



DERBY CITY COUNCIL

## COMMUNITY COMMISSION 31 March 2008

Report of the Director of Corporate and Adult Services

### Derby Homes New Build

#### RECOMMENDATION

1. To consider and comment on the proposals by Derby Homes for new build.

#### SUPPORTING INFORMATION

- 2.1 Derby Homes has been approved as Housing Corporation Investment partner and accredited management agent. Basically this means that Derby Homes can bid for grant to build new homes. In November 2007 Derby Homes submitted a grant bid to the Housing Corporation to build 10 affordable homes and further 29 market sale properties.
- 2.2 Derby Homes is seeking to set up a subsidiary company which would enable it to undertake a wide range of regeneration activities and trading activities. In order for the development to work, Derby Homes is also requesting the Council to
  - Transfer the land to it on a 99 year lease at a peppercorn rental with no lease premium
  - Obtain permission from CLG to dispose of the land at less than full consideration in this way
  - Lend Derby Homes £20,000 for each unit of affordable housing in the form of prudential borrowing – a total of £200,000
  - Sign a form of performance guarantee in support of the grant application.
- 2.3 The attached report giving more details on the proposals was considered and approved by the Council Cabinet at its 19 February meeting.

**For more information contact:** Mahroof Hussain 01332 255597 e-mail [Mahroof.hussain@derby.gov.uk](mailto:Mahroof.hussain@derby.gov.uk)  
**Background papers:** None  
**List of appendices:** Appendix 1 - Implications  
Appendix 2 – Derby Homes New Build Cabinet Report

## Appendix 1

<b>IMPLICATIONS</b>
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### **Financial**

1. None arising from this report.

### **Legal**

2. None arising from this report.

### **Personnel**

3. None arising from this report.

### **Equalities impact**

4. Effective scrutiny is to the benefit of all Derby people.

### **Corporate Priorities**

5. This report links with Council's priority for 2006-09 to:
  - make us proud of our neighbourhoods
  - create a 21st Century city centre