

## Manchester City Council Report for Resolution

**Report to:** Executive – 18 October 2017

**Subject:** Housing Affordability Plan

**Report of:** Strategic Director (Development)

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### Summary

Following approval of the Housing Affordability Policy Framework by Executive in December 2016 this report sets out a number of ways for the Council to invest directly into the provision of an additional 2,500 affordable homes, over and above the existing 1,900 Homes England affordable Homes programme. Manchester's proposed Housing Affordability Fund will provide subsidy for new and existing homes that are affordable to Manchester residents on or below the city's average household income and the innovative Manchester Housing Affordability Zone will add scale and focus to delivery.

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### Recommendations

The Executive is recommended to:

1. Approve the establishment of the Housing Affordability Fund as set out in section 4 of this report and to delegate authority to determine the detailed arrangements on the operation of the fund to the Strategic Director (Development) and the City Treasurer in consultation with the Executive Member for Finance and the Deputy Leader with responsibility for Housing.
  2. Approve the proposal for an initial 4 Housing Affordability Zones outlined in section 3 of this report, being
    - Central Estates in North Manchester (including land at Monsall and Moston Lane)
    - Clayton (including land at Eccleshall Street and Ilk/Alpine Streets)
    - Beswick (including land at Grey Mare Lane)
    - Wythenshawe Town Centre
  3. Authorise the City Solicitor to enter into any agreements to give effect to the recommendations
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### Wards Affected

All

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Housing Affordability Fund will support the city in providing the right mix of housing that is affordable across a range of tenure and income levels to support a functioning Manchester and sub regional economy.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The new and existing homes will be well connected to employment opportunities and schools
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Increasing the supply of good quality affordable homes for sale and rent will provide the opportunity for Manchester residents to raise their individual and collective aspirations
A liveable and low carbon city: a destination of choice to live, visit, work	The right mix of quality energy efficient housing is needed to support growth and ensure that our growing population can live and work in the city and enjoy a good quality of life.
A connected city: world class infrastructure and connectivity to drive growth	This approach recognises the importance a balanced housing offer plays within a well-connected city and the neighbourhoods within it. It seeks to create neighbourhoods where residents will choose to live and their housing needs and aspirations are met

**Full details are in the body of the report, along with any implications for**

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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### **Financial Consequences – Revenue**

The proposed establishment of the Housing Affordability Fund will lead to increased numbers of houses within the City and this will increase the Council Tax base. There is annual growth in the Council tax based assumed within the medium term financial plan and this proposal will help deliver that growth.

### **Financial Consequences – Capital**

There are no direct financial consequences to the Council arising from the proposals within this report. Any future projects or schemes requiring capital resources will be subject to specific and appropriate approvals.

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**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Draft Residential Growth Strategy, Executive, 4<sup>th</sup> November 2015
- Manchester Market Rental Strategy, Executive, 15<sup>th</sup> January 2015
- Manchester Residential Growth Strategy and 2016/17 Action Plan, Executive, 2<sup>nd</sup> March 2016
- Housing affordability in Manchester, Executive 1<sup>st</sup> June 2016
- Housing affordability in Manchester, Executive 14<sup>th</sup> December 2016

## **1.0 Introduction**

1.1 Executive approved the Housing Affordability Policy Framework (HAPF) in December 2016 which redefined affordable housing in Manchester as;

‘Decent and secure housing that meets the needs of Manchester residents that are below the average household income for Manchester ’

1.2 This would include a significant proportion of lower-cost market housing and a range of the following;

- Social Housing
- Affordable Rent
- Shared Ownership
- Shared Equity
- Rent to Purchase
- Help to Buy

1.3 As part of developing the HAPF for Manchester it will be necessary to maximise any funding opportunities that are available for the delivery of affordable homes. At the moment the available funding is provided through Homes England (the former Homes and Communities Agency). This is the primary route for funding of the more traditional affordable housing products such as social housing, affordable rent, shared ownership and the Help to Buy programme.

1.4 This will be an important funding stream and opportunity but this will only form one element of the HAPF for Manchester. The Council will need to be more innovative and creative if it is to support the ambitious target to provide 1 – 2000 homes that are affordable each year in Manchester.

