

To: Cabinet

Date: 13 July 2022

Report/Comments of: Scrutiny Committee

Title: Affordable Housing Development Plan

SUMMARY OF REPORT CONSIDERED	
Report Title:	Affordable Housing Development Plan 2022-26
Purpose/Description of Report:	The report outlines the Council's plans for the development of affordable housing.
Key Decision:	No
Scrutiny Lead Member:	Cllr R Child, Scrutiny Committee Chairman
Relevant Portfolio Holder:	Cllr R Browne, Portfolio Holder for Housing and Landlord Services

1. Introduction and Overview

The Scrutiny Committee met on 14 June 2022 to consider a report on the Affordable Housing Development Plan (AHDP).

It was explained that there is currently a shortage of affordable homes in Melton and to help address this need, the Council is undertaking a housing development programme to increase the supply of homes.

The AHDP sets out the criteria for the way new council homes will be delivered and supports the adoption of the HRA Business Plan 2022-2052.

2. Summary of Feedback/Recommendations for Cabinet Consideration

- The Chairman queried whether borrowing for the Development Plan was affordable. In response, Members were informed that until the Asset Management Plan is developed then it would be difficult to assess.
- A Member queried how is the Council going to prevent the investment from being sold under the right to buy scheme. The Committee were

reassured that once a property has been built, it couldn't be sold for 15 years and then the property would be sold at 100% of market value.

- Concern was raised that the targets for the development plan were not ambitious and actually represent a net loss of 5 properties per year. In response, it was explained that the targets are based on the Council's ability to borrow. The development plan has to be proved as a concept before ambitions are raised.
- The Committee expressed concern that the Council are not planning to replace right to buy sales with like for like. It was reiterated to Members that a cautious approach has been adopted and it is the intention that the target 5 replacements per year would be increased when appropriate.
- A Member commented that there had been discussions about building affordable housing for a number of years and that there had been little progress. In response, Members were assured that it is the intention to start building replacement affordable homes at a rate of 5 per year but that the concern had been noted.
- One Member commented that they welcomed the cautious approach because the priority is to have enough resources to look after tenants. They added that they want the Council to have plans and fulfil them but this shouldn't be done rashly.
- The comment was made that the Council should be ensuring that developers build the affordable housing they said they agreed to do when their applications were given planning permission, particularly in the villages.

Written by: Scrutiny Committee Chairman in consultation with Members of the Scrutiny Committee