



Meeting	Cabinet Member for Housing & Asset Management Decision Day
Date and Time	Monday, 7th December, 2020 at 12.00 pm.
Venue	This meeting will be held virtually and a live audio stream can be listened to via www.winchester.gov.uk .

Note: Owing to the ongoing Covid-19 pandemic and government guidance, it will not be possible to hold this Decision Day in person. The Council has therefore made arrangements under the Coronavirus Act 2020, and subsequent Regulations permitting remote meetings, to hold the decision day virtually. If you are a member of the public and would like to listen to the audio stream you may do so via www.winchester.gov.uk

AGENDA

PROCEDURAL ITEMS

- 1. Disclosure of Interests**
To receive any disclosure of interests from Members and Officers in matters to be discussed.
Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, personal and/or prejudicial interests in accordance with legislation and the Council's Code of Conduct.

BUSINESS ITEMS

- 2. Public Participation**
To note the names of members of the public wishing to speak on items for decision.
Note: Members of the public wishing to speak about a particular agenda item are required to register three working days in advance if they wish to speak at a Cabinet Member Decision Day.
- 3. Visiting Councillors Representation**



To note any request from visiting councillors to make representations on an item for decision.

Note: Councillors wishing to speak about a particular agenda item are required to register three working days in advance if they wish to speak at a Cabinet Member Decision Day. Councillors will normally be invited by the Chairman to speak during the appropriate item (after the Cabinet Member's introduction (and any comments from the leading officer) and any public participation).

Members of the public and visiting councillors may speak at decision days on a specific item due for decision, provided they have registered to speak three working days in advance. Please contact Democratic Services by **5pm on Tuesday, 1 December 2020** via democracy@winchester.gov.uk or (01962) 848 264 to register to speak and for further details.

4. **New Homes Scheme - Outline Business Case, Southbrook Cottages, Micheldever (DD16) (Pages 5 - 12)**
5. **Additional Capital Grant Application - Trinity Centre (DD24) (Pages 13 - 20)**
6. **Property Acquisition - Stanmore, Winchester (less exempt appendix) (DD22) (Pages 21 - 26)**
7. **EXEMPT BUSINESS**

To consider whether in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

 - (i) To pass a resolution that the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100 (I) and Schedule 12A to the Local Government Act 1972.
8. **Property Acquisition – Stanmore, Winchester (Exempt Appendix) (DD22) (Pages 27 - 28)**

Lisa Kirkman
Strategic Director: Resources and Monitoring Officer

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27 November 2020

Agenda Contact: Claire Buchanan, Senior Democratic Services Officer
Tel: 01962 848 438 Email: cbuchanan@winchester.gov.uk

TERMS OF REFERENCE

Cabinet Member for Housing & Asset Management Decision Day – Included within the Council's Constitution (Part 3, Section 2)

Public Participation

Representations will be limited to a maximum of 3 minutes, subject to a maximum 15 minutes set aside for all questions and answers.:

To reserve your place to speak, you are asked to **register with Democratic Services three clear working days prior to the decision day** – please see public participation agenda item above for further details. People will be invited to speak in the order that they have registered, subject to the maximum time period allowed for speaking not being exceeded. Public Participation is at the Chairperson's discretion.

Filming and Broadcast Notification

This meeting may be recorded and broadcast live on the Council's website. The meeting may also be recorded and broadcast by the press, the Council and members of the public – please see the Access to Information Procedure Rules within the Council's Constitution for further information, which is available to view on the [Council's website](#).

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DD16

DECISION TAKER: CLLR KELSIE LEARNEY - CABINET MEMBER FOR HOUSING AND ASSET MANAGEMENT

REPORT TITLE: NEW HOMES SCHEME - OUTLINE BUSINESS CASE, SOUTHBROOK COTTAGES, MICHELDEVER

7 DECEMBER 2020

Contact Officer: Andrew Palmer Tel No: 01962 848 293 Email apalmer@winchester.gov.uk

WARD(S): WONSTON & MICHELDEVER

PURPOSE

This report seeks approval of the outline business case to construct 6 dwellings at Southbrook Cottages, Micheldever including the submission of a planning application and obtaining Tenders to construct the scheme.

