

AGENDA ITEM 10

Report of:	Executive Member for Economic Development and Infrastructure - Councillor Lewis Young Executive Director for Growth and Place - Kevin Parkes
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Submitted to:	Executive - 20 November 2018
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Subject:	Service Response to the Economic Development, Environment and Infrastructure Panel’s report on Housing Delivery Vehicles (HDVs).
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Summary

Proposed decision(s)
It is recommended that Executive: <ul style="list-style-type: none"> a) notes the content of the Economic Development, Environment and Infrastructure Panel’s Scrutiny Report on Housing Delivery Vehicles (HDVs); and, b) approves the attached action plan developed in response to the Scrutiny Panel’s recommendations.

Report for:	Key decision:	Confidential:	Is the report urgent?¹
Decision	Yes	N/A	Non-urgent

Contribution to delivery of the 2018-22 Strategic Plan		
Business Imperatives	Physical Regeneration	Social Regeneration
Ensuring that the Council operates efficiently and effectively so that physical and social regeneration outcomes are maximised.	Investing in Middlesbrough to provide and improve facilities which act to increase the town’s reputation, create social opportunity and improve the Council’s finances.	Working with our communities and other public service organisations to improve the lives of Middlesbrough’s residents.

Ward(s) affected
Confirmation of the action plan responses will affect all wards.

¹ Remove for non-Executive reports

Ward Members have not been consulted on the Scrutiny response.

What is the purpose of this report?

1. To provide the service response to the Economic Development, Environment and Infrastructure Panel's report on Housing Delivery Vehicles (HDVs).

Why does this report require a Member decision?

2. In line with the Council's constitution, following approval of the Economic Development, Environment and Infrastructure Panel's Scrutiny Report on Housing Delivery Vehicles (HDVs) by Overview and Scrutiny Board (OSB) on 2nd October 2018, the recommendations of the Scrutiny Panel now need to be considered by the Executive. If the Executive does not consider the issue within eight weeks of the date of OSB, the matter may be referred to Council.

What decision(s) are being asked for?

3. It is recommended that Executive:
 - a) notes the content of the Economic Development, Environment and Infrastructure Panel's Scrutiny Report on Housing Delivery Vehicles (HDVs); and,
 - b) approves the attached action plan developed in response to the Scrutiny Panel's recommendations.

Why is this being recommended?

4. It is a requirement that Executive formally considers the Scrutiny Panel's report and confirms the Service Area's response to the Panel's accompanying action plan.

Other potential decisions and why these have not been recommended

5. Full details of what the Scrutiny Panel took into consideration when arriving at their recommendations are contained in the Scrutiny report (Appendix 1).

Impact(s) of recommended decision(s)

6. The impacts of the recommended decision(s) are to:
 - a) ensure the benefits and challenges associated with different models of HDVs are considered;
 - b) identify the initial resources needed to set up a HDV as well as the potential financial returns; and,
 - c) understand how the project increase in population and the need for a further 5,500 dwellings by 2029 can be met;
 - d) ensure that the requisite associated infrastructure for new housing development including roads, schools, services and green spaces can be delivered in conjunction with a HDV.

Legal

7. Legal and Democratic Services will be consulted throughout the implementation of the Scrutiny action plan. The governance issues inherent in any new model of delivery will be a major focus and detailed legal expertise will be required.

Financial

8. The Scrutiny Panel's report and action plan have highlighted that there will be an initial capital requirement to establish the HDV. A detailed financial business plan will be developed for the HDV, in consultation with Financial Planning and Support, as part of the formal approval process.

Policy Framework

9. No Policy Framework implications have been identified.

Equality and Diversity

10. Equality and diversity issues would be considered as part of the formal approval process to establish a Housing Delivery Vehicle. This would include Impact Assessments where required.

Risk

11. The following risks, which have been identified in the Strategic and Directorate Risk Registers, will be reduced by the recommended decisions:

O1-005 - If poor economic growth occurs, then this will reduce public and private sector investment in the town, including town centre retail, housing development and business.

O1-004 - If the New Homes Bonus funding is reduced, due to a change in the funding regime or the Council failing to build new homes at the targeted rate then Council Tax receipts will not be maximised, impacting upon the Council's MTFP.

O1-045 - If delivery of the new housing programme does not meet the projected targets then this can have a negative impact on the assumptions within the MTFP.

Actions to be taken to implement the decision(s)

12. The proposed actions in response to the Scrutiny Panel's recommendations are detailed in the Action Plan (Appendix 2).

Appendices

Appendix 1: Final Report of the Economic Development, Environment and Infrastructure Panel - Housing Delivery Vehicles (HDVs).

Appendix 2: Action Plan with Service Area comments.

Background papers

Body	Report title	Date
Overview and Scrutiny Board (OSB)	Final Report of the Economic Development, Environment and Infrastructure Panel - Housing Delivery Vehicles (HDVs)	2 nd October 2018