

**Policy on:**

**Buy Back Strategy**

**Compliant with Charter Outcomes and Standards:**

1. Yes - The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- 1.1 The governing body sets the RSL’s strategic direction. It agrees and oversees the organisation’s strategic and financial plans to achieve its purpose and intended outcomes for its tenants and other service users.

**Compliant with Equal Opportunities:**

Yes – We consult with our customers and provide opportunities to influence how we deliver services.

**Compliant with Business Plan:**

YES - Great Homes; providing management services that support tenancy sustainment and business viability

**Compliant with Risk**

Risk Assessment – Low if the actions contained within this policy are implemented.

**Date for Approval:**

**September 2021**

**Date for Review:**

**September 2026**

**Responsible Officers:**

**Julie Alison – Head of Housing**



## 1. Strategic Aim

The Right to Buy Scheme that was active between 1980 and 2016 resulted in thousands of social rented properties being sold.

This strategy aims to outline Shire Housing Association's approach to buying back these properties within the East Ayrshire area.

The current Strategic Housing Investment Plan (SHIP) of East Ayrshire Council (EAC) supports the Affordable Housing programme (AHP) with the inclusion of provision for purchasing properties from the open market and directly from owners.

For Shire Housing Association this related to concluding 3 buy-backs annually under the following criteria:

*to augment the supply of affordable housing in high demand areas,  
to consolidate Shire Housing Association's stock,  
to respond to identified community care needs.*

Subsequently, this strategy seeks to apply a purchasing approach in areas of greatest demand to assist those in the greatest need of housing.

The focus will be for these to be former social rented properties however, in certain circumstances such as particular housing need, other properties may be considered.

All properties that are purchased will be improved to meet the Scottish Housing Quality Standard (SHQS) & Energy Efficiency Standard for Scottish Social Housing (EESSSH 1 & 2).

## 2. Objectives

The strategic objectives are:

- Meet demand (including community care needs) in the areas of most need as reported in the Housing Needs and Demand Assessment (HNDA).
- Assist in the delivery of the EACs Rapid Rehousing Transition Plan.
- Identify properties on the open market or through speculative requests from owners.
- Assist EAC in delivering the Affordable Housing programme.
- Raise the standard of housing in East Ayrshire by improving all properties to meet SHQS & EESSSH.
- Work alongside EACs Empty Homes team to identify potential properties to acquire to bring back into use.

## 3. Criteria



A property will be considered under the process where it meets at least one of the following criteria:

- Resolve a Homeless Situation / Prevent Homelessness
- To help meet housing need where there are significant pressures and limited opportunities to build new homes
- To facilitate Estate Action or Regeneration Schemes
- To facilitate New Build Schemes
- To meet specific tenant's' housing needs for more smaller sized or adapted properties by adopting a transfer-led approach to maximise housing opportunities
- To extend affordable, social housing options with diversification of Shires stock portfolio throughout East Ayrshire and surrounding areas.
- To increase Shires share in mixed tenure blocks where investment works are required.

It is recognised that this strategy should address the need to for social housing tenants to have the opportunity to upsize, downsize or move to more suitably adapted or adaptable properties.

#### **4. Cost and Value for Money (VFM)**

Shire HA shall seek to ensure costs are appropriate and VFM is achieved with any property purchase, using appropriately qualified persons in the valuation and acquisition of any property.

The price paid will not exceed the valuation unless in exceptional circumstances. A pre-requisite for agreement to purchase will be that an estimate of repairs and improvements costs to meet the SHQS and the EESSH will be obtained through a condition survey.

These costs plus the purchase price should not normally exceed the valuation and / or new build benchmark costs for the property type.

The Scottish Government's maximum grant of £30k per property in East Ayrshire, shall be applied.

#### **5. Budget**

The Head of Corporate Services is responsible for the Capital Budget to finance purchases of private properties.

The budget for the Scheme is set each financial year and includes application for funding to Scottish Governments Housing and Regeneration Programmes.



The Head of Housing will manage and maintain a budget monitor.

## 6. Regulatory Standards of Governance and Financial Management

In carrying out this policy the Association aims to demonstrate compliance with the following standards: -

1. The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.

1.1 The governing body sets the RSL's strategic direction. It agrees and oversees the organisation's strategic and financial plans to achieve its purpose and intended outcomes for its tenants and other service users.

2. The RSL is open and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.

2.4 The RSL is open, co-operative and engages effectively with all its regulators and funders, notifying them of anything that may affect its ability to fulfil its obligations. It informs the Scottish Housing Regulator about any significant events such as a major issue, event or change as set out and required in our notifiable events guidance.

4. The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

4.1 The governing body ensures it receives good quality information and advice from staff and, where necessary, expert independent advisers, that is timely appropriate to its strategic role and decisions. The governing body can evidence any of its decisions.

5. The RSL conducts its affairs with honesty and integrity.

5.1 The RSL conducts its affairs with honesty and integrity and, through the actions of the governing body and staff, upholds the good reputation of the RSL and the sector.