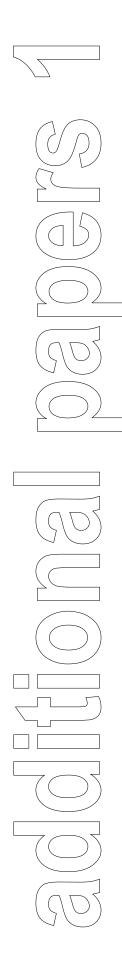
Public Document Pack





Overview and Scrutiny

Committee

Mon 7 Jul 2025 6.30 pm



Oakenshaw Community Centre, Castleditch Lane, Redditch, B98 7YB

If you have any queries on this Agenda please contact Mat Sliwinski

Town Hall, Walter Stranz Square, Redditch, B98 8AH Tel: (01527) 64252 (Ext. 3095) email: mateusz.sliwinski@bromsgroveandredditch.gov.uk



Overview and Scrutiny

Monday, 7th July, 2025 6.30 pm

Oakenshaw Community Centre

Agenda

Membership:

Cllrs: Matthew Dormer

(Chair)

Craig Warhurst (Vice-Chair)

William Boyd Claire Davies James Fardoe Andrew Fry Sachin Mathur Rita Rogers Paul Wren

- 11. Digital Manufacturing and Innovation Centre (DMIC) Appointment of Contractor for Stage 4 Designs Pre-Scrutiny (Pages 5 10)
- **12.** Acquisition of Properties Pre-Scrutiny (Pages 11 18)

This item includes a confidential appendix and may need to be discussed in private (exempt) session.

13. Redditch Council Housing Growth Programme - Pre-Scrutiny (Pages 19 - 46)



Page 5 Agenda Item 11 REDDITCH BOROUGH COUNCIL

Executive 8th July 2025

Digital Manufacturing and Innovation Centre (DMIC) – Appointment of Contractor for Stage 4 Designs

Relevant Portfolio Holder		Cllr Sharon Harvey		
Portfolio Holder Consulted		Yes		
Relevant Assistant Director		Rachel Egan, Assistant Direc	tor	
		Regeneration & Property		
Report Author: Neil Batt	Job Title: Re	egeneration Manager		
	Email: neil.b	att@bromsgroveandredditch.gov.uk		
	Contact Tel: 07484 546690			
Wards Affected		Central Ward		
Ward Councillor(s) consulted		Cllr Sharon Harvey		
Relevant Council Priority		Economy and Regeneration		
Key Decision				
If you have any questions about this report, please contact the report author advance of the meeting.			· in	

1. **RECOMMENDATIONS**

The Executive Committee RESOLVE that:-

- Officers procure a Design and Build Contractor (for Stage 4
 Design Work Only for the Innovation Centre) in line with the
 Council's procurement process up to the value of £400,000.
- Authority be delegated to the Deputy Chief Executive (Section 151 Officer) and the Assistant Director for Regeneration and Property; and

RECOMMEND that

3. The contract to be awarded through the procurement exercise detailed at resolution 1 above be funded through the Town Deal Programme.

2. BACKGROUND

- 2.1 In June 2021, Redditch secured an historic investment of £15.6 million Town Deal funding. The Town Deal is the result of the submission to government through the Towns' Fund. The Redditch submission was based on a vision for the transformation of the town summarised in the Town Investment Plan. This investment plan was successful in securing funding for the following projects:
 - Digital Manufacturing Innovation Centre (£8,000,000)
 - Redevelopment of Redditch Library Site (£4,200,000)

Page 6 Agenda Item 11 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

- Redditch Public Realm (£3,000,000)
- Programme Management Costs (£400,000)

TOTAL: £15,600,000

- 2.2 The decision to cancel the redevelopment of Redditch Library site was taken by the Council in 2024, initially leaving a £4,200,000 underspend. A PAR (Project Adjustment Request) has since been submitted and signed off by the Ministry for Housing, Communities and Local Government (MHCLG) to allocate the majority of this underspend to develop an expanded DMIC with a smaller amount also going towards Redditch Public Realm. The revised Town Deal budget is therefore as follows:
 - Digital Manufacturing Innovation Centre (£11,937,000)
 - Redditch Public Realm (£3,267,000)
 - Programme Management Costs (£400,000)

TOTAL: £15,600,000

Note that a request for extended timescales has also been approved by MHCLG which allows until the end of March 2027 to spend the funding.

- 2.3 Design work for DMIC progressed rapidly throughout 2024 and was previously on track to commence construction in Spring 2025. However, the project was paused whilst options were considered for utilising underspend from the library site and developing an expanded Innovation Centre. A revised programme has been developed with construction profiled to commence in Quarter 4 2025/26.
- 2.4 In consideration of the above, DMIC is currently being redesigned to increase the building in size resulting in additional economic benefits and overall sustainability. The additional design team and project management costs (associated with the expanded development) were agreed by the Executive Committee on 13th May 2025.
- 2.5 Stage 3 Designs are already nearing completion and due to be finalised in July 2025. It is now necessary to appoint a design and build contractor that can work with the project team to complete Stage 4 designs and more accurately determine the likely costs of construction.
- 2.6 Note this paper requests sign off for the appointment of a design and build contractor for Stage 4 designs only. This work will be contracted via a JCT (Joint Contracts Tribunal) Pre-Construction Services Agreement (PCSA) or NEC4 (New Engineering Contract Suite) equivalent. A further report will be brought forward for consideration by

Page 7 Agenda Item 11 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

the Executive Committee, prior to appointment of a contractor for main construction works.

- 2.7 Officers have utilised input from Gleeds costs consultants to estimate the costs of bringing a contractor on board for Stage 4 designs.
- 2.8 Note that the building design will continue to be tailored in line with available budget, utilising cost consultancy input within the design team in combination with the appointed design and build contractors. Contingency sums have been built into the construction estimates, alongside additional contingency held client side, to further safeguard against potential cost increases.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications for the Council in relation to this report as work is covered by Town Deal Funding.
- 3.2 Officers have utilised input from Gleeds costs consultants to estimate the costs of bringing a contractor on board for Stage 4 designs. It is anticipated this work will cost between £250,000 and £300,000, although this remains unknown prior to sourcing updated quotations. This report therefore requests delegated authority to agree a contract value of up to £400,000, thus providing sufficient headroom and contingency.

4. <u>LEGAL IMPLICATIONS</u>

- 4.1 It is proposed that we continue to utilise the Procure Partnerships framework to make the required appointment. The Council's procurement and legal team will remain involved with this process to ensure that best value is demonstrated in line with the Council's Contract Procedure Rules.
- 4.2 Note that a competitive tender exercise for the above work was carried out in October 2024, based on the original building designs. This tender exercise will be reviewed as per Appendix 1.
- 4.3 As above, the work will be contracted via a JCT Pre-Construction Services Agreement (PCSA) or NEC4 equivalent. Officers will work closely with legal services in determining the most appropriate contractual arrangements.

