

Birmingham City Council

Homes Overview and Scrutiny Committee

14 March 2024



Subject: Affordable Housing
Report of: Claire Flowers, Assistant Director, Housing Development
Report author: Colette McCann, Head of Housing Development

1 Purpose

- 1.1 The report at Appendix 1 provides the Homes Overview and Scrutiny Committee with an update on affordable housing delivery within the context of housing need in Birmingham, current supply and challenges within the sector.
- 1.2 The report outlines the Council's approach to delivering affordable housing on sites it owns and follows the approval at Cabinet in January 2024 of the HRA Business plan and the Building Birmingham: Development strategy for Various Housing Sites Report
- 1.3 The report identifies the range of delivery options to deliver affordable housing and the benefits to broadening our approach to work with key partner and stakeholders in the city to accelerate affordable housing delivery and secure further funding an inward investment.

2 Recommendations

- 2.1 That the Homes Overview and Scrutiny Committee note the content of the report
- 2.2 That the Homes Overview and Scrutiny Committee considers the future oversight and reporting arrangements it requires in reference to section 4 of Appendix 1.

3 Any Finance Implications

- 3.1 Where BCC budgets are referred to in this paper, they relate to those factored into the HRA Business Plan, at an average of £50m a year for the next 8 years. This budget is set at a more summarised level than scheme by scheme, allowing the delivery method to be flexible, as detailed in this report.

- 3.2 The strategic approach to development will ensure a best value approach is taken to provision of affordable housing in Birmingham.

4 Any Legal Implications

- 4.1 Section 1 of the Localism Act 2011 contains the Council's general power of competence, which is circumscribed only to the extent of any applicable pre-commencement restrictions and any specific post-commencement statutory restriction of the power, and Section 111 of the Local Government Act 1972 contains the Council's ancillary powers in relation to the discharge of its functions including the disposal and acquisition of property and incurring of expenditure.
- 4.2 Sections 120 - 123 of the Local Government Act 1972 authorise the Council to acquire, appropriate and dispose of land. The disposal power in Section 123 of the Local Government Act 1972 is subject to the best consideration test.
- 4.3 Section 9 of the Housing Act 1985 authorises the Council to provide housing accommodation by erecting houses or converting buildings into houses on land acquired by the Council for the purposes of Part II of that Act or by acquiring houses. It also authorises the Council to alter, enlarge, repair or improve a house so erected, converted or acquired. It equally authorises the Council to exercise these powers in relation to land acquired for the purpose of disposing of houses provided or to be provided on the land or of disposing of the land to a person who intends to provide housing accommodation on it.
- 4.4 Section 17 of the Housing Act 1985 authorises the Council to acquire land for any of the above purposes and it may do so by agreement or compulsorily, with the authority of the Secretary of State. The Council may, subject to any conditions imposed by the Secretary of State, acquire such land notwithstanding that it is not immediately required but may only do so compulsorily provided the Secretary of State is of the opinion that it will be so required within 10 years of the confirmation of the Compulsory Purchase Order.
- 4.5 Section 19 of the Housing Act 1985 authorises the Council to appropriate any land vested in them or at their disposal for the above purposes, but it may not appropriate any land consisting of a house or part of a house without the consent of the Secretary of State.
- 4.6 Section 32 of the Housing Act 1985 authorises the Council to dispose of any land held for the purposes of Part II of the Housing Act 1985 in any manner but only with the consent of the Secretary of State. The Secretary of State has issued the General Housing Consents 2013 (issued March 2013 and corrected July 2013) which set out the circumstances where such disposals can take place without the need for specific consent from the Secretary of State, including circumstances such as disposals of vacant land, disposals at market value and disposals of reversionary interests in houses and flats.

5 Any Equalities Implications

- 5.1 Equality implications relating to the delivery of affordable housing on council owned sites identified in the Building Birmingham: Development Strategy for Various Housing Sites – Cabinet Report 16 January 2024 will be considered within each individual site options appraisal.

6 Appendices

- 6.1 Affordable Housing Report to Homes Overview and Scrutiny Committee