
Likely cost of improvements / adaptations														
Open Market Value (improved condition)														
Proposal														
Approved by (Insert Officers name) (Insert Officers Role) (Approval for authorisation detailed within Paragraph 2.15(a) of Part 2B of Rugby Borough Council's Constitution)	Date													
	Signature													



Appendix 2: Delegated Decision – Acquisition

DECISION UNDER DELEGATED POWERS

Subject	Purchase of (Insert Property address)
Officer Requesting Decision	(Insert Officers Role)
Officer Making the Decision	(Insert Officers Role)
Authority for Decision	Paragraph 2.15(a) of Part 2B of Rugby Borough Council's Constitution
Recommendation	To purchase the property as set above in accordance with the price detailed in the Consent to Acquire and <u>enter into</u> the necessary transfer documents to complete the purchase.
Alternatives considered and rejected	<ol style="list-style-type: none"> 1. Not to purchase property 2. To buy alternative property
Decision	Approve recommendation
Reason	The acquisition of the property as set out above would provide a property in an area of high concentration of existing Council housing stock. To meet the identified housing needs of the borough and reduce the Council's housing waiting list.
Date	Insert date authorising Officer signs
Background Papers	Consent to Acquire Certificate, Homebuyers report, Life Cycle costings. These documents are "exempt information" for the purposes of regulation 9 of the Openness of Local Government Bodies Regulations 2014.
Decision record kept until	Insert date (6 years from date of signature)
Background papers kept until	Insert date (4 years from date of signature)

Signed.....

Dated.....

Appendix 3: Delegated Decision – Disposal



DECISION UNDER DELEGATED POWERS

Subject	Disposal of (Insert Property address)
Officer Requesting Decision	(Insert Officers Role)
Officer Making the Decision	(Insert Officers Role)
Authority for Decision	Paragraph 2.15(a) of Part 2B of Rugby Borough Council's Constitution
Recommendation	To dispose of the property as set above in accordance with the price detailed in valuation and enter documents to complete the disposal into the necessary transfer.
Alternatives considered and rejected	<ol style="list-style-type: none"> 1. Not dispose of property 2. Retain ownership and RBC to develop 3. Retain ownership and do nothing
Decision	Approve recommendation
Reason	The disposal of the property as set out above would ease negative contribution to the business plan or resources. Anticipated costs of managing, maintaining, and improving to the required standard are expected to outweigh the capital receipt.
Date	Insert date authorising Officer signs
Background Papers	Valuation, Programme Board decision. These documents are "exempt information" for the purposes of regulation 9 of the Openness of Local Government Bodies Regulations 2014.
Decision record kept until	Insert date (6 years from date of signature)
Background papers kept until	Insert date (4 years from date of signature)



Signed.....

Dated.....

		Likelihood			
		M	H	H	H
Impact	4	M	H	H	H
	3	L	M	H	H
	2	L	M	M	H
	1	L	L	M	M
		1	2	3	4

Project Title:
Housing Acquisitions Management (HAM)