Page 8 Agenda Item 11 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

5. OTHER - IMPLICATIONS

Local Government Reorganisation Implications

5.1 There are no direct implications for Local Government Reorganisation.

Relevant Council Priority

5.2 The proposals detailed in this report align with the Council's Corporate Priority "Economy and Regeneration". It is a key project for the Council and will support delivery of objectives to support and encourage new start-up businesses, attract businesses to locate in Redditch and increase footfall in the town centre.

Climate Change Implications

- 5.3 AHR Architects are the lead designers of the building and therefore ensure that designs are environmentally friendly and in line with local and national climate change policies. The design has been through a whole life carbon assessment to minimise the embodied carbon within the building. The super structure has been designed to bring maximum efficiency and reduce material weight. Achieved by reducing spans where possible to reduce the size of beams and columns. High carbon materials like aluminium have been avoided in favour of long-life and recyclable products like brick.
- 5.4 The building will follow a fabric first approach to maximise the sustainability credentials through: a regular, efficient form factor; highly insulated walls (0.15 W/m²K), floor (0.15 W/m²K), and roof (0.15 W/m²K); high-performing windows (1.3 W/m²K) and doors (1.6 W/m²K); and passive solar measures to reduce overheating. It will be fully electric and follow its ventilation, heating, cooling and water systems, which will be low-energy, efficient systems that follow sustainable principles. It will be a sealed (air tightness target 3.5m³/hm² @50Pa), mechanically ventilated building that has a high degree of control to individual spaces that seeks to maintain a consistent and comfortable internal temperature. Heat recovery, whilst ventilating the building, is done through individual Mechanical Ventilation and Heat Recovery (MVHR) units within tenant spaces and central air handling for landlord spaces. Air source heat pumps provide low-temperature heating to spaces via fan-coil units or wet radiators depending on the space. The building seeks to gain a NABERS (National Australian Built

Page 9 Agenda Item 11 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

Environment Rating System) accreditation of 4.5 stars in addition to statutory requirements.

5.5 Note that the designs have allowed space for a photovoltaic (PV) array on the roof of the building.

Equalities and Diversity Implications

5.6 There are no direct equality or diversity implications arising as a result of this report.

6. RISK MANAGEMENT

6.1 There is an up-to-date risk register which is held by the project team and reviewed at Town Deal Board meetings.

7. <u>APPENDICES and BACKGROUND PAPERS</u>

Background Papers:

"Digital Manufacturing Innovation Centre – Proposed Project Changes" report to the Executive Committee considered on 13th May 2025: Agenda for the Executive Committee 13/05/2025

"Appointment of Design Team and Project Managers – Towns Fund Schemes", report to the Executive Committee considered on 9th January 2024: <u>Link to the covering report to the Executive Committee - 9th January 2024</u>

Town Investment Plan: <u>Town Investment Plan submission | Redditch</u> Town Deal

Page 10 Agenda Item 11 REDDITCH BOROUGH COUNCIL

	4	
Execu	1411/0	
- X 41 -1	111111	

8th July 2025

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Cllr Sharon Harvey	
Lead Director / Assistant Director	Rachel Egan (Assistant Director Regeneration and Property Services)	June 11 th 2025
Financial Services	Debra Goodall (Assistant Director Finance and Customer Services)	11 th July 2025
Legal Services	Nicola Cummings, Principal Solicitor – Governance Claire Green, Principal Solicitor – Contracts, Commercial and Procurement	16 th June 2025
Policy Team (if equalities implications apply)	Rebecca Green	N/A
Climate Change Team (if climate change implications apply)	Matthew Eccles	

Page 11 Agenda Item 12 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

Redditch Council Property Acquisition

Relevant Portfolio Holder		Councillor Bill Hartnett	
Portfolio Holder Consulted		Yes	
Relevant Assistant Director		Judith Willis	
Report Author	Job Title:	Amanda Delahunty	
	Contact e	mail:	
	Contact T	el:	
Wards Affected		All	
Ward Councillor(s) consulted		All	
Relevant Council Priority		Community & Housing	
Key Decision			
If you have any questions about this report, please contact the report author in			
advance of the meeting.			
This report contains exempt information as defined in Paragraph 3 of Part I of			
Schedule 12A to the Local Government Act 1972, as amended			

1. **RECOMMENDATIONS**

The Executive Committee RESOLVE that: -

- 1.1 The option to acquire a package of twelve affordable housing units from a developer to increase council housing stock to support the Council Housing Growth Programme be approved.
- 1.2 Authority be delegated to the Deputy Chief Executive and S151 Officer and the Assistant Director of Communities and Housing, following consultation with the Portfolio Holder for Housing and the Portfolio Holder for Finance, to agree expenditure within the approved budget in the Housing Capital Growth Programme.
- 1.3 The properties are acquired to be let at a social rent commensurate with the Council's Housing Capital Growth Programme.

2. BACKGROUND

- 2.1 The Council has the opportunity to acquire 12 properties which are part of the section 106 obligation from the developer. Officers have instructed a RICS valuation to be undertaken which has been used to inform a proposed purchase offer to the developer.
- 2.2 The developer has provided background information relating to the number of units and a schedule of accommodation including the size of the units.

Page 12 Agenda Item 12 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

2.3 We have carried out general external viewing of the location but the units have not been built so we have assumed for the purpose of this viability assessment that the units will be fully occupied by tenants on a social rented basis.

The accommodation will provide:

House Type	Number
2 Bed 3 Person	8
3 Bed 4 Person	4

- 2.4 The site which is part of a wider development area which is well served by local amenities and has good access to Redditch Town centre. The units were originally identified for shared ownership, however the social rented housing on the site has already been negotiated for purchase from another registered provider and the developer has been unable to agree a purchase on the shared ownership element.
- 2.5 The Council has ensured that all Registered Providers that operate locally have been given an opportunity to purchase these properties. There has been no expressed interest.
- 2.6 The Redditch Homes Housing Register shows a need for these properties. As at May 2025 there were 926 families on the register with a 2-bed need and 799 families with a 3-bed need. Our Allocations Manager is fully supportive of this proposal.

RBC Live Applications:	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	Total:
Band 1	5	28	39	38	15	125
Band 2	15	40	74	79	28	236
Band 3	24	288	347	164	6	829
Band 4	36	53	59	21	0	169
Band 5	449	477	235	31	6	1198
Band 6	46	40	45	4	0	135
Total	575	926	799	337	55	2692

3. OPERATIONAL ISSUES

3.1 The Council has employed two Housing Development Officers to undertake viability assessments and deal with developer negotiations and will manage the onward construction and purchase of these properties.

