

POLICY

ACQUISITIONS

REVIEWED POLICY – May 2023

Wellhouse - The Place To Be

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Vision and values

Wellhouse – the Place to Be.

This simple statement is our vision of Wellhouse as an attractive place where people feel happy and safe, benefit from having a good home and an attractive environment and feel proud to be part of a vibrant community.

We believe that our values of **Trust, Honesty and Integrity, Excellence, Accountability and Sustainability** supported by a comprehensive policy framework will help make our vision a reality.

2. Governance

Wellhouse HA is a community controlled registered social landlord and is managed by a group of local people who are elected onto the Management Committee. Their role is to make sure that the Association is well run, meets the needs of the local area and is responsive to what is important to local people.

The Management Committee appoints senior staff, agrees all the Association's policies and takes all the key decisions. The Director and the senior team support the Committee in these responsibilities.

3. Policy Aims

This procedure guide aims to:

- Ensure Management Committee control over key decisions in the acquisition process.
- Ensure compliance with the law and all appropriate Regulatory guidance in respect of acquisitions.
- Define staff responsibilities with regard to acquisitions.
- Ensure adequate assessment of risks associated with acquisition.
- Ensure the Association takes a proactive approach to realising opportunities for growth within our defined geographical boundaries

4. Equal Opportunities Statement

We aim to ensure that all services, including the delivery of this policy, provide equality of opportunity.

We will respond to the different needs and service requirements of individuals. We will not discriminate against any individual for any reason, including age, disability, gender re-assignment, marriage, civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation, or other status.

5. Introduction

The objective of Wellhouse Acquisitions Policy is to meet housing need by providing quality housing at affordable rents. To develop appropriate housing solutions where there is housing need in an effective and cost efficient manner using a variety of methods of procurement. The Association is committed to meeting all statutory and contractual obligations and seeks to ensure equality of opportunity across its development function. This policy, and its associated procedures, details how the Association seeks to achieve these standards.



Statement

Wellhouse Housing Association had been an active developer for many years and has been instrumental in the physical regeneration of our community.

We are now approaching a new phase in development and we;

Will:

- Continue to seek opportunities to support community cohesion and address housing need;
- Work constructively with Glasgow City Council and consider development which is constant with the Strategic Housing Investment Plan;
- Ensure that staff and committee act within good governance, good financial management and within our vision and values;
- Ensure any valuation is undertaken by a suitably qualified professional and we will not pay more than the valuation so assessed;
- undertake sufficient due diligence to reasonably assess the development constraints and costs associated with any subsequent development (contamination, drainage, utility connections, bearing capacity, mineral stability, planning constraints, essential work required to existing buildings) and;
- consider the business plan impact of the proposed development.

Will not:

- Be involved in overly risky development;
- Take decisions which adversely impact on business viability or the best interests of our tenants;
- Seek to develop outside our geographic boundaries.

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1. COMMITTEE RESPONSIBILITY

The Management Committee will be responsible for overseeing the acquisition process.

This involves:

- Identifying possible acquisitions
- Consider options appraisals and risk assessments of possible purchases/transfers
- Administering the acquisition process.

2. STAFF RESPONSIBILITY

Development Agent

- Identification in consultation with the Director, of acquisition opportunities
- Consulting with owners.
- Drafting reports to the Management Committee
- Preparing of briefs where required.
- Negotiating price
- Preparation of options appraisals
- Preparation of risks assessments
- Appointing and briefing professional consultants, solicitors and valuers.
- Applications to the City Council, including funding applications and all related responsibilities.
- contribution of information for the preparation of briefs and risk assessments.

3. RELEVANT GUIDANCE

Depending upon the type of acquisitions there are a number of relevant guidance notes/policies that may have to be referred to, but development work must be consistent with:

[Scottish Governments Affordable Housing Supply Programme: process and procedures MHDGN 2022/02 guidance note and Housing to 2040 document](#)

Regulatory Guidance, including the SHR March 2017 thematic study into the development of affordable housing in Scotland;

[Glasgow City Council SHIP, their 2023-2028 Affordable Housing Strategy, the May 2017 design schedule and associated documents;](#)
[\(Glasgow's Local Housing Strategy 2023-2028 is currently still in draft form, please see link to the relevant page on GCCs website Housing Strategy - Glasgow City Council\)](#)

Our own Strategic Housing Development Funding Plan.

4. PROCEDURES GUIDE

4.1 General

Acquisition transactions may include.

- a) Vacant Sites – there are only 2 remaining sites: the Archdiocese Site and the old primary school site.
- b) Housing Stock – this is unlikely at this stage in Wellhouse's history.

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- c) Acquisition of new/improved property “Off the Shelf”, where an ‘off site’ developer acquires land.

4.2 Acquisition of Sites

- Sites for acquisition will be identified in the Association’s Strategic and Development Funding Plan.
- The Association will consider only those sites lying within the designated area of operation.
- Proposed development use will be discussed with the Senior Management Team and recommendations made to the Management Committee for approval.
- The Association will use the appropriate Housing Association Grant documentation as produced by our funder.
- Where there are any concerns with regard to the former use of the site or ground conditions, a site investigation will be carried out in advance of application to our Funder and in advance of acquisition. Given the history of mining in the area, this is anticipated to be the norm rather than the exception. At the time of production of this policy, HAG has been approved for such investigations.
- Site investigation will meet the minimum requirements set out in Regulatory Guidance and associated documents.
- Consultants will be appointed in line with the current policy to carry out site investigations and studies deemed to be required at the time. Estimated costs will be approved by the Management Committee and be established as a budget for the study. We will pursue HAG for all Site Investigations
- The Management Committee will consider the site investigation report, known development constraints, and the views of the local authority. At this stage risks will be formally assessed, together with the probable effects of these elements on the cost effectiveness of the proposed future development.

4.3 Acquisition Transactions

- The Association will maintain regular contact with the owners of the land or properties. These are City Property and the Archdiocese of Glasgow.
- Potential transfers will be discussed with the Senior Staff and recommendations made to the Management Committee, who must ratify all proposals.
- Proposed transfer of existing stock will be subject to a detailed feasibility study, to minimum requirements set out in Regulatory Guidance and best practice.
- The Development Agent will prepare the feasibility study brief with contributions from the Association’s SMT. The Management Committee will approve the Brief.
- Estimated costs should be prepared for approval. The Development Agent will endeavour to gain funding for studies from the City Council in the form of HAG.

- The Management Committee will determine the method of consultant procurement, in line with existing policy and obtain Management Committee approval.
- The Management Committee will consider the feasibility report. Identified risks will be assessed. Projected development costs will be assessed in terms of cost effectiveness.
- The Development Agent will keep Funder(s) abreast of its activities at the monthly spend meetings.

4.4 Offers of Grant

- Acquisition stage Offers of Grant are in a legally binding format. The Management Committee will consider a full report on any conditions placed on the Offer of Grant before recommending acceptance.
- An authorised signatory will accept offers of Grant.

4.5 Instructions to Solicitor

- On approval, the Association's solicitor will be advised of the Acquisition Procedures and Procurement Guide. Copies of the relevant sections and this policy and procedures guides will be forwarded as required.
- Instructions to solicitors will be issued through the Director and approved by the Committee. This will include a copy of the Offer of Grant and will draw attention to relevant conditions within the Offer.

Before settlement, the solicitor will be required to provide a report on the title, identifying any qualifications, restrictions, limitations, unusual clauses or