

Decision details

Approval of funding for the provision of accommodation to reduce homelessness - MAY19/CMDN/01

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Decision Maker: Cabinet Member for Housing, Culture and Recreation

Decision status: Recommendations Approved (subject to call-in)

Is Key decision?: Yes

Is subject to call in?: Yes

Purpose:

The appendices are NOT FOR PUBLICATION in accordance with paragraph (s) 3 of Schedule 12A of Part 1 of the Local Government Act 1972 in that it contains commercially sensitive information relating to the business affairs of the Council and Medesham Homes LLP. The public interest test has been applied to the information contained within the exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it

The Cabinet Member:

1. Approved a grant of £6,199,950 to Medesham Homes LLP, funded from Right to Buy Receipts, to enable the provision of 35 new affordable homes in Eye Green, Peterborough
2. Delegated authority to the Head of Sustainable Growth Strategy to replace some of the Right to Buy Receipts with S106 Affordable Housing Commuted sums should eligible s106 receipts subsequently become available to apply to this project.
3. Delegated authority to the Head of Sustainable Growth Strategy to replace £1,015,000 of the Right to Buy Receipts with S106 Affordable Housing Commuted sums for the Midland Road Scheme (JAN18/CAB/78)
4. Delegated to the Director of Law and Governance the authority to finalise and put in place any agreements and legal documentation necessary to give effect to these proposals, in consultation with the Corporate Director of Growth and Regeneration and the Acting Corporate Director, Resources;

Reasons for the decision:

On 25th July 2016, Cabinet approved Report JUL16/CAB/43 and resolved to

- Establish a joint venture Limited Liability Partnership with Cross Keys Homes (now known as Medesham Homes)
- Agree that future grants from Section 106 Planning Receipts will be approved by the Corporate Director - Growth and Regeneration, except where they are intended to be given to the Housing Joint Venture in which case they will be approved by the Head of Service - Sustainable Growth Strategy
- Note the allocation of the Right to Buy receipts for the Housing Joint Venture as per the budget approval decision by Full Council for 2016/17.

On 15th January 2018, Cabinet approved the Report JAN18/CAB/78 and resolved to approve in principle the funding mechanisms and processes for managing the investment of previously agreed funding into Medesham Homes LLP. Paragraph 4.4.2 of that report sets out the funding process to determine investment into Medesham Homes on a case by case basis.

In accordance with Paragraph 4.4.4 of the Cabinet report JAN18/CAB/78, a review group has assessed the scheme outline and the business case provided by Medesham Homes for the land at Crowland Road, Eye Green and determined that it is acceptable. The business case is attached as Appendix 1

Section 8 of the Business Case refers to an analysis of costs and savings for PCC. This has been prepared by PCC and is attached at Appendix 2.

Continuing to provide temporary accommodation at the current rate is not sustainable for the Council nor is it sustainable

for homeless households. These proposals seek to enable the Council to take greater control over the provision of accommodation for homeless households.

Alternative options considered:

Do not award funding to Medesham Homes.

This option was discounted. Cabinet has allocated the Right to Buy receipts for the Housing Joint Venture subject to the submission of an acceptable business case.

Interests and Nature of Interests Declared:

None.

Background Documents:

The Council's Medium Term Financial Strategy 2019/20

Cabinet Decision JUL16/CAB/43

Cabinet Decision JAN18/CAB/78

Publication date: 22/05/2019

Date of decision: 22/05/2019

Date comes into force if not called in: 29/05/2019

Call-in deadline date: 28/05/2019

Accompanying Documents:

- [CMDN Eye Green May 2019 - PUB](#)  PDF 167 KB