

Minutes of a meeting of the **CABINET** held in line with The Local Authorities & Police & Crime Panels (Coronavirus) (Flexibility of Local Authority & Police & Crime Panel Meetings) (England & Wales) Regulations 2020, on Tuesday, 27 April 2021 at 10.00 am.

PRESENT

G A Porter (Leader)

P E Coupland (Deputy  
Leader)  
C N Worth (Deputy  
Leader)  
A Casson

R Gambba-Jones  
R Grocock  
C J Lawton

E J Sneath  
G J Taylor

Executive Support Members: A C Beal and N H Pepper.

The Executive Director Commercialisation (S151), the Strategic Finance and Compliance Manager, the Strategic Housing Manager, the Housing Landlord Services Manager, the Housing Services Manager, the Democratic Services Manager and the Democratic Services Team Leader.

Apologies for absence were received from or on behalf of Councillors J R Astill, J L Reynolds, A M Newton, A R Woolf and T A Carter, together with Lincolnshire Community & Voluntary Service and Lincolnshire Police.

In Attendance: Councillor B Alcock (Chairman, Performance Monitoring Panel)

**74. MINUTES**

The minutes of the meeting held on 16 February 2021 were agreed, and would be signed by the Leader as a correct record as soon as reasonably practical after the meeting.

**75. DECLARATIONS OF INTEREST.**

Councillor Coupland did not have a Disclosable Pecuniary Interest, but in the interests of transparency, declared that in relation to agenda item 10, he was on the Board of Directors of Welland Homes Ltd. He stated that, whilst remaining in the meeting, he would take no part in the discussion, or vote on the item.

Councillors Sneath and Alcock did not have a Disclosable Pecuniary Interest, but in the interests of transparency, declared that in relation to agenda item 10, that they were on the Board of

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Directors of Welland Homes Ltd.

The Leader of the Council declared an interest in relation to agenda items 8, 9 and 10, as they related to the purchase of new properties, and he had the potential to know the parties involved. He would take no part in the discussion, and would leave the meeting for consideration of these items.

**76. QUESTIONS RAISED BY THE PUBLIC UNDER THE COUNCIL'S CONSTITUTION (STANDING ORDERS).**

There were none.

**77. TO CONSIDER ANY MATTERS WHICH HAVE BEEN SUBJECT TO CALL-IN.**

There were none.

**78. TO CONSIDER MATTERS ARISING FROM THE POLICY DEVELOPMENT AND PERFORMANCE MONITORING PANELS**

There were none.

**79. REVIEW OF HOUSING ALLOCATIONS AND LETTINGS POLICY**

Consideration was given to the report of the Portfolio Holder for HRA and Private Sector Housing, and the Executive Director Commercialisation, which sought approval of the revised Housing Allocations and Lettings Policy, and advised members of the consultation process required to implement the new policy.

The following points were highlighted:

- The year of the date in section 5.6.2 of the report was incorrect – it should read 2020.
- It was confirmed that the list of allocations not covered by the policy, and listed at section 1.8 of Appendix A, were covered within the Tenancy Management Policy that had been considered by the Cabinet in December 2020.

**DECISION:**

- a) That the revised Housing Allocations and Lettings Policy be adopted, subject to formal consultation with partner Registered Providers; and
- b) That amendments to the appendices of the Policy, and minor operational amendments, following consultation with partner Registered Providers, be delegated to the Housing Landlord

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Services Manager, in consultation with the Portfolio Holder for HRA and Private Sector Housing.

*(Other options considered:*

- *To do nothing, and continue to adopt the 2019 policy.*

*Reasons for decision:*

- *To reflect the changing housing landscape nationally and locally, in response to Covid-19 and the Homeless Reduction Act;*
- *To allow greater numbers of households to join the Register – by allowing a greater number of circumstances to qualify by partially relaxing qualification criteria, this will provide a truer reflection of the housing need in South Holland, and attract additional building of social housing in the district, investment of funding from Homes England and Registered Providers;*
- *To dispel the myth that individuals need to be homeless to be housed by the Council, and to support officers advising applicants to take responsibility of their own circumstances and seek alternative accommodation. This approach could also see a reduction in the number of households making declarations as homeless to the authority; and*
- *To continue to focus the policy to a vision of ensuring allocations for the “Right Person, Right Place, Right Time and at the Right Price”.)*

**80. ACQUISITION OF S106 AFFORDABLE HOUSING FOR THE HOUSING REVENUE ACCOUNT**

Consideration was given to the report of the Portfolio Holder for Assets and Planning and the Executive Director – Commercialisation (S151 Officer) which set out details of the potential for the authority to acquire eight s106 affordable homes on a development site in the district.

**DECISION:**

- a) To approve the business case and approve the acquisition of eight homes within Surfleet for the HRA;
- b) To delegate to the Executive Director – Commercialisation (S151) to agree the contractual matters (including any terms and conditions which may represent a minor variation to the scheme approved in the business case) such as signing the contract/transfer document and other incidental actions that may be required and approving the associated due diligence and valuation required to purchase the properties;

**RECOMMENDED TO COUNCIL:**

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- c) To amend the Capital Programme to identify the project as an approved scheme in the 2021/22 Budget.

