

CABINET COMMITTEE: HOUSING

Monday, 10 July 2023

Attendance:

Councillors
Westwood (Chairperson)

Becker

Cutler

Non-voting invited councillors

Councillors Batho, Horrill and Miller

Non-voting invited TACT representatives

Mr D Chafe and Mr D Light

Apologies for Absence:

Councillors Scott

[Video recording of this meeting](#)

1. **APOLOGIES**

Apologies were received as noted above.

2. **DISCLOSURE OF INTERESTS**

There were no declarations of interest made.

3. **PUBLIC PARTICIPATION**

Ian Tait spoke regarding the new homes programme update and CAB3406(H) and his comments are summarised under the relevant minutes below.

4. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED:

That the minutes of the previous meeting held 21 March 2023 be agreed as a correct record.

5. **CHAIRPERSON'S ANNOUNCEMENTS**

The Chairperson announced that following the receipt of the Local Authority Housing Fund (LAHF) government grant of £2.7m to assist with proposals to house refugees which was reported to the Committee at its March meeting, the

council had successfully contracted to purchase 16 former houses in multiple occupation and reinstate them as family homes. Following an approach to the Department for Levelling Up, Housing and Communities (DLUHC) the Council has been offered additional LAHF funding to finance the acquisition of 22 additional homes. This requires approval of a revised memorandum of understanding and a report will be submitted to Cabinet on 13 September 2023.

6. **NEW HOMES PROGRAMME UPDATE (VERBAL UPDATE)**

Ian Tait spoke during public participation as summarised briefly below.

He reiterated his suggestion made at previous meetings that the council required a site capable of delivering a far greater number of homes in order to meet its targets. He queried whether there were any current proposals for new council homes at Pitt Vale. He also asked how the phosphates issue was impacting on the new homes programme. Finally, he queried the current situation regarding affordable housing provision on the North Whiteley MDA.

Councillor Westwood and the Head of New Homes Delivery responded to the comments made, including confirming that the emerging local plan did not include any proposals for development at Pitt Vale.

The Head of New Homes Delivery gave a presentation which was available on the council's website [here](#) and responded to questions and comments raised by members on the following:

- a) car parking provision at Southbrook Cottages and Woodman Close.
- b) update on the progress of the Passivhaus plus scheme at Micheldever.
- c) update on the provision of an extra care scheme at Kings Barton.
- d) the anticipated demand for the new one-bedroomed flats at Winnall.
- e) the enhanced open space provision at Abbots Barton in relation to the Dyson Road development.

RESOLVED:

That the update be noted.

7. **ESTABLISHING A LOCAL HOUSING COMPANY (LESS EXEMPT APPENDICES)**
(CAB3406(H))

Councillor Westwood introduced the report which set out the financial business plan for consideration and referral to Council for approval.

Ian Tait spoke during public participation as summarised briefly below.

He highlighted the number of years the council had been discussing the proposal for a local housing company and queried what the benefits would be. He was unsure about the financial modelling and believed that the additional housing proposed could have been offered in conjunction instead with a registered housing provider. He also queried why the housing company had not been used to purchase the 16 HMOs referred to under the chairperson's announcements above.

The Strategic Director responded to the comments made, including outlining the benefits to the HRA of the housing company.

The Strategic Director, Corporate Head of Housing and Corporate Head of Finance responded to questions and comments from members and TACT representatives on the following:

- a) The acknowledged potential risk and impact on the General Fund through the VAT treatment on expenditure;
- b) The requirement to produce financial accounts in two different formats.
- c) The level of the proposed management charges to be deducted by Venta Living Ltd from rent collected prior to passing over to the council.
- d) Whether the company had sufficient flexibility to take on different housing projects in the future.
- e) The liability of the company directors.
- f) The governance arrangements for monitoring and reports back from the housing company.
- g) The calculation of the fee for services provided by the council to the housing company, including confirmation that this would be reviewed annually.

The Committee members (including invited councillors) then moved to exempt session to discuss the contents of the exempt appendices before returning to open session to consider the recommendations as set out below.

The Cabinet Committee agreed the following for the reasons set out above and outlined in the report.

RESOLVED:

1. That the draft financial business plan included at exempt Appendix B of the report be recommended for approval at full council.
2. That subject to approval of the financial business plan by full Council, the Strategic Director with housing responsibility be authorised to:
 - a) Finalise the lease of one block of 41 one-bedroom flats at Winnall from the council to Venta Living Ltd.
 - b) Approve General Fund capital expenditure of £150,000 for the equity investment in Venta Living Ltd by the council, which is a sufficient level of funding for working capital purposes.
3. That the soft marketing of the units at Winnall by Venta Living Ltd be authorised so tenancies commence with the minimum of delay following completion subject to full Council agreeing the reserved matters.
4. That appointment of Fiander Tovell Ltd as external auditors be referred for approval to full Council.

That it be recommended to Council*:

5. That the draft financial business plan included at exempt Appendix B of the report be approved.

6. To approve the appointment of Fiander Tovell Ltd as external auditors to Venta Living Ltd as recommended by Cabinet Committee: Housing.

8. **DATES OF NEXT MEETINGS**

Councillor Westwood confirmed that he was happy to receive suggestions for future items for consideration at this committee.

RESOLVED:

That the dates of the future meetings of the Committee be noted.

9. **EXEMPT BUSINESS:**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2. 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 100I and Schedule 12A to the Local Government Act 1972.

<u>Minute Number</u>	<u>Item</u>	<u>Description of Exempt Information</u>
10	Establishing a Local Housing Company (exempt appendices)) Information relating to the) financial or business affairs of) any particular person (including) the authority holding that) information). (Para 3 Schedule) 12A refers)

10. **ESTABLISHING A LOCAL HOUSING COMPANY (EXEMPT APPENDICES)**
(CAB3406(H))

The Strategic Director, Corporate Head of Finance and the Monitoring Officer responded to questions from members and provided further assurance on the following some concerns expressed regarding the potential risk and impact of the VAT treatment on expenditure and whether there were any further risks

created by the government's current rent reform proposals. It was confirmed that the model proposed for the housing company had been used previously by other local authorities and the council had sought and received assurances from external legal advice.

RESOLVED:

That the contents of the exempt appendices be noted.

The meeting commenced at 10.00 am and concluded at 11.45 am

Chairperson