

AGENDA ITEM 92

HOUSING DELIVERY OPTIONS – LIVING WAGE JOINT VENTURE

CONSERVATIVE GROUP AMENDMENT

That the recommendations be amended by deleting the words in ~~strikethrough~~ and adding those shown in ***bold italics***.

2.1 That Housing & New Homes Committee

- i) Recommends the report to Policy, Resources & Growth Committee as ~~set~~ out at paragraph 2.2

2.2 That Policy, Resources & Growth Committee:

- i) Support in principle the living wage joint venture proposal ***subject to the further safeguards being put in place outlined below;***
 - a) ***That no HRA asset will be transferred or sold into the Joint Venture and this shall be written into the Heads of Terms, or equivalent legal agreement or final contracts.***
 - b) ***That the Council review options for any General Fund land being sold to the Joint Venture (including direct development), with member oversight of this being considered for any sum above and including zero pence at the Estate Regeneration Board.***
 - c) ***In order to ensure best value for money, any transfer of council owned land to the JV is publicised on the council website to any potential bidders, valued by an independent valuer or the District Valuer to ensure best consideration reasonably obtainable is achieved and submitted in the Committee papers for approval relating to the transfer.***
 - d) ***In the event of the Council's General Fund revenue budget being placed under stress or in a deficit position as a result of the JV, that the Committee note mechanisms exist for the Section 151 Chief Financial Officer to advise Members of options for managing the deficit position in order to mitigate the impact on the General Fund services. Such mechanisms include reviewing the adequacy of risk provisions and/or reserves under Section 25 of the Local Government Act 2003 or, alternatively, re-financing.***

- e) *It should be explicit in the heads of terms or subsequent contracts that any profit from the Joint Venture should be split on a 50/50 basis.*
 - f) *That the Council notes in future land transfers, a buy back clause for the council will be included if development does not commence by the JV within 3 years at the same price it was purchased by the JV.*
 - g) *Changes to the Heads of Terms be made to ensure that only the relevant Committee can agree to a change in the reserved matters list and this cannot form part of the annual business plan to be changed.*
 - h) *The Heads of Terms be amended at 4.15 to read that 90% of fair value of 3 independent valuers, including the district valuer, shall be transferred in the event of a default.*
 - i) *That the Heads of Terms lock in period should read 10 not 7 years.*
- ii) Give delegated authority to the Executive Director of Economy, Environment & Culture following consultation with the Executive Lead Officer for Strategy Governance & Law, the Executive Director of Finance & Resources, the Estate Regeneration Board and the Strategic Delivery Board to:
- a) develop and negotiate the deal with Hyde;
 - b) ~~agree and authorise execution of~~ **develop** the Heads of Terms and subsequently the documentation required to implement the proposed Joint Venture; **both of which should come back to a future Housing and New Homes Committee and Policy Resources and Growth Committee and Full Council for final approval.**
 - c) ~~make the appointments~~ **suggestions on the Council officer advisory attendees** from the Council to the management board; **The Council's three members of the board shall be city councillors apportioned as per the Council's procedures for proportional seat allocations. Such positions should be capable of being substituted for by other members, and relevant council officers may attend purely in an advisory capacity to assist members.**
- iii) Note that reserved matters (as detailed in 3.30) will come back to **the Housing and New Homes committee, as well as the Policy Resources and Growth Committee** for approval including any business plans which are to be delivered through the Joint Venture, and the disposal of land/sites to the JV.

Proposed by Councillor Janio

Seconded by Councillor G. Theobald

Recommendation (if agreed) to read:

2.1 That Housing & New Homes Committee

- i) Recommends the report to Policy, Resources & Growth Committee as set out at paragraph 2.2

2.2 That Policy, Resources & Growth Committee:

- i) Support in principle the living wage joint venture proposal subject to the further safeguards being put in place outlined below;
 - a) That no HRA asset will be transferred or sold into the Joint Venture and this shall be written into the Heads of Terms, or equivalent legal agreement or final contracts.
 - b) That the Council review options for any General Fund land being sold to the Joint Venture (including direct development), with member oversight of this being considered for any sum above and including zero pence at the Estate Regeneration Board.
 - c) In order to ensure best value for money, any transfer of council owned land to the JV is publicised on the council website to any potential bidders, valued by an independent valuer or the District Valuer to ensure best consideration reasonably obtainable is achieved and submitted in the Committee papers for approval relating to the transfer.
 - d) In the event of the Council's General Fund revenue budget being placed under stress or in a deficit position as a result of the JV, that the Committee note mechanisms exist for the Section 151 Chief Financial Officer to advise Members of options for managing the deficit position in order to mitigate the impact on the General Fund services. Such mechanisms include reviewing the adequacy of risk provisions and/or reserves under Section 25 of the Local Government Act 2003 or, alternatively, re-financing.
 - e) It should be explicit in the heads of terms or subsequent contracts that any profit from the Joint Venture should be split on a 50/50 basis.
 - f) That the Council notes in future land transfers, a buy back clause for the council will be included if development does not commence by the JV within 3 years at the same price it was purchased by the JV.
 - g) Changes to the Heads of Terms be made to ensure that only the relevant Committee can agree to a change in the reserved matters list and this cannot form part of the annual business plan to be changed.
 - h) The Heads of Terms be amended at 4.15 to read that 90% of fair

value of 3 independent valuers, including the district valuer, shall be transferred in the event of a default.

- i) That the Heads of Terms lock in period should read 10 not 7 years.
- ii) Give delegated authority to the Executive Director of Economy, Environment & Culture following consultation with the Executive Lead Officer for Strategy Governance & Law, the Executive Director of Finance & Resources, the Estate Regeneration Board and the Strategic Delivery Board to:
 - a) develop and negotiate the deal with Hyde;
 - b) develop the Heads of Terms and subsequently the documentation required to implement the proposed Joint Venture; both of which should come back to a future Housing and New Homes Committee and Policy Resources and Growth Committee.
 - c) make suggestions on the Council officer advisory attendees from the Council to the management board;. The Council's three members of the board shall be city councillors apportioned as per the Council's procedures for proportional seat allocations. Such positions should be capable of being substituted for by other members, and relevant council officers may attend purely in an advisory capacity to assist members.
- iii) Note that reserved matters (as detailed in 3.30) will come back to the Housing and New Homes committee, as well as the Policy Resources and Growth Committee for approval including any business plans which are to be delivered through the Joint Venture, and the disposal of land/sites to the JV.