



Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

OSMB
Cabinet

11 February 2010
12 July 2010

Report of Adults & Housing Task Group – Final Report
“A Review of HomeCome Ltd”

Report of Councillor Potter, Task Group Leader, Adults & Housing

1. Purpose of Report

This report endorses the recommendations set out in the attached report from the Scrutiny Adults and Housing Task Group (Review of HomeCome) and provides additional information on the financial implications with regard to the councils future re-investment or alternative funding to HomeCome Ltd. It also provides more details on the activities of the HomeCome Scrutiny Task Group

2. Summary

This covering report provides cabinet with additional information as requested, to support the Scrutiny Task Group Report.

3. Recommendations

That Cabinet:

- 1) Approve the recommendations set out in the Scrutiny Task Group Report,
- 2) Requests the Director of Housing Services and Chief Finance Officer to consider whether any resources can be made available for new affordable housing when the 2011/12 Housing Capital Programme is considered in January 2011.
- 3) Notes the Director of Housing Services response to the five areas of concern raised by the Overview and Scrutiny Management Board, Appendix C.

4. Financial Implications (Rod Pearson x8800)

- 4.1 The Council has many pressures on its Housing Capital Programme and relies heavily on capital grants and capital receipts to fund expenditure. At the present time, given the election of a new Government with an agenda to cut public expenditure, there is a lot of uncertainty around funding streams. However one area that is earmarked for new affordable housing is receipts generated under S106 provision (commuted sums). If any

amounts become available we would consider the relative benefits of investing in HomeCome, an RSL or using the money to building ourselves.

- 4.2 Given the uncertainty around funding it is recommended that Cabinet request the Director of Housing Services and Chief Finance Officer to consider whether any resources can be made available for new affordable housing when the 2011/12 Housing Capital Programme is developed in January 2011.
- 4.3 Recent Headlines - Investment into Housing in Leicester:
- In April 2010, Leicester succeeded in securing nearly £3million of Government funding to provide 63 new affordable homes in the city to be built by housing associations.
 - In January 2010, Leicester was awarded £2.5million towards the development of 53 new council houses and flats, in addition to the £5m funding for 93 units awarded in September 2009 for the Council to build new housing.

There are currently over 600 affordable units in the pipeline and just over 400 units of these are under construction the rest have been allocated funding but building has not yet started. This equates to over £140m of house building investment in the City including nearly £50m of public subsidy from the Homes and Community Agency and other sources.

Over 100 new wheelchair adapted homes will be built in Leicester during the next 12 months. The Council and five different Housing Associations at affordable rents will rent them out.

- 4.4 The task group noted that HomeCome would welcome the opportunity to extend its work with Leicester City Council to create a greater number of homes for families in need, if new funding is available.

5. Activities of the Task Group

- 5.1 The HomeCome Task Group held 4 meetings and in addition to these meetings the following activities were carried out by task group members to gather evidence:
- a) Focus group consultation session with HomeCome tenants
 - b) 2 visits to occupied properties to view outstanding repairs, at the request of tenants.
 - c) Site visit to view a ready to let HomeCome property
 - d) 2 Site visits to view a vacant HomeCome property, before and after work had been carried out.

However, in terms of the overall timescales that were set out for this review, it has taken longer to complete than anticipated and this was due to a combination of resource issues and diary dates.

6. Report Author

Anita Patel

Members Support Officer, Tel. 229 8825, Anita.Patel@leicester.gov.uk