

Time began: 6.00pm
Time ended: 6.25pm

COUNCIL CABINET
8 June 2016

Present Councillor Rawson (Chair)
 Councillors Afzal, Bolton, Eldret, Hussain, Repton, Russell and
 Shanker

In attendance Councillors Graves, Poulter, Smale, Stanton and Skelton and
 Philip Hutchinson (Youth Mayor)
 Paul Robinson – Chief Executive
 Christine Durrant – Strategic Director Communities and Place
 and Deputy Chief Executive
 Perveez Sadiq – Service Director Adult Social Care Services
 Janie Berry – Monitoring Officer
 Martyn Marples – Director of Finance
 Ian Fullagar – Head of Strategic Housing
 Karen Brierley – Housing Development and PFI Team Leader

This record of decisions was published on 10 June 2016. The key decisions set out in this record will come into force and may be implemented on the expiry of five clear days unless a key decision is called in.

01/16 Apologies

Apologies for absence were received from Councillors Banwait and M Holmes.

02/16 Late Items

There were no late items.

03/16 Receipt of Petitions

There were no petitions received.

**04/16 Identification of Urgent Items to which Call In will not
 Apply**

There were no items

05/16 Declarations of Interest

There were no declarations of interest

06/16 Minutes of the Meeting Held on 13 April and 16 May 2016

The minutes of the meetings held on 13 April and 16 May 2016 were agreed as a correct record and signed by the Chair.

Matters Referred

07/16 Recommendations from Corporate Scrutiny and Governance Board

The Council Cabinet considered a report on Recommendations from Corporate Scrutiny and Governance Board. The Corporate Scrutiny and Governance Board met and discussed items contained within the Council Cabinet Agenda. The report enabled the views and recommendations resulting from these discussions to be formally shared with Council Cabinet. These were submitted to Council Cabinet as Appendix 2, prior to commencement of the meeting.

Decision

To receive the report and consider the recommendations alongside the relevant report.

Key Decision

08/16 Parkland View Extra Care Apartments for Sale

The Council Cabinet considered a report on Parkland View Extra Care Apartments for Sale. On 10th July 2013, Council Cabinet authorised the Council to tender for the purchase of a development to provide affordable housing within the city. The bid was successful and Parkland View, an Extra Care development consisting of 82 apartments has just been completed.

The previous report proposed a tenure mix of affordable rent and affordable shared ownership flats for older people. It stated that the shared equity apartments would be sold at 75% of open market value with no rental charge on the retained portion as stipulated by the Homes and Communities Agency (HCA) guidance relating to affordable Older Persons Shared Ownership (OPSO) products.

The report sought approval for the marketing and sale of the shared ownership apartments and the terms of such.

The Corporate Scrutiny and Governance Board recommended that Council Cabinet

- 1) Ensure that the following issues were resolved prior to marketing the sale of properties, including:

- a. Fire safety procedures were fully signed off and any issues resolved, including the external linking of the fire alarm system, directly to the fire service if possible;
 - b. Any Equalities Act compliance issues were resolved, including the replacement of all doors that are unsuitably heavy; and
 - c. Reassures were given that overnight cover would be provided at an appropriate level tailored to the needs of the residents and ensuring the safety of residents in the event of an emergency;
- 2) Expedite the franchising of the shop, restaurant and salon facilities, providing subsidies where necessary to encourage faster levels of occupation;
 - 3) Explore a broad range of providers to deliver the shop, restaurant and salon facilities including local colleges, learning providers and training schools;
 - 4) Include a requirement for service providers to demonstrate an ethos in line with the nature of the facility and its residents; and
 - 5) To allow prospective buyers an opportunity to purchase an apartment currently proposed for rent as an alternative to those currently identified for shared ownership.

Options Considered

The Council could determine to sell the 20 flats at either 75% or full open market value. This would not however achieve the affordable housing objectives agreed by Members in July 2014 and would not contribute towards the Council's objective of freeing up large family homes which were currently under-occupied by older people. This option would also not comply with the Government's funding agreement in relation to the re-use of capital receipts as outlined in paragraph 4.11 of the report.

Decision

1. To approve that the properties be marketed for shared ownership for older people by Graham Penny Estates.
2. To approve the sales value at 75% as set out at Appendix 2 of the report, with no rental on the retained equity above 75% in accordance with HCA guidance on OPSO.
3. To agree, that the values set out at Appendix 2 of the report, be periodically reviewed by an external Chartered Surveyor.
4. To agree that where purchasers were not in a financial position to purchase 75% of the apartment, that a lower share could be bought with a rental level of 2.75% on the un-purchased share, as detailed in paragraphs 4.3 and 4.4 of the report.

5. To agree that the lease would include a service charge calculated by estimating the cost of services for the whole scheme with each lessee paying 1/82th of the total service cost, as detailed in paragraph 4.10 of the report.
6. To delegate to the Strategic Director of Communities and Place, the power to convert the tenure to affordable rent on any apartment not sold after a minimum of 6 months of active marketing.
7. To agree that any net capital receipt arising from the sale of apartments should be reserved for housing and regeneration purposes in accordance with capital regulations.
8. To accept the recommendations of the Corporate Scrutiny and Governance Board that Council Cabinet
 - a) Ensure that the following issues were resolved prior to the sale of properties, including:
 - i. Fire safety procedures were fully signed off and any issues resolved, including the external linking of the fire alarm system, directly to the fire service if possible;
 - ii. Any Equalities Act compliance issues were resolved, including the replacement of all doors that are unsuitably heavy; and
 - iii. Reassures were given that overnight cover would be provided at an appropriate level tailored to the needs of the residents and ensuring the safety of residents in the event of an emergency;
 - b) Expedite the franchising of the shop, restaurant and salon facilities, providing subsidies where necessary to encourage faster levels of occupation;
 - c) Explore a broad range of providers to deliver the shop, restaurant and salon facilities including local colleges, learning providers and training schools;
 - d) Include a requirement for service providers to demonstrate an ethos in line with the nature of the facility and its residents; and
 - e) To allow prospective buyers an opportunity to purchase an apartment currently proposed for rent as an alternative to those identified for shared ownership.

Reasons

1. This would allow the properties to be marketed through an experienced agent and provide a mixed tenure development in accordance with the supporting information within the previous approved report.
2. This confirms the market values provided by an independent Chartered Surveyor and was in line with the HCA's definition of affordable shared ownership for older people.
3. This would allow for the properties to be marketed at a value that reflects the current market conditions.
4. To allow prospective purchasers with lower value properties, who may not be eligible for affordable rented accommodation, access to the development so they can continue to live independently.
5. This would ensure that the shared ownership properties were sold in accordance with standard terms and conditions and contribute towards the on-going service and maintenance of the development and the communal facilities they would have access to.
6. This would prevent apartments being vacant for a prolonged period of time.
7. To ensure that the entire capital receipt could be retained by the Council, rather than be redistributed to the Government.

09/16 Contract and Financial Procedure Matters

The Council Cabinet considered a report on Contract and Financial Procedure Matters. The report dealt with the following items that required reporting to and approval by Council Cabinet under Contract and Financial Procedure rules:

- Acceptance of grant

Decision

1. To approve acceptance of £430,156 European Social Fund grant and £415,319 European Regional Development Fund Grant, as details in section 4 of the report.
2. To approve the use of match funding as required over the life of the programme, as identified in section 4 of the report.

MINUTES END