

Council Land & Leasehold Properties

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the housing market challenge...

- High demand for housing, particularly in central Bath
 - City centre 1/2 bed flat costs an average of **£200,000/£358,000**
 - Require **£46,000/£81,000+ p.a.** income to purchase & **£40,000/£72,000** deposit.
 - Excludes over $\frac{3}{4}$ of potential first time buyers
 - Average city centre 1/2 bed flat rent is **£723/949 p.m.**
 - Affordability test = **£34,000/£46,000+ p.a.**
 - Receive up to **300 bids** for social housing properties in city centre
- How to encourage a balanced & sustainable housing market in this environment



potential levers...

- Policy levers, including
 - Encouraging & enabling appropriate development,
 - Effective regulation etc.
- Strategic use of Council assets, including:
 - Council land,
 - Existing leasehold properties



strategic use of Council land...

- Significant land owner
- Surplus land generally offered to open market, however, option to dispose at less than market in specific cases, e.g. for social housing
- *However*, any effective subsidy would be at expense of corporate income

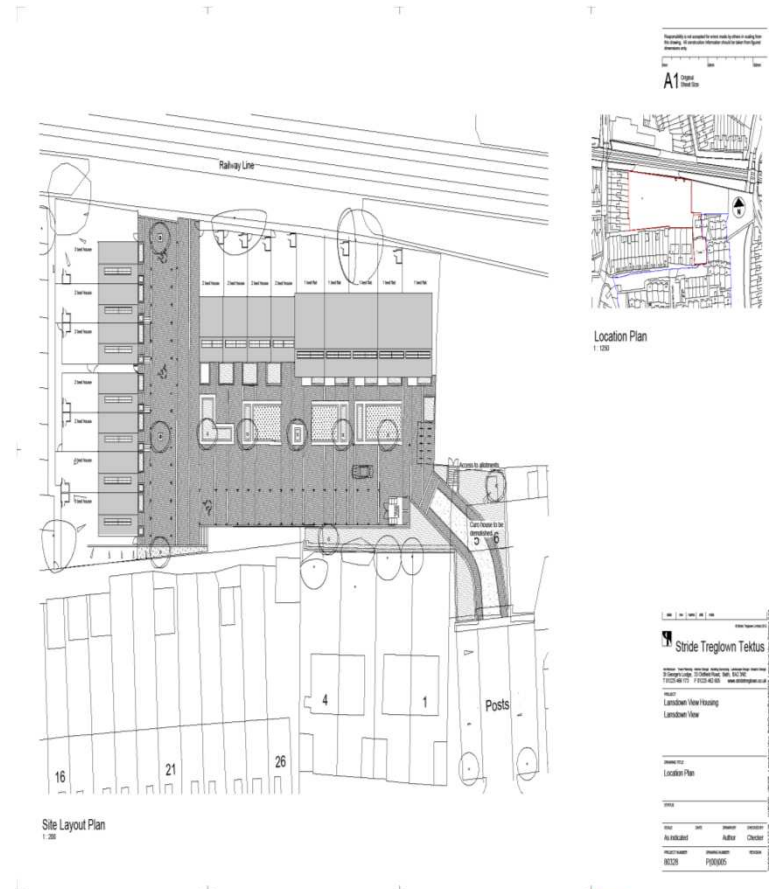


strategic use of leasehold properties...

- Number of leasehold flats within the City Centre, comprising:
 - 8 “Living Over the Shops Scheme” units developed in partnership with Knightstone Housing;
 - 62 Other residential units of which 56 are in partnership with Curo
- Various hand-back options
 - LOTS – break clauses over next few years
 - Curo – when a property becomes vacant



- HCA SIGNET project partnership
- Working corporately provide housing option appraisal for each Council site
- Evaluate options for leasehold properties
- Future paper to SMT and Cabinet for steer/decision



issues that will need to addressed...

- Competing demands – estate income cf. social housing
- Establishing most effective use of resources:
 - High market value - better to reinvest capital receipt elsewhere?
 - Modern energy efficient social housing cf. old inefficient housing
 - However, land availability issue, particularly in City Centre
 - Engaging with existing leaseholders – SR/ART/PR options
- How important is a balanced & sustainable housing market & ultimately how much do we want to intervene to influence?