

Methodology Statement – Social Housing Asset Data 2015

This statement explains how the Council has produced the information published in the Social Housing Asset Data set.

Definitions:

Social Housing Assets are those assets which for the purpose of Financial Statements for a Local Authority are held in the Housing Revenue Account.

EUV-SH (Existing Use Value – Social Housing) is the estimated amount for which a property should exchange, on the date of valuation, between a willing buyer and willing seller, in an arms-length transaction, after proper marketing wherein parties had each acted knowledgeably, prudently and without compulsion, assuming the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost and subject to assumptions.

Fair Value is the amount for which an asset could be exchanged between knowledgeable, willing parties, in an arms -length transaction. Fair value is the **Market Value** on the assumption that the property is sold as part of the continuing enterprise in occupation.

The valuers opinion of *market value* and *existing use value* was primarily derived using comparable and recent market transactions on arms-length terms.

Valuations have been undertaken using the **Beacon Method**. The Beacon Value relates to the sale of a single owner occupied dwelling. It is derived from the sales/s of similar ex-council stock or similar comparable property, suitably adjusted by the Valuer.

For the purposes of this data, a **dwelling** is defined as a self-contained living accommodation, to include house, flats, bungalows and maisonettes.

Valuation Date: 31st March 2015

Sources of Information for Valuations:

1. HRA Valuations 2015 – Estates Dept, Cheltenham Borough Council
2. Cheltenham Borough Homes (CBH), managing agent for Cheltenham Borough Council.

It is the intention of the Council to review the information held in the Social Housing Data set within 12 months and make adjustments accordingly.