Project Aim:
To acquire properties to meet the needs of the Borough

Rugby Borough Council Project Risk Register

Project Team: Chloe Britton, David Collins & Kristine Vitola

Project Sponsor: Michelle Dickson

Project Executive: Michelle Dickson

Issue (Version & Date): V1 02/11/2022



No.	Risk	Current assessment of Risk		Scoring of risk			Controls	Desired level of risk			Responsibility / Lead
		Opportunity	Consequence	Likelihood	Impact	Score		Likelihood	Impact	Score	
001	Change of political party / control of the council results in objectives, policy or financial impacts on the project delivery	<ul style="list-style-type: none"> Review of Project 	<ul style="list-style-type: none"> Reputational damage Exceeding time constraints Delay Less funding Project stops altogether Financial impact Impact of social rent cuts 	2	3	6	Current: <ul style="list-style-type: none"> Continued member briefings, ward / cabinet & council Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker Planned: <ul style="list-style-type: none"> Cross party support Involve Members at all stages Approval by council sought Policy 2022-2025 Complete:	2	4	8	Project Manager
002	Lack of timely decision making impacts the project programme & KPI's	<ul style="list-style-type: none"> Clear acquisition decision making process Robust timely decisions made Robust governance structure Clear vision & brief Well defined project programme 	<ul style="list-style-type: none"> Delay Increased / abortive costs Loss of status as a client Loss of Clr support Adverse media interest Increased public scrutiny Loss of property on open market Lost reputation 	4	4	16	Current: <ul style="list-style-type: none"> Standard process flow followed Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker Planned: <ul style="list-style-type: none"> Quarterly working group meetings Policy 2022-2025 Complete: <ul style="list-style-type: none"> Approval by Council Officers sought for every acquisition 	2	2	4	Project Sponsor, Property Manager, Project Manager
003	Force majeure impacts the programme delivery or the available finances		<ul style="list-style-type: none"> Affect RBC's priorities and finances Public perception Project stopped Political damage 	Cannot Predict	Cannot Predict	Cannot Predict	Current: Planned: Complete: <ul style="list-style-type: none"> Included in contracts Contingency fund 	Cannot Predict	Cannot Predict	Cannot Predict	Finance Officer, Project Manager
004	Economic changes (inc BREXIT & War) restrict project funding and delivery		<ul style="list-style-type: none"> Political changes Higher cost inflation Borrowing costs are more expensive Increased estate agent, chartered surveyor costs 	3	4	12	Current: <ul style="list-style-type: none"> Finance Business Partner support Scanning economic horizon Contract in place with Chartered Surveyors, securing a cost Legal contract Planned: <ul style="list-style-type: none"> Identify potential changes / impacts early and work to mitigate Complete: <ul style="list-style-type: none"> Short-term Acquisitions rather than long-term 	2	2	4	Finance Officer, Project Manager
005	Housing market fluctuations associated with global variables lead to uncertainty in the housing property market	<ul style="list-style-type: none"> Review policy and procedures Consider alternative ways of obtaining property - such as build 	<ul style="list-style-type: none"> Affect RBC's priorities and finances Project stops altogether Impact on social rent cuts Unable to meet demand 	3	3	9	Current: <ul style="list-style-type: none"> Proactive approach Scanning economic horizon Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker Planned: <ul style="list-style-type: none"> Regular contact with Estate Agents for market predictions Policy 2022-2025 Complete: <ul style="list-style-type: none"> Project plan in place Examine resourcing of finance 	2	3	6	Property Manager, Project Manager, Finance Officer
006	Unstable economy and interest rate increases has a negative effect on Net Present Value	<ul style="list-style-type: none"> Review of NPV calculations Review policy Review process map 	<ul style="list-style-type: none"> Delay Project stops altogether Financial impact Public perception Unable to meet demand 	3	3	9	Current: <ul style="list-style-type: none"> Standard form of calculations used RTB funding Scanning economic horizon Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker 	2	3	6	Property Manager, Project Manager, Finance Officer

