WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Officer, Housing and Employability

Housing and Communities Committee: 28 February 2024

Subject: West Dunbartonshire Buy Back Scheme Policy Review – More Homes West Dunbartonshire

1. Purpose

1.1 The purpose of this report is to provide members of the Housing and Communities Committee with the outcomes of the review of the Council's Buyback Scheme. The scheme has increased the housing supply by over 100 new homes in the last 5 years and is planned to deliver a further 300 over the next 5 years assisting in meeting housing need and combatting homelessness in West Dunbartonshire.

2. Recommendations

- **2.1** It is recommended that the Housing and Communities Committee:
 - (i) Note the content of the report and approve the refreshed West Dunbartonshire Buy Back Policy; and
 - (ii) Note from 1st April 2024, the Council will be exempt from LBTT ADS (Land and Building Tax Additional Dwelling Supplement) following effective interventions by West Dunbartonshire Council Elected Members.

3. Background

- 3.1 The introduction of a Buy Back scheme was approved at the Housing, Environment and Economic Development Committee meeting on 8 May 2013. Initially the scheme was relatively modest looking to secure 5 new homes on an annual basis before expanding in 2017 to deliver 15 homes on an annual basis.
- 3.2 At the March 2023 West Dunbartonshire Council Meeting it was agreed to scale up the ambition and vision of the scheme to meet housing need and help combat homelessness by securing 300 new homes for social rent over a 5-year period averaging 60 purchases per annum over that period.
- 3.3 The Buy Back Policy has now been reviewed in light of the increased budget and targets and to ensure that we continue to purchase the most suitable properties within a prescribed budgetary allocation.

4. Main Issues

- **4.1** The Buy Back Policy has the key aim of ensuring the Council has an increased supply of homes to meet housing need and to support our wider strategic housing asset management aims.
- 4.2 West Dunbartonshire's Local Housing Strategy (LHS) highlighted a range of factors which have led to an increased demand for rented accommodation in both social and private sectors including accessing mortgage finance. In addition, there is a national shortage of Social Housing in Scotland. This has led to an all-time high in homelessness applications and demand for social housing both locally and nationally.
- 4.3 In West Dunbartonshire we are experiencing a need for larger family housing and 1-bedroom properties. The Policy (Appendix 1) and how we assess each property (Appendix 2) reflects these needs.
- 4.4 The Council has built 496 new properties in the past 10 years and has an ambitious new build programme going forward. Together with the Buy Back Scheme, all properties built and purchased will help in addressing the mismatch between the properties required to meet the needs identified within the Local Housing Strategy.
- **4.5** Since 2020/21 the Council has had access to Scottish Government Affordable Housing Supply Grant to supplement the scheme.
- **4.6** The main aims of the Buy Back Scheme are:
 - Deliver the key objectives of the Local Housing Strategy by
 - Accelerating the supply of new housing of the right size and type to meet housing need.
 - Reducing the need for Temporary Accommodation
 - Reduce the number of Empty Homes
 - Help maintain and create vibrant communities.
 - Deliver the key objectives of the Housing Asset Management Strategy
 - Improve the standard of housing across the Council areas
 - Assist the Council with SHQS/Capital Works obligations.
- 4.7 In December 2023 the Scottish Government released Guidance on a National Acquisition Programme. The Council's Policy complies with this Guidance where both have similar aims.

- 4.8 The review of the Buyback policy has assessed the current policy to be robust and fit for purpose, as a result there are no significant policy changes, however there are several refinements made to the policy and these are summarised below:
 - Policy is amended to reflect the increased number of buy backs proposed.
 - Policy is amended to reflect the increased budgetary provision; to enable the purchases.
 - Governance has been strengthened through the ongoing focus at the More Homes Project Board.
 - Policy highlights clear focus on larger properties for families to reduce the housing waiting list; and
 - Scoring Matrix has been adapted to reflect the type & size of properties we require including our net zero ambitions.
- 4.9 As of 1st April 2024, Local Authorities will now be exempted from LBTT ADS (Land and Building Tax Additional Dwelling Supplement). At present the Council is liable for the Additional Dwelling Supplement for most home purchases through our buyback scheme. The Council has campaigned strongly for the removal of this requirement and the decision reflects the strong case put forward by West Dunbartonshire Elected Members and Council Officers. In 2023/24 the Council has so far paid over £155k in Additional Dwelling Supplement close to £6k per property purchased through the buyback scheme.

5. People Implications

- **5.1** A Senior Housing Development Officer was appointed in January 2024 to lead the Council's Buy Back Scheme; this post is funded from the Housing Capital Investment Programme.
- 5.2 Staff resource is required from Housing Development and Legal Services Teams primarily to ensure the delivery of the ambitions of the Council's Buyback Policy.

6. Financial and Procurement Implications

Financial

- An annual budget of £4m each year from 2023/24 until 2027/28 was approved at the meeting of West Dunbartonshire Council in February 2023 within the Housing Capital Investment Programme. From years 2028/29 the annual budget is assumed to be £2m.
- 6.2 With the Additional Dwelling Supplement being no longer applicable to local authorities from the 1st April 2024 as highlighted in 4.9 of this report this will avoid costs of around £1.8m over the next 5-year period. This will be assessed by the Lead Officer and may result in increased targeting of larger homes through the buyback scheme.

Procurement

6.3 There are no Procurement issues within this Report.

7. Risk Analysis

7.1 All Council housing projects have their own Risk Register which highlights the risk within and out-with the control of the Council's Lead Officer. These are maintained and adjusted on an on-going basis and reported regularly to the More Homes Project Board.

8 Environmental Sustainability

8.1 The policy reflects an enhanced zero carbon approach. Our current and future approach to strategic housing asset management will also prioritise a 'zero carbon' approach to decision making and deliverability and this will be further reflected in a refreshed Housing Asset Management Strategy and will also reflect the aims of the Council's Climate Change Strategy.

8. Equalities Impact Assessment (EIA)

8.1 The proposal does not alter any existing policy or pattern of service delivery and so is not considered to require an equalities impact assessment.

9. Consultation

9.1 In December 2023 the WDTRO were consulted on the revised Policy and presented to them. The group were very supportive of the scheme and the direction of the policy and have supported the scaling up of the scheme.

10. Strategic Assessment

10.1 The Local Housing Strategy is the overarching document setting out the strategic direction for housing across all tenures and informs the future investment in housing and related services across West Dunbartonshire. In addition, having considered all the wider Council's strategic priorities, this report and the provision of high-quality homes contributes greatly to all strategic priorities.

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Date: 13th February 2024

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Appendices: 1 – Draft More Homes West Dunbartonshire BuyBack

Policy – January 2024

2 – Buyback Scheme Scoring Matrix

Background Papers: None

Wards Affected: All