

Police and Crime Commissioner for Surrey – Decision Making Record

Title: Sale of police houses to occupants
Decision number: 154/2016
Author and Job Role: Judy Gavan, Estate Strategy Manager
Protective Marking: OFFICIAL

Executive Summary:

Police officers who occupy a police house and wish to continue in occupation beyond retirement have historically been permitted to purchase the property at market value ahead of retirement. In light of the PCC's desire to consider wider retention of surplus assets, a decision is required as to whether this policy is to continue.

It is recommended that the policy in relation to occupying officers continues. A separate review will consider opportunities for the retention of police houses that are vacated by officers on retirement. Clarification of this policy is prompted by an enquiry from an occupying officer approaching retirement.

Background

In addition to the operational estate, the PCC owns a number of police houses. Officers who joined the force prior to 1994 are entitled under police regulations to either a police house or to housing allowance. This entitlement ceases upon the officer retiring or leaving the force. In Surrey there are currently 25 police houses occupied by serving police officers and a further 5 houses that have become vacant recently. In addition the PCC owns 12 former police section houses which have recently been let to Crown Simmons Housing Association for sub-letting to serving police officers and staff at affordable rents. The scheme enables assets to be retained whilst generating income for the force and supporting staff and officers.

The PCC does not have the power to issue assured tenancies and until the Crown Simmons scheme was introduced was not able to let properties to officers or staff outside of the pre-1994 regulations. As houses have become vacant (usually on retirement of an officer) the policy has been to sell them with receipts contributing towards the funding of the force's capital programme.

Where officers have wished to continue in occupation following retirement they have been offered the opportunity to purchase the property they occupy at market value (determined by a professional valuation) without the property being marketed more widely.

The PCC has expressed a desire to consider wider retention of surplus assets. A review is underway to consider opportunities for how this might be achieved within the powers of the PCC but letting of additional former police houses that become vacant via the Crown Simmons scheme seems likely to be an attractive option. The scheme is in its infancy and it is proposed that a period of time is allowed to elapse (say 3

months) to ensure that there are no unforeseen issues, following which consideration will be given to letting further vacant houses to Crown Simmons on similar terms.

Separate consideration needs to be given to the policy of permitting officers occupying police houses to purchase the property whilst in occupation rather than vacating the property on retirement. This has been a long standing policy and whilst officers do not have any explicit right to purchase it is anticipated that withdrawal of this policy could cause significant distress and loss of morale to some officers. Most occupying officers have lived in their houses for many years and it is likely that some will have based their long term retirement planning on the assumption that they will be able to purchase their property. They may also have invested money in the property in the belief that they would be able to benefit indefinitely from such investment. Furthermore officers occupying police houses are longer servicing officers who have already been hardest hit by other changes to police benefits.

It is difficult to estimate the number of occupiers who may be anticipating purchasing their property as they approach retirement. Historically it is estimated it has in the region of 10 to 20% of occupiers. This would suggest that should the policy be retained in the region of 3 to 6 of the remaining 25 occupied houses might be sold to occupants.

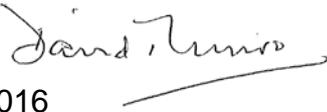
Letting properties to occupying officers post retirement via the Crown Simmons scheme is not an option. This is considered to be outside the powers of the PCC since retention of the asset would not be in support of a policing purpose.

Recommendation

It is recommended that the policy of permitting police house occupiers to purchase the property they occupy is continued. A modification to the policy is recommended to clarify that this policy does not apply where an officer has been allocated a police house on welfare grounds. (Despite a general policy of withdrawing from police house provision for pre-1994 officers a small number of houses have been allocated in recent years on welfare grounds. These officers should not have an expectation of being able to purchase the property they have been allocated and may be asked to make alternative housing arrangements ahead of retirement once their circumstances have improved.) A separate paper with recommendations regarding policy for vacant police houses and other surplus assets will be submitted in due course following further examination of PCC powers and experience of the Crown Simmons letting scheme in operation.

Police and Crime Commissioner Approval

I approve the recommendation(s):

Signature: 
Date: 17/10/2016

All decisions must be added to the decision register.

Areas of consideration

Consultation

People Services Reward and Recognition Lead, Helen Dodge has been consulted and supports the recommendation.

Financial implications

Anticipated capital receipts from police house sales are included within financial projections. Retaining this policy in relation to occupied police houses will not impact on the forecast. The financial implications of retaining/ letting vacant police houses in place of selling will be dealt with in a separate policy paper.

Legal

No legal implications arise as a result of retaining this policy.

Risks

Potential reputational risk if we are perceived to be forcing officers to leave a family home that they have occupied for many years.

Equality and diversity

No implications identified.

Risks to human rights

No risks identified.