

## HOUSING PORTFOLIO HOLDER'S MEETING

WEDNESDAY, 18 JANUARY 2012

### DECISIONS

Set out below is a summary of the decisions taken at the Housing Portfolio Holder's Meeting held on Wednesday, 18 January 2012. Decisions made by the Portfolio Holder will be subject to call-in. Recommendations made to the Cabinet or to the Council are not subject to call-in. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

If you have any queries about any matters referred to in this decision sheet please contact Ian Senior.

#### 1. CAPITAL AND REVENUE ESTIMATES FOR THE HOUSING PORTFOLIO This Recommendation is not subject to call-in.

The Housing Portfolio Holder

- (a) endorsed the Revenue and Capital Estimates for the Housing General Fund as shown at Appendix A to the report (Revenue) and Appendix B (Capital) and recommended them for inclusion in the overall estimates to be considered by Cabinet on 9 February 2012;
- (b) confirmed the proposals for housing general fund capital expenditure shown at *Appendix D(1-7)*, for inclusion in the capital programme,
- (c) endorsed the proposed housing charges for 2012/13 as shown in Appendix C and recommended them for approval by Cabinet, and
- (d) requested that Cabinet include £140,000, for possible additional expenditure on accommodation for homeless people, on the list of precautionary items for 2012/13.

#### 2. AFFORDABLE HOMES RESTRUCTURING PLAN 2012-13 This Recommendation is not subject to call-in.

Subject to consideration of a more detailed sheltered housing report in February, the Housing Portfolio recommended that Cabinet approve the proposed restructure of Affordable Homes as set out in Table 1 in the report dated 18 January 2012, subject to sufficient funds being made available for potential redundancies.

#### 3. RIGHT TO BUY CONSULTATION RESPONSE

Stating his preference for the Local Model, the Housing Portfolio Holder agreed to respond as follows to the Government's consultation on the Right To Buy

Question	Pros for Council	Cons for Council
Q1. We would welcome the views on the proposals outlined above.	Council is pleased to support people in meeting their aspirations for home ownership.	Large numbers of sales could have a detrimental effect on the HRA business plan.  There are very few Council homes in some villages and a significant number of sales may remove all of the social

		<p>rented homes from that village. Limited land supply may then prevent the supply of affordable rented homes to that village.</p> <p>It is also likely that the availability of social rented homes will decrease considerably over the coming years through housing association conversions and newbuild homes let at Affordable Rents and we are concerned that further reductions in social rent through replacement RTB homes with Affordable Rents will have an adverse impact on the affordability and supply of housing to meet the needs of the most vulnerable in the district.</p> <p>The Council has concerns about the financial viability of 1:1 replacement</p>
<p>Q13. Which model for delivery of replacement housing do you consider the most appropriate, and why?</p>		
<p>Local Model</p> <p>Receipts retained by the Council to use as it wishes. Could choose to work in partnership with other councils and/or housing associations. Would not be restricted to funding new Affordable Rent housing.</p>	<p>Council wholeheartedly supports this model as it would be free to use money as needed by its own residents within South Cambridgeshire e.g. could be used for a regeneration scheme or even for a corporate project such as an IT project.</p>	<p>The Council will have no borrowing headroom in the early years of the business plan. As the receipt would only fund an Affordable Rented home this assumes that the full cost of developing that home would come from borrowing. It may prove difficult therefore for the Council to build all the replacement homes needed in the early years. However, the Council does have a good working</p>

		relationship with its housing association partners and would welcome further opportunity to target funding for new affordable homes in the District through a partnership arrangement, until such time that the Council is in a position to build new Council homes in its own right.
<p>local model with Direction</p> <p>Receipts retained by Council but restricted to funding the provision of new Affordable Rent homes. Could choose to work in partnership with other councils and/or housing associations.</p> <p>Direction would be specified in amendments to existing regulations and monitored</p>	<p>Council would welcome the opportunity to locally determine the use of the receipt.</p> <p>Suggested process would be easy to administer.</p>	<p>The direction provided in the regulations should be sufficiently flexible to allow innovative schemes to be included e.g. the use of the receipts to bring back into use empty homes as Affordable rent homes not just new build schemes.</p> <p>The Council would lose the ability to use funds for other vital capital spending which may also be critical to the operation of the housing service or of wider community significance.</p>
<p>Local model with Agreement</p> <p>Receipts retained by Council but restricted to funding new Affordable Rent homes only and only with formal agreement of Secretary of State. This would require detailed proposals business plans to be developed and agreed. Secretary of State could choose to divert some of the funding from receipts elsewhere in the country.</p> <p>Could choose to work in</p>	<p>Council would be grateful for the opportunity to make a business case for the use of receipts locally.</p>	<p>The process proposed would be resource intensive with no guarantee that the effort would be matched by the funds made available.</p>

<p>partnership with other councils and/or housing associations.</p>		
<p>National Model</p> <p>All available receipts would be pooled and administered by the HCA and the Greater London Authority. Council would have to make specific bids to the HCA for funding on a continuous basis (continuous market engagement).</p>	<p>The Council has a good track record of working with partner housing associations and securing funds through the HCA processes and a track record for spending all of the money that is made available. The Council is a high demand growth area and would see this as an opportunity to secure more funding for Affordable Housing than that lost through RTB sales.</p>	<p>There is loss of local self-direction, which does not sit well with other aspects of the Localism agenda.</p> <p>The work required to prepare bids for funding is a resource cost that would not be required if the receipts were already with the Council.</p> <p>There would be no guarantee of the Council receive its fair share of the receipts pool with the potential that there would be an affordable homes deficit in a high demand area.</p>

**Other Options Considered:** None specified

**Reason For Decision:** To respond to consultation