No.	Risk	Current assessment of Risk		Scoring of risk			Controls	Desired level of risk			Responsibility / Lead
		Opportunity	Consequence	Likelihood	Impact	Score		Likelihood	Impact	Score	
							Planned: <ul style="list-style-type: none"> Reactive reviews of NPV's dependant on market conditions or climate Complete: <ul style="list-style-type: none"> Approval by Council Officers sought for every acquisition Policy 2022-2025 				
007	Lack of available funds slows or stops the project	<ul style="list-style-type: none"> Source alternative funding Lessons Learnt Policy review 	<ul style="list-style-type: none"> Project stops Financial impact Extending waiting list Public perception Media involvement Legal action Reputational 	3	4	12	Current: <ul style="list-style-type: none"> RTB receipts funding in place Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker Planned: 	1	4	4	Property Manager, Project Manager, Finance Officer
008	New types of funding change strategic direction	<ul style="list-style-type: none"> Change in Project Strategy Review policy Review process map New connections with funding providers 	<ul style="list-style-type: none"> Financial impact Extending waiting list Public perception Media involvement Legal action Reputational 	2	2	4	Current: <ul style="list-style-type: none"> Communication Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker Planned: <ul style="list-style-type: none"> Make resources available should need arise Policy 2022-2025 Complete: <ul style="list-style-type: none"> Correct people on the team Corporate support for project 	1	2	2	Project Sponsor, Property Manager, Project Manager, Finance Officer
009	Inability to view potential properties as viewings with the Estate Agents available on Saturdays only	<ul style="list-style-type: none"> Agile working Flexitime Review processes 	<ul style="list-style-type: none"> Project delay Financial impact Increasing Social Housing waiting list 	1	3	3	Current: <ul style="list-style-type: none"> Prioritisation of task & effective time management Managing expectations Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker Planned: <ul style="list-style-type: none"> Reviewing existing workloads and priorities Discuss with estate agents Policy 2022-2025 Complete: <ul style="list-style-type: none"> Handover checklist 	1	2	2	Property Manager, Project Manager
010	Failure to achieve Value for Money through poor acquisition process increases the costs and impacts the budget	<ul style="list-style-type: none"> Review policy and procedures Consider alternative ways of obtaining property - such as build 	<ul style="list-style-type: none"> Financial impact Public perception Legal action Increasing Social Housing waiting list 	1	2	2	Current: <ul style="list-style-type: none"> Housing Acquisitions meetings and efficient / effective consultation Establishment of project delivery team including rep from Finance Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker Planned: <ul style="list-style-type: none"> Quarterly working group meetings Complete: <ul style="list-style-type: none"> Robust specification Early agreement of requirements 	1	1	1	Finance Officer, Project Manager
011	Unexpected structural defects or building deficiencies when completed result in unexpected expenses and delays in tenanting	<ul style="list-style-type: none"> Rectify the problem Lessons learnt Health & Safety 	<ul style="list-style-type: none"> Reputational damage Financial impact Impact on social rent cuts Public perception Legal action 	1	2	2	Current: <ul style="list-style-type: none"> Cross party support Lifecycle Cost inspections Open Market and Reinstatement Valuations Surveys and investigations Property insurance HAM tracker Regular acquisition meetings Regular project catch-up meetings (cross departmental) Planned: <ul style="list-style-type: none"> Policy 2022-2025 Complete: <ul style="list-style-type: none"> Handover checklist Legal searches 	1	2	2	Finance Officer, Project Manager, Legal Officer

