ITEM 14 CHANGES TO MEMBERSHIP OF THE CABINET AND THE DELEGATION OF EXECUTIVE FUNCTIONS: ACQUISITION OF ADDITIONAL HOUSING REVENUE ACCOUNT PROPERTIES FOR RENTAL

Purpose of Report

To inform the Council of an additional delegation of Executive authority approved by the Leader.

Action Requested

In accordance with Full Council Procedure 9.11(d) questions may be asked of the Leader in relation to the decision to delegate the function. The Leader may ask the relevant Lead Member to respond.

Policy Justification and Previous Decisions

As required by the Constitution, the Chief Executive reports to Council whenever the Leader makes a change to scheme of Executive delegation.

On 19th October 2017 the Leader delegated authority to the Head of Strategic and Private Sector Housing to acquire additional Housing Revenue Account (HRA) properties for rental, as set out in Part B of this report.

Implementation Timetable including Future Decisions and Scrutiny

The Leader of the Council is able to amend the scheme of delegation relating to Executive functions at any time. These decisions can take immediate effect, but the Constitution requires that they are reported to the next meeting of the Council.

Report Implications

The following implications have been identified for this report.

Financial Implications

There is £350,000 available within the approved capital programme for 2017/18. 30% of that £350,000 is to be funded from retained 141 receipts (monies the Council is able to retain from the sale of its housing stock under the Right to Buy scheme) and if these are not used by the end of December 2017 the Council will have to repay them along with interest to the Government. All retained 141
receipts in the future will have a specified timeframe in which they must be spent.

Funding in future years would be subject to approval via the Capital Plan.

*Risk Management*

No specific risks have been identified in connection with this report.

Background Papers: None

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Part B

Decision of the Leader (made on 19th October 2017)

1. That the following delegated executive authority to given to the Head of Strategic and Private Sector Housing with immediate effect:

   - To acquire additional properties for rent via the HRA where approved funding exists within the Capital Plan for the relevant financial year, and where any property acquired is subject to a condition survey, an independent valuation, standard legal checks, and meets identified housing needs.

Reason

To utilise approved funding for the purchase of additional HRA rental properties.

Background

2. The approved Capital Plan for 2017/18 includes a sum of £350,000 to build or acquire additional HRA properties.

3. This delegated authority only applies to the purchase of suitable properties, and not to the building of new properties.

4. It is likely that any properties acquired will exceed £100,000 in value, and therefore each purchase will be a key decision. However, due to the nature of the purchases being made (ie on the open market), it is unlikely that the required advance notice for a key decision will be able to be given for each transaction, and therefore a general exception notice will need to be issued in each case.

5. Also it would not be practical for the usual call-in arrangements for key decisions to be applied as any delay caused could result in the purchase falling through, and therefore the Mayor, in the absence of the Chair of the Scrutiny Management Board, has given her approval for decisions taken under this delegated authority to be exempted from call-in under scrutiny procedure rule 11.9 within the Constitution. The Chair of the Scrutiny Management Board has subsequently confirmed that he is happy with these arrangements.

6. All cases of exemption from call-in have to be reported to the next relevant Council meeting, and this will ensure that Members are kept informed about each relevant acquisition that is made.