Page 13 Agenda Item 12 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

4. **FINANCIAL IMPLICATIONS**

4.1 The HRA business plan has provision of £15 million up to 2030 for additional stock. The cost of this acquisition will be funded by one for one capital receipts. The council will be seeking to charge social rent wherever possible.

- 4.2 A Social Rent will give an annual rental income of £81,681. The Local housing allowance rent would give an annual rental income of £98,130.34. An Affordable rent at 80% market rent would give us an annual rental income of £144,000.
- 4.3 Details in respect of the anticipated acquisition price are exempt and detailed in Appendix 2 to the report.

5. **LEGAL IMPLICATIONS**

- 5.1 Housing Act 1985 part 2 permits local authorities to build/acquire new housing. The properties fall under a section 106 agreement for the provision of affordable housing and currently comprise the shared ownership element. The developer has exhausted the list of social housing providers who operate in the area. Whilst one registered provider has agreed to purchase the social rented element, none of the providers were interested in purchasing the shared ownership properties.
- 5.2 The developer will need to apply for a deed of variation to the Section 106 to be completed for the council to purchase these for social rented accommodation. The variation application will need to be reported to the Planning Committee, for decision by Members

6. OTHER - IMPLICATIONS

Local Government Reorganisation

6.1 This development programme should not be impacted by local government re-organisation. The government have announced they will continue to deliver high quality and sustainable services for residents.

Relevant Council Priority

- 6.2 The provision of additional council housing positively impacts on all strategic purposes:
 - Economy, regeneration & prosperity
 - Green, clean & safe
 - Community and Housing

Page 14 Agenda Item 12 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

Climate Change Implications

6.3 The properties have been built to EPC B rating. The properties are currently under construction and likely to be completed October/November 2025. There may be opportunities to improve this rating that will be fully explored by the Housing Development Team.

Equalities and Diversity Implications

6.4 Increasing the Council's housing stock will assist in the provision of affordable housing in the Borough to meet housing need.

7. RISK MANAGEMENT

7.1 In addition to the twelve month defects period, properties will benefit from a 10 year NHBC warranty.

8. <u>APPENDICES and BACKGROUND PAPERS</u>

Appendix 1 – Expected costs (confidential)

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor Bill Hartnett Portfolio Holder for Housing	17/6/25
Lead Director / Assistant Director	Judith Willis Assistant Director Community and Housing Services	17/6/25
Financial Services	Bob Watson Deputy Chief Executive and Section 151 Officer	17/6/25
Legal Services	Claire Felton	17/6/25

Page 15 Agenda Item 12 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

	Legal, Democratic and Procurement Services	
Policy Team (if equalities implications apply)	N/A	
Climate Change Team (if climate change implications apply)	Matt Eccles, Climate Change Manager	17/6/25



Page 17

Agenda Item 12

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted



Page 19 Agenda Item 13 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

Redditch Council Housing Growth Programme

Relevant Portfolio Holder		Councillor Bill Hartnett	
Portfolio Holder Consulted		Yes	
Relevant Assistant Director		Judith Willis	
Report Author	Job Title:	Amanda Delahunty	
	Contact e	mail:	
	Contact T	el:	
Wards Affected		All	
Ward Councillor(s) consulted			
Relevant Council Priority		Communities and Housing	
Non-Key Decision			
If you have any questions about this report, please contact the report author in			
advance of the meeting.			
This report contains exempt information as defined in Paragraph(s) 3 of Part I			
of Schedule 12A to the Local Government Act 1972, as amended			

1. **RECOMMENDATIONS**

The Executive Committee RESOLVE that: -

- 1) The following options for the Council Housing Growth Programme are approved:
 - a) Commissioning the construction of new Housing Revenue Account housing stock;
 - b) Purchasing existing housing properties on the open market;
 - Bidding to purchase housing properties provided by developers through the Section 106 process;
 - d) Purchasing properties 'off plan' from new housing developments;
 - e) Purchasing housing stock from other Registered Providers of social housing;
 - f) Regeneration of existing housing stock where additional units are achieved; and
 - g) Buying back former Council house properties under the Council's 'First Right of Refusal'.

Page 20 Agenda Item 13 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

- 2) Authority be delegated to Deputy Chief Executive and Chief Finance Officer and the Assistant Director of Communities and Housing, following consultation with the Portfolio Holder for Housing and the Portfolio Holder for Finance, to approve the financial and development appraisal of each site in Appendix 1 and future development sites.
- 3) The Buy Backs and Acquisitions Policy, Appendix 2, be approved.

The Executive Committee RECOMMEND that:-

- 4) That the budget of no more than £15 million previously approved from the HRA Capital budget for the Housing Growth programme to 2030 be applied to the current capital programme to be used flexibly within the capital expenditure limit.
- 5) Properties delivered through the Council Housing Growth Programme are let at social rent levels, where permitted and subject to viability.
- 6) In cases where resolution 2 is unviable, to approve rent levels at:
 - a) 65% of the market rent; or
 - b) in cases where resolution 6(a) is unviable, at affordable rent levels of 80% of the open market rent level.
- 7) that the Council's rent setting policy be updated as per recommendations 5 and 6 above.

2. BACKGROUND

- 2.1 The Executive agreed a Council Housing Growth Programme in January 2017. The Council has signed up to an agreement with the Government to retain Right to Buy receipts for the provision of additional affordable housing known as 1-4-1. This has a requirement that the receipts are spent within 5 years or they have to be returned to Central Government with interest.
- 2.2 The receipts must be used to provide additional affordable housing. For the two financial years 2024-2025 and 2025-2026:

Page 21 Agenda Item 13 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

- The maximum permitted contribution from Right to Buy receipts to replacement affordable housing will increase from 50% to 100%.
- Right to Buy receipts will be permitted to be used with section 106 contributions.
- The cap on the percentage of replacements delivered as acquisitions each year (currently 50%) will be lifted.
- 2.3 To increase stock a number of options have been identified as follows:
 - Commissioning the construction of new HRA stock
 - Purchase properties
 - Purchase from developers through s.106 bidding
 - Purchase properties 'off plan' on developments
 - Purchase stock from other Registered Providers
 - Regeneration of existing stock where additionality is achieved.
 - Buy backs of former Council properties under the 'First right of refusal'
- 2.5 Our target through the housing growth programme is to achieve 230 additional units by 2030. We have achieved 107 already and have a plan to deliver 56 and therefore need to secure an additional 67 to achieve this target. The Housing Growth Programme has so far delivered the below number of properties split into the elements of the agreed programme.