No.	Risk	Current assessment of Risk		Scoring of risk			Controls	Desired level of risk			Responsibility / Lead
		Opportunity	Consequence	Likelihood	Impact	Score		Likelihood	Impact	Score	
012	Factors outside of the project teams control result in changes to the projects programme	<ul style="list-style-type: none"> Positive public perception Funds can be used elsewhere 	<ul style="list-style-type: none"> Project delay Financial impact Contractual issues Public perception Media involvement Legal action Project Plan RPMS (KPI) targets not met 	4	3	12	Current: <ul style="list-style-type: none"> Cross party support Standard form of contract used HAM tracker Regular acquisition meetings Regular project catch-up meetings (cross departmental) Planned: Complete: <ul style="list-style-type: none"> Quarterly Housing Acquisitions Working group meetings Approval by Council Officers sought for every acquisition 	3	2	6	Property Manager, Project Manager
013	Dispute between RBC and Estate agent / private landlord results in delays and increased costs	<ul style="list-style-type: none"> Gain reputation of being a 'good client' Establish new working relationships 	<ul style="list-style-type: none"> Reduce morale Financial impact Public perception Media involvement Legal action 	2	3	6	Current: <ul style="list-style-type: none"> Project team to manage negotiation process Regular acquisition meetings Regular project catch-up meetings (cross departmental) Robust HAM tracker Planned: <ul style="list-style-type: none"> Defined mechanisms for change Policy 2022-2025 Complete: <ul style="list-style-type: none"> Engagement of external professional services (surveyor) at right time Robust process maps 	1	3	3	Property Manager, Project Manager
014	Adverse findings from surveys leads to pulling out of a purchase	<ul style="list-style-type: none"> Renegotiate purchase price Purchase alternative property 	<ul style="list-style-type: none"> Risk to project Financial impact Legal impact 	2	3	6	Current: <ul style="list-style-type: none"> Due diligence and survey Regular acquisition meetings Regular project catch-up meetings (cross departmental) Planned: <ul style="list-style-type: none"> Policy 2022-2025 Complete: <ul style="list-style-type: none"> Risk register Competent legal team Process map established 	1	3	3	Project Manager
015	Officer time is not available to work on the project leading to ineffective management	<ul style="list-style-type: none"> Bring in more resources More skills brought in house if employing 	<ul style="list-style-type: none"> Delay Financial impact Political impact Reputational damage Media involvement 	1	3	3	Current: <ul style="list-style-type: none"> Prioritisation of task & effective time management Managing expectations Regular meetings Flexibility Communication Planned: <ul style="list-style-type: none"> Quarterly working group meetings Complete: <ul style="list-style-type: none"> Project plan in place Reviewing existing workloads and priorities Examine resourcing of finance 	1	2	2	Property Manager, Project Manager
016	Team not working well together leads to conflicts impacting the efficient delivery of the project	<ul style="list-style-type: none"> To learn from others Expand the team 	<ul style="list-style-type: none"> Breakdown in communication Lack of continuity Disruption to the project 	1	3	3	Current: <ul style="list-style-type: none"> Effective and regular communication Regular and productive meetings / updates Effective leadership Planned: <ul style="list-style-type: none"> Quarterly working group meetings Complete: <ul style="list-style-type: none"> Contractor (surveyor) selection Build cohesion from early stage Project Team established Clear process map outlining ownership 	1	1	1	Project Manager
017	Property purchased in wrong area or wrong bedroom type resulting in inability to let property	<ul style="list-style-type: none"> Sell property and obtain receipt Look at alternative letting solutions (PRS) 	<ul style="list-style-type: none"> Public perception Legal impact Financial impact 	1	3	3	Current: <ul style="list-style-type: none"> Robust correspondence with client (housing team) Regular and productive meetings / updates Effective leadership Planned: <ul style="list-style-type: none"> Quarterly working group meetings Policy 2022-2025 outlining client requirements 	1	2	2	Project Manager, Project Sponsor

No.	Risk	Current assessment of Risk		Scoring of risk			Controls	Desired level of risk			Responsibility / Lead
		Opportunity	Consequence	Likelihood	Impact	Score		Likelihood	Impact	Score	
							Complete: • Risk register • Competent legal team • Process map established • Housing Strategy 2022-2024				
018	The estate of purchased S106 properties is sold on and results in higher Estate charges liable to be paid by tenant	• Schedule escalated rent / service charge reviews • Opportunity to purchase estate to minimise costs to tenants	• Financial impact • Public perception • Legal action • Impact on social rent cuts • Increased payment required from tenant	2	4	8	Current: • Due Diligence conducted • Rent and Service charge setting • Determined rights and duties, including any obligations regarding maintenance • Robust bid process • Cross departmental support • HAM tracker Planned: • Policy 2022-2025 Complete: • Legal searches	1	2	2	Property Manager, Project Manager, Legal Officer
						0	Current: Planned: Complete:			0	

Rugby Borough Council

Climate Change and Environmental Impact Assessment

CONTEXT

In 2019 the UK Parliament set a commitment in law to reach net zero carbon emissions by 2050. Achieving this target will require considerable effort with public bodies, private sector organisations, the third sector and individuals working together to take action. Rugby Borough Council declared a climate emergency in 2019, in doing so committed to:

- To move the Council's operations towards Carbon Neutrality by 2030.
- To establish action to tackle climate change as a key driver of all decision-making.
- To provide community leadership in reducing the impact of Climate Change.
- To take action to mitigate the impact of climate change on a Borough wide basis and beyond, through adaptation.

The Council's Corporate Strategy (2021-24) [link](#) sets ambitious outcomes in relation to Climate Change. These ambitions must now be progressed through the decisions which the Council makes.

