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SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Cabinet

Date: Tuesday, 6th October, 2020

Place: Virtual Meeting - MS Teams

Present: Councillor I Gilbert (Chair)
Councillors R Woodley (Vice-Chair), T Harp, A Jones, C Mulroney,
K Robinson and M Terry

In Attendance: A Griffin, J Williams, J Chesterton, T Forster, C Gamble, G Gilbert
A Grant and N Laver

Start/End Time: 1.00 - 1.15 pm

405 Apologies for Absence

There were no apologies for absence at this meeting.

406 Declarations of Interest

The following Councillor declared an interest as indicated:

Councillor Harp (Minute 407 – Porters Place Southend-on-Sea LLP: Additional 100 Homes Update) – Non-pecuniary interest: volunteer with Turning Tides and Youth Clubs in the wider Queensway area.

407 Porters Place Southend-on-Sea LLP: Additional 100 Homes Update

Further to the meeting of the Cabinet held on 30th June 2020, consideration was given to a report of the Executive Director (Finance and Resources) providing an update on the provision of an additional 100 affordable homes for social rent and sought approval to enter into and execute the legal agreement to secure the homes.

Resolved:

1. That it be noted that the Legal Agreement (“the Agreement”) that has been negotiated by the Council, Swan Housing Association and Porters Place Southend on Sea LLP as set out in the submitted report is now completed to secure the additional 100 affordable homes for social rent.

2. That authority be delegated to the Executive Director (Finance & Resources) and Director of Housing in consultation with the Leader to:

a) Review and, if applicable, approve any offer made under the Agreement to acquire or gap fund with nomination rights any of the 100 additional affordable homes;

b) Settle and complete the value for money terms of each acquisition or gap funding with nomination rights, within the approved capital investment programme budget;

c) In the event of an acquisition option being selected, to agree and procure the management arrangements for these units.

Recommended:

3. That an initial budget addition to the Housing Revenue Account Capital Investment Programme of £10m for this project, to be funded by the HRA capital investment reserve, be approved.

Reasons for recommendations:

1. Securing the additional 100 affordable homes supports the additional commitments as agreed at Full Council held on 21st February 2019 (Minute 737) to secure additional affordable housing and to deliver more affordable homes in the Borough.

2. The delegations provide for the Council to act expeditiously and at pace with regards to securing the additional affordable housing for social rent.

Other Options

1. Not approving the completion of the Agreement would have a negative impact on the Council's affordable housing supply and therefore it would not meet one of the requirements of the Project to maximise affordable homes nor would it remove the need for the Council to deliver more affordable homes in the Borough and further would not support the additional commitments as agreed at Full Council (Minute 737).

2. An alternative option could be to acquire units that come to market at the time and then designate as social housing. This would be subject to market conditions, as does the current proposal but without certainty that the Council would be offered these units and also potentially at a higher cost to the Council.

Note: The decisions in 1 and 2 above constitute an Executive Function. The decision in 3 above constitutes a Council Function.

Referred direct to: Place Scrutiny Committee

Cabinet Member: Cllr Gilbert

Chair: _____