

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 25 October 2023

Property Acquisition for 1000 Affordable Homes Programme

Issue for Decision

To seek approval to purchase completed units for a mix of Market Rent and Affordable Rent homes.

Decision Made

That:

1. The financial returns for the proposed acquisition as shown in Exempt Appendix 3 to the report, which supports the Housing Development and Regeneration Investment Plan and overall Development Strategy, be approved;
2. Delegated authority be given to the Director of Finance, Resources and Business Improvement to:
 - a) Negotiate terms for the purchase of the proposed acquisition for the sum as shown in the Exempt Appendix 3 to the report;
 - b) Procure and enter into all such deeds, agreements, contracts and documents which may be required to facilitate the purchase of the site, and the subsequent redevelopment works required to deliver the scheme referred to in this report. Including (but not limited to) any related appointments such as suitably qualified consultants and a Contractor if required;
 - c) Subject to satisfactory conclusion of all due diligence to negotiate and finalise and complete all legal formalities, deeds and agreements which may be required to facilitate the purchase;
 - d) Negotiate and agree any lease between The Council and Maidstone Property Holdings.
3. The Head of Mid Kent Legal Services be authorised to appoint the Solicitors required to negotiate and complete the necessary contract documentation, deeds and agreements associated with the purchase and construction works on the terms as agreed by the Director of Finance, Resources & Business Improvement.

Reasons for Decision

When appraising new housing development opportunities, the New Business and housing Development Team consider proposals against the following standard risk headings: -

- Site location and ownership
 - Town Planning Status
 - Schedule of accommodation, tenure mix and parking ratio
 - Quality – Maidstone Building for Life 12
 - Housing Management
 - Deal structure
 - Contractor procurement
- Financial viability
- Delivery programme
 - Professional team

The opportunity proposed has been fully appraised against these standard risk headings in the exempt Appendix 1.

The Housing, Health and Environment Policy Advisory Committee considered the matter on 10 October 2023, and supported the report recommendations.

Alternatives considered and why rejected

To not approve the purchase of the proposed acquisition. The Council would however lose an excellent opportunity to purchase a completed development of 13 houses with a good mix of both affordable and market rent.

This option was rejected as the proposal would contribute towards the 1000 affordable homes strategy, was a good opportunity and had received cross-party support from the Housing, Health and Environment Policy Advisory Committee.

Background Papers

Policy and Resources Committee Report "Affordable Housing Delivery by the Council" and Minute (No.157) of 19 January 2022.

I have read and approved the above decision for the reasons (including possible alternative options rejected) as set out above.



Signed: _____
Councillor David Burton, Leader of the Council

Full details of both the report for the decision taken above and any consideration by the relevant Policy Advisory Committee can be found at the following area of the [website](#)

Call-In: Should you be concerned about this decision and wish to call it in, please submit a call-in form signed by any three Members to the Proper Officer by: **5pm on Friday 3 November 2023**