RECOMMENDATIONS:

1. Approve the construction of 6 properties at Southbrook Cottages and preparation and submission of a planning application to the City Council.
2. Authorise the Corporate Head of Housing to prepare and submit a planning application to the city council for the construction of 6 properties at Southbrook Cottages.
3. Authorise the Corporate Head of Housing to take all of the necessary actions to implement the planning permission in accordance with the approved conditions.
4. Authorise the Corporate Head of Housing to tender the construction of 6 properties at Southbrook Cottages using a single stage traditional contract.

5. Authorise the Corporate Head of Asset Management to negotiate and agree terms for easements, wayleaves and related agreements with utility providers, telecom/media suppliers, Highways Authority and neighbours in order to facilitate the development.
6. Authorise expenditure of pre-construction costs of up to £75,000 in accordance with Financial Procedure Rule 7.4 financed by Housing Revenue Account Contributions to Capital and that this work proceeds at a financial risk to the Council.
7. That a Final Business Case report is brought to Members after tenders are evaluated to agree whether to proceed with scheme and to award and enter into a construction contract with the preferred bidder.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 The building of new Council homes assists in the delivery of Council Plan outcome - Homes for All and to address the commitments of tackling the Climate Emergency the proposed scheme will be a net zero carbon development.

2 FINANCIAL IMPLICATIONS

- 2.1 The financial commitment to submit a planning application and start the tender process has been budgeted for within the Housing Revenue Account
- 2.2 The Total Scheme Cost (TSC) is estimated at: £1,196,650, this includes a risk contingency of £53,650. This represents an average gross build cost of £199,442 per unit.
- 2.3 The appraisal is contained in the Appendix 1. This shows that under the current assumptions of cost, project delivery and the application of RTB 1-4-1 receipts the scheme is viable.
- 2.4 The proposed scheme has a positive NPV of £99k, rental income covering interest costs, and the assessed indicative market value of the scheme exceeding its net costs. This is based on indicative rents of 80% market rent
- 2.5 The inclusion of the scheme in the HRA Business plan demonstrates that under current HRA Business Plan assumptions it can be cash flowed and the HRA Business plan remain viable and sustainable.
- 2.6 With the exception of individual grants and funds hypothecated for particular schemes the funding of the overall programme is undertaken annually to maximise the councils financial flexibility and this means decisions upon the final mix of funding have yet to be made.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Baker Ruff Hannon have been appointed by the Council as Employers Agent and have provided a procurement report to outline the best way to procure a contract for a Passivhaus project of this size and value. Baker Ruff Hannon have advised that a scheme of this size and value could benefit from either Design and Build contract or traditional Contract.
- 3.2 Following an evaluation of the two options officers recommend that the construction contract is tendered by way of a traditional contract, to enable detailed design to be undertaken by the Council's design team. Additionally the use of a traditional contract is considered likely to result in a more competitive tender process.

- 3.3 The tender exercise will be run in accordance with the Council's Contract Procedure Rules and Contract Procurement Regulations 2015 (PCR 2015) with the support of the Procurement Team.

4 CONSULTATION AND COMMUNICATION

- 4.1 A consultation event was held with local residents on 14 August 2020 where the proposed design was discussed and presented via a Microsoft Teams live event. In total 41 residents joined the live event and submitted a total of 21 questions which were answered on the live event and published shortly after on Citizen Space. The key points that came out of the Consultation were:

- Suitability of apartments in a rural setting and whether apartments are suitable for this site.
- The local Parish were keen to understand the efforts that were made to engage with residents who may be elderly.
- Concerns that additional dwellings on Southbrook Cottages will impact on parking the street.
- Loss of privacy to neighbouring gardens

5 ENVIRONMENTAL CONSIDERATIONS

- 5.1 As part of New Homes contribution to the Climate Emergency the proposed development is Winchester City Council's first Passivhaus scheme which will benefit the environment and the residents that will be living here. The aim is that these properties will achieve the net zero carbon standard.