Delivered Programme

Delivery Method	Number of Properties
New construction	19
Buy Backs	66
S.106	19
'Off Plan'	0

Current Delivery Programme

Delivery Method	Number of Properties
New construction	53
Buy Back	5
s.106	0
'Off Plan'	0

REDDITCH BOROUGH COUNCIL

Page 22

Executive

8th July 2025

Regeneration of existing stock	3
Purchase from RP	0
TOTAL	107

Regeneration of existing stock	3
Purchase from RP	1
TOTAL	62

3. OPERATIONAL ISSUES

- 3.1 The Council has employed two Housing Development Officers to take forward the Council Housing Growth Programme at pace.
- 3.2 The Council are currently reviewing potential new development sites that will come forward to a later Executive Committee meeting for inclusion in the Council Housing Growth programme.

4. FINANCIAL IMPLICATIONS

- 4.1 The HRA business plan have provision of £15 million up to 2030 for additional stock.
- 4.2 The geopolitical landscape has changed considerably since 2017. In 2017 build costs were circa £1,500 per square metre. Therefore, we have re-evaluated the costs to develop the Redditch Borough Council owned sites. Officers have estimated the number of properties each site will possibly achieve subject to planning permission.
- 4.3 In addition we are anticipating a significant upturn in Right to Buy (RTB) receipts due to Government changes to the RTB discount and we are working with Homes England and the West Midlands Combined Authority (WMCA) to access any additional funding that may become available.
- 4.4. Looking at the current market, new build properties are costing circa £2,648 per square metre. Officers have estimated the cost of building out the Council development sites as £10,617,419.
- 4.5 Members have indicated a desire to look at Modern Methods of Construction (MMC). MMC are innovative building techniques that aim to improve efficiency, quality, and sustainability in the construction industry. These methods often involve offsite manufacturing and or modular construction, and the use of advanced materials and technologies. MMC will provide certainty regarding cost, time and quality

Page 23 Agenda Item 13 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

but may be more expensive than traditional construction costs, used to project the site costs above.

4.6 Officers are proposing that all properties delivered through the programme are to be let at social rent levels subject to viability in respect of the repayment of any capital funding being repaid within a set period of 30, 40 or 50 years. If this proves not to be viable then we propose 65% of the market rent. If at 65% this still proves not viable then we will opt for affordable rent levels. This is determined at 80% of the open market rent level following the Governments Affordable Rent framework.

5. <u>LEGAL IMPLICATIONS</u>

5.1 Housing Act 1985 part 2 permits local authorities to build/acquire new housing.

6. OTHER – IMPLICATIONS

Local Government Reorganisation

6.1 This development programme should not be impacted by local government re-organisation. The Government have announced they will continue to deliver high quality and sustainable services for residents.

Relevant Council Priority

- 6.2 The provision of additional council housing positively impacts on all strategic purposes:
 - Economy, regeneration and prosperity
 - Green, clean and safe
 - Community and Housing

Climate Change Implications

- 6.3 The sites will all be constructed utilising Modern Methods of Construction (MMC). All the homes will be Energy Performance Certificate (EPC) category A as a minimum ensuring maximum energy efficiency. This in turn will help our tenants better manage fuel costs in the current cost of living crisis, along with minimising the impact upon the environment.
- 6.4 Biodiversity reports and net gain calculations will highlight areas to help us improve the sites' final Biodiversity Net Gain (BNG) and inform us of how much BNG credits the Council will need to make elsewhere if required.

Page 24 Agenda Item 13 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

Equalities and Diversity Implications

- 6.5 Increasing the Council's housing stock will assist in the provision of affordable housing in the Borough to meet housing need.
- 6.6 In commissioning the construction of new HRA stock the Council will be able to provide housing that can meet specific needs for adapted properties.

7. RISK MANAGEMENT

7.1 There are a number of risks to implementing the Council Housing Growth Programme which are in the table below:

Risks	Mitigation
Failure to achieve planning permission	 A dedicated planning officer will work with the development team to advise specifically on planning issues and recommend solutions Appointment of experienced development agents
Local resident objections to building on sites	Local residents will be consulted and kept informed of proposals to ensure that officers are aware of any potential objections and may work to ameliorate concerns
Risks associated with using consultants	 Ensure that the appointment of both the Development Agent (and its consultants) and, subsequently, contractors are robust and include an appropriate element of assessment of the parties' ability to undertake the roles and their quality Ensure that the Council's risks are minimised through the legal agreements Ensure Evaluation Criteria at Pre-Qualification Questionnaire (PQQ) and Tender Stage are comprehensive, with key factors weighted appropriately Ensure that the Development Agent and consultants have sufficient Professional Indemnity Insurance
Overspend for House Building Programme	Include sufficient provision for contingencies

Page 25 Agenda Item 13 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

	 Ensure effective project management arrangements, to include identification of potential overspends early Report to Portfolio Holder for Housing quarterly on progress (works and costs)
Abnormal build costs associated with the sites may be discovered	 Individual site appraisals including site investigations will be undertaken to ensure that risks are understood and mitigated prior to progressing any site
Failure to spend 1-4-1 receipts by required deadline	The Council has previously approved a number of options to increase the housing stock and officers will pursue these other options in tandem with this development programme

8. APPENDICES and BACKGROUND PAPERS

Background Papers

Council Housing Growth Programme Executive Report 17th January 2017

Housing Growth Programme Report 2017

Council Housing Growth – Development Sites 23rd October 2018
Housing Growth Development Sites Report - 2018

Appendices

Appendix 1 – Proposed Development Sites

Appendix 2 - Buy Backs and Acquisitions Policy

Page 26 Agenda Item 13 REDDITCH BOROUGH COUNCIL

Executive

8th July 2025

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor Bill Hartnett	17/6/25
Lead Director / Assistant Director	Judith Willis	17/6/25
Financial Services	Bob Watson	17/6/25
Legal Services	Nicola Cummings, Principal Solicitor - Governance	17/6/25
Policy Team (if equalities implications apply)	N/A	
Climate Change Team (if climate change implications apply)	Matt Eccles	17/6/25

Redditch Borough Council Housing Growth Programme Appendix 1

The packages below are the sites approved for development within the Council Housing Growth Programme. Officers are currently working up schemes for the submission of planning applications. In addition to the below, a planning application has been submitted for 6 dwellings at Loxley Close B98 9JH