It is therefore important that Rugby Borough Council gives due regard to climate change when making decisions. In the context of the Council's business, Climate Change includes carbon emissions, biodiversity, habitat loss and environmental destruction. When putting forward recommendations for decision, officers must assess how these recommendations are likely to influence our climate change commitments by completing the following Climate Change and Environmental Impact Assessment.

A copy of this Climate Change and Environmental Impact Assessment, including relevant data and information should be forwarded to the Deputy Executive Director.

If you require help, advice and support to complete the forms, please contact Dan Green, Deputy Executive Director.

SECTION 1: OVERVIEW

Portfolio and Service Area	Change & Transformation
Policy/Service/Change being assessed	Property Acquisition & Disposal Policy
Is this a new or existing Policy/Service/Change?	New – existing policy expired 2020
If existing policy/service please state date of last assessment	N/A
Ward Specific Impacts	Impact all wards within the borough due to ability to purchase property where outlined need is required.
Summary of assessment Briefly summarise the policy/service/change and potential impacts.	The Property Acquisition & Disposal Policy 2022-2025 outline the process and approval stages for acquiring and disposing of property in line with the Council's constitution.
Completed By	Chloe Britton
Authorised By	
Date of Assessment	12 September 2022

SECTION 2: IMPACT ASSESSMENT

Climate Change and Environmental Impacts	No Impact	Positive	Negative	Description of impact	Any actions or mitigation to reduce negative impacts	Action owner	Timescales
Energy usage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Property purchased go through a screening process, for example certain construction types are excluded from purchasing due to the poor energy performance. Property purchased through Section 106 are built to current legislation and have an excellent thermal performance.</p> <p>Whilst property disposed can provide a positive impact by providing better use of space.</p>	N/A	Chloe Britton, Programme Lead	November 2025 (review date of policy)
Fleet usage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Minimal impact on increased amount of journeys for repairs / maintenance of property.	<p>Future electric vehicle fleet.</p> <p>Property purchased are within the borough and localised to existing stock concentration although new build stock may be in a new area.</p> <p>RBC's Corporate Strategy 2021-2024 denotes 'organisation to be net zero by 2030'.</p>	Claire Preston, Chief Officer Operation & Trade Services	Quarterly Review

Sustainable Transport/Travel (customers and staff)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Property purchased are within the borough and localised to existing stock concentration	N/A	Chloe Britton, Programme Lead	Quarterly Review
Sustainable procurement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The procurement of a suitably qualified, independent, local surveyor to conduct housing and land valuations and surveys.	N/A	Chloe Britton, Programme Lead	May 2024 (date of expiry for current contract)
Community leadership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RBC is setting an example by making best use of property, alleviating the waiting list, considering empty properties and replacing stock lost through the Right To Buy.	The Property Manager will ensure that assets are maintained and utilise best use.	David Collins, Property Manager	Quarterly Review
Biodiversity and habitats	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Property purchased are typically already established and do not impact on biodiversity and habits.</p> <p>Property disposed of may lead to an impact on biodiversity and habitats however statutory consent will be required prior to works (if any).</p> <p>Property purchased through S106 have had necessary consents approved through statutory processes.</p>	Established property has less impact on the environment. Disposal of property may lead to an impact on biodiversity and habitats however statutory consent will be required prior to works (if any). S106 properties have already obtained necessary consents.	Chloe Britton, Programme Lead	Quarterly review

Adaptation/Mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Compliment property stock levels and carry out any repairs (if required) to improve efficiency of the property.	N/A	Chloe Britton, Programme Lead	
Impact on other providers/partners	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The policy will provide relief to the housing waiting list therefore reducing the pressures within the borough.	N/A		

SECTION 3: REVIEW

Where a negative impact is identified, the proposal and/or implementation can be adapted or changed; meaning there is a need for regular review. This review may also be needed to reflect additional data and evidence for a fuller assessment (proportionate to the decision in question). Please state the agreed review timescale for the identified impacts of the policy implementation or service change.

