

CONFIDENTIAL
CYNGOR SIR POWYS COUNTY COUNCIL.

REPORT FOR DELEGATED DECISION
By
County Councillor Jonathan Wilkinson
Portfolio Holder for Housing & Countryside Services
February 2018

REPORT AUTHOR: Andrew Hall – Housing Management and Options Team Leader

SUBJECT: Declaring 27 Kerry Road (also known as Ashleigh), Newtown Powys, SY16 1BP surplus to requirements

REPORT FOR: Decision

1. Summary

- 1.1 19 Kerry Road is a longstanding void property located within walking distance of Newtown town centre, which is in need of extensive and costly work to bring it up to Welsh Housing Quality Standard (WHQS).
- 1.2 This report is supported by the following appendices:
 - Property Survey reports undertaken on 16th November 2016
 - Estimated costs for works required to property
 - Photographs of property taken 22nd June 2017
- 1.3 This reports seeks approval to declare the property surplus to requirements, enabling the property to be sold at public auction.

2. Background

- 2.1 The property is a 3 bedroomed 3 storey house located close to Newtown town centre and is within walking distance to the train and bus stations in Newtown
- 2.2 The property was acquired by Powys County Council from the Development Board for Rural Wales stock transfer in 1996.
- 2.3 This property has remained empty since the previous tenancy ended in March 2011.
- 2.4 Whilst there is demand for 3 bedroomed properties in Newtown, there is extensive work that is required to bring this property up to Welsh Housing Quality Standard. As the property has no garden to the front or rear, it is not possible to bring the property fully up to WHQS. A copy of the

Contract Officers report on the property can be found in Appendix 1 attached to this report

- 2.5 The proposed works require in the region of £28K. This is a low estimate and it is considered to be likely that as works commence this estimate could increase substantially. A copy of the works required with estimation of costs prepared by the Contracts Officer is attached to this report as Appendix 2. However, even with these works completed the property will not meet WQHS because there will be no scope to create a recreational area as required by WHQS in a property of this size.
- 2.6 Officers in Corporate Property estimate that the property in its current condition, would be valued between £80,000 to £90,000, and its estimated value following works of improvement would be in the region of £135,000.
- 2.7 There is no option to demolish the property and construct a more suitable dwelling on the site due to the restrictive nature of the site in that it is mid terrace, attached to properties either side that are not council owned. It is far too small to make use of economically.

3. Proposal

- 3.1 It is proposed that the property is declared surplus to requirements, enabling it to be sold on the open market, generating a capital receipt which can be used to either improve existing HRA properties or assist in the development of new homes.

4. Options Considered / Available

- 4.1 The following options are available:

Option 1 is to invest in the property to bring it up to a suitable family home that meets where possible WHQS.

Option 2 is to invest in the property and convert it into individual lockable bedrooms and use the property as shared accommodation for those under 35 years old

Option 3 is to declare the property surplus to requirements enabling it to be sold at public auction.

5. Preferred Choice and Reasons

- 5.1 Option 3 is the preferable option. Investment in the property is unlikely to bring the property up to a standard which suits a family requiring a 3 bedroomed house, and as such investment would appear to be risky with a likelihood that it will prove difficult to let. Option 2 is not considered a viable option due to the increased costs involved in

converting the property into a house of multiple occupation (HMO). Whilst shared accommodation is will be required in the area, there are more economically viable properties in more suitable locations that can be considered for such conversion.

6. Impact Assessment

6.1 Is an impact assessment required? No

6.2 If yes is it attached?

7. Corporate Improvement Plan

7.1 Minimal risk as losing a 4 bedroomed property of this nature which is not suitable for families could be balanced by investing the capital receipts from the sale of the property towards new build.

8. Local Member(s)

8.1 Cllr Joy Jones has been consulted over the sale, and whilst she is in favour of the disposal of the properties, she would like to see the capital receipts from the sale re invested into much needed single person accommodation in Newtown.

9. Other Front Line Services

9.1 Does the recommendation impact on other services run by the Council or on behalf of the Council? No

If so please provide their comments

10. Communications

10.1 Have Communications seen a copy of this report? No

Have they made a comment? If Yes insert here.

11. Support Services (Legal, Finance, Corporate Property, HR, ICT, Business Services)

11.1 Legal The Professional Lead-Legal notes the viable option recommended outlined in this report and confirms that the legal services will support the service involved as and when required

- 11.2 Finance – The Capital and Financial Planning Accountant notes the content of the report and notes that the property is included in the Asset Register at a value of £27,733.32. Any loss or surplus on disposal will be funded from the unusable reserves.
- 11.3 Corporate Property Corporate Property note the contents of the report and will work with the Housing service to achieve a sale.

12. Scrutiny

Has this report been scrutinised? No

13. Statutory Officers

- 13.1 The Head of Financial Services (Acting S151 Officer) notes the comments of the Capital and Financial Planning Accountant and that the potential capital receipt would be retained within the HRA to support the Capital Programme.
- 13.2 The Solicitor to the Council (Monitoring Officer) has commented as follows: “I note the legal comment and have nothing to add to the report”.

14. Member Interests

- 14.1 The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If the Portfolio Holder has an interest he/she should declare it, complete the relevant notification form and refer the matter to the cabinet for decision

Recommendation:	Reason for Recommendation:
That 27 Kerry Road, Newtown is declared surplus to requirements	To remove a long term void from the rent roll, which is unlikely to achieve the Welsh Housing Quality Standard at a reasonable cost enabling it to be sold at public auction.

Relevant Policy (ies):	
Within Policy:	Y / N
Within Budget:	Y / N

Relevant Local Member(s):	Councillor Joy Jones
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Person(s) To Implement Decision:	Andrew Hall
Date By When Decision To Be Implemented:	February 2018

Contact Officer:	Andrew Hall
Tel:	
Email:	andrew.hall@powys.gov.uk

Background Papers used to prepare Report: