

Minutes of a meeting of the SHAREHOLDER MEETING on Monday 11 June 2018

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Committee members:

Councillor Brown (Chair)

Councillor Linda Smith

Councillor Hayes

Councillor Hollingsworth

Councillor Rowley

Officers:

Anita Bradley, Head of Law & Governance / Monitoring Officer

Jane Winfield, Housing Group Director

Lindsay Cane, Legal Services Manager / Company Secretary

Nigel Kennedy, Head of Financial Services

Alan Wylde, Housing Development & Enabling Manager

Catherine Phythian, Committee Services Officer

Stefan Robinson, Scrutiny Officer

Apologies:

Councillor(s) Turner, Chapman, Clarkson, Tidball and Upton sent apologies.

1. Declarations of interest

There were no declarations of interest.

2. Minutes of the previous meeting

The Housing Group Shareholder resolved to approve the minutes of the previous meeting held on 20 March 2018.

Minute item 13, sub-heading Capacity

Councillor Hollingsworth asked whether the Housing Group's concerns about resource constraints in the Council's planning service had been resolved. The Director said that the Housing Group had offered to finance additional staff resource through a planning partnership agreement but this had been rejected as the problem was in identifying suitably qualified people rather than being purely financial. The situation had now improved as a result of further meeting with the Head of Planning Services and a planning officer had been allocated to deal specifically with the Housing Group's applications.

3. Scrutiny recommendations

The Shareholder noted that Councillor Fry, Chair Scrutiny Companies Panel, had sent apologies and that Stefan Robinson (Scrutiny Officer) was in attendance to present the views of the Scrutiny Companies Panel which had met on 7 June 2018.

The Scrutiny Officer explained that the Panel had not made any formal recommendations to the Shareholder but wished to register their concerns regarding the following issues:

- whether the priorities of the Housing Group and the Council were fully aligned, as the company's ambition to meet revenue targets may not be conducive to maximising the delivery of affordable housing units.
- the decline in deliverable units across the sites following discussions with planning officers regarding the acceptability of proposed density and layout from a planning perspective.
- that the delays experienced in 2018 should not continue into 2019

Those concerns had been raised with the Housing Group at the Scrutiny Panel meeting and their responses were recorded in the minutes of that meeting (previously circulated as a supplement to the agenda for the Shareholder meeting).

Councillor Rowley said that it was important to recognise that the reduction in the number of units was due to challenges presented by the planning services' assessment of the schemes against planning policy. These were specific instances and there was no reason to think that the Council and the Housing Group were not in full agreement about the overall objective to increase the supply of affordable housing within the city.

The Scrutiny Officer left the meeting at the end of this item.

4. Housing Group - Business Plan progress update

The Housing Development Manager gave a presentation on the Housing Group's portfolio of development schemes and property acquisition. He explained that the slippage in the completion dates for the development sites was in part due to the delays experienced in planning pre-application process but that he was confident that the current schedule was a realistic assessment.

Harts Close

This was at an advanced stage in the planning process and was due for completion in May 2019.

Warren Crescent

Work would begin on site in January 2019 on completion of the water monitoring programme; it was due for completion in January 2020.

The Shareholder said that it was important to remind local residents that this was still a valid planning application and to ensure that there was a comprehensive communications plan to brief residents on the timescales and details for the construction phase of the site development.

The Housing Group gave assurances that a communications plan was in place and that it would address the concerns raised by the Shareholder.

Underhill Circus

The current focus was on acquiring the maisonettes above the shops on the site; completion was scheduled for late 2020.

Two sites at Rose Hill

Due to their proximity the two sites at Rose Hill would be treated as a single development. Pre-application feedback had resulted in a reduction in the number of deliverable units on this site. Public consultation was due to start on site in June 2018. Completion was due in March 2020.

Cumberlege Close and Elsfield Hall

The scheduled completion for these two sites was late 2019 – early 2020. It was proposed to treat these two locations as a combined development. There was an Oxford Preservation Trust Covenant on Cumberlege Close. Initial pre-application feedback had resulted in a reduction in the number of deliverable units at Elsfield Hall.

The Shareholder observed that the Elsfield Hall site was in a highly sustainable location with good transport links and green space and as such should be able to support a higher level of units.

The Shareholder asked for a report to the next meeting detailing the background to and status of the discussions about the Oxford Preservation Trust Covenant on Cumberlege Close.

Between Towns Road

Pre-application feedback had resulted in a reduction in the number of deliverable units on this site. Public consultation was due to start on site in July 2018.

Lucy Faithfull House

Demolition was underway. Initial design proposals were based on a high density scheme in keeping with its city centre location. Design details and construction timescales for this site would be heavily influenced by the outcomes of the archaeological survey.

Barton Park

The Housing Development Manager said that the first homes were due to transfer to the Housing Group in August 2018. He explained that the Building Cost Information Service (BCIS) index recorded a cost increase in 2017 which would impact on the Phase 1 property prices paid by the Housing Group. This increase was expected to be within the Housing Group financial parameters. The prediction was that the BCIS index would be negative in 2018 and so would have a more favourable impact on the purchase prices for Phase 2 properties.

Property acquisitions from Oxford City Council

The Housing Development Manager said that to date two properties had been identified for possible transfer in 2018 and that he reviewed a weekly list of vacant properties to identify other possibilities. The actual number of properties that the Housing Group

could acquire in any year, within the regulatory limits, was determined by whether or not a suitable property became vacant.

The Shareholder noted that the following properties had already been transferred to the Housing Group:

2016/17

1. 32 Union Street
2. 9 Pauling Road
3. 66 Sandy Lane
4. 26 Valentia Road
5. 2 Dynham Place

2017/18

6. 16 Sparsey Place
7. 51 Weirs Lane

Housing Group status

The Chair reminded the meeting that the possibility of the Housing Group assuming Registered Social Landlord (RSL) status in order to access grant opportunities had been discussed at the previous meeting and that it had been agreed that a report detailing these issues and recommending a course of action should be presented to the Shareholder. Any decision about assuming RSL status would have significant implications for the Housing Group Business Plan, the Council's Medium Term Financial Plan and delivery of the Oxfordshire Housing and Growth Deal.

The Housing Group Company Secretary said that they were seeking further professional advice on the implications of assuming RSL status and that he anticipated that a report would be prepared within 2 to 3 months ready for consideration at the September Shareholder meeting.

The Chair said that this timescale was too long and that an earlier meeting of the Shareholder may have to be convened to consider the matter. The Chair rejected a suggestion that the matter could be addressed in correspondence and said that such a significant governance issue must be considered in public to demonstrate clear and accountable decision making.

The Monitoring Officer stated that there were in fact two separate decisions to be made in relation to RSL status: the City Executive Board would need to decide whether it was appropriate for the Council with regard to housing policy; and the Shareholder would need to decide whether it was in the best interests of the Housing Group. On receipt of the professional advice the Monitoring Officer would advise the City Executive Board and Shareholder; while the deputy Monitoring Officer, in his role as Company Secretary, would advise the Housing Group.

Procurement

In response to questions from the Shareholder the Housing Development Manager said that where appropriate the Housing Group would consider letting the construction contracts to small, local and independent companies.

The Shareholder asked for a report at the next meeting detailing the Housing Group approach to maximising social impact through its procurement arrangements.

The meeting started at 5.00 pm and ended at 6.15 pm

Chair

Date:

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