6 EQUALITY IMPACT ASSESSEMENT

- 6.1 The key related strategies and policies including the Housing Strategy and Housing Development Strategy have been subject to an Equality Impact Assessment

7 RISK MANAGEMENT

- 7.1 The scheme proposed is the Council's pilot Passivhaus project to assess this particular build process and its contribution to the net zero carbon priority outlined in the Council Plan. As it's the first using this approach the Council has appointed a project team with experience of building Passivhaus schemes for LA's.

The principal risk factor that has been identified is that of build cost, the Passivhaus approach is more expensive than traditional build due to the enhanced building fabric specification and energy saving heating requirements however this still needs to be viable for the Council to support. To mitigate this Passivhaus experienced Quantity and Building surveyors have been appointed to review costs at key parts of the design process.

Risk	Mitigation	Opportunities
<i>Property: Pilot Passivhaus project costs are estimated at this stage</i>	Employed consultants with previous Passivhaus experience	This is an opportunity to learn from our first Passivhaus project and use this as a benchmark for future projects.
<i>Community Support: At planning stage there may be some objections</i>	To mitigate the risk of objections we have consulted residents on the proposed plans and also on parking	There is a need to provide 6 parking spaces at Southbrook Cottages for local residents
<i>Contractor: most local contractors don't have Passivhaus experience</i>	We have opted for a traditional procurement so that we can control the design to ensure it is built to our standard. We have appointed an architect who is a Passivhaus certifier who will be visiting site regularly.	
<i>Ground conditions: several trial holes have been dug to test the ground conditions</i>	The ground is mainly made up of chalk which is suitable for development of this nature	
<i>Financial – Project is unviable</i>	Regular reviews of the cost plan are undertaken by the design team to ensure the project is viable	As the Council's first Passivhaus scheme there is an opportunity to test ideas that make a positive contribution the zero carbon challenge
<i>Legal</i>		
<i>Innovation</i>		
<i>Reputation</i>		
<i>Other</i>		

8 OTHER KEY ISSUES

None

9 SUPPORTING INFORMATION:

- 9.1 This report seeks approval to submit a planning application to demolish 6 Council owned garages and to develop 4 x 1 bedroom and 2 x 2 bedroom apartments for affordable rent to be held within the Housing Revenue Account. The site currently has 6 unused garages in a state of disrepair not providing any income to Winchester City Council.

- 9.2 The properties will be built to Passivhaus standard which is highly energy efficient and ensures the properties are air tight which in turn reduces the energy demand. The roof space will be fitted at capacity with Solar PV, and heating of the hot water and space heating will be provided by a ground source heat pump. Pipework transporting hot water throughout the building will be thermally insulated to ensure no heat is lost whilst transporting hot water. From a design perspective it's proposed that this development will achieve Passivhaus certification. Each property will be fitted with a Mechanical Ventilation Heat Recovery (MVHR) to continuously provide fresh air. An increasingly important requirement for new highly insulated homes is that they address the issue of potential overheating as the climate changes, Southbrook Cottages has been designed looking at weather data projections up to 2050 to ensure that a comfortable and healthy living environment is created.
- 9.3 It has been determined that in order to reduce risk and achieve the necessary build standards a traditional procurement process is most appropriate. Within the cost analysis prepared by Baker Ruff Hannon (BRH) the Employers Agent they have advised that they can see benefits for the contract being a Design and Build or a Traditional. BRH have also advised that as this is the Passivhaus project for Winchester City Council it may be advantageous to carry this out as a single stage Traditional procurement. This allows us to control the design and specify exactly what we want. We have recently completed the build of two new homes at Dolphin Hill which were a traditional contract and found that this process worked well. Proceeding with this option will incur upfront fees to prepare the traditional tender but officers are satisfied this will result in a more competitive tender by reducing risks for the Builder.
- 9.4 The new homes team have consulted with planners, ward members, Parish members, and local residents in the lead up to this document being produced. Key outcomes from the consultation held on the 14 August 2020 is that additional parking on Southbrook Cottages is important to residents and the Parish. Over 400 residents in Micheldever were invited to the consultation event, 41 attended and 21 asked questions via a Q&A function. Residents local to the site received a hand delivered copy of the presentation. Following the consultation for the proposed development the New Homes team have worked closely with Estate Improvements to carry out a parking survey which will inform a parking strategy for Southbrook Cottages. It is intended that the 6 parking spaces lost as a result of development will be compensated elsewhere on Southbrook Cottages. Feedback from the consultation event can be found [here](#) Feedback on the design has informed the current design which will be submitted for planning.