Package 1 – Estimated 28 units			
Clifton Close	B98 0HD	5 dwellings	
Auxerre Avenue	B98 7QW	20 dwellings	
Fladbury Close	B98 7RX	2 dwellings	
Greenlands Avenue	B98 7QA	1 dwelling	
Package 2 – Estimated 19 Units			
Ibstock Close	B98 0PZ	8 dwellings	
Heronfield Close	B98 8QN	3 dwellings	
Hawthorn Road	B97 6NQ	2 dwellings	
Sandygate Close	B97 5RY	5 dwellings	
Foxlydiate Crescent/Rowan Road	B97 6NB	1 dwelling	





2025-2030

April 2025

Redditch Borough Council

Contents

1.0 Introduction 3
2.0 Policy Framework
3.0 Legal Authority and Context5
4.0 Acquisition Criteria5
5.0 Exceptional Circumstances
6.0 Refusals/Rejections 8
7.0 Funding9
8.0 Financial Considerations and Financial Risk9
9.0 Governance and Accountability10
10.0 Monitoring and Review1
Appendix 1 – Buy Backs & Acquisitions (Process and Procedures) 12
Appendix 2 – Right of First Refusal (Exemptions for Disposal) 16
Appendix 3 – Pre-Acquisition Viability and Suitability Assessment 17

1.0 Introduction

- 1.1 In England there are an excessive number of families (1.3million) on the Social Housing registers in February 2025, due to a severe shortage of Social and Affordable Housing. This is an increase of 10% in the last 2 years. There are also more than 354,000 homeless people in England as of December 2024 and more than 98,000 families living in unsustainable, unsuitable, or temporary accommodation as of January 2025. This housing crisis has resulted in a substantial rise in rents and in property prices, disproportionately affecting vulnerable and low-income households.
- 1.2 The statutory Right To Buy (RTB) Scheme was introduced in the UK by the Housing Act 1980, in which the UK Parliament gave 5 million qualifying council housing tenants, in England and Wales, the opportunity and 'Right to Buy' their home from their Local Authority (LA) and/or Council at a discounted cost.

For more information on the RTB Scheme on the Redditch Borough Council's Website please refer to:

Right to buy | Redditchbc.gov.uk

- 1.3 More than 2.8 million properties have been purchased from the LA's and Councils under the RTB Scheme since 1980. Although this has generated revenue for LA's and Councils, the discounted rate has not allowed for open market value sale costs, and therefore the council is not making as much money back per property being sold, and it is generally less than the current average build cost of a new property. Therefore, the RTB Scheme has adversely impacted the availability of council properties, causing a lower percentage of stock held by councils, subsequently resulting in extended housing registers and a supply that fails to meet the high demand of council housing.
- 1.4 Due to continuous changes in Government policies and legislations, that either enhance or diminish the RTB Schemes financial appeal, there have been fluctuations in the interest of the Scheme. All existing and new Council Housing continue to be subject to the provisions of the RTB Scheme as there has not been any Governmental suggestions of any revisions nor discontinuation of the Scheme though the discounts have been reviewed and are currently less generous.

2.0 Policy Framework

2.1 This Buy Backs and Acquisitions Policy will detail the criteria for the acquisition of properties by Redditch Borough Council.

For more information regarding Redditch Borough Councils Buy Back Programme please refer to the following page on our website:

Redditch Buy Back Programme

- 2.2 This Buy Backs & Acquisitions Policy aims to enhance the availability of high-quality Council Housing within Redditch Borough, addressing the housing requirements of Redditch residents and reducing homelessness with a long-term goal of eliminating it completely. It will outline a structured strategy with guidelines for the following:
 - The re-acquisition of properties previously sold under the RTB Scheme.
 - The acquisition of derelict or long-term vacant properties in Redditch.
 - The procurement and acquisition of new and existing housing that caters for all the needs of Redditch Council housing register demographics.
 - The utilisation of Redditch Borough Council owned land for the development of new Council Housing.
- 2.3 This Policy will facilitate property acquisition, providing a framework for a smoother process and ensuring that all transactions provide value for money, and align with Redditch Borough Council's broader strategic goals.
- 2.4 Although this Policy will not address the loss of social housing resulting from the initial implementation of the RTB Scheme, it will provide Redditch Council with the opportunity to enhance and expand its housing stock, to reflect the changing demands and needs for Council Housing.
- 2.5 It is important to note that this Policy will not be applicable to the requirement of mandatory acquisition of properties that could be part of Redditch Council's regeneration initiatives, as it is only intended for the acquisition and re-acquisition of Council Housing by Redditch Borough Council.
- 2.6 The aim of this Policy is to:
 - Enhance the availability of high-quality Council Housing within Redditch Borough.
 - Establish a framework for evaluating feasibility and cost-effectiveness, by optimising rental revenue, alongside continuing to prioritise the optimal housing requirement needs of Redditch Borough residents.
 - Initiate formal procedures for the acquisition of Buy Backs and other residential properties, for the intended use of Council Housing, allowing Redditch Borough Council to respond promptly as opportunities present themselves.
 - Facilitate the reinvestment of Right to Buy (RTB) Receipts, ultimately aiding in the reduction of impact caused upon the council due to initial RTB property sales.
 - Increase inclusivity by ensuring provision is made for individuals and families with additional support and accessibility requirements.

• Minimise the quantity of derelict or vacant properties within Redditch Borough.

3.1 Legal Authority and Context

- 3.2 Redditch Borough Council's primary statutory authority for housing provision, which is outlined in legislation Section 9 of the Housing Act 1985, provides for the empowerment of Local Authorities to convert existing structures, acquire residential properties and construct new residential properties on designated land, all for the intended use as Council Housing stock. Whilst there is not any explicit authority to buy properties for the purpose of converting them into flats or apartments, the acquisition of such properties under Section 56 of the Housing Act 1985, with the inclusion of flats and the alteration of properties under Section 9.2 of the Housing Act 1985 makes it permissible to do so for the intended purpose of providing housing accommodation. Section 17 of the Housing Act 1985 provides for the purchase of land, by a council, for housing development through utilisation of funds from the Housing Revenue Account (HRA).
- 3.3 Local Authority authorisation has been granted for the acquisition of property to complete any of its necessary functions, and/or to aid the enhancement, improvement, and development of the Borough, through the Local Government Act of 1972. Further to this, 'wellbeing' powers, allowing for the Local Authorities and Councils to undertake any actions deemed likely to promote or enhance the environmental, economic, or social wellbeing of the Borough, were granted in the Local Government Act of 2000, encompassing the Local Authorities to spend funds and acquire property for designated projects and/or capital initiatives.
- 3.4 England's Right of First Refusal Housing Regulations 2005 states a Local Authority is under no obligation to repurchase properties, however, Redditch Borough Council can exercise Right of First Refusal for any ex-council properties sold under the RTB Scheme.

