
To: Communities and Housing Policy Board

On: 16 August 2022

Report by: Director of Communities and Housing Services

Heading: Last-in-the-block Sale and Acquisition Policy

1. Summary

- 1.1 This paper sets out a proposal to amend the current policy approved in May 2014, which allows the sale of the last house in a block in certain circumstances.
- 1.2 Of the Council's 12216 properties, almost 70% are flatted, with many in mixed tenure blocks.
- 1.3 Mixed tenure flatted blocks can present difficulties when delivering investment programmes, because the delivery of such programmes in most circumstances will require the agreement of co-owners.
- 1.4 With the imminent commencement of the £100m Housing Regeneration investment programme, the issue of mixed tenure blocks will become critical to the successful delivery of the investment programme.
- 1.5 This paper sets out a proposal to amend the current policy for last house in the block, to include any flatted blocks (currently it relates to blocks of more than 5 properties), and also to include a provision to enable rehousing of tenants with their agreement where the Council is a minority owner.
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2. Recommendations

- 2.1 It is recommended that the Policy Board:
- (i) Approve a change to the "last in the block sale and acquisition policy" as set out in section 3 of this report and in full accordance with the approved Council Scheme of Delegation and Financial Regulations, in order to allow:

- a. Re-housing of tenants (with their agreement) to allow disposal;
 - b. Disposal of flats which are “last-in-the-block” but where the block has a connection to other blocks;
 - c. Disposal of last in block flats regardless of the number of properties in the block;
 - d. The use of receipts for acquisition of properties to increase Council ownership in other mixed-tenure blocks.; and
- (ii) authorise the Director of Communities and Housing Services to seek the consent of Scottish Ministers as required.

3. Background

3.1 As of 31 March 2022, the Council had a stock holding of 12,216 properties as reported to the Scottish Housing Regulator (SHR) and as detailed in the table below. Only 22% are houses, with the majority – 69% – being flats.

Apartments	Houses	High-Rise Flats	Tenement Flats	4-in-a-Block Flats	Other	Total
1	80	34	57	47	199	417
2	256	310	1,750	965	404	3,685
3	1,380	656	2,253	1,179	396	5,864
4	883	0	547	560	49	2,039
5+	97	0	30	81	3	211
Total	2,696	1,000	4,637	2,832	1,051	12,216

3.2 In blocks of flats – except where permitted under the Tenements (Scotland) Act 2004 – the consent of a majority of the owners is required to allow work to proceed, and therefore work promoted by the Council; ranging from basic repairs to investment to reach the requirements of the Energy Efficiency Standard for Social Housing (EESH), may not go ahead unless a majority of the owners within the block agree to participate in work programmes.

3.3 Whilst there is often a positive resolution using the provisions of the Tenements (Scotland) Act 2004, it can be difficult to secure consent in blocks where the Council only has a minority ownership interest. The table below highlights the Council’s stock position on a block type basis and that in 56% of blocks the Council is a minority owner.

Common block type	Council ownership			Total
	Majority	Minority, >1 unit	Minority, 1 unit only	
4-in-a-block	398	431	564	1,393
Other 1–4 units	299	128	125	552
5–6 units	446	191	45	682
7–8 units	49	48	11	108
>8 units	62	45	7	114
Multi-storey	14	0	0	14
Total	1,268	843	752	2,863

- 3.4 On 13 May 2014, the Housing and Community Safety Board approved a report requesting authority to sell single Council dwellings in larger common blocks, where the Council owned 1 property in a block of 5 or more, when it became vacant. To date, over 50 of the 106 properties identified in the 2014 report have been sold as they have been vacated by tenants.
- 3.5 Therefore, it is considered that within the context of the £100m Regeneration and Renewal Programme, there could be situations where negotiations to include owners in the investment programme will not be able to proceed as the Council has only one tenanted property in a block. These properties are reported as an abeyance each year in our annual return to the SHR. Some actual but anonymised examples are as follows.

Example 1

A Council tenant is in the only Council-owned property in a 4-in-a-block where private owners have refused to participate in investment works on several occasions, but where the surrounding Council and mixed-tenure blocks have received investment works.

This Council tenant would currently need to remain in this property and apply to the Council for rehousing in line with the Council's Housing Allocation Policy but may have no current need to move.

It is proposed in this situation, where numerous attempts to agree works with owners have failed, that Council tenants may discuss their housing options with a view to moving to a property where works are planned, or have been completed, to ensure that they benefit from the energy efficiency works in line with other Council tenants – and that the property that they vacate would be sold.

Example 2

A property is clearly in common-sense terms the last Council-owned property in a block, but the block has a connection to other blocks with some Council ownership and so the property in question is deemed not to be last in the block for disposal purposes.

In circumstances where this has been brought to our attention, the properties are void and this report requests that the definition of last in the block for this purpose refers to the properties accessed by the main door or close of the address and not any wider block described in the title.

- 3.6 This report also proposes that the previous minimum number of flats in a block (five) be removed so that any flat – including specifically four-in-a-block flats – could be included in the policy. (A number of two-in-a-block flats have also previously been sold.)

- 3.7 Receipts from the sale of such properties would be used to acquire properties that could assist in facilitating investment works in other mixed tenure blocks or meet other housing needs by adding to the supply of affordable housing for social rent across Renfrewshire. As a consequence, it is anticipated that there would be no loss to the stock (acquiring additional properties will depend on their availability and affordability on the market), and overall repairs and improvements would be easier to deliver going forward.
- 3.8 For the avoidance of doubt, if the changes recommended in this paper were implemented, it is not proposed that all properties which would become eligible for disposal as a result would be disposed of immediately – only a small number would be marketed at any given time, so as not to reduce in any significant way the Council's stock of affordable housing.
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Implications of the Report

1. **Financial** – any acquisitions would be funded by disposals and grant finance so there would be no negative effect on the Housing Revenue Account.
2. **HR & Organisational Development** – none.
3. **Community/Council Planning**
 - *Tackling inequality, ensuring opportunities for all* – the changes proposed would allow more tenants to benefit from improvement programmes.
4. **Legal** – work will be required with respect to acquisitions, disposals, conveyancing and title changes as necessary.
5. **Property/Assets** – none.
6. **Information Technology** – none.
7. **Equality & Human Rights** –
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none.
9. **Procurement** – none.
10. **Risk** – a risk register has been developed for the Housing led Regeneration and Renewal programme and it includes risks associated with owners' reluctance or refusal to participate in investment programmes. The change recommended would mitigate these risks.

11. **Privacy Impact** – none.
 12. **COSLA Policy Position** – none.
 13. **Climate Risk** – the changes proposed would allow more tenants to benefit from improvement programmes with consequent reductions in carbon emissions.
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List of Background Papers

Report to Housing and Community Safety Policy Board, 13 May 2014, 'Single Council Dwellings in Larger Common Blocks'

Report to Communities, Housing and Planning Policy Board, 20 August 2019, 'Acquisition of Private Housing'

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