Review date	As/When required (identified in Section 2: Impact Assessment)
Key points to be considered through review	Biodiversity and Habitats
Person responsible for review	Chloe Britton, Programme Lead
Authorised by	

EQUALITY IMPACT ASSESSMENT (EqIA)

Context

1. The Public Sector Equality Duty as set out under section 149 of the Equality Act 2010 requires Rugby Borough Council when making decisions to have due regard to the following:
 - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
 - age
 - disability
 - gender reassignment
 - marriage/civil partnership
 - pregnancy/maternity
 - race
 - religion/belief
 - sex/gender
 - sexual orientation
3. In addition to the above-protected characteristics, you should consider the crosscutting elements of the proposed policy, such as impact on social inequalities and impact on carers who look after older people or people with disabilities as part of this assessment.
4. The Equality Impact Assessment (EqIA) document is a tool that enables RBC to test and analyse the nature and impact of what it is currently doing or is planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. The questions will enable you to record your findings.
6. Where the EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. Once completed and signed off the EqIA will be published online.
8. An EqIA must accompany all **Key Decisions** and **Cabinet Reports**.
9. For further information, refer to the EqIA guidance for staff.
10. For advice and support, contact:
Minakshee Patel
Corporate Equality & Diversity Advisor
minakshee.patel@rugby.gov.uk
Tel: 01788 533509

Equality Impact Assessment

Service Area	Change & Transformation
Policy/Service being assessed	Property Acquisitions & Disposals Policy
If this is a new or existing policy/service? If existing policy / service please state date of last assessment	New – existing policy expired in 2020
EqIA Review team – List of members	Chloe Britton
Date of this assessment	12 September 2022
Signature of responsible officer (to be signed after the EqIA has been completed)	Chloe Britton

A copy of this Equality Impact Assessment report, including relevant data and information to be forwarded to the Corporate Equality & Diversity Advisor.

If you require help, advice and support to complete the forms, please contact Minakshee Patel, Corporate Equality & Diversity Advisor via email: minakshee.patel@rugby.gov.uk or 01788 533509

Details of Strategy/ Service/ Policy to be analysed

<u>Stage 1 – Scoping and Defining</u>	
<p>(1) Describe the main aims, objectives and purpose of the Strategy/Service/Policy (or decision)?</p>	<p>The Property Acquisition & Disposal policy's aim is to outline an approach to acquiring land and property to increase the Council's portfolio of assets. The objectives are;</p> <ul style="list-style-type: none"> • To facilitate the acquisition of property that will increase the supply of additional suitable affordable housing by recognising the increasing demand on the housing waiting list, whilst providing opportunity to re-balance the mix of housing owned by the authority. • To facilitate the acquisition of property that will assist in the delivery of identified and potential new build opportunities. • To facilitate the disposal of property that is no longer meeting the service or business need and where the receipt could be better utilized elsewhere. • To provide a framework to assess the viability and value for money of acquiring or disposing of a specific property, delivering the flexibility to be able to act within limited timescales, as opportunities arise. • To ensure stock portfolio is fit for purpose and maintained. <p>The purpose of the policy is to provide a strategic framework to facilitate the acquisition of assets by recognising the demand and need whilst also recognising assets that are no longer required where the receipt could be utilized elsewhere.</p>
<p>(2) How does it fit with Rugby Borough Council's Corporate priorities and your service area priorities?</p>	<ul style="list-style-type: none"> • Build environmentally sustainable homes, including within our housing stock • Reduce the carbon footprint of our council housing stock by 2027 • Regenerate neighborhoods that need support and build communities that sustain change • Ensure that residents are proud of their community and their borough • Ensure that residents of Rugby have access to high quality, affordable and environmentally sustainable homes

	<ul style="list-style-type: none">• Support residents who are, or are at risk of being homeless or sleeping rough• Undertake commercial activities in the open market, where it is sustainable and responsible to do so
(3) What are the expected outcomes you are hoping to achieve?	<ul style="list-style-type: none">• To increase supply by providing a desirable mix of housing, including accessible/adapted properties, which suits the needs of the Borough• To facilitate the disposal of assets that are no longer meeting a service or business need and where the receipt could be better utilised elsewhere• To allow for flexibility when opportunities arise to purchase properties off the open market, and to enable the Council to act within limited timescales• To facilitate acquisition of assets that will assist potential new build opportunities• To increase rental income for the Council• To replace stock lost by the Right to Buy• To purchase properties that are of adequate size, in compliance with Nationally Described Space Standards

