

**RIBBLE VALLEY BOROUGH COUNCIL**  
**REPORT TO POLICY AND FINANCE COMMITTEE**

DECISION

Agenda Item No.

meeting date: 12 JUNE 2012  
title: REFERENCES FROM COMMITTEE – PURCHASE AND REPAIR CAPITAL  
SCHEME REQUEST  
submitted by: DIRECTOR OF RESOURCES  
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To consider a request from Health and Housing Committee to approve a one off purchase and repair capital scheme in to the 2012/13 capital programme for Health and Housing Committee.

2 BACKGROUND

- 2.1 Service committees manage their services within the budgets agreed at the beginning of the financial year. The three year capital programme 2012-15 was approved by Special Policy and Finance Committee on 7 February 2012 and by Full Council on 6 March 2012.
- 2.2 Any new schemes for inclusion into the capital programme, over and above what has already been approved, must be approved by this Committee.

3 HEALTH AND HOUSING COMMITTEE 31 MAY 2012

- 3.1 Health and Housing Committee considered a report submitted by the Chief Executive which gave details of an approach that had been made to the Council by Adactus Housing Association on a proposed purchase and repair scheme for three housing units in Longridge.
- 3.2 In summary the estimated costs of the Adactus scheme in 2012/13 would be £429,124, with total renovation works for the 3 properties being £29,997. The funding sought from the Council towards the scheme is £45,000 (as set out in the attached report).
- 3.3 Due to the level of funding requested for the scheme, it would fall within the Council's capital programme. As members will recall, funding of the capital programme has been difficult over recent years. A suggested source of funding for this scheme could be the VAT shelter monies that are received by the council under the LSVT arrangements with Ribble Valley Homes.

4. RECOMMENDED THAT COMMITTEE

- 4.1 Agree to the request for the inclusion of the above scheme in the Health and Housing Committee Capital Programme 2012/13.

LAWSON ODDIE  
HEAD OF FINANCIAL SERVICES

JANE PEARSON  
DIRECTOR OF RESOURCES

PF36-12/LO/AC  
11 June 2012

**BACKGROUND PAPERS**

*Overall Capital Programme 2012/15 – Report to Special Policy and Finance Committee 7 February 2012*  
*Annual Budget 2012/13 – Report to Full Council 6 March 2012*  
*Purchase and Repair Capital Scheme Request – Report to Health and Housing Committee 31 May 2012*

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

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Agenda Item No.

meeting date: THURSDAY, 31 MAY 2012  
title: PURCHASE AND REPAIR CAPITAL SCHEME REQUEST  
submitted by: CHIEF EXECUTIVE  
principal author: RACHAEL STOTT – STRATEGIC HOUSING OFFICER

## 1 PURPOSE

1.1 To seek Committee approval for a purchase and repair capital scheme.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions – To match the supply of homes in our area with the identified housing needs.

## 2 BACKGROUND

2.1 Adactus Housing Association approached the Council proposing an affordable housing scheme to deliver three units in Longridge in 2012/13 and three units in Longridge in 2013/14.

## 3 ISSUES

3.1 Currently the grant assistance available for delivery of affordable housing is through the landlord tenant grant scheme. The assistance available is for renovation only and the scheme does not allow for any grant towards the purchase of affordable properties. The scheme proposal from Adactus is for a grant towards both purchase and repair.

3.2 The additional benefits of this new scheme would be that the units would be affordable and managed by a housing association. The proposal is that the amount of grant which is approved for the purchase of the property will be registered as a Legal Charge to be repaid on sale, however this condition would exclude any sale to the tenant under the right to require or any further similar government schemes where the registered provider would not get the full receipt.

3.3 Adactus Housing Association have for many years delivered a purchase and repair scheme across the borough. Each year between 8 and 12 units have been purchased and renovated then let as social rented units. With the change in the Homes and Communities Agency grant funding process, the scheme was no longer viable. Therefore Adactus approached the Council as to whether we would offer support to enable continuation of the scheme. Longridge was identified as an area which would benefit from delivery of the scheme due to the lack of affordable family accommodation and the long social housing waiting list for Longridge.

3.4 Adactus have now got Board approval to go ahead with the purchase of three 2-bed properties in 2013 and 2014. The costs would require grant aid from Ribble Valley Borough Council. Therefore the proposal is for a new capital scheme to be made available for registered providers for the purchase and repair of properties.

3.5 The conditions of the grant would be local housing allowance rates to be charged on completion, the Council has 100% nomination rights and a Legal Charge is registered against the property for the value of the grant committed towards purchase. The conditions will remain whilst the land charge is registered. The maximum grant to be offered is proposed to be £15,000 per property and £10,000 per flat.

## 4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – Options that may be available to finance the scheme include commuted sum monies and VAT shelter.
- Technical, Environmental and Legal – To use existing grant and support.
- Political – None.
- Reputation – To support affordable housing delivery.
- Equality and Diversity – No implications identified.

## 5 **RECOMMENDED THAT COMMITTEE**

5.1 Approve the proposed Purchase and Repair Scheme and the request for a new capital scheme to enable its delivery.

MARSHAL SCOTT  
CHIEF EXECUTIVE

RACHAEL STOTT  
STRATEGIC HOUSING OFFICER

## BACKGROUND PAPERS

1 None.

For further information please ask for Rachael Stott, extension 4567.

REF: RS/CMS/HEALTH & HOUSING/310512