The scheme meets the Councils viability test criteria as follows:

- Scheme NPV – Pass
- Interest Cover – Pass

- Net scheme cost/Market value – Pass

Please see Appendix 1 for further details on scheme viability.

10 OTHER OPTIONS CONSIDERED AND REJECTED

- 10.1 The scheme could have been developed to meet the normal standards of new council schemes (which are an uplift on general Building Standard requirements), however to address the climate emergency it was agreed to develop this as a pilot Passivhaus project to determine the effectiveness, viability and most importantly liveability of building to this standard.

BACKGROUND DOCUMENTS:-

Previous Cabinet/Committee Reports or Cabinet Member Decisions:-

None

Other Background Documents:-

None

APPENDICES:

Appendix 1 Southbrook Cottages Scheme Viability

Appendix 1 – Southbrook Cottages Viability

Scheme		Southbrook Cottages					
Date of Evaluation	24/11/2020	Undertaken by	Dick Johnson/ Derek Steele				
Mixture	1 bed Flats	2 bed Flats					
Number of units	4	2					
Tenure	Affordable	Affordable					
Weekly rent	£128.91	£153.78					
Service Charge	£11.89	£11.89					
Total Cost	£140.80	£165.67					
LHA CAP 2020-21	£166.85	£197.92					
Does Not Exceed LHA	YES	YES					
Total Scheme Cost	1,196,650						
<u>Funded by</u>							
Sales	-						
HRA reserves	-						
S106	-						
HE Grant	-						
RTB Income	358,995						
Net Cost	<u>837,655</u>						
				<u>Criteria</u>		<u>Passes</u>	
[1] Scheme NPV	99,318			> 0		YES	
[2] Scheme IRR	4.09%						
[3] Interest Cover							
Gross Income Year 1	<u>42,428</u>						
Interest Costs	26,805	158%		> 110%		YES	
[4] Scheme cost/Market value							
Market Value	<u>1,260,000</u>	66%		< 95%		YES	
Net cost less RTB/Sales	837,655						

DECISION TAKER: CLLR KELSIE LEARNEY -CABINET MEMBER FOR HOUSING AND ASSET MANAGEMENT

REPORT TITLE: ADDITIONAL CAPITAL GRANT APPLICATION – TRINITY CENTRE

7 DECEMBER 2020

Contact Officer: Gillian Knight Tel No: 01962 848 577 Email gknight@winchester.gov.uk

WARD(S): ALL

PURPOSE

This report provides information to support an additional and final capital grant contribution to Trinity Winchester of £25,000 from the HRA New Homes unallocated sites capital budget to support the delivery of 11 units of affordable social housing.

A further contribution from the council will complete Trinity Winchester's funding appeal to build a bespoke affordable social housing scheme for the most excluded rough sleepers. The scheme will help the Council to deliver on the government's commitment to end rough sleeping by 2027.

The funding contribution also supports the aims and objectives of the Council's Preventing Homelessness and Rough Sleeping Strategy 2019 – 2024 with its pledge to eradicate rough sleeping by 2023 (except by choice).

