

Minutes of a meeting of the **CABINET** held in Meeting Room 1, Council Offices, Priory Road, Spalding, on Tuesday, 17 December 2019 at 10.00 am.

PRESENT

C N Worth (Deputy Leader)

G J Taylor (Deputy Leader)

T A Carter

P E Coupland

R Gambba-Jones

C J Lawton

Cabinet Support Members: Councillor H Drury

The Chief Executive, the Executive Director Strategy and Governance, the Executive Director Commercialisation (S151), the Executive Director Place, the Executive Manager Growth, the Executive Manager Governance, the Strategic Finance and Compliance Manager, the Strategic Housing Manager and Housing Landlord Manager, the HRA Account/Business Partner and the Democratic Service Officer.

Apologies for absence were received from or on behalf of Councillors G A Porter, A Casson and A R Woolf, together with South Holland Citizens Advice Bureau.

In Attendance: Councillor B Alcock (Chairman, Performance Monitoring Panel) and Councillor A M Newton (Independent Group Leader).

**64. DECLARATIONS OF INTEREST.**

Councillor Coupland informed the meeting that in relation to agenda item 4, in the interests of transparency, he wished it to be recorded that he had a biased interest in Welland Homes and would not take part in debate and would also abstain from the vote.

Councillor Drury informed the meeting that in relation to agenda item 4, in the interests of transparency, he wished it to be recorded that he had a non-pecuniary interest in Welland Homes.

Councillor Alcock informed the meeting that in relation to agenda item 4, in the interests of transparency, he wished it to be recorded that he had a non-pecuniary interest in Welland Homes.

Councillor Lawton informed the meeting that in relation to agenda item 4, in the interests of transparency, she wished it to be recorded that she is the Shareholder representative.

Action By

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**65. EXCLUSION OF PRESS AND PUBLIC**

In response to a question about the public interest and whether this was met by excluding the press and public, the Executive Manager for Governance expressed his view that release of financial data, including business modelling for Welland Homes and South Holland District Council, could have a detrimental impact on future schemes. In addition, releasing information about this specific scheme could damage the relationship with the developer and put the scheme at risk.

**DECISION:**

Under section 100A (4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of part 1 of Schedule 12A of the Act.

**66. STANDING ORDER 29 - REFERENCE BACK TO CABINET FROM THE COUNCIL MEETING ON 27 NOVEMBER 2019, IN RESPECT OF ACQUISITION OF MARKET DWELLINGS TO PROVIDE NEW AFFORDABLE HOUSING FOR THE HRA**

Consideration was given to the report of the Portfolio Holder Housing and Health and the Executive Director Commercialisation (S151) – which, in accordance with Standing Order 29 (reference back to Cabinet from the Council meeting 27 November 2019) reviewed feedback and explored options in respect of acquisition of market dwellings to provide new affordable housing for the HRA.

In considering the issue, the Cabinet had regard to the content of the report and concluded that it should not change its original decision taken on 29 October 2019 for the following reasons:

1. The reasons set out at section 6 of the confidential report.
2. There is a need for HRA properties in Donington with families waiting for social housing.
3. The recommendation increases the supply of new homes immediately.
4. The competition for S106 housing is significant.
5. If sold under Right to Buy, the properties would have likely increased in value, mitigating the potential discount after Year 15.
6. There is a significant homelessness issue. The acquisition of

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HRA dwellings enables families to be moved from temporary accommodation.

7. Further information received on the modelling reinforces that this would be the right decision socially and financially.
8. The dwellings are ready to be occupied, subject to due diligence.
9. The Housing Register is ready to allocate families.
10. The decision is not simply about the best financial model, the Cabinet is also mindful of the social cost of insufficient social housing.
11. The concerns raised at Council in respect of lack of detail have been responded to in the report.
12. Where the Council has disposed of garage sites, these have been remote sites to the main dwellings.
13. There are currently 12 households on the register for this type of property in Donington, this is an increased number on those previously reported.

**DECISION:**

- a) To approve the business case relating to acquisition of seven homes for the HRA.
- b) Subject to Council approval of the recommendation to Council below, to delegate the detail of agreeing the contract and reviewing the due diligence to the Executive Director – Commercialisation (the S151 Officer) in consultation with the Portfolio Holder for Housing and Health, and to complete on the purchase.
- c) To instruct officers to prepare a draft policy which sets the parameters for the type of investment deemed appropriate for each delivery vehicle.

**RECOMMENDATION TO COUNCIL:**

- d) To identify this project and its budget, as an approved HRA scheme within the Capital Programme for 2019/20 and approve the associated funding arrangements.

*(Other options considered:*

- *To progress the purchase of 7 homes, with 4 being delivered*

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*as market rented housing through Welland Homes and 3 being delivered as Affordable Rented housing for the HRA;*

- *To progress the purchase of 4 homes, but with a view to deliver those homes as market rented housing through Welland Homes*
- *Not proceed with the acquisition*

*Reasons for recommendation:*

- *To provide direction on the next steps concerning the potential investment in properties at Donington)*

(The meeting ended at 10.43 am)

(End of minutes)

These minutes are published on **Friday 20 December 2019**. In accordance with the Council's Constitution the DECISIONS detailed above will come into force and be able to be implemented immediately as they were previously published on 29 October 2019 and were not called in.

Any FINAL DECISIONS and any URGENT DECISIONS take effect immediately.

Any RECOMMENDATIONS TO COUNCIL detailed above will be submitted for consideration to the meeting of the full Council on Tuesday 17 December 2019.