1.5 The additional type of affordable homes the Council will deliver will vary depending on location, evidence of demand, and a clear rationale for delivery and will be a mixture of new build and, importantly, existing housing. In order to support the delivery of these homes, and create another key element of the HAPF, this report sets out a proposal to create a Housing Affordability Fund.

1.6 The Housing Affordability Fund was outlined as an integral part of the HAPF in the December 2016 report. Money from this fund will be used flexibly and will enable the City Council to subsidise eligible schemes across the city. This will take the form of non-recoverable grant and/or recyclable investment and the details of this are explained within the main body of this report. This will complement the new build Manchester Affordable Homes Programme.

1.7 With an annual investment of £2 million through the Housing Affordability Fund and the introduction of the Housing Affordability Zones outlined in section 3 of this report up to 2500 new and existing affordable homes will be delivered over the next 5 years.

## **2.0 The Manchester Affordable Homes Programme**

- 2.1 The Manchester Affordable Homes Programme brings together the City Council and developing Registered Providers (RPs) who are delivering both traditional affordable housing across the city and new forms of housing such as market rent and sale. The funding for most of this programme has, in the main, been provided by the housing providers themselves, with grant support from Homes England and, in some cases, additional grant from the Department of Health for specialist and supported housing.
- 2.2 As reported to Executive in December over the last 5 years the City Council, RPs and developer partners have been very successful in their bids through the Affordable Homes Programmes delivering 2721 new homes in Manchester across the following tenures;
- Social Rent - 578
  - Affordable Rent - 763
  - Shared Ownership - 216
  - Shared Equity (Inc Help to Buy) - 1166

To put this into context this equates to approximately 45% of the total number of homes built (6016) in that period.

- 2.3 The Shared Ownership and Affordable Homes Programme (SOAHP) 2016 – 2021 was announced towards the end of last year as the latest funding programme from Homes England. This funding programme focussed on shared ownership and introduced a new Rent to Buy product. The City Council coordinated and supported a Manchester Programme bid along with RP partners resulting in a very successful allocation of over £45 million grant funding to contribute to the delivery of 1900 new homes by 2021. This is the largest allocation in Greater Manchester (See table 1 below) and forms part of a total construction programme for Manchester of approximately £180 million

**Table 1 – SOAHP Allocation by Local Authority**

Local Authority	No. of Sites	Units	Grant
Bolton	9	136	4,387,000
Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford, Wigan	2	100	3,250,000
Bolton, Bury, Manchester, Oldham, Rochdale, Trafford	1	10	320,000
Bolton, Bury, Manchester, Rochdale, Stockport, Trafford	1	24	768,000
Bolton, Manchester, Rochdale, Trafford	1	18	576,000
Bury	3	30	822,000
Manchester	43	982	33,070,950
Oldham	32	334	9,387,000
Rochdale	8	167	6,798,690

Local Authority	No. of Sites	Units	Grant
Salford	12	94	2,820,000
Stockport	13	551	14,224,948
Tameside	11	282	7,535,000
Trafford	18	466	12,291,000
Wigan	8	179	5,240,000
Indicative allocations without a specified Local Authority	19	1,207	34,412,811
<b>Grand Total</b>	<b>181</b>	<b>4,580</b>	<b>135,903,399</b>

2.4 The allocations were given on either a firm or indicative basis;

- Firm – is where the bidder had identified a site which they had purchased or were in negotiations with the landowner to purchase
- Indicative – is where the allocation of grant was not subject to a specific site or local authority

2.5 Since the allocation, officers from the City Council and RP partners have been working to identify suitable, public and privately-owned land for development so the indicative allocation could be turned into firm bids. This has also been supplemented by funding from the Department of Health and the Council to provide specialist and supported housing. This work and the additional funding has led to an increase in the forecast new homes for Manchester from 982 contained in the table to the 1900 reported in paragraph 2.3.