RECOMMENDATIONS:

1. That the lead Member for Housing and Asset Management approve an additional capital grant contribution of £25,000 to Trinity Winchester from the HRA's New Homes unallocated sites capital budget to support the delivery of 11 units of affordable social housing. .
2. That the Service Lead – Legal be authorised to enter into a grant agreement between Trinity Winchester and the Council which provides the grant terms and conditions, inclusive of project delivery milestones, timeframes, and any clawback arrangements.

IMPLICATIONS:**1 COUNCIL PLAN OUTCOME**

- 1.1 The Council Plan identifies the Winchester district needs “Homes for All”, including homes that are affordable and built in the right areas for our changing communities. It also includes a commitment to end rough sleeping other than by choice and to work in partnership with the voluntary sector to provide support for our homeless and most vulnerable people.
- 1.2 The bespoke Trinity affordable housing project will support the most socially excluded and provide onsite health services to those who find it challenging to access mainstream services. Reducing health inequalities focusing activities on the most disadvantaged areas, communities and groups to live well.

2 FINANCIAL IMPLICATIONS

- 2.1 The capital grant of £25,000 will be funded through the New Homes unallocated sites budget of £5,000,000. The budget can be used by the council to fund and support a third party to develop affordable housing.
- 2.2 The Ministry of Housing, Communities and Local Government published its Rough Sleeping Strategy in 2018, with a commitment to halve rough sleeping by 2022 and end it by 2027. In order for the Council to reach the government’s targets in a local context will require close partnership working with the local voluntary sector to provide a variety of bespoke housing options. Failure to meet the government’s national rough sleeping strategy aims may result in future reduced flexible homelessness grants allocated annually by the government. Grants that currently underpin the delivery of the Council’s homelessness service.
- 2.3 The Council holds the statutory homelessness duty and will need to meet the government’s ending rough sleeping targets by 2027. The suggested additional contribution of £25,000 to help support Trinity Winchester to reach its funding target to deliver 11 new affordable housing units for rough sleepers represents good value for money. The Council may otherwise be reliant on reaching the government’s target through costly and unsuitable bed and breakfast placements or a need to build a further purpose built homelessness scheme.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Section 1 of the Localism Act 2011 gives the Council a general power of competence, to enter into a grant agreement provided there is good reason to do so. DCLG guidance specifically comments on the option to grant fund housing providers. Authority to enter into the agreement is under the scheme of delegation to Service Lead – Legal in Part 3.4 of the Council Constitution.
- 3.2 The council has an unallocated New Homes capital programme in 2020-21 of £5,000,000 to increase the supply of affordable housing.

- 3.3 It is intended for the council to enter into a grant agreement with the external social housing provider. This grant agreement should include provision for delivery of the project, time scales, and robust monitoring requirements need to be in place, and contingency plans developed. Provision should be included in the agreement for clawback of a grant if the project is not delivered in accordance with the project timeframe and delivery objectives.
- 3.4 It is understood that the funds are to be made available in order to create bespoke affordable housing in Winchester. The proposed grant documentation should refer to definitions of affordable (and social) housing as set out in Sections 68 – 71 of the Housing and Regeneration Act 2008. Affordable housing is regarded as one of the Services of General Economic Interest which is one of the State Aid exemptions, and therefore it is not considered that the proposed arrangements breach State Aid laws.
- 3.5 Trinity Winchester is a voluntary organisation raising capital funds to deliver a unique and bespoke homelessness provision within the district. A previous capital grant award of £50,000 is set out in DD12 and found in Background Documents.
- 3.6 There are no procurement implications as a result of this report.

4 CONSULTATION AND COMMUNICATION

- 4.1 The Cabinet Member for Housing and Asset Management has been in discussion with representatives from Trinity Winchester along with the Strategic Director, Services and the Corporate Head of Housing to discuss the additional grant request and the benefits it can offer in support of meeting the Council Plan objectives. The Shadow Portfolio Holder for Housing has been consulted and fully supports the capital grant request.

