



## Minutes

### Council

Venue: Council Chamber - Civic Centre, Doncaster Road, Selby, YO8 9FT

Date: Tuesday, 17 January 2023

Time: 6.00 pm

Present: Councillor I Chilvers in the Chair

Councillors D Mackay, K Arthur, D Buckle, S Duckett, K Ellis, T Grogan, M Jordan (Vice-Chair), A Lee, C Lunn, J Mackman, R Musgrave, R Packham, C Pearson, N Reader, J Shaw-Wright, S Shaw-Wright, R Sweeting, M Topping, P Welch, G Ashton and J Duggan

Officers Present: Janet Waggott – Chief Executive, Karen Iveson – Chief Financial Officer, Suzan Harrington – Director of Corporate Services and Commissioning, Alison Hartley - Solicitor to the Council, Phil Hiscott – Strategic Asset Management and Property Services Manager, Victoria Foreman – Democratic Services Officer

Press: 0

Public: 0

#### **46 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors D Brook, J Cattanach, J Chilvers, M Crane, K Franks, J McCartney, M McCartney, W Nichols and C Richardson.

#### **47 DISCLOSURES OF INTEREST**

Councillor S Duckett declared a non-prejudicial interest in agenda item 3 – Housing Revenue Account – Additional Funding Requirements as she was a trustee of the Selby District Housing Trust but was not required to leave the meeting during consideration thereof.

Councillor J Mackman declared a non-prejudicial interest in agenda item 3 – Housing Revenue Account – Additional Funding Requirements as he was Chairman and a trustee of the Selby District Housing Trust but was not required to leave the meeting during consideration thereof.

## **48 HOUSING REVENUE ACCOUNT - ADDITIONAL FUNDING REQUIREMENTS (C/22/12)**

The Deputy Leader introduced report C/22/12 which sought approval for the allocation of £2.047m additional funds to the Housing Revenue Account, using affordable housing Section 106 (S106) Commuted Sums previously earmarked for market housing acquisition, to support essential investment in the authority's social housing portfolio as outlined in option two in the report.

The Council noted that the report provided an update on the financial pressures faced by the Council's Housing Revenue Account as a result of increasing numbers of void properties being returned which required substantial work to bring them back in to use, coupled with unprecedented post Covid global economic and geo-political instability resulting in building material shortages and double-digit price increases.

Members were informed that the report included detailed background information and context to foster greater understanding of the challenges facing the Housing Revenue Account, and provided an explanation of mitigation measures implemented to lessen financial impact. It also provided clarity as to actions taken to improve the data held by the Council to enable improved management of the portfolio moving forwards and presented options for managing the current financial pressures.

The Deputy Leader emphasised the importance of investing in the Council's existing housing stock and reminded Members that Appendices 1 and 2 to the report were confidential; as such, should Members wish to make detailed reference to the content of either appendix the meeting would need to resolve to move into private session.

The Council's Section 151 Officer apologised that some financial information had been omitted from the report relating to further details as to options for funding, which included the major repairs reserve, capital receipts and S106 affordable housing committed sums. The use of capital receipts was not advised. The Section 151 Officer maintained that the recommended and most appropriate course of action was to use S106 funds.

Members debated the report, with the Chair of Scrutiny Committee making the point that the committee had asked numerous questions about housing repairs over the past few months; it had not been informed about the need for additional funding and wished to know how long the Deputy Leader had been aware of the issue.

The Deputy Leader made it clear that the matter was specifically to do with void and empty properties. As Lead Executive Member for Housing, the Deputy Leader had become aware of the need for extra funding in the late autumn. Officers had been working hard since this time to put together a plan to tackle the gap in funding. The Council was not permitted to overspend on its budget and as such the use of S106 monies was required.

The Leader of the Opposition asked why Option 2 had been recommended and commented on the statistics relating to refurbishments and partial repairs at paragraph 1.2.20 of the report; partial repairs were not efficient as they would require further work in the future. Full refurbishments were a better use of funds and provided a more positive message to the Council's tenants in respect of the Council's commitment to the Decent Homes Plus Standard. The Leader of the Opposition expressed his backing for Option 3 which supported the capital voids programme in full. The condition of housing stock was still the Council's responsibility and a legacy of the authority until the point it was handed over to the new North Yorkshire Council after 31 March 2023.

The Deputy Leader acknowledged the Leader of the Opposition's views and repeated the main issue that the Council had received back more void properties than expected and budgeted for, with a further 38 properties yet to be assessed by Officers.

The Section 151 Officer explained that Option 2 had been recommended due to the current amount of financial and economic uncertainty and the need for a sustainable plan in place so the Council could deliver what was required.

The Leader of the Opposition questioned the reliability of the forecast figure set out in the report that 65 properties would need refurbishment in 2022/23. Some Members expressed their support for the views of the Leader of the Opposition and asked what would happen to the S106 monies if they were not spent by the Council by 1 April 2023, i.e., if they be invested elsewhere in North Yorkshire after local government reorganisation.

The Deputy Leader explained that the S106 monies had been allocated specifically for spending within the district, but if they were not spent in time the Council would be required to hand them back to developers. Option 2 in the report was a way for the majority of the S106 funds to be spent.

The Leader of the Opposition acknowledged that Option 2 ensured that most of the S106 monies were committed and spent, made the point again that Option 3 should also be considered a viable choice and emphasised how important it was that the new North Yorkshire Council was aware of the commitment to the Decent Homes Plus Standard when the properties were handed over on 1 April 2023.

Option 3 was proposed and seconded, an amendment to the motion was then proposed and seconded, to follow Option 2. Upon taking the vote the amendment was carried and Option 2 became the substantive motion. Upon being put to the vote Option 2 was approved.

**RESOLVED:**

**The Council approved the allocation of £2.047m additional funds to the Housing Revenue Account, using affordable housing Section 106 Commuted Sums previously earmarked for market housing acquisition, to support essential investment in the authority's social housing**

**portfolio, as outlined in option two in the report.**

The meeting closed at 6.30 pm.