2.6 As the SOAHP grant allocation was undersubscribed nationally there is still a substantial amount of funding available up to 2021. This will be allocated through a process with Homes England called Continuous Market Engagement (CME). This process requires the delivery partner to bring forward firm schemes with the land secured and a robust business plan with support from the local authority. The CME process will also allow for the reintroduction of schemes that include social and affordable rent.

### 3.0 Proposed Housing Affordability Zones - Creating opportunities

3.1 As the City Council is committed to the provision of homes that are affordable and developing the HAPF for Manchester it is proposing to bring forward proposals for 4 areas across the city where the Council has significant land interests as potential Housing Affordability Zones. These will broadly be:

- Central Estates in North Manchester (including land at Monsall and Moston Lane)
- Clayton (including land at Eccleshall Street and Ilk/Alpine Streets)
- Beswick (including land at Grey Mare Lane)
- Wythenshawe Town Centre

3.2 These areas are all well connected by public transport to the City Centre and other jobs markets and will make ideal residential development zones with an emphasis on access to affordable homes. There will a number of steps to be

undertaken to unlock the sites within these four areas including land assembly, remediation and compulsory purchase. In addition to the zones, we will also seek to utilise further sites across the City using the same affordability principles where the opportunities arise.

- 3.3 RP partners will be invited to assist with co-designing these areas to bring forward good quality, mixed tenure development in line with the Housing Affordability Framework for Manchester. The four areas will include a significant number of sites that will accelerate new build residential market housing for sale and rent but that will be predominantly affordable to residents on or below the average income for Manchester. This will include a range of housing products and some of these will require public subsidy which will be provided via the CME process with Homes England. These will contribute to the Manchester Affordable Homes Programme 2016 - 2021 and through the proposed Manchester Housing Affordability Fund described in section 5.
- 3.4 It is anticipated that over the four areas up to 2000 new homes could be delivered over the next 5 years. These will be across the full range of purchase and rental options contained within the HAPF.

#### **4.0 Establishing the Housing Affordability Fund**

- 4.1 The Housing Affordability Fund (HAF) will bring together in one place a range of funding streams targeted at the provision of affordable homes that will complement the development of higher value homes in and around the city. In terms of cash contributions to the Fund these will come from all or a combination of the following as appropriate;
- **S106** – Developer contributions for affordable housing (subject to scheme viability). We are starting to see a number of residential schemes being brought forward that are generating s106 funding for affordable housing. This could be achieved through on-site provision or through a commuted sum
  - **Right to Buy (RtB) receipts** including Preserved RtB receipts from Registered Provider (RP) Partners
  - **Housing Revenue Account (HRA)** - This is currently being used to provide the capital funding for the homes the Council will be developing in North and East Manchester for rent and shared ownership. At present we have grant funding for 131 new homes and the HRA will be used to pay for the remainder of the construction costs.
  - **Housing Capital Programme** – There are several projects within the existing housing capital programme that will support the delivery of affordable homes including a rent to purchase proposal and receipts from equity loans which can be recycled.
- 4.2 Additional to these cash contributions it is anticipated that the Council will use its borrowing powers to provide capital funding and also invest some of its land and buildings, possibly at a discounted rate. Each scheme put forward would be subject to a robust viability and value for money assessment and

only where we have marginal schemes, where there is no other source of funding, would the affordability fund be used.

- 4.3 For the purposes of planning and modelling it is anticipated that the HAF will generate funding for a potential subsidy of up to £2 million per annum

#### **Investment options**

- 4.4 The creation of the HAF presents the Council with a real opportunity to invest directly into the provision of affordable homes in Manchester. This can take several forms so for ease these have been grouped into 2 key areas;

1. Ownership and management of new and existing affordable homes
2. Access to homes

Each of these options will now be explained in more detail. In order to put the funding requirement for each element into context the remainder of this section will show how many homes can be delivered using a notional fund value of £2 million.

