

Central Bedfordshire Council

Corporate Resources Overview & Scrutiny Committee

31 January
2019

Establishing a Council Owned Housing Company

Report of:	Cllr Eugene Ghent, Executive Member Assets and Housing Delivery, (eugene.ghent@centralbedfordshire.gov.uk)
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Purpose of this report

1. Reliable access to decent housing is fundamental to improving life chances and reducing dependency on wider social support systems. In Central Bedfordshire there is a shortfall between the demand for and supply of new affordable homes:
 - in absolute terms as viability issues have resulted in below policy delivery
 - in specific tenures, particularly in the provision of affordable rental housing, older people's housing and specialist accessible housing.
2. This report sets out the rationale for the creation of a wholly owned Housing Company as part of a proactive approach to increase and influence the supply of new homes in order to help address this shortfall.

RECOMMENDATIONS

The Committee is asked to:

1. **Consider the report and appendices and comment as necessary to the Executive.**

Issues

3. Central Bedfordshire as an area is seeing, and will continue to experience, significant growth; consequently, the Council is taking a pro-active approach to ensure and influence the supply of new homes in a sustainable way that

protects the character of and improves the fabric and public realm of Central Bedfordshire.

4. However there remains a shortfall between the demand and supply of new affordable homes in Central Bedfordshire, both in absolute terms as viability issues result in below policy delivery, and in specific specialist tenures especially in the provision of affordable rental housing, older people's housing, specialist accessible housing and social rented housing for large families.
5. Using its own land assets more effectively to deliver additional housing could assist in satisfying the housing demand caused by the failure of the market to deliver in these areas, whilst at the same time retaining asset value and providing greater control of what is built.
6. Intervening in the housing market through direct delivery also offers opportunities to deliver a wider housing offer in areas and tenures that reduces demand elsewhere on the Council's service provision.
7. The forthcoming Housing Enabling Strategy will provide the evidence of need in terms of numbers, tenure type and location within Central Bedfordshire. In anticipation of this developing the range of tools available to the Council to mobilise land would improve the pace of delivery and diversity of the tenures the Council can offer.
8. Whilst this approach will not provide a 'silver bullet' to address all of the housing demand issues our residents face, it will provide a method to respond proactively to the needs of residents.
9. The report to the Executive sets out the rationale for establishing a housing company, wholly owned by Central Bedfordshire Council, as an additional tool to help mobilise its own land assets to deliver housing, working alongside development via the Housing Revenue Account.

Council Priorities

10. These are identified in the attached Executive Report.

Legal Implications

11. These are identified in the attached Executive Report and associated appendix.

Financial and Risk Implications

12. These are identified in the attached Executive Report and appendices

Equalities Implications

13. These are identified in the attached Executive Report.

Conclusion and next Steps

14. The comments from the January Overview and Scrutiny Committee will be presented to the Executive on the 5th February. Because of the publication timescales this will need to be a verbal report. Appendices

Appendix 1: Executive Report: Establishing a Council Owned Housing Company

Exempt Appendix 2: Legal Advice

Exempt by reason of paragraph 5 of Schedule 12A of the Local Government Act 1972 'Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.'

Exempt Appendix 3: Indicative financial business case

Exempt by reason of paragraph 3 of Schedule 12A of the Local Government Act 1972 'Information relating to the financial or business affairs of any particular person (including the authority holding that information).'

Appendix 4: Delivery option considerations

Background Papers

None