5 ENVIRONMENTAL CONSIDERATIONS

- 5.1 Trinity Winchester has been granted planning consent following the submission of detailed information on the issues of ecology and sustainability, with the planned individual flats within a communal building designed to low carbon green impact specifications, meeting current planning guidelines on energy and water sustainability.
- 5.2 Trinity Winchester are committed to create a design-led, eco-building using sustainably sourced materials. The project will be built through sustainable, low impact methods with a focus on the manufacturing and installation of SIPs (structural insulated panels). Following a recent successful fundraising campaign solar panels will be installed across the whole of the roof area.

6 EQUALITY IMPACT ASSESSEMENT

- 6.1 None

7 RISK MANAGEMENT

- 7.1 The principle risk is to the Council's reputation should the small additional grant be refused and Trinity Winchester fail to reach its funding target. It should also be noted that Trinity Winchester has greatly supported the council with its housing duties since the outbreak of the pandemic.
- 7.2 The Council has the statutory duty to prevent homelessness and a Preventing Homelessness & Rough Sleeping Strategy pledge that 'no one needs to sleep rough in the district by 2023'.
- 7.3 Refusing the capital grant application may have implications on the Council's Bed & Breakfast budget maintained at nil use since 2012, against increased national trends and may also have an impact on the Council's temporary accommodation capacity.
- 7.4 Reputational failure to meet the Ministry of Housing, Communities and Local Governments commitment to end rough sleeping by 2027, and subsequent reduced flexible homelessness grants allocated annually by the government.

Risk	Mitigation	Opportunities
Property. Risk is with Trinity Winchester and the Council's reputation should the project fail due to a shortfall in funding	Award of the £25,000 grant request.	Good news story and opportunity to fill the final funding gap of a voluntary sector partner who assists the council to fulfil its housing duties.
Community Support Risk of increased rough sleeping should the funding gap not be met.	Award of the £25,000 grant request.	Meeting the governments Rough Sleeping strategy commitments. Supporting the delivery of the Council Plan and Preventing Homelessness and Rough Sleeping Strategy pledge that 'no one needs to sleep rough in the district by 2023'
Timescales Sits with the Trinity Winchester Board	The council has limited funds and a time limited award should be made linked to the project timetable.	
Project capacity Sits with the Trinity Winchester Board		
Financial / VfM		Good VFM via a small

		grant award to support the Council's homelessness duties, savings to the B&B budget and temporary accommodation lettings
Legal	The Council must ensure that suitable measures are in place to ensure the project is delivered in accordance with the purposes of the grant	Provision of affordable housing and good use of the New Homes unallocated sites capital budget.
Reputation Council's reputation should the grant application be refused and the funding gap not be met.	Award of the £25,000 grant request.	Positive intervention to support a voluntary sector partner to reach its fundraising goal

8 OTHER KEY ISSUES

8.1 None

9 SUPPORTING INFORMATION:

- 9.1 Trinity Winchester has supported homeless and vulnerable people in Winchester since 1986, providing a place of safety for those rough sleeping, also offering a range of support services. Trained on site support workers offer advice and guidance and signposting to specialist partner support agencies. The centre has onsite healthcare with GPs, opticians, chiropody and dentistry, a learning programme helping people back into employment. A dedicated women's service for those escaping domestic violence and a counselling service.
- 9.2 Trinity Winchester has experience of running a homelessness day centre which lead to the organisations expanding its remit to offer vulnerable people a safe, secure and bespoke affordable housing provision for rough sleepers attached to the day centre.
- 9.3 Situated on the edge of a nature reserve, the proposed new housing provision is designed to low carbon green impact specifications and will provide a setting for enhancing mental health and wellbeing for people with complex needs and chaotic lives. The new project will provide 11 self-contained units of accommodation comprising of a studio room with an en-suite bathroom and mini kitchen. Two of the rooms will be doubles, enabling up to 14 people to be housed at any one time.
- 9.4 The housing scheme is based on a 'Housing First' model - an approach that provides affordable housing as quickly as possible for individuals experiencing homelessness and then provides the supportive services and connections to

the community-based support agencies to keep their housing and avoid returning to homelessness.

