

# MINUTES OF THE CITY EXECUTIVE BOARD

Thursday 30 July 2015

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**COUNCILLORS PRESENT:** Councillors Price (Leader), Brown, Hollingsworth, Kennedy, Rowley, Seamons, Simm, Sinclair and Tanner.

**OTHER MEMBERS PRESENT:** Councillor Jean Fooks

**OFFICERS PRESENT:** Peter Sloman (Chief Executive), Jackie Yates (Executive Director Organisational Development and Corporate Services), Nigel Kennedy (Head of Financial Services), Lindsay Cane (Law and Governance), Jane Lubbock (Head of Business Improvement and Technology), Dave Scholes (Housing Needs Manager), Paul Fleming (Chief Technology Manager) and Catherine Phythian (Committee Services Officer)

## 55. APOLOGIES FOR ABSENCE

Apologies were received from Cllr Turner.

## 56. DECLARATIONS OF INTEREST

There were no declarations of interest.

## 57. PUBLIC QUESTIONS

There were no public questions.

## 58. COUNCILLOR ADDRESSES ON ANY ITEM FOR DECISION ON THE BOARD'S AGENDA

Cllr Fooks submitted the following question with regard to agenda item 6, Homelessness Property Investment:

“The Government’s proposals for extending the Right to Buy to Housing Associations look likely to cause the City to lose a significant proportion of its Council stock. Other Councils have set up separate Housing Companies to build social housing, for whom the Right to Buy does not apply. Have you considered doing this in Oxford with any new social housing building plans?”

The Board submitted the following response:

Although we await to see the full detail of the Governments proposals for Local Authorities to be required to sell off our higher value void properties to pay for the replacement of Housing association properties lost through the introduction of Right to Buy (RTB), we anticipate that we won't be able to replace all of our units that are lost and that will mean a further net reduction of our stock on top of those sold under the current RTB. We are actively considering all options including the setting up of a housing company to preserve a supply of much needed affordable housing in the City and proposals will be considered by members in due course. The Government have explicitly indicated that LA companies cannot be used in order to avoid the RTB and we expect the Government to legislate on this basis. In addition the recent budget announcements from the Chancellor with regard to the reduction of rents will significantly impact our Housing Revenue Account business plan and constrain our ability to fund new Council housing going forward

## **59. COUNCILLOR ADDRESSES ON NEIGHBOURHOOD ISSUES**

There were no Councillor addresses on neighbourhood issues.

## **60. HOMELESSNESS PROPERTY INVESTMENT**

The Head of Housing & Property and the Head of Financial Services submitted a report (previously circulated, now appended) which detailed a proposal for the Council to enter into an investment in a dedicated property fund with Real Lettings – comprising Resonance (a Fund Management Company) and St Mungo's Broadway (a Homelessness Charity). The Real Lettings model uses a property fund to lever in additional funding to that provided by the Council, to procure accommodation that can be used to house homeless households in the private rented sector.

Councillor Scott Seamons, Board Member Housing introduced the report explaining that the Council's investment of £5M would be match-funded and would allow the purchase of 50 dwellings.

The Head of Financial Services briefed the Board on the financial elements of the investment proposals. He said that the main risk to the Council related to any downward movement in property prices over the investment term.

In response to questions the Housing Strategy & Needs Manager explained that the contract allowed for a maximum 2 year timescale for property purchases and that he expected this to be delivered in a steady stream to avoid any distortion of the property market. Properties would be purchased within the "Oxford locality" which would offer greater flexibility to get the best value and it was anticipated that many properties might be in neighbouring towns with efficient and cost effective commuter links to the city.

The Board welcomed the investment proposal and commended officers on presenting such a creative solution to mitigate the pressures of reduced supply and increased demand for affordable housing in the city.

The City Executive Board resolved to:

1. **Grant project approval** for the 'Real Lettings' initiative as set out in this report to enable the Council to enter into agreements with Resonance and St Mungo's Broadway;
2. **Delegate authority** to the Head of Housing and Property and the Head of Financial Services to enter into contractual agreements once these have been finalised and agreed by the Head of Law and Governance;
3. **Delegate authority** to the Head of Financial Services to publish a Voluntary Ex-ante Transparency (VEAT) Notice publishing the Council's intention to enter into such a contract;
4. **Recommend that Council** include this type of investment in its Treasury Management Strategy as part of non-specified investments and amend the Minimum Revenue Provision (MRP) policy in line with the principles outlined in this report;
5. **Recommend that Council** approve the £2.197 million balance on the Homelessness Property Acquisitions capital scheme be transferred to this investment.
6. **Recommend that Council** approve a supplementary estimate of £2.803m; financed from internal borrowing, as a revision to the Council's Capital Programme.

## **61. AWARD OF CONTRACT FOR IT INFRASTRUCTURE SERVICES**

The Head of Business Improvement and Technology submitted a report (previously circulated, now appended) which detailed the outcome of the tender process carried out to appoint one or more IT infrastructure partners and which recommended the award of a single contract for all five lots to Specialist Computer Centre Ltd (SCC Ltd).

Councillor Susan Brown, Board Member Customer and Corporate Services introduced the report.

In response to questions the Head of Business Improvement and Technology and Chief Technology and Information Manager explained that:

- the new contract would deliver an immediate £150k pa saving;
- SCC Ltd held the highest level of government accreditation for security;
- SCC Ltd were already known to the Council as they were a sub-contractor to the existing contract with the County Council;
- the tender lots had requested industry standard service levels;

- the Council would assume in-house responsibility for the support desk services provided to members and staff.

The City Executive Board resolved to:

1. **grant project approval** for the new IT Infrastructure arrangements described in the report;
2. **approve** the award of a single contract to SCC Ltd. to deliver all five service lots as set out in the tender for IT infrastructure for a period of five years with the option to extend for up to a further five years;
3. **delegate authority** to finalise the detailed terms of the contract with the said supplier to the Executive Director, Organisational Development and Corporate Services, in consultation with the Head of Law and Governance.

The Board noted that this was the last attendance at CEB of Jane Lubbock, Head of Business Improvement and Technology. They thanked her for her 26 years of service to the Council and wished her well in her new position.

## **62. ITEMS RAISED BY BOARD MEMBERS**

No items were raised by Board Members.

## **63. MINUTES**

The Board resolved to APPROVE the minutes of the meeting held on 9 July 2015 as a true and accurate record.

**The meeting started at 5.00 pm and ended at 5.35 pm**