#### **Ownership and Management - Residential new build**

- 4.5 The respective forms of tenure that will be delivered through a new build programme will require very different levels of subsidy. The key constraint in the delivery of affordable homes is the level of subsidy required to make new affordable house building a viable option. Market house building allows the developer to recover their build costs plus profit through the sale of the property or through long term financing repaid through a market rent. Affordable housing is very different and is heavily subsidised to make up the gap between the affordable product being offered and the market equivalent for sale or rent.
- 4.6 The calculations used in each of the following affordable tenures are based on previous grant regimes, build costs of £120k per home and land invested at a discounted value. If the City Council develops the new build homes then contributions from the Fund will need to be supplemented by City Council borrowing which can be repaid from rental and sales over an agreed period. If an RP develops the new homes then they will raise funding through their own borrowing resources.
- 4.7 It should be noted that Homes England still has a substantial amount of grant funding available for the products below. Manchester's Affordability Fund could be used as a form of 'top-up' for schemes that are still marginal due to low rental and sales values. This will be explored further with Homes England.
- 4.8 **Social Rent** - is let at approximately 60% of market rent and will require a subsidy of approximately 50 - 60% of the total build costs so in financial terms this will equate to £60k - £72k. This will be in the form of a grant and this will be non-recoverable unless the home is sold on the open market at a future date. If the City Council developed these using HRA borrowing then they

would be subject to the Right to Buy (RTB). Registered Provider tenants are currently not eligible for the RTB.

Total homes that could be delivered is between 27 and 33

- 4.9 **Affordable rent** - is social housing but is let at 80% of market rent. As this is charged at a higher rent than social housing it will require less subsidy. Assuming the subsidy is 30% the support provided by the Fund would equate to a maximum of £36k. Not only does this require less subsidy than social rent, borrowing costs can be repaid quicker due to the higher rent levels. However this is also a non-recoverable cost unless the home is sold at a future date. Again any affordable homes funded by the HRA will be subject to the RTB.

Total homes that could be delivered is 55

- 4.10 **Shared Ownership** - is a low cost home ownership product where the purchaser, usually on a lower income, purchases up to 50% of a new home. The purchaser then pays a nominal rent of 2.75% of the remaining balance. The subsidy required for this product will be approximately 30% of the build costs (up to £36k). The investment can be recovered proportionately if the tenant purchases further shares or eventually 'staircases' out to the full amount. This is likely to be a longer term investment as stair casing through shared ownership has been very limited to date.

Total homes that could be delivered is 55

- 4.11 **Shared Equity** - is where the purchaser has a minimum of a 5% deposit and obtains a mortgage for a further 75% of the home's value. The remaining 20% will be an equity investment. The investment will be recovered when the property is sold and it can then be reinvested. As it is an equity stake this will be subject to capital appreciation (or depreciation). This is currently available on new build housing only through Help to Buy and the future of this funding remains uncertain.

From our experience on the Redrow and Bowes Street developments the repayment of equity stake varies but on average, where the owner repays their equity stake, this occurs 4-5 years after purchase so this is a medium to long term investment.

Total homes that could be delivered is 66 (based on a sales value of £150k)

- 4.12 **Land Purchase** - the fund could purchase privately-owned land either as a stand-alone site or as part of a land assembly package to support a development of homes that are affordable. This would probably mean discounting the land value in order to make the homes affordable. The cost of this will vary based on its location and size. At present there is not any specific funding from Government to acquire land for affordable homes and the Council's landholding is diminishing and partners are reporting that due the

expected land value it is becoming increasingly difficult to acquire private sector land for the development of affordable homes.

- 4.13 **Gap Funding** - will be made available to support a strategic, specialist or supported development. The value of this will be determined through a detailed viability appraisal and, where possible, should include a cost recovery mechanism if the circumstances of the development change.

This is being considered on the current Extra Care Programme due to the high construction costs and limits to combined rental and service charge costs. This could also work for marginal schemes where ground conditions, remediation costs or infrastructure are affecting the viability of a scheme.