*(Other options considered:*

- *Do nothing – under this option, the authority would not proceed to purchase the properties, and as a consequence, the expected benefits listed in Section 9 of the report would not be realised. Officers would seek to identify alternative appropriate schemes for consideration.*

*Reasons for decision:*

- *A return on investment, and the generation of capital receipts from the sale of the initial tranche of shared ownership properties;*
- *The delivery of eight additional dwellings into the HRA;*
- *Meeting housing need;*
- *The replacement of homes sold through Right to Buy;*
- *The new homes could be part-funded from the time limited Right to Buy receipts; and*
- *Market confidence.)*

(The Leader left the meeting at the start of consideration of this item, and did not return to the meeting).

**81. ACQUISITION OF HOUSING FOR THE HOUSING REVENUE ACCOUNT**

Consideration was given to the report of the Portfolio Holder for Assets and Planning and the Executive Director – Commercialisation (S151 Officer), which set out details of the potential for the authority to acquire twelve new build homes for Affordable Rent tenure, on a development site in the district.

Officers confirmed that the purchase price had been agreed with the developer, that this was below the market value, but that the total capital cost to the authority took the price above market value. An appropriate amount for due diligence and on-costs had been included in the financial evaluation, and as part of usual processes, best value for the authority was being sought, to ensure on-costs could be reduced as much as possible.

**DECISION:**

- a) To approve the business case and approve the acquisition of twelve homes for the HRA;
- b) To delegate to the Executive Director – Commercialisation (S151) to agree the funding and contractual matters (including any terms and conditions which may represent a minor variation to the scheme approved in the business case) such

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as signing the contract/transfer document, making an application for Homes England grant funding, utilising Right to Buy sales receipts for this project and other incidental actions that may be required and approving the associated due diligence and valuation required to purchase the properties;

**RECOMMENDED TO COUNCIL:**

- c) To amend the Capital Programme to identify this project as an approved scheme in the 2021/22 Budget.

*(Other options considered:*

- *Do nothing – under this option, the authority would not proceed to purchase the properties, and as a consequence, the expected benefits listed in Section 9 of the report would not be realised. Officers would seek to identify alternative appropriate schemes for consideration.*

*Reasons for decision:*

- *A return on investment;*
- *The delivery of twelve additional dwellings into the HRA;*
- *Meeting housing need;*
- *The replacement of homes sold through Right to Buy;*
- *The new homes can be part-funded from the time limited Right to Buy receipts;*
- *Alternatively, in lieu of utilising Right to Buy receipts, the new homes could be part-funded via Homes England grant funding,*
- *Additional funding streams will improve the financial performance of the project; and*
- *Market confidence.)*

**82. WELLAND HOMES BUSINESS PLAN UPDATE,  
INCORPORATING HOLBEACH ROAD, SPALDING**

Consideration was given to the report of the Executive Director – Commercialisation (S151 Officer) which presented a business case to Cabinet, and presented to Council, as sole shareholder for Welland Homes Ltd, a proposal from the Company to purchase six houses for the purposes of market rental investment and an updated Welland Homes Business Plan.

**DECISION:**

- a) To approve the business case for the acquisition by Welland Homes Ltd of six houses, for the purposes of a market rental investment;
- b) That, subject to the refreshed business plan and budget being approved by the Council in accordance with recommendation

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(c) below, delegated authority be granted to the Executive Director – Commercialisation (the S151 Officer), to (i) approve the terms of any loan agreements required; (ii) approve the value and the profile of any periodic cash flow payments to be made to the Company, as required to support the Company in the acquisition of the proposed investment properties;

**RECOMMENDED TO COUNCIL:**

- c) That the updated Welland Homes Business Plan be approved, and included as an amendment in the next SHDC Quarterly report to members;
- d) To reaffirm the delegated authority, granted by Council on 25 March 2015, to the Executive Director – Commercialisation (the S151 Officer), to approve the final mix of use of reserves and borrowing in line with the business plan and Council Treasury Management Strategy.

*(Other options considered:*

- *Do nothing – without the approval of the shareholder, Welland Homes would be unable to proceed with the proposed investment. This in turn would limit the delivery of housing from Welland Homes under the existing Business Plan and leave the Company unable to deliver forecasted returns.*

*Reasons for decision:*

- *Support the delivery of the wider Welland Homes Business Plan, which would in turn support the delivery of savings targets set out in the Council's Medium Term Financial Plan;*
- *Increase housing supply to address demand;*
- *Boost to the local economy;*
- *Improve the quality of rented sector accommodation;*
- *Generate income for the Council.)*

**83. ANY OTHER ITEMS WHICH THE LEADER DECIDES ARE URGENT.**

There were none.

(The meeting ended at 10.27 am)

(End of minutes)

Any RECOMMENDATIONS TO COUNCIL detailed above will be submitted for consideration to the meeting of the full Council on **19 May 2021**.