

AGENDA ITEM: 8

COUNCIL: 20 October 2010

Report of: Executive Manager Housing and Property Maintenance Services

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SUBJECT: AFFORDABLE HOUSING

RVL/EH2.940coun 7 October 2010

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To endorse the decision of Cabinet to introduce two schemes that aim to assist in meeting affordable housing need and to approve a funding adjustment to utilise current budgetary provision for this purpose, taking into account comments of the Executive Overview and Scrutiny Committee and the Tenant and Resident Forum.

2.0 RECOMMENDATIONS

- 2.1 That Minute 61 of Cabinet held on 14 September 2010, as detailed in paragraph 3 below, be endorsed.
- 2.2 That Minute 28 of the Executive Overview and Scrutiny Committee held on 30 September 2010, detailed in paragraph 4 and the comments of the Tenants and Residents Forum as detailed in paragraph 5, be noted.
- 2.3 That the Housing Portfolio Holder make specific recommendations at Council in relation to the review of Item 9 on Appendix B to the Cash to Leave Scheme, where reference was made about property location.
- 2.4 That a funding adjustment be made whereby the balance of the £140,000 on the affordable housing capital budget be swapped with the existing HRA revenue contribution to capital budget in order to enable the Transfer Incentive Scheme which is revenue in nature to proceed.

3.0 CABINET DECISION

- 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 1 to this report, which contains proposals that had been agreed in principle by the Affordable Housing Panel to utilise the available 2010/2011 budget for affordable housing which would deliver an immediate contribution to assist housing need within the Borough.
- 3.2 When Cabinet considered this report they were in support of both the Transfer Incentive Scheme and the Cash to Leave Scheme, but requested that a review of Item 9 to the Cash to Leave Scheme, regarding property location, should be carried out prior to the Council meeting and that consultation should take place with both the Executive Overview and Scrutiny Committee on 30 September and the Tenant and Resident Forum on 5 October.
- 3.3 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 FROM THE EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE

- 4.1 The report of the Council Secretary and Solicitor which was considered at Executive Overview and Scrutiny Committee which is attached at Appendix 2. The Committee made no formal recommendation to Council on their preference regarding Item 9. The report highlights the advantages and disadvantages of having a condition within the Scheme to limit peoples opportunity to move anywhere within the Borough or wider country. The advantages and disadvantages of each of these approaches has been laid out for Members and I would respectfully ask Members to read this and that the Portfolio Holder for Housing be requested to bring forward proposals to Council on this item, which can be considered on the evening. Any changes to Section 9 are not fundamental to the Scheme and Members views are sought on this.
- 4.2 The minute of Executive Overview and Scrutiny Committee reads as follows:

"28. AFFORDABLE HOUSING

Consideration was given to the report of the Council Secretary and Solicitor which set out the decision of Cabinet, at its meeting on 14 September 2010, in relation to an item on Affordable Housing and which sought comments, if any, of this Committee prior to consideration by Council on 20 October 2010.

The Executive Manager Housing and Property Maintenance Services in his introduction to the item drew Members attention to Section 9 on Appendix B entitled 'Property Location'.

Members made general comments in respect of the following:

- Purchasing choices including ability to purchase property elsewhere
- Imposition of restrictions
- Mechanism, particularly in relation to down-sizing
- Shortage of two-bedroom accommodation in some areas
- Area boundaries

RESOLVED: That the reported be noted."

5.0 COMMENTS FROM THE TENANTS AND RESIDENTS FORUM

5.1 The Tenant and Resident Forum met on the 5 October, and this was the Annual General Meeting of the Forum. Time did not permit for the matter to be fully considered at their meeting and it was therefore decided that a small group of

residents, selected by the Forum, would make comments on their behalf. I will advise Members prior to the Council meeting of the views of residents regarding the two Schemes which are being considered this evening.

6.0 CONCLUSION

- 6.1 Cabinet have approved the Transfer Incentive Scheme which looks to allow Tenants to "down size" into smaller accommodation, which will release suitable accommodation for people on the waiting list or transfer list who are currently inadequately housed. It will help reduce the waiting times for people who are currently in housing need. The Cash to Leave Scheme will create vacancies within the housing property portfolio which, once again, will assist people in housing need. The cost of the Cash Incentive Scheme is less than the amount of discount, on average, that we pay to people that exercise the Right to Buy and therefore would represent value for money. I would propose these Schemes to you.
- 6.2 The Affordable Housing Cabinet Group will continue to shape and recommend affordable housing approaches for the borough. These two schemes are intended to form a range of affordable housing approaches to help meeting affordable housing need. I would propose these schemes to you.

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. Appendix 1 Report of the Executive Manager Housing and Property Maintenance Services Affordable Housing Cabinet and Council
- Appendix 2 Report of the Council Secretary and Solicitor Affordable Housing – Executive Overview and Scrutiny Committee