



## APPENDIX 2

### AGENDA ITEM: 11(a)

**EXECUTIVE OVERVIEW &  
SCRUTINY COMMITTEE:  
30 September 2010**

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**Report of: Council Secretary and Solicitor**

**Relevant Portfolio Holder: Councillor Mrs V Hopley**

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### **SUBJECT: AFFORDABLE HOUSING**

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Wards affected: Borough wide

#### **1.0 PURPOSE OF THE REPORT**

1.1 To consider the decision of Cabinet in respect of the introduction of two schemes aimed at assisting in meeting affordable housing need in the Borough.

#### **2.0 RECOMMENDATIONS**

2.1 That the report attached at Appendix 1, Minute 61 of Cabinet detailed at paragraph 3.2 below and the comments of the Executive Manager Housing and Property Maintenance Services set out in paragraph 4 below, be considered and any agreed comments be considered by Council on 20 October 2010.

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#### **3.0 BACKGROUND**

3.1 The report of the Executive Manager Housing and Property Maintenance Services, which was considered at Cabinet on 14 September 2010, is attached at Appendix A to this report.

3.2 The minute of Cabinet reads as follows:-

#### **“61. AFFORDABLE HOUSING**

Councillor Hopley introduced the report of the Executive Manager Housing and Property Maintenance Services which recommended the introduction of two schemes aimed at assisting in meeting affordable housing need in the Borough, utilising funds set aside for this purpose.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED:
- A. That the Transfer Incentive Scheme (Appendix A) and Cash to Leave Scheme (Appendix B) be approved subject to Item 9 on Appendix B entitled 'Property Location' being reviewed by the Executive Manager Housing and Property Maintenance Services and a recommendation being considered by Council on 20 October 2010.
  - B. That the existing Affordable Housing Capital Budget of £356,000 for 2010-11 be used to fund those schemes based on the budget details set out in paragraph 14.1 of the report.
  - C. That the Executive Manager Housing and Property Maintenance Services be authorised to amend the Housing Allocation Policy to allow that an additional bedroom be allowed for those transfer applicants who qualify under the Transfer Incentive Scheme.
  - D. That the Executive Manager Housing and Property Maintenance Services be authorised, in consultation with the Housing Portfolio Holder to make minor alterations to these initiatives in order to make them appropriate and relevant.
  - E. That any underspend from the Transfer Incentive Scheme and Cash to Leave Scheme for 2010/2011 be transferred to Reserves for the purposes of continuing to operate the schemes.
  - F. That this report be referred to the next meeting of the Executive Overview and Scrutiny Committee and the Tenants and Residents Forum to enable them to submit comments to be considered by Council on 20 October 2010."

#### **4.0 COMMENTS OF THE EXECUTIVE MANAGER HOUSING AND PROPERTY MAINTENANCE SERVICES**

- 4.1 While the overall aims and principles of both schemes were welcomed, there was a desire to understand the approach referred to in Section 9 on Appendix B entitled 'Property Location' as it appears to limit peoples purchasing choice.
- 4.2 Section 9 was introduced out of recognition that there are three distinct housing market areas within West Lancashire each with varied house price ranges.

These are described as:

- Former new town of Skelmersdale
- Market Town Areas of Ormskirk, Aughton and Burscough
- Rural Settlements

Additionally, the Council is keen to see an increase in home ownership in all parts of the Borough, however within Skelmersdale home occupation rates are

disproportionate to the rest of the Borough. The regeneration of Skelmersdale Town Centre is a strategic priority for the Council, and aligned with that is encouraging more households to invest in that location to support the local economy. With that in mind the following approach was presented.

<b>Tenants Existing Council Home</b>	<b>Can Purchase in</b>
<ul style="list-style-type: none"> <li>• Former new town of Skelmersdale</li> </ul>	<ul style="list-style-type: none"> <li>• Former new town of Skelmersdale</li> </ul>
<ul style="list-style-type: none"> <li>• Market Town Areas of Ormskirk, Aughton and Burscough</li> </ul>	<ul style="list-style-type: none"> <li>• Former new town of Skelmersdale</li> <li>• Market Town Areas of Ormskirk, Aughton and Burscough</li> </ul>
<ul style="list-style-type: none"> <li>• Rural Settlements</li> </ul>	<ul style="list-style-type: none"> <li>• Former new town of Skelmersdale</li> <li>• Market Town Areas of Ormskirk, Aughton and Burscough</li> <li>• Rural Settlements</li> </ul>

4.3 The perceived benefits of such an approach is:

- It encourages households currently residing in Skelmersdale to remain in Skelmersdale but promotes home ownership.
- May facilitate more households being able to be helped through the scheme, as house prices in Skelmersdale and Market Town Areas of Ormskirk, Aughton and Burscough are lower than rural areas.
- Ringfences the use of the fund for purchases of houses within West Lancashire.

4.4 If it is felt Section 9 should be removed then consideration will need to be given to whether the provision of a cash payment through the Cash to Leave scheme, using funds from West Lancashire Borough Council should or should not be allowed to be used for an applicant to purchase a property out of West Lancashire.

4.5 Alternative approaches in respect of Section 9 are:

- a) Retain Section 9 in its current format
- b) Amend Section 9 as thought appropriate
- c) Remove existing content of Section 9 but replace content stating that a household approved on to the scheme will be able to purchase property anywhere within or beyond West Lancashire Borough Council Boundary
- d) Remove existing content of Section 9 but replace content stating that a household is able to purchase property anywhere within or beyond West Lancashire Borough Council Boundary, but restrict it to another boundary, eg. Lancashire and / or Merseyside.
- e) Remove existing content of Section 9 but stipulate that a household will be required to purchase property within West Lancashire Borough Council Boundary

4.6 Should Elected Members wish to remove or amend section 9 then it is not fundamental to the operation of the scheme and therefore the scheme can still operate.

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### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

### **Equality Impact Assessment**

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

### **Appendices**

1. Report of the Executive Manager Housing and Property Maintenance Services – Affordable Housing – Cabinet 14 September 2010.