

FAREHAM

BOROUGH COUNCIL

2023/24
Decision No.
2527

Record of Decision by Executive

Monday, 18 March 2024

Portfolio	Housing
Subject:	Affordable Housing at Welborne Garden Village
Report of:	Director of Housing
Corporate Priority:	Provides Housing Choices

Purpose:

To provide the Executive with an overview of the potential opportunity for the Council to be involved as the Registered Provider of affordable housing at Welborne Garden Village, how that involvement might work, and broad financial and operational considerations associated with the potential opportunity.

Welborne Garden Village will deliver 6,000 new homes. In accordance with the S106 for the outline planning approval, a minimum of 600 homes will be affordable (a mix of Affordable Rent and Shared Ownership), with the potential for a total of 1,800 affordable homes (subject to viability).

On 09 October 2023 the Executive agreed the principle of further investigation and due diligence around the potential for Fareham Borough Council to be involved in the ownership and management of the affordable homes at Welborne, and for funding to be made available to seek appropriate advice on the matter.

Consultancy advice has now been obtained which highlights the positives and risks of potential models. This advice highlights that the initially proposed Joint Venture approach is unlikely to be attractive for the Council, and although other models for Council involvement could be more favourable, they would need to be considered in the wider context of risk, appetite and benefit.

The report explains why it is not considered appropriate for the Council to enter into the proposed Joint Venture approach for the ownership and management of the affordable homes at Welborne, but that alternative models might (subject to further legal and financial considerations) still offer some potential.

Options Considered:

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) notes the content of the report;
- (b) agrees that the proposed Joint Venture model is not pursued by the Council;
and
- (c) agrees that should Welborne Land Limited wish to consider discussion on the Council's potential involvement as owner/manager of the affordable homes, further discussion takes place on the potential for a Development Agreement approach through the Council's Housing Revenue Account, and thereafter and as necessary, further work be undertaken to consider the legal and financial implications to the Council. Noting that if this were to progress positively then a further report will be brought back to the Executive before any agreements are entered into.

Reason:

To support the Corporate Priority of providing Housing Choices.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 18 March 2024