

Individual Member Decision Record



This form records an individual member decision and is published in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 and the Openness of Local Government Bodies Regulations 2014.

Decision Maker:	Councillor Mark Crane, Leader of the Council
Lead Officer:	Karen Iveson, Chief Finance Officer
Title of Decision:	Retained Right to Buy Receipts – Revised Agreement
Ward(s) Affected:	N/A
Type of Decision:	<input type="checkbox"/> Key decision <input checked="" type="checkbox"/> Non-key decision discharging (or connected to the discharge of an Executive function) <input type="checkbox"/> Specific delegation from Council or Committee <input type="checkbox"/> Grant of permission / licence <input type="checkbox"/> Affecting the rights of an individual <input type="checkbox"/> Awarding a contract or incurring expenditure which materially affects the financial position of the Council
Details of decision:	<p>This decision relates to changes to the Government's retained right to buy (RTB) receipts scheme which come into force from 1 April 2021. The revised agreement offered by the Government provides additional flexibility by extending the timeframe for use of retained receipts from 3 years to 5 years and increase the % that can be applied from 30% to 40%.</p> <p>The agreement also introduces an acquisitions cap to limit the number of homes that can be acquired rather than built above a base threshold of 20 units – 50% from April 22 to 30% by April 24.</p> <p>Experience has shown that in overall terms the additional receipts retained are relatively low and therefore the acquisition cap should not impact on the Council's plans to acquire s106 properties. Should RTB sales result in additional capital receipts eligible for retention under the agreement offered by the Government then these will support additional homes delivery.</p>

	<p>There is a risk that homes will not be delivered within the necessary timescales specified resulting in the repayment of receipts with interest but systems are in place to monitor progress and receipts can be repaid early in order to minimise any costs.</p> <p>RESOLVED:</p> <p>That the Council renew the agreement for the retention of additional right to buy receipts.</p>																																																												
<p>Reason for decision:</p>	<p>To enable the Council to continue to retain additional receipts from 1 April 2021 onwards.</p>																																																												
<p>Alternative options considered and rejected:</p>	<p>The Council can choose not to enter into the agreement and not retain any additional right-to-buy receipts. Based on our past experience of such receipts, on average this equates to an estimated £80k per annum.</p>																																																												
<p>Member Interests: <i>(Name of any Member who has declared a conflict of interest in relation to the decision and details of any dispensation granted by the Head of Paid Service if appropriate)</i></p>	<p>None.</p>																																																												
<p>Legal, Financial or other implications:</p>	<p>Since the first agreement was entered into and up to the end of 2020/21, the Council has retained additional RTB receipts of £477k.</p> <table border="1" data-bbox="485 1503 1401 1928"> <thead> <tr> <th colspan="6">Retained Capital Receipts</th> </tr> <tr> <th>Year</th> <th>Q1 £</th> <th>Q2 £</th> <th>Q3 £</th> <th>Q4 £</th> <th>Total £</th> </tr> </thead> <tbody> <tr> <td>2014/15</td> <td>0</td> <td>0</td> <td>33,416</td> <td>44,255</td> <td>77,671</td> </tr> <tr> <td>2015/16</td> <td>8,916</td> <td>0</td> <td>0</td> <td>0</td> <td>8,916</td> </tr> <tr> <td>2016/17</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>2017/18</td> <td>0</td> <td>40,083</td> <td>141,410</td> <td>0</td> <td>181,493</td> </tr> <tr> <td>2018/19</td> <td>0</td> <td>30,620</td> <td>25,327</td> <td>107,452</td> <td>163,399</td> </tr> <tr> <td>2019/20</td> <td>0</td> <td>36,357</td> <td>9,454</td> <td>0</td> <td>45,811</td> </tr> <tr> <td>2020/21</td> <td>0</td> <td>0</td> <td>0.00</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>8,916</td> <td>107,060</td> <td>209,607</td> <td>151,707</td> <td>477,290</td> </tr> </tbody> </table> <p>Based on past experience it is estimated that on average additional receipts of £80k p.a. could be retained although this will be dependent upon actual sales. Assuming maximum</p>	Retained Capital Receipts						Year	Q1 £	Q2 £	Q3 £	Q4 £	Total £	2014/15	0	0	33,416	44,255	77,671	2015/16	8,916	0	0	0	8,916	2016/17	0	0	0	0	0	2017/18	0	40,083	141,410	0	181,493	2018/19	0	30,620	25,327	107,452	163,399	2019/20	0	36,357	9,454	0	45,811	2020/21	0	0	0.00	0	0	Total	8,916	107,060	209,607	151,707	477,290
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	receipts are applied to new build properties this could support an additional 1 - 2 homes p.a.
Background papers:	Executive Report May 2013 – Right to Buy and One for One Replacement Selby District Council
Contact details for further information:	Karen Iveson, Chief Finance Officer kiveson@selby.gov.uk
Signed:	<i>Signature redacted</i> Councillor Mark Crane, Leader of the Council
Date of Decision:	19/08/2021