- 9.5 Developing the Trinity Winchester housing offer is a vital next step to support the most socially excluded people in greatest housing need. It will also meet the government's 2018 Rough Sleeping Strategy aims and objectives and deliver on the Councils Preventing Homelessness and Rough Sleeping Strategy pledge that 'No one needs to sleep rough in the Winchester district by 2023'
- 9.6 The Council has worked in partnership with Trinity Winchester for many years and is a valued voluntary sector partner helping the council to meet and discharge its statutory homelessness duties. It is already a recognised partner funded through the community grants programme for its day centre activities and conditions attached to the capital grant application could be encompassed within the community grant funding agreement.
- 9.7 At the time Trinity Winchester trustees were confident that the fundraising appeal target was realistic and attainable and confirmed that construction will commence when the capital fundraising appeal total reaches £1.3 million. As such construction work begun on site on 12 October 2020 with a small capital shortfall of £25,000 left to realise the funding target. Both the Cabinet Member for Housing and Asset Management and the Shadow Portfolio Holder for Housing wish to support a further grant of £25,000 to ensure the funding target is met.
- 9.8 To support Trinity Winchester with a final capital grant of £25,000 delivers a much needed and alternative affordable housing provision for the most vulnerable and socially excluded people. Reducing health inequalities, supporting both the governments and councils strategic aims to end rough sleeping nationally by 2027 and locally by 2023 and assist the Council to discharge its homelessness duties.
- 10 OTHER OPTIONS CONSIDERED AND REJECTED
- 10.1 Refusing the Trinity Winchester funding request has been considered and rejected as once completed the project will support the Council to deliver on its statutory homelessness duties and offer a viable longer term local housing offer to those rough sleeping

BACKGROUND DOCUMENTS:-

Previous Cabinet/Committee Reports or Cabinet Member Decisions:-

[DD12 Capital Grant Application from The Trinity Centre](#)

Other Background Documents:-

None

APPENDICES:

None

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DD22

DECISION TAKER: CLLR KELSIE LEARNEY - CABINET MEMBER FOR HOUSING AND ASSET MANAGEMENT

REPORT TITLE: PROPERTY ACQUISITION – STANMORE, WINCHESTER

7 DECEMBER 2020

Contact Officer: Andrew Palmer Tel No: 01962 848293

Email apalmer@winchester.gov.uk

WARD(S): ST LUKE

PURPOSE

This report seeks approval to purchase a residential property where the purchase price exceeds the key decision threshold of £250,000. The acquisition of this ex-Right To Buy (RTB) property will meet business needs and provide synergy in terms of the management of the Housing Revenue Account (HRA) estate. It meets the council's financial criteria to ensure the acquisition represents a viable addition to the HRA stock. The purchase can be funded directly from the provision for acquisitions in the new homes capital programme.

RECOMMENDATIONS:

1. That the Cabinet Member for Housing and Asset Management approves the purchase of the specified property, detailed in Exempt Appendix 1, together with its financial appraisal.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 Providing good quality housing and new affordable homes is a strategic priority for the Council. Effective management of the resources available to the Council enable it to take advantage of new opportunities and ensure that satisfaction levels remain high amongst tenants in relation to their home and community.
- 1.2 Homes For All – Assist with the increase in housing stock across the Winchester District.

