



Falkirk Council

Homes for Now, Homes for the Future - Buy Back Scheme

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Strategic Aims

- Links to the Scottish Government commitment to increase affordable housing.
- The HNDAs show 233 affordable housing units are required per annum.
- The Local Housing Strategy identified the Buy Back Scheme under:
 - LHS Outcome 1 – Best use is made of existing and new affordable housing stock to address local need.
 - Action 1.3a – consider purchasing former Council properties when they become available for sale.
- The SHIP outlines how investment into affordable housing will be used to achieve the LHS outcomes.
- Acute shortage in our highest demand area – average annual shortfall of -93 (Priority area).
- Welfare Reform has increased demand for smaller properties.



Buy Backs. (2nd hand homes)

- Support for the Scheme via consultation. Comments included:
 - “we need one bed properties to help people who are going to need them due to the bedroom tax”
 - “we need more affordable housing in the area”
- Cross departmental working.



Property selection criteria

- Must be ex-local authority property, advertised for sale with an up to date Home Report;
- 1 & 2 bed ex-local authority properties;
- Priority awarded to sub area with greatest shortfall to affordable housing,
- Assist the Council to meet SHQS/Letting Standard,

Budget

- Initial pilot of 2 years: 2013/14 & 2014/15.
 - £10m over two financial years
 - Target: 100 properties.
 - Purchased: 146



Process for Buy Backs

- Properties surveyed by Council surveyor.
- District Valuer recommends range to purchase;
- Generally buying under Home Report price by:
 - 2013/14: -9.10%
 - 2014/15: -5.99%

Purchased to date.

Year	Number of Properties Purchased
2013/14	69
2014/15	77
Total	146

- The average price of a property purchased is c.£61,115.03,
- The average cost to build new over the last two years was c.£120.000,
- Purchasing two properties for the price to build one new.

Joint working - Capital Works & Buy Backs



- Capital works held up in block due to ownership issue.
- The purchase of a property in the above block increased the Council's majority share,
- Enabled the Capital Works Programme to resume and for the re-roofing and re-roughcasting of the block to be completed.

Joint working - Empty Homes & Buy Backs



- Initially identified as an Empty Home,
- Discussions between Empty Homes Officer and owner commenced,
- Owner decided to place property on the market for sale,
- Empty Homes Officer notified the Buy Back team captured, progressed and surveyed the property,
- Offer accepted by owner,
- Property concluded and tenanted within 7 weeks.



Where are we now...

- Over the next 3 years:
 - £18m available
 - c.270 properties
- Scottish Government subsidy of £1.8M.
- Criteria widened to 3+ bed houses only to address overcrowding,
- 76 properties purchased to date 2015/16,
- Difference between Home Report and Sale price -6.78% to date.



Benefits to Tenants and Customers.

- Increasing social housing in the area.
- £28M invested into the local housing market over 5 years (222 purchased to date).
- More financially viable than to build new,
- Assists the Council's overall SHQS obligations,
- Acquire properties which would otherwise have lain empty,
- Improve the amenity value of our estates,
- Fewer environmental impacts than to building new.

Questions.

