

## **BROMSGROVE DISTRICT COUNCIL**

**COUNCIL**

**13<sup>th</sup> June 2018**

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### **NOTICE OF MOTION – NEW HOMES**

The following Notice of Motion has been submitted in accordance with Procedure Rule 10 by Councillor M. Thompson:

#### **Council Notes**

- Bromsgrove District Council closed its Housing Revenue Account when it transferred its housing stock to Bromsgrove District Housing Trust.
- The LGA states “local government shares the collective national ambition to build one million new homes, which will only be achieved with strong national and local leadership working together. As house builders, housing enablers, and landlords; as planners, place-shapers, and agents of growth, transport and infrastructure; as responsible guardians to the vulnerable and the homeless; and as democratically accountable to communities – local government is at the heart of the housing solution.”
- Local authorities, such as Bromsgrove District Council, are limited in how much they can build because of the cap on borrowing within Local Authority Housing Revenue Accounts.
- In Autumn Budget 2017, the Government raised the borrowing cap for councils in areas of high affordability, like Bromsgrove, by £1 billion to help achieve its target of 300,000 new homes per year. Private housebuilders have consistently provided 150,000 units per year, so the target is unlikely to be met without a significant increase in supply by local authorities.
- The precarious financial position of local authorities, such as Bromsgrove District Council, and the necessity to identify and pioneer new areas of income generation.

#### **Council Believes**

- Bromsgrove residents deserve the opportunity to live in good quality and affordable homes in Bromsgrove District.
- The only way for Bromsgrove District Council to meet its housing responsibility to its residents is if it starts building council houses again.
- If Bromsgrove District Council builds council homes, not only will they help provide an essential service to its residents, but also create a much-needed source of income.

#### **Council Resolves**

- That Bromsgrove District Council sets up a new Housing Revenue Account.

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- To form a cross party committee, including the leader and cabinet member for housing, to formulate a policy paper that prepares the Council to enter the housing market and build council houses on its own or in partnership or with social housing associations.
- To write to the Prime Minister, Chancellor of the Exchequer and Secretary of State for Housing to call for the Local Authority Housing Revenue Account borrowing cap to be removed.