

Item 10(b): Update from Task and Finish Group – Affordable Housing Delivery Models

1. Group Objectives

1.1 The Task and Finish Group was established to consider issues concerning the RENTplus model. In undertaking this task it was necessary to consider housing delivery in a wider context including alternative delivery models.

1.2 The Group consisted of;

- Cllr Holway - Chair
- Cllr Cuthbert – Deputy Chair
- Cllr S Wright
- Cllr Hodgson
- Cllr Gorman
- Cllr Steer
- Cllr Carson
- Cllr Cooper
- Cllr J Hawkins
- Affordable Housing Manager (AHM)
- Affordable Housing Officer

2. Outcomes

2.1 The Group met on two occasions to consider the RentPlus model and other alternative delivery models. In respect of Rent Plus, the Group agreed and recommended that;

- a) the level of Rent Plus be limited to a maximum 10% of all affordable housing delivered in the South Hams in a financial year.
- b) that Rent Plus only be considered on sites that achieve 35% or more affordable housing. RentPlus units would be in addition to that 35%; and
- c) that Rent Plus was introduced on a trial basis for a period of 5 years.

2.2 The above recommendation was subsequently approved by the Executive on 24 July 2014. (Minute Ref. E.15/14)

2.3 The Group were keen to explore alternative delivery models and how the Council could develop an approach to investment which delivered affordable housing and contributed toward income generation.

2.4 The AHM advised the group that the Council were progressing a small number of development projects which might be retained to generate income. A small programme would be permissible outside of a Housing Revenue Account (HRA) but should the Council wish to increase the level of retained stock/assets, it would need to consider establishing an appropriate vehicle. There were number options such as Local Development Companies which could hold stock/assets free of HRA requirements.

3 Additional Areas of Work

The Group recommended that a detailed report on Alternative Housing Investment Models be submitted to a future meeting of the Community Life and Housing Scrutiny Panel.