4. Acquisition Criteria

- 4.1 Redditch Borough Council may evaluate the potential acquisition of various property types, by the following criteria, provided that such purchases are financially feasible and yield sustainable, social, and strategic advantages for the Council and the residents and community of Redditch Borough:
 - Properties that were previously sold by Redditch Borough Council under the RTB legislation and are subject to the Right of First Refusal covenant, as well as those which are not subject to the Right of First Refusal covenant.
 - Vacant properties that have typically remained unoccupied for at least 6 months or more, which may or may not include properties previously sold under the RTB Scheme.

- Properties that cater to the needs of Redditch Council list demographics, including, but not limited to, individuals or families with additional support and accessibility requirements, where the acquisition can provide economic benefits by lowering revenue and capital expenditures, which again may or may not include properties previously sold under the RTB Scheme.
- Newly constructed properties within private housing developments intended for the provision of Social and Affordable Housing.
- 4.2 Redditch Borough Council will typically consider acquiring property that fulfil of the following criteria:
 - Enhancement of Redditch Borough Council's Housing stock of council housing to address the housing requirements of the Borough.
 - Where the acquisition supports the achievement of Redditch Borough Council's goals as well as the provision of Council services and/or delivery of the UK Governments goals.
 - Where the acquisition will have a primary connection to enhancing the environmental, social, and economic well-being of the Redditch Borough.
 - Where the acquisition will have financial advantages in decreasing revenue budgets and overall capital expenditure; however, it will ultimately generate revenue income and promote capital growth.
 - Where the acquirement is of any derelict and/or vacant properties which will result in improvements to the property and supports stronger community and council relationships.
 - Strategic acquisition for regeneration, development, or redevelopment purposes of Redditch Borough.
- 4.3 Due to the limited availability of social and affordable Housing, Redditch Borough Council will focus on acquiring properties that were previously sold under the RTB Scheme, specifically those that are suitable for families and individuals with specific needs and suitable for consequent adaptations and requirements for comfortable living; i.e., disabilities (physical and/or mental), and elderly or those with mobility issues.
- 4.4 The factors will be considered when evaluating all potential acquisitions:
 - Pre-Acquisition Viability and Suitability Assessment (see Appendix 3), including advantages of the acquisition for the Council.

- Financial Aid Availability: RTB Receipts from RTB Sales, HRA funding, section 106 reserves and the availability of any other grants or funding which may be applicable in acquisitions.
- Economic impact through the analysis of the acquisitions potential to reduce revenue and capital expenditures.
- A review of comparable rental rates and management fees if necessary including market/discounted rental value based on internal surveyor's comments/costings on the existing condition of a potential Buy Back upon inspection of the property.
- Total projected cost valuation post remedial works, renovations, and/or refurbishment (with the valuation being conducted by a RICS qualified surveyor), including any additional acquisition costs (i.e.) legal and/or outsourcing fees, as well as on-going maintenance costs, and defect remediation. The acquisition will need to either comply with, or be brought up to, the Decent Homes Standard (DHS). This can be done as a desktop exercise by the RICS surveyor where there are capacity issues, utilising a fully completed viewing proforma by a Housing Development Officer and associated photographic evidence.
- Purchase price Consideration of the acquisition cost including a 5% increase in value to facilitate negotiation if necessary.
- Assurance that the property is available for sale with vacant possession and is free
 from encumbrances (e.g., outstanding legal charges) to eliminate the risk of
 Housing Regulations and Legislations being broken, as well as consideration of the
 duration an unoccupied property has remained vacant (whether this has any impact
 on grant subsidies) and the effect the acquisition of such property will have on
 Redditch Borough Councils resources.
- Location and management considerations including proximity of the property to existing housing stock for effective management, which is typically within 5 miles of HRA properties.
- An assessment and understanding of whether the property is located in an area known for crime or anti-social behaviour, where acquisition could foster safer communities and improve the local environment, as well as ensuring the safety of new council tenants/occupiers of the property.
- If the property is an ex-council property previously sold under the RTB Scheme, it is likely to be in demand and easily occupiable, however if it is a new acquisition, it will need to be evaluated by the Strategic Housing Team giving consideration of whether the acquisition would improve the local area and ensure community cohesion and sustainable neighbourhoods.

- Assessment of housing requirements, including property attributes, local demand, and the housing need. Evaluation of size, type, and construction to guarantee that all acquisitions are suitable and address local needs.
- Determination of the applicability of the Right of First Refusal in relation to the acquisition.
- Whether the acquisition supports the aims of Redditch Borough Council Buy Backs and Acquisitions Policy.

5.0 Exceptional Circumstances

- 5.1 Redditch Borough Council may evaluate the option of acquiring vacant properties that have remained unoccupied for under six months, provided that the purchase is financially sound and offers strategic advantages to both the Council and the broader community.
- 5.2 According to the Housing Defects Act of 1984, properties classified as having defective construction, may only be eligible for consideration if they have been upgraded to meet the BRE Licensed Repair Standard, or in rare cases, where the property is unsellable on the open market and at risk of remaining vacant for an extended period.
- 5.3 Redditch Borough Council may evaluate the possibility of acquiring property located beyond 5 miles from HRA stock, provided that such acquisition is financially feasible and offers strategic advantages to the Council.
- 5.4 The Council is unlikely to pursue property acquisitions in regions with low demand, as the acquisition must be beneficial to the Council.
- 5.5 In instances where Redditch Borough Council acquires a property in accordance with this Policy, the current owner, and their immediate family, if relevant, will generally not be permitted to continue residing in the property as tenants. and Redditch Borough Council will require vacant possession of a property unless there are exceptional circumstances which are approved by the Section 151 Officer and Assistant Director.

6.0 Refusals/Rejections

- 6.1 Redditch Borough Council will refrain from pursuing property acquisition under the following circumstances:
 - Insufficient funding available, financial unviability or failure to meet non-financial criteria.
 - Excessive or impractical refurbishment costs, or additional remediation works required, that will not be covered by any grant or funding Redditch Borough Council have to off-set towards the property.
 - Unsuitable property types such as static caravans or mobile homes.

- Unresolved legal claims on the property or land that cannot be resolved during the conveyancing process.
- Legal matters such as title deed restrictions etc, which were not disclosed at the time of putting in an offer.

7.0 Funding

- 7.1 Property obtained under this Policy may be financed through RTB receipts, HRA Funding, revenue income, as well as potential accumulated commuted sums from section 106 planning agreements (if available), any relevant grant subsidies, Government allocations, or possibly an amalgamation of these funding resources if permissible, along with any other funding options that may arise over time.
- 7.2 The financial resources allocated to support this Redditch Borough Council Buy Backs and Acquisitions Policy may rely on the capabilities of the HRA and will be evaluated within the context of the overall capital budget, as and when it is deemed necessary by the Strategic Housing Team.