2 FINANCIAL IMPLICATIONS

- 2.1 The purchase of this ex-RTB property requires expenditure of £320,500 plus costs. The total cost will be £333,615 including provision for repairs and legal fees and will be funded directly from the £5m unallocated new homes capital budget, within the HRA. The purchase will be partly funded with £100,085 of RTB 1-4-1 receipts. The net cost to the council is approximately £233,500
- 2.2 With the exception of individual grants and funds hypothecated for particular schemes the funding of the overall programme is undertaken annually to maximise the councils financial flexibility and this means decisions upon the final mix of funding have yet to be made.
- 2.3 The financial appraisal contained in Appendix 1 confirms that, at an affordable rent, the purchase meets the council's viability threshold and has a positive net present value of £19,752.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Council has power under s.17 of the Housing Act 1985 to acquire properties for the purposes of providing housing accommodation and a general power under s.120 of the Local Government Act 1972 to acquire properties. S.12 of the Local Government Act 2003 gives the Council the power to invest for any purpose relevant to its functions.
- 3.2 The Section 9E of the Local Government Act 2000 allows delegation of the functions of the Cabinet to an officer of the Council. The purchase of a single property such as requested in this decision is able to be taken under paragraph 2.4 of Part 3.2 of the constitution by the relevant portfolio holder, in this matter the Cabinet Member for Housing and Asset Management.

4 CONSULTATION AND COMMUNICATION

- 4.1 As part of the preparation of the report TACT were invited to comment on the proposal, there comments will be updated at the meeting

4.2 Local Ward Members have been advised of the proposed purchase and their comments included in paragraph 10 below.

5 ENVIRONMENTAL CONSIDERATIONS

5.1 The Housing Service considers environmental and ecological factors when developing new build properties and preparing major works plans including estate improvements, working closely with planning officers and the Council's Landscape Team where appropriate. Additional costs for meeting these responsibilities are included in project appraisals and scheme budgets

6 EQUALITY IMPACT ASSESSEMENT

6.1 The proposed acquisition is in accordance with current housing policies and strategies which have all been subject to equality impact assessment

7 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<i>That Council owned dwellings fail to meet decent home standards</i>	An effective programme of future works and sound financial planning ensures that these standards are met and then maintained.	
<i>Delays to committing Right to Buy receipts may result in uncommitted receipts having to be repaid to Government.</i>	Acquiring properties is an appropriate use of Right to Buy receipts and make a positive contribution to the Housing Strategy and Council Plan.	
<i>The HRA can borrow funds in addition to utilising external receipts and reserves but it must be able to service the loan interest arising and repay debt in the future.</i> <i>Staffing resources (not always in Housing) reduce the ability to push forward new schemes at the required pace.</i>	Regular monitoring of budgets and business plans, together with the use of financial assessment tools enables the Council to manage resources effectively. Staffing resources have been reviewed to support the delivery of the enhanced new build programme	The Council monitor's Government announcements on the use of RTB receipts and potential capital grant funding
<i>Risks, mitigation and</i>	New build Schemes and acquisitions are financially	

<i>opportunities are managed through regular project monitoring meetings</i>	evaluated and have to pass financial hurdles and demonstrate VFM.	
<i>Legal The provision of social housing is a statutory requirement. Changing Government priorities place a greater emphasis on social housing which must be monitored and considered within planning of future new build projects.</i>	Government statutory requirements and policy changes are being monitored to identify any new risks or opportunities that they may bring.	To create new housing developments within new guidelines and drawing on innovative thinking.

8 OTHER KEY ISSUES

8.1 None.

9 SUPPORTING INFORMATION:

9.1 The property is a 3 bed detached ex RTB house with a small front and rear garden for which there is a local housing need. The proposed purchase will increase the stock of suitable HRA housing in Stanmore at an affordable rent level and may be beneficial if, at some stage in the future, the Council choose to develop a large plot of land adjacent to the property.

10 OTHER OPTIONS CONSIDERED AND REJECTED

10.1 The local Ward Members have been consulted and support the purchase of the property to increase the supply of local affordable family accommodation. Reservations were expressed about the timing of any future redevelopment of the plot of land adjacent to the property as this area of the Stanmore estate has seen significant development in recent years.

BACKGROUND DOCUMENTS:-

Previous Cabinet/Committee Reports or Cabinet Member Decisions:-

CAB3214 (HSG) Housing Revenue Account Budget 2020-21 and Business Plan - 22 January 2020.

CAB3231 (HSG) Housing Revenue Account (HRA) Property acquisitions 11 March 2020

Other Background Documents:-

None

APPENDICES:

Exempt Appendix 1 – Details of the Proposed Acquisition

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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