

Burcot Lane Development – Disposal of Affordable Housing

Relevant Portfolio Holder	Cllr Shirley Webb
Portfolio Holder Consulted	Yes
Relevant Head of Service	Sue Hanley Deputy Chief Executive
Wards Affected	All
Ward Councillor Consulted	No
Key Decision	
This report contains exempt information as defined in Paragraph(s) 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended	

1. SUMMARY OF PROPOSALS

- 1.1 This report follows the Cabinet report of the 6th August and brings forward the disposal of the affordable housing to a Registered Provider being delivered at the at the old Council House, Burcot Lane development.
- 1.2 Following the agreement of Cabinet on the 6 August 2020, Officers have in the first instance explored the disposal of the affordable housing with bdht. The offer made by bdht is provided in Appendix 1 (confidential) which had been determined by officers as acceptable.

2. RECOMMENDATIONS

That Council **RESOLVE:-**

- 2.1 That delegated authority is given to the Deputy Chief Executive and the Head of Legal, Equality and Democratic Services to accept the offer from bdht and take all the necessary financial and legal steps to complete the sale.

3. KEY ISSUES

Financial Implications

- 3.1 Disposal of the affordable housing will generate a capital receipt for the Council.
- 3.2 The offer received from bdht is provided in appendix 1 (confidential).

Legal Implications

- 3.3 The Council as part of its planning permission for the Old Council House site is required to dispose of the affordable housing to a

Registered Provider. The Council does not have a Housing Revenue Account and so may not itself retain affordable housing stock.

- 3.4 The Council has discretion to dispose of its assets (such as land or buildings) under section 123 of the Local Government Act 1972, provided that it does not do so for a consideration less than the best that can be reasonably obtained.

Service / Operational Implications

- 3.5 The Council will have nomination rights to 100% of the initial letting of the affordable housing and 75% thereafter. These are the usual s106 nomination rights.

Customer / Equalities and Diversity Implications

- 3.6 Increasing the supply of affordable housing in the district will assist households on low incomes by providing them with good quality and secure accommodation options.
- 3.7 Occupiers of the affordable housing will be housed from the Council's housing register.

4. **RISK MANAGEMENT**

- 4.1 The Council is required by the s106 Agreement to dispose of the affordable housing to a registered provider. Other Registered Providers could be approached, but disposal to another provider will not provide the synergies afforded by BDHT's ownership of the adjoining site and may result in a lower capital return to the Council.
- 4.2 Officers have undertaken an evaluation of the offer and are content this offer is appropriate to accept.

5 **APPENDICES**

Appendix 1 – bdht offer (confidential)

6. **BACKGROUND PAPERS**

Cabinet report dated 6th August 2020

7. **KEY**

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BROMSGROVE DISTRICT COUNCIL

COUNCIL

20TH JANUARY 2021

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