

Decision No: CAB32 – 24/09/08

Forward Plan No: CAB3347

This record relates to Agenda Item 75 on the agenda for the Decision-Making

## **RECORD OF CABINET DECISION**

<b>DECISION-MAKER:</b>	CABINET
<b>PORTFOLIO AREA:</b>	ADULT SOCIAL CARE & HOUSING
<b>SUBJECT:</b>	LOCAL DELIVERY VEHICLE
<b>AUTHOR:</b>	MARTIN REID

### **THE DECISION**

1. That the setting up of the proposed Local Delivery Vehicle to deliver key strategic housing and corporate priorities and generate funding for investment in the HRA to improve council homes and assist the council in meeting the Decent Homes Standard be approved;
- 2(a) That the Local Delivery Vehicle (LDV) be incorporated as a Company Limited by Guarantee and charitable status be sought; and
- 2(b) That the LDV be established with a board of management of 12, comprising one third council nominees, one third BHCC tenants (selected by Area Housing Management Panels) and one third independents (appointed by the other board members of the company), and that board composition be reflected at company membership level, making the LDV independent of the council;
3. That the potential for two funding sources (namely private sector funding or via council borrowing) be noted, and that officers be instructed to undertake all actions necessary to put a private sector funding solution in place concurrently with further assessing the council borrowing option (including, if necessary, seeking any consents from the Secretary of State under sections 24 and 25 of the Local Government Act 1988). That officers be instructed to report back to a committee of the Cabinet comprising the Cabinet Members for Housing and Finance once all due diligence work is completed for determination of the funding option to be used, (it is anticipated that this will be completed by December 2008);

4. That the proposal to enter into a VAT shelter arrangement with the LDV (including a development agreement with it for the refurbishment of leased properties) be agreed and the Director of Adult Social Care and Housing be authorised to take all steps necessary for its establishment following legal advice;
5. That the Director of Adult Social Care and Housing be authorised, after consultation with Cabinet Member for Housing, to take all steps necessary or incidental to the formation of the LDV including but not limited to the granting of the leases and other steps necessary to implement the proposals in the report and to report back on progress when seeking the determination on funding solutions referred to in 2.3 above;
6. That use of up to £45 million generated from the leasing of HRA assets to the LDV for affordable housing and in particular for the carrying out of improvements to the council's retained HRA stock under the council's Decent Homes programme during the period from April 2009 to April 2016 be approved;
7. That Full Council be recommended to authorise the making of an application to the Secretary of State for consent to lease to the LDV (with vacant possession for a period of up to 125 years) the 106 Housing Revenue Account dwellings listed in the schedule contained in Part 2 of the agenda (exempt under paragraphs 1, 2 and 3 of schedule 12A to the Local Government Act 1972 (as amended)) under the requirements of s32 Housing Act 1985 and any additional application necessary or incidental to the granting of such leases or under any other relevant legislation; and
8. That Full Council be recommended to authorise the making of an application to the Secretary of State for consent to lease to the LDV (with vacant possession) for a period of up to 125 years such other Housing Revenue Account dwellings, in addition to those listed in the schedule above (up to a maximum of 499 in total, including those covered under 2.7 above, within a five year period) that satisfy the criteria referred to in paragraph 3.4.9 of the report; and for the avoidance of doubt Cabinet and Council delegate the power to make decisions on the inclusion of individual properties to the Director of Adult Social Care and Housing after consulting with the Cabinet Member for Housing.

#### **REASON FOR THE DECISION**

The reasons for the specific recommendations were set out in detail in the body of the report.

#### **DETAILS OF ANY ALTERNATIVE OPTIONS**

1. Stage 1 of the review of Housing Green Paper options analysed and evaluated alternative options for achieving the council's corporate priorities and strategic housing objectives within the parameters – set in the light of tenants' 77% vote against large scale voluntary stock transfer in February 2007 - that there should be no freehold transfer, no RSL involvement or transfer of tenanted stock; and
2. The development and finalisation phase of the proposals has further refined the options available, as set out in the report.

**OTHER RELEVANT MATTERS CONCERNING THE DECISION**

None

**CONFLICTS OF INTEREST**

**CONFIRMED AS A TRUE RECORD:**

**We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision**


**Date:**

24 September 2008

**Decision Maker:**

Councillor Mary Mears  
Leader of the Council

**Signed:**



**Proper Officer:**

24 September 2008

Mark Wall, Head of Democratic Services

**Signed:**



**SCRUTINY**

Note: This decision will come into force at the expiry of 5 working days from the date of the meeting at which the decision was taken subject to any requirement for earlier implementation of the decision.

**Call-In Period**

**25 September – 1 October 2008**

Date of Call-in (*if applicable*) (*this suspends implementation*)

Call-in Procedure completed (*if applicable*)

Call-in heard by (*if applicable*)

Results of Call-in (*if applicable*)