

Subject:	HRA Housing Cap: Extract from the proceedings of the Council Meeting held on the 13 December 2018	
Date of Meeting:	16 January 2019	
Report of:	Executive Lead Officer for Strategy, Governance & Law	
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Wards Affected:	All	

FOR GENERAL RELEASE

Action Required of the Housing & New Homes Committee

To receive the notice of motion referred from the Council for consideration.

Recommendations: That the Notice of Motion be referred to the Housing & New Homes Committee meeting on the 16th January, 2019 for consideration.

BRIGHTON & HOVE CITY COUNCIL

COUNCIL

4.30pm 13 DECEMBER 2018

COUNCIL CHAMBER - HOVE TOWN HALL

MINUTES

Present: Councillors Simson (Chair), Phillips (Deputy Chair), Allen, Atkinson, Barford, Barnett, Bell, Bennett, Bewick, Brown, Cattell, Chapman, Daniel, Deane, Druitt, Gibson, Gilbey, Greenbaum, Hamilton, Hill, Horan, Hyde, Janio, Knight, Lewry, Littman, Mac Cafferty, Marsh, Meadows, Mears, Miller, Mitchell, Moonan, Morris, Nemeth, A Norman, K Norman, O'Quinn, Page, Peltzer Dunn, Platts, Sykes, Taylor, C Theobald, G Theobald, Wares, Wealls and Yates.

PART ONE

55. (3) HRA HOUSING CAP

- 55.7 The Notice of Motion as listed in the agenda was proposed by Councillor Mears on behalf of the Conservative Group. She welcomed the Government's decision to remove the cap on the HRA and noted the implications for the council in terms of providing council housing and ensuring that developers met the 40% affordable housing element in new projects. She therefore sought a report to the next meeting of the Housing & New Homes Committee and noted that at the last Council meeting the Chair of the Committee indicated her support to review the position.
- 55.8 Councillor Bell formally seconded the notice of motion and reserved his right to speak.
- 55.9 Councillor Gibson moved an amendment on behalf of the Green Group and stated that it sought to strengthen the motion and noted the need to suspend the Right to Buy option, in order to retain council housing rather than see the continued loss of housing at a faster rate than it was being replaced.
- 55.10 Councillor Druitt formally seconded the amendment and reserved his right to speak.
- 55.11 Councillor Hill stated that the lifting of the HRA Cap was a positive step and noted that a report had been considered at the last Housing & New Homes Committee meeting in November. She also noted that the council was already delivering affordable new homes and in partnership with Hyde Housing Association would be able to provide further homes in the future.
- 55.12 Councillor Druitt stated that there was a need to look at why the housing situation was in the position it was and to seek to address that, hence the proposed amendment. He also noted that during the previous Green Administration there had been some social rent housing built and this needed to be provided in the future.

- 55.13 Councillor Bell stated that he believed a report should come to the Housing & New Homes Committee in January and then should it be appropriate the aims of the Green amendment could be put forward. He felt that the report needed to be considered in the first instance and therefore could not support the amendment at this stage. There was also a concern that with the Joint venture, HRA land could be cherry-picked which was not necessarily a good thing. The aim had to be to provide more homes at a reasonable cost.
- 55.14 Councillor Gibson moved a point of clarification in that the current Joint Venture was based on General Fund land rather than HRA.
- 55.15 Councillor Mears noted the comments and confirmed that the amendment would not be accepted and noted that previous Governments had not attempted to remove the Right to Buy and that the HRA had already paid the General Fund for sites to build on.
- 55.16 The Mayor noted that the amendment had not been accepted and put it to the vote which was carried by 28 votes to 18.
- 55.17 The Mayor then put the following motion as amended to the vote:

“This council resolves:

1. To call upon the Chair of Housing to bring a report to the next meeting of the Housing & New Homes Committee, on 16th January 2019, that details a revised policy in the light of changes to HRA Borrowing Cap and the failure of current policies to achieve replacement of truly affordable social rents lost under the ‘Right to Buy.’ (RTB);
2. Since LGA research reveals councils have only been able to replace 1 in 5 homes sold under the RTB since 2011/12, to ask that the Chief Executive writes to the Secretary of State, requesting the option for councils to suspend RTB sales in areas where there is a shortage of affordable homes;
3. That the Chief Executive writes to the Secretary of State asking that the 30% limit on investment of RTB receipts in affordable housing be lifted; and that councils are able to include the full value of council land in the cost of building, thereby enabling scope for providing new homes at living and social rents.”

- 55.18 The Mayor confirmed that the motion had been carried by 28 votes to 18 with no abstentions.