8.0 Financial Considerations and Financial Risk

- 8.1 The time taken (especially if it is outsourced to an external solicitor) and the frequency and availability of potential acquisitions (which is based on when current owners decide to re-sell their properties), are outside of Redditch Borough Council's control, thereby restricting the ability to budget effectively.
- 8.2 Prolonged decision-making and acquisition processes (as it is dependent on the legal team availability and/or as mentioned above, the availability of external solicitors) can lead to the costs associated with a sale falling through.
- 8.3 All prospective acquisitions will undergo a land registry search to verify title deed ownership and ascertain the absence of any outstanding legal encumbrances, along with a Pre-Acquisition Viability and Suitability Assessment as outlined in section 3.2.5. Should the results be unfavourable, the Acquisition will be declined.
- 8.4 However, should the results of the Pre-Acquisition Viability and Suitability Assessment be favourable, a comprehensive financial evaluation will be conducted in collaboration with the Finance department to assess the Net Present Value (NPV) and the anticipated productivity of the proposed investment, ensuring the feasibility of the acquisition. This evaluation will consider the total costs of acquisition and refurbishment against the projected net income from future rents and applicable service charges. Approval for any acquisition will be granted solely if it aligns strategically with Redditch Borough Councils'

objectives and demonstrates cost-effectiveness. The financial appraisal process serves as the framework for transparently and rigorously justifying any proposed acquisition.

- 8.5 Redditch Borough Councils' expenditure on each acquisition is contingent upon the availability of funding and the results of the financial assessment. The purchase price must not surpass the open market value, with an additional 5% allowance for potential negotiations. Furthermore, administrative, and legal costs will be taken into consideration, and both the Council and the property owner are responsible for their respective legal fees.
- 8.6 Property acquired under this Buy Backs and Acquisitions Policy, whether new build or existing dwellings, may be subject to the RTB Scheme legislations, unless they were acquired outside the HRA, or if they are exempt. The application of the cost floor rule offers some protection to Redditch Borough Council as it could potentially reduce the RTB discount amount.
- 8.7 Council tenants holding secure tenancies have the 'Right to Buy' properties under the RTB Scheme multiple times. However, any discount obtained from a prior purchase, regardless of whether it was made through Redditch Borough Council or another public sector landlord, will be subtracted from the discount available for the next purchase as stipulated in the RTB Scheme.
- 8.8 Properties acquired by Redditch Borough Council through this Buy Backs and Acquisitions Policy will be incorporated into the housing inventory and assigned to qualified applicants from the Council's housing register at a social or affordable rent, which may reach up to 80% of the market rate and will be limited to Local Housing Allowance rates when relevant, unless an alternative arrangement or agreement is made. This approach aims to optimise rental revenue while maintaining affordability. Any rental income or service charges (if applicable), along with the proceeds from future sales under the RTB Scheme, will be directed into the HRA as and when required.

9.0 Governance and Accountability

- 9.1 The decision to approve an acquisition will be made as a result of a Redditch Borough Councils' Housing Development Team review and approval, followed by Surveyor's assessment comment and predicted costs for any necessary works if required (for Buy Backs), and confirmation of funding available from the finance team and Treasury, once the proposed acquisition has been approved as financially viable and economically sustainable.
- 9.2 All potential buy backs and acquisitions will secure the appropriate budgetary and delegated approvals prior to the completion of any transaction. Transactions exceeding a value of £250,000 will necessitate approval from the Redditch Borough Council Executive.

9.3 Appendix 1 outlines Redditch Borough Councils' relevant procedures and the required process for acquiring a property in accordance with this Buy Backs and Acquisitions Policy.

10.0 Monitoring and Review

- 10.1 Redditch Borough Councils Housing Development Team will be documenting and monitoring all Buy Backs and Acquisitions purchased under this Policy.
- 10.2 The next planned review and update of this Buy Backs and Acquisitions Policy by the Redditch Borough Council Strategic Housing Team is in 2030. However, if required, due to any changes in Government Legislations, Regulations, and/or Policies, which will impact anything stated in this Buy Backs and Acquisitions Policy, it will be reviewed and subsequently adapted to reflect any necessary changes at any given date before 2030.

Appendices

Appendix 1 – Buy Backs and Acquisitions (Process and Procedures)

Acquisition of Properties Sold Under the RTB Scheme

Redditch Borough Council will implement the following protocol when evaluating offers related to the Right of First Refusal, as mandated by the Housing Act 2004:

Property owners are required to submit a formal offer notice (request to purchase) in writing or via email to the Council Strategic Housing Team. The Strategic Housing Team aims to acknowledge receipt of this notice within five working days if it is feasible to do so.

Upon receiving a formal offer notice, the Council will provide the owner with an application form to complete, which will gather property details and any pertinent information. Offers will be automatically declined if there is insufficient funding, if the acquisition is deemed financially unfeasible, or if it does not satisfy the non-financial criteria outlined in this Policy.

After the Council receives the completed application form, it will have 8 weeks to either accept or reject the offer.

During this timeframe, the Council will assess the viability of the acquisition in line with this Buy Backs and Acquisitions Policy.

This evaluation will involve a land registry search to verify ownership and check for any unresolved legal charges against the property that cannot be resolved during the conveyancing process.

Additionally, a Pre-Acquisition Viability and Suitability Assessment will be conducted, followed by a RICS valuation performed by a qualified surveyor and a visual inspection by an Internal Building Surveyor and Housing Development Officer, to determine the property's condition and the costs of any necessary repairs or refurbishments to comply with the Decent Homes Standard as stated above in 3.2.5.

If the assessment yields a favourable outcome, a comprehensive financial appraisal will be conducted, taking into account acquisition costs and future maintenance liabilities against rental income over the duration of the HRA Business Plan, and this will require approval from the Finance Team and Treasury before any final decision is made.

Should the Council decline the offer at any stage, a notice of rejection will be sent to the property owner.

If the Council accepts the offer, an acceptance notice will be dispatched to the property owner, however if the Council declines the offer at any stage, a notice of rejection will be sent to the property owner instead.

In the event that the Council has neither accepted nor rejected the offer within eight weeks of its receipt, the owner is permitted to advertise and sell the property on the open market.

The legislation mandates that the Council must acquire properties at their market value, which will be assessed through a Red Book valuation conducted by the Council's designated team or an independent RICS qualified surveyor acting on behalf of the Council.

The purchase price will be negotiated between the property owner and the Council's Housing Development Officer, as well as the Housing Development & Enabling Manager, or if agreed upon, an independent RICS qualified surveyor to ensure fairness and minimise bias.