<p>(4) Does or will the policy or decision affect:</p> <ul style="list-style-type: none"> • Customers • Employees • Wider community or groups 	<p>The proposed policy will ensure continuity when purchasing or disposing of assets. Assets that are purchased will be managed by Rugby Borough Council, and will positively impact customers on the waiting list by providing a home.</p> <p>This will have a direct impact on residents and the wider community.</p>
<p><u>Stage 2 - Information Gathering</u></p>	
<p>(1) What does the information tell you about those groups identified?</p>	<p>The policy will help to aid those in most housing need (as identified in the Councils waiting list data), to expand the Councils portfolio of assets and to dispose of assets.</p>
<p>(2) Have you consulted or involved those groups that are likely to be affected by the strategy/ service/policy you want to implement? If yes, what were their views and how have their views influenced your decision?</p>	<p>The 2017-2020 policy was taken to Council on 14 November 2017. Following 2017 Council approval, the policy has been in a working practice.</p> <p>An additional approved Cabinet report dated 03 December 2018 outlines a Housing Acquisition Fund of £12,900,000 approved.</p> <p>The Councils Constitution denotes within paragraph 2B, 2.15 a.) – ‘After consultation with the appropriate Chief Officer or designated manager, purchase and disposal of property in accordance with the relevant policy.’.</p> <p>In addition, the following timeline outlines the groups consulted:</p> <p>July 2022 – Addition to Forward Plan August 2022 – Finance Department August 2022 – Asset Management Members Working Group notified September 2022 – Chief Officers/Officers within RBC November 2022 – Council</p>

(3) If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary.

N/A

Stage 3 – Analysis of impact

<p>(1) Protected Characteristics From your data and consultations is there any positive, adverse or negative impact identified for any particular group, which could amount to discrimination?</p> <p>If yes, identify the groups and how they are affected.</p>	RACE No	DISABILITY No	GENDER No
	MARRIAGE/CIVIL PARTNERSHIP No	AGE No	GENDER REASSIGNMENT No
	RELIGION/BELIEF No	PREGNANCY MATERNITY No	SEXUAL ORIENTATION No
<p>(2) Cross cutting themes (a) Are your proposals likely to impact on social inequalities e.g. child poverty, geographically disadvantaged communities? If yes, please explain how?</p> <p>(b) Are your proposals likely to impact on a carer who looks after older people or people with disabilities? If yes, please explain how?</p>	<p>The homes purchased will be available to those in genuine housing need and registered with the council and on the housing waiting list.</p> <p>Nationally Described Space Standards (NDSS) are considered at purchase stage to ensure properties are of adequate size</p>		
<p>(3) If there is an adverse impact, can this be justified?</p>	N/A		
<p>(4) What actions are going to be taken to reduce or eliminate negative or adverse impact? (this should form part of your action plan under Stage 4.)</p>	N/A		

<p>(5) How does the strategy/service/policy contribute to the promotion of equality? If not, what can be done?</p>	<p>The policy will enable the provision to purchase assets that can provide affordable, social rent homes within the borough for those with the greatest housing need. In addition, assets that are no longer required can be disposed of, generating receipts to be utilised elsewhere.</p>
<p>(6) How does the strategy/service/policy promote good relations between groups? If not, what can be done?</p>	<p>The day-to-day management of acquisitions & disposals is completed by the Transformation Change Unit, on behalf of the Housing department. The continued communication between the two departments ensures the interests of many diverse groups are captured and considered. In addition, Finance & Performance are included in the process to ensure equality and continuity when signing off the purchase/disposal of the asset, in line with paragraph 2B, 2.15 a.) of the Councils Constitution. Partnerships are formed with local estate agents to gain insight into the current market.</p>
<p>(7) Are there any obvious barriers to accessing the service? If yes, how can they be overcome?</p>	<p>To access purchased assets, residents of the borough will need to be in genuine housing need and registered on the housing waiting list.</p>

