CLYDESDALE HOUSING ASSOCIATION

Policy	Acquisitions & Disposals Policy
Date	26 August 2026
Lead Officer	Chief Executive
Approved By	Management Committee
Review Frequency	Every 5 years
Regulatory Standards	SHR Standards 7

Clydesdale Housing Association will provide this policy on request at no cost, in large print, in Braille, in audio or other non-written format, and in a variety of languages.

HAPPY TO **TRANSLATE**

Contents

1. Introduction

The aim of this policy is to set out the circumstances and decision making process by which Clydesdale Housing Association (Clydesdale) will consider acquisition or disposal of property or land as part of the overall approach to asset management of our existing homes and operational buildings. It will assist Clydesdale in making best use of resources by rationalising or disposing of surplus or underperforming assets. It will also allow the exploration of acquiring assets where there is a strategic rationale for doing so.

This policy applies to both domestic and non-domestic assets owned by Clydesdale.

2. Statement of Intent

We are committed to the principles of good corporate governance and sustainability and will endeavour to develop fair and consistent policies, procedures and practices.

In line with our commitment to equality and diversity, this policy can be made available in a variety of formats, including large print, translated into another language or other media. We will make any reasonable adjustments to assist you if you have a disability.

3. General Principles

This policy refers to acquisitions and disposals in the context of our Asset Management Strategy.

Other relevant Clydesdale documents include:

- Asset Management Strategy 2023 to 2026 and any succeeding documents
- Internal Financial Regulations
- Scheme of Delegation

4. Exclusions

This policy does not apply to acquisition of land or homes when they are being procured or constructed as part of our new build program. Properties become part of our asset portfolio at the point of handover from the contractor.

5. Criteria for Asset Disposal

There may be some instances where we consider selling or disposing of an asset. This may be a proactive or reactive approach. In such cases at least one of the following criteria must be met:

- The property is a long-term empty home and will continue to be so for the foreseeable future
- The asset has poor financial performance comparative to the rest of our stock. This will be demonstrated using a Net Present Value (NPV) appraisal calculation. NPV will take account of projected net rental income and expenditure, planned investment requirements and appropriate discount rate.
- The market value is significant and liquidating the asset will help us to invest in a greater number of homes.
- Disposal will assist the Local Authority and / or other affordable housing partners with their strategic development or regeneration plans.
- The property makes no contribution to our services or strategic objectives
- On occasion we will consider disposal of a portfolio of properties where this is not serving our strategic purpose.

We will consider the potential for disposal when a property or group of properties is creating a cause for concern either through performance, investment needs or operational challenges.

Triggers for review include but are not limited to:

- Demand; high sustained empty homes levels and difficulty letting
- Maintenance; extensive repairs and/or investment costs to bring a property to lettable standard
- Place based; operating challenges due to location, property type, etc.
- Sustainability; energy performance / fuel costs to customers

Once identified for review, evaluation of the assets will be carried out, with options assessed to be determined on a case-by-case basis, ultimately arriving at recommendations to invest, hold / disinvest, dispose, reconfigure, or repurpose the asset.

Although disposal is not a primary focus, it is an important consideration when assessing options for the future of stock.

6. Criteria for Individual or Portfolio Asset Acquisition

On a case by case basis we will consider an acquisition of an existing property or properties where this facilitates greater control or enables delivery of our planned investment programme. We may consider the purchase of Shared Ownership homes where we have an existing interest for these reasons. An investment appraisal exercise will be carried out to support any and all such purchases.

We will also consider acquisition on a property portfolio basis where there is a strategic rationale for doing so. This will be subject to an investment appraisal and Management Committee approval of a business case.

Clydesdale will assess opportunities that arise to increase our stock profile in a way that supports our business aims and return a positive Net Present Value (NPV) over the 30-year life of the Business Plan. In exceptional circumstances where an acquisition otherwise delivers an ability to meet our strategic objectives by facilitating more significant control or impact on wider investment, a negative NPV could be considered in context and with a full option appraisal provided to inform a decision.

In some cases, acquisitions may attract grant funding from The Scottish Government, but this will depend on the nature of the proposal, the local authority and how it fits with the local authority and Scottish Government priorities. The eligibility and level of grant is assessed for each project and plays a key part in determining financial viability.

7. Protecting our Customers' Interests

The Scottish Housing Regulator has developed guidance for RSLs to follow. This is called 'Tenant Consultation and Approval,' this guidance will be closely followed during any potential disposal where customers are impacted.

Where there is a requirement for the customer to move from their home before disposal, Clydesdale will offer suitable alternatives and assist with contacting other RSLs within the area.

8. Value for Money

If an asset is being sold by Clydesdale, then it should be sold at market value or above (as determined by independent valuation). If the offer is below market value a valid case for accepting the offer must be provided and approved in line with our Scheme of Delegation and Internal Financial Regulations. Offers above market value will also be approved in line with our Scheme of Delegation and Internal Financial Regulations. Views of professionals such as a solicitor, estate agent or surveyor will be included within the 'case for accepting the offer.'

If the property is being sold to an independent individual or organisation it will be expected that the property has been advertised on the open market for a period of time, ensuring that the best possible value has been reached. It would be expected that the asset would be sold for at least a minimum of the valuation amount. Advice from both a solicitor and estate agent will be sought before accepting any offer.

9. Governance

As a registered provider of social housing, Clydesdale will seek to meet all relevant legislation and standards set by the Scottish Housing Regulator in the application of this disposals policy. Housing (Scotland) 2010 (as amended) Act requires RSLs to notify the Regulator of any disposal of land or other assets as soon as reasonably practicable after the disposal is made. We will also have due regard to our charitable objects and the requirements of charity law and the OSCR when making disposals. Where land and property are intended to be disposed of, we will always seek legal advice to support any transaction.

Prior to any disposal recommendation a reconciliation of any required grant repayment to the Scottish Government will be carried out and factored into the appraisal model.

Should a property be held as a security for loan purposes, then this will be taken account of as part of the disposal process and the disposal approved by the Management Committee.

10. Monitoring and Review

This policy will be reviewed 5 years from the date of implementation or latest review, which will be the date the policy is approved by the Management Committee, or earlier if deemed appropriate. In the event that this policy is not reviewed within the above timescale, the latest approved policy will continue to apply.