

# HOUSING MANAGEMENT CONSULTATIVE COMMITTEE

## Agenda Item 50

Brighton & Hove City Council

**Subject:** Brighton & Hove Seaside Community Homes –  
Response to Financial & Commercial Offer from the  
Council

**Date of Meeting:** 8<sup>th</sup> November 2010

**Report of:** Strategic Director of Place

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**Wards Affected:** All

### FOR GENERAL RELEASE

#### 1. SUMMARY AND POLICY CONTEXT:

- 1.1. At the meeting in September 2008, Cabinet agreed to set up a housing company (Local Delivery Vehicle, LDV) to deliver key strategic housing and corporate priorities and to generate funding for investment in the Housing Revenue Account to improve council homes and assist the council in meeting the decent homes standard. In particular, the housing company aims to provide a stable supply of accommodation for people with particular needs and to whom the council owes a housing duty.
- 1.2. The purpose of the LDV is:
- To bring in additional investment to improve council homes and thus to meet Decent Homes Standard and tenant aspirations
  - for improvement of the stock
  - To meet strategic housing and corporate priorities. In particular, to provide accommodation for people with particular needs to whom the council owes a housing duty
  - To refurbish the leased stock.
- 1.3. The proposal complies with the following parameters, which were set in the light of tenants' overwhelming rejection of the stock transfer proposal in 2007:
- No RSL involvement
  - No freehold transfer
  - No transfer of tenanted properties
  - Maximum transfer of 499 properties within a period of 5 years.

- 1.4. On 11<sup>th</sup> November 2010, the Cabinet will consider recommendations to bring about completion of the Local Delivery Vehicle (LDV) project. The LDV, known formally by its company name, Brighton & Hove Seaside Community Homes (BHSCH), will need to secure a funder and negotiate a loan in order to purchase, via lease, property from the council in exchange for a substantial capital receipt subject to a final decision for leasing which meets the 'Best Consideration' test. The funds received by the council will be used to support the decent homes programme and meet tenants' aspirations for improvement to their homes. Cabinet's approval of the recommendations will provide BHSCH with the assurance it needs to conclude negotiations with their selected funder.

## **2. RECOMMENDATIONS:**

- 2.1 That the Housing Management Consultative Committee consider the report for the Cabinet meeting on 11<sup>th</sup> November 2010 (Appendix 1)

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Brighton & Hove Seaside Community Homes – Revised Financial and Commercial Offer from the Council. Part 1 Report to Cabinet, 11 November 2010