

Record of Delegated Executive Decision(s)

1. Subject of decision

Purchase of additional properties by North Tyneside Trading Company (Development) Limited for affordable housing

2. Name and Title of Decision Maker

Paul Hanson, Chief Executive

3. Details of any Conflict of Interest and any Dispensation granted in respect of such Interest

None

4. Executive summary

The purpose of this report is to seek approval for the Authority to authorise the purchase of around 18 properties by North Tyneside Trading Company (Development) Limited in order to provide additional affordable housing in the Borough.

The report requests that up to £2m be made available from the Authority as equity to North Tyneside Trading Company, to be funded by available Section 106 contributions for affordable homes.

Cabinet agreed the Affordable Homes Programme in 2013, created the Trading Company subsidiary on 9 March 2015 and included the funding in the 2015-2018 and 2016-2019 Investment Plans. This report requests approval of funding to be provided to North Tyneside Trading Company (Development) Limited in order to acquire the properties above from the monies received by the Authority, pursuant to section 106 of the Town and Country Planning Act 1990 for affordable housing, as value for money has been demonstrated.

5. Alternative Options considered

Decision options are to approve or not to approve the purchase of the additional homes by North Tyneside Trading Company (Development) Limited. If not approved, the Development Company would be unable to support the Authority with its programme of delivery of affordable homes in line with Cabinet's priorities.

6. Decision(s)

The Chief Executive, in consultation with the Elected Mayor and Head of Resources, agrees to:

- a) the use of the Section 106 Town and Country Planning Act 1990 commuted sums available for affordable housing as funding for the Development Company;
- b) funding of up to £2.0m to the Development Company, via the North Tyneside Trading Company Limited, in order to acquire and refurbish properties up to a maximum of this value, subject to the Section 106 funds having being received by the Authority; and
- c) funding to the Development Company in the form of equity funding from the North Tyneside Trading Company Limited as that being the form of funding that is most beneficial to deliver the desired objectives of the Authority.

7. Reasons for the Decision(s)

It will help to meet the objective of the Authority to assist in the delivery of 3,000 affordable homes across 10 years to 2023.

8. Date Decision Made

15 January 2019

9. Is this decision subject to call-in and if so expiry date of call-in period

Yes, the call-in period expires at 5.00pm on Tuesday 22 January 2019.

10. Date of Publication

15 January 2019.

11. Implementation Date (if decision not called in)

After 5.00pm on 22 January 2019.