<p><u>Stage 4 – Action Planning, Review & Monitoring</u></p>
<p>If No Further Action is required, then go to – Review & Monitoring</p> <p>(1) Action Planning – Specify any changes or improvements that can be made to the service or policy to mitigate or eradicate negative or adverse impact on specific groups, including resource implications.</p>
<p>(2) Review and Monitoring State how and when you will monitor policy and Action Plan</p>

N/A

EqIA Action Plan

Action	Lead Officer	Date for completion	Resource requirements	Comments

The policy will be reviewed every three years by the appointed personnel managing acquisitions and disposals. Council approval required for the adoption of an updated policy in the future.



AGENDA MANAGEMENT SHEET

Report Title:	Appointments to Outside Bodies - Rugby First
Name of Committee:	Council
Date of Meeting:	23 November 2022
Report Director:	Chief Officer - Legal and Governance
Portfolio:	Finance, Performance, Legal and Governance
Ward Relevance:	All Wards
Prior Consultation:	None
Contact Officer:	Aftab Razzaq Chief Officer Legal and Governance 01788 533521; aftab.razzaq@rugby.gov.uk
Public or Private:	Public
Report Subject to Call-In:	No
Report En-Bloc:	No
Forward Plan:	No
Corporate Priorities:	This report relates to the following priority(ies): <input type="checkbox"/> Rugby is an environmentally sustainable place, where we work together to reduce and mitigate the effects of climate change. (C) <input type="checkbox"/> Rugby has a diverse and resilient economy that benefits and enables opportunities for all residents. (E) <input type="checkbox"/> Residents live healthy, independent lives, with the most vulnerable protected. (HC) <input checked="" type="checkbox"/> Rugby Borough Council is a responsible, effective and efficient organisation. (O) Corporate Strategy 2021-2024 <input type="checkbox"/> This report does not specifically relate to any Council priorities but
Summary:	To appoint representatives to Rugby First.
Financial Implications:	There are no financial implications arising from this report.
Risk Management/Health and Safety Implications:	There are no significant risk management implications arising from this report.

Environmental Implications:	<p>There are no environmental implications arising from this report.</p> <p>A Climate and Environmental Impact Assessment is attached at Appendix 1. The report does not have any environmental impacts.</p>
Legal Implications:	There are no legal implications arising from this report.
Equality and Diversity:	There are no equality and diversity considerations arising from this report.
Options:	N/A
Recommendation:	<p>(1) Councillor Wayne Rabin be appointed as a Director at Rugby First; and</p> <p>(2) Councillor Lisa Parker be appointed as a Director at Rugby First.</p>
Reasons for Recommendation:	To ensure the Council has a representation within the Board of Directors at Rugby First.

Council - 23 November 2022

Appointments to Outside Bodies - Rugby First

Public Report of the Chief Officer - Legal and Governance

Recommendation

- (1) Councillor Wayne Rabin be appointed as a Director at Rugby First; and
- (2) Councillor Lisa Parker be appointed as a Director at Rugby First.

1. BACKGROUND

- 1.1 Rugby First is a limited company and operates independently of the Borough Council. Rugby First is responsible for the BID and the delivery of additional contracted services.
- 1.2 The Council is entitled to appoint two Directors to the Board of Rugby First.

2. VACANCIES AT RUGBY FIRST

- 2.1 Two vacancies exist on the Board of Directors within Rugby First. This is following the resignation of the Council's previously appointed representatives.
- 2.2 Councillor Wayne Rabin and Councillor Lisa Parker have been contacted and are willing to serve.

Name of Meeting: Council

Date of Meeting: 23 November 2022

Subject Matter: Appointments to Outside Bodies - Rugby First

Originating Department: Legal and Governance

DO ANY BACKGROUND PAPERS APPLY YES NO

LIST OF BACKGROUND PAPERS

Doc No	Title of Document and Hyperlink

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A