Once an agreement on the price is reached and the financial appraisal is approved, a Land Transaction Sheet will be prepared for the Head of Housing & Community Services approval, as well as the Housing Development & Enabling Manager sign-off.

Upon approval of the acquisition, the Council's Legal Services will be instructed to progress the sale with the owner's solicitor/legal representatives, should the internal Legal Services Team not have the capacity to do this, a pre-approved external solicitor will be instructed to do this on behalf of the Council.

The Council is required to enter into a binding contract with the owner within twelve weeks or no later than four weeks after receiving written notification from the owner indicating their readiness to complete, whichever is later. Failure to adhere to these timelines will result in the Council forfeiting its statutory right to repurchase the property for the subsequent twelve months, allowing the owner the freedom to sell the property on the open market if they wish.

In instances where a Right to Buy (RTB) discount is applicable, this amount will be deducted from the purchase price along with any housing-related debts, including Council Tax.

The Council retains the authority to retract its offer for re-purchase at any point before the contracts are exchanged. If an agreement on the re-purchase terms is not reached, the Council will rescind its offer and will not be responsible for any expenses incurred by the property owner.

Additionally, the Council may designate an alternative social landlord or registered provider to acquire a property located within a regeneration area being developed by that specific landlord or registered provider.

It is important to note that the Council is not obligated to purchase properties under the Right to Buy Scheme, and as such, property owners do not possess the right to contest or appeal the Council's decision.

All offer notices and general enquiries should be directed to: Strategic Housing Team, Housing Development: housingdevelopment@bromsgroveandredditch.gov.uk

Concerns related to the implementation of this procedure will be addressed in accordance with the Council's Complaints Policy. The Council will utilise the same procedure when evaluating the purchase of properties sold under the RTB Scheme that are not subject to the Right of First Refusal covenant.

Other Property Acquisitions

The Council will implement the subsequent procedures when evaluating additional acquisitions that align with the criteria established in this Buy Backs and Acquisitions Policy:

- All projects involving the acquisition of property with a value up to £250,000, will be referred to the Housing Development & Enabling Manager for approval.
- The Council will assess the viability of the acquisition in line with this Buy Backs and Acquisitions Policy.
- This evaluation will involve a land registry search to verify ownership and check for any unresolved legal charges against the property that cannot be resolved during the conveyancing process.
- Additionally, a Pre-Acquisition Viability and Suitability Assessment will be conducted, followed by a RICS valuation performed by a qualified surveyor including a visual inspection to determine the property's condition and the costs of any necessary repairs or refurbishments to comply with the Decent Homes Standard as stated above in 3.2.5.
- If the assessment yields a favourable outcome, a comprehensive financial
 appraisal will be conducted, taking into account acquisition costs and future
 maintenance liabilities against rental income over the duration of the HRA Business
 Plan, and this will require approval from the Finance Team and Treasury before
 any final decision is made.
- Each acquisition will be evaluated individually. The criteria established in this Policy
 will be utilised to guarantee that all purchases are consistent with the Council's
 primary objectives and align with the Council's main priorities, as well as ensuring
 funding is available and the acquisition is beneficial to the Council.
- The purchase price will be negotiated between the property owner and the Council's Strategic Housing Team, or if agreed upon, an independent RICS qualified surveyor to ensure fairness and minimise bias.

- Once an agreement on the price is reached and the financial appraisal is approved, the correct documentation will be prepared for the Strategic Housing & Business Support Manager and also the Housing Development & Enabling Manager sign-off.
- All transactions exceeding a value of £250,000 will necessitate approval from the Redditch Borough Council Executive.
- Upon approval of the acquisition, the Council's Legal Services will be instructed to progress the sale with the owner's solicitor/legal representatives, should the internal Legal Services Team not have the capacity to do this, a pre-approved external solicitor will be instructed to do this on behalf of the Council.
- A qualified member of the Strategic Housing Team will be appointed to deliver and monitor all acquisitions.
- The Council retains the authority to retract its offer to purchase at any point before
 the contracts are exchanged. If an agreement on the purchase terms is not
 reached, the Council will rescind its offer and will not be responsible for any
 expenses incurred by the owner.
- It is important to note that although the acquisitions will be prioritised in accordance
 with this Buy Backs and Acquisitions Policy, the Council is not obligated to
 purchase properties under this Buy Backs and Acquisitions Policy, and as such,
 property owners do not possess the right to contest or appeal the Council's
 decision.

All offer notices and general enquiries should be directed to: Strategic Housing Team, Housing Development: housingdevelopment@bromsgroveandredditch.gov.uk

Concerns related to the implementation of this procedure will be addressed in accordance with the Council's Complaints Policy. The Council will utilise the same procedure when evaluating the purchase and Acquisition of any other properties.

Appendix 2 - Right of First Refusal (Exemptions for Disposal)

Properties are exempt from the Right of First Refusal under the following circumstances:

- The property owner conveys the property to a spouse or ex-spouse.
- The property falls under the provisions of the Matrimonial Causes Act 1973, which may pertain to divorce cases.
- The property owner transfers sole responsibility to a co-owner.
- The property owner transfers the property to a family member, provided that the family member has resided with the owner for a minimum of 12 months prior to the transfer.
- The property is bequeathed to an individual through a will, or it is subject to intestacy laws in the absence of a will.

Appendix 3 - Pre-Acquisition Viability and Suitability Assessment

The objective of the Pre-Acquisition Viability and Suitability Assessment is to confirm that Redditch Borough Council (RBC) has a justified need to acquire a particular property or parcel of land for development purposes.

This assessment will involve evaluating the following factors:

- Does RBC's Strategic Housing Team, RBC's Surveying Team and RBC's Valuation Team, possess the necessary capacity to facilitate the acquisition?
- Does the RBC Legal Team have the required capacity to process and secure the acquisition? If not, is there available funding or capital to outsource this process?
- Is the acquisition essential for the council's objectives?
- What advantages will this acquisition provide to the council, and does it align with RBC's goals?
- Is there any approved funding to assist in the purchase of this acquisition?
- If the funding does not cover the entire purchase cost, do we have sufficient capital
 to cover the remaining amount, and can this be offset against other available
 funding?
- What level of work is required to render the acquisition suitable for development or rental?
- Will this be financed through 1-4-1 Receipts, LAHF, or other grants/funding sources?
- Is the extent of remedial work required justifiable?
- What is the anticipated rental income from the property (Buy Back)? Additionally, after completing all necessary RIBA stages and associated fees, is there a viable pay-back period within 30-50 years?
- Is this sustainable for RBC?

Only after thorough review and fulfilment of these criteria will RBC proceed with the acquiring the specified property or acquisition, in accordance with RBC's Buy Backs and Acquisitions Policy.