### **Ownership and Management - Purchasing Existing Homes**

- 4.14 Approximately 75% of the city's existing homes fall into council tax bands A and B which implies that the city has a significant stock of lower value homes to purchase and rent. At present there is no real support to buy or rent these homes other than through the traditional high street mortgage, market rent or, subject to eligibility, a social home through Manchester Move. However, in terms of Manchester's HAF, the city's existing housing presents the biggest opportunity to support some of our aspiring lower income households into the tenure of their choice. This will require an acquisition, refurbishment and sales/rental programme.
- 4.15 The City Council has been successful in its efforts to reduce the number of long term empty homes over recent years. This was supported as part of the national funding programme but this is now coming to a close. During that period RP partners have also been undertaking a disposal programme of some of their stock in Manchester to support the delivery of their new build programme in the city.
- 4.16 Rather than allowing a disposal on the open market, often acquired by landlords, we have worked with a group of RP's to develop a disposals protocol and more recently supported them to set up an investor panel. This involved a competitive process and they have commissioned a panel of private sector partners who can purchase properties, refurbish them and either rent out in accordance with agreed management standards or sell them on to first time buyers. There has been some real success, particularly with partners who have engaged with the local community and sold homes to first time buyers, in some of the most challenging neighbourhoods in the city.
- 4.17 The panel is governed by RP partners and without a formal procurement process the City Council will not be able to work directly with the current private sector partners or other new entrants into this area. Officers are working with the City Council legal and procurement teams to establish the most efficient way of delivering affordable homes with private sector partners. Once we have agreed a successful and manageable procurement process it is proposed that the Housing Affordability Fund will look to provide financial support for the purchase, refurbishment and onward sale to first time buyers.

The areas where the subsidy will most likely be required will be;

- To purchase empty homes. These could then be transferred to partners on license who would then refurbish and sell the properties. The City Council's investment would then be returned at point of sale (less refurbishment and partner costs)
- To bridge any viability gaps for properties that have been purchased and refurbished in marginal areas. This can take the form of either a grant or equity stake

4.18 In order to make this viable in some neighbourhoods this would require both equity investment and grant funding. Based on a recent empty homes scheme delivered by the Council this required a non-recoverable subsidy of approximately 19% of the total cost. This was due to a very high cost of refurbishment so working with partners to deliver homes to a good quality 'occupational standard' we would look to reduce this level of subsidy. The occupational standard will be developed alongside partners to ensure this does not detract from the overall quality of the finished product. Officers will also continue discussion with Homes England to explore the possibility of funding to support this work.

4.19 Based on combined acquisition and refurbishment costs of £80k and a sales programme which required a 10% non-recoverable subsidy the initial investment of £2 million could deliver 135 homes before it diminishes. This is based on recycling and reinvesting the sales receipts over several phases

Total homes that could be delivered is 135 (over a 5 year period)

4.20 Another option is to work directly with RP partners to undertake the acquisition, refurbishment and sales/rental programme. The Council has mechanisms in place to work with RP partners through grant or loan agreements under Section 22 of the Housing Act 1996 or Section 24 and 25 of the Local Government Act 1988. These can be established very quickly, run over an agreed period and have been used by way of grant, loan and match funding previously. With initial investment of £ 2 million the number of homes that could be delivered through this option would be in the region of 100 due to higher refurbishment costs. This will also be based upon recycling and reinvesting the sales receipts.

Total homes that could be delivered is 100

4.21 Manchester's HAF could lead the way in utilising existing properties and working with partners to develop a range of low cost home ownership and rental products including;

- Social Housing
- Affordable Rent
- Shared Ownership
- Shared Equity

- 4.22 The subsidy required to support these products will be based on the same percentages i.e. 50-60% for social housing, 30% for affordable rent and shared ownership etc. but the cost of existing homes is, generally, much less than new build. On average we would expect to deliver approximately 30% more affordable homes from our existing homes than we would through new build. The Housing Affordability Fund could look to provide this type of product for existing homes where lower income households could access entry level homes at a much more affordable price.

### **Access to homes**

- 4.23 There are also 2 further products that officers are developing which will be suitable for both new build and existing homes. They are Rent to Purchase and a Mortgage Guarantee.
- 4.24 **Rent to Purchase** - is a market product where the tenant/purchaser rents the property at a full market rent for up to 5 years. During that period the property manager will set aside 20% of the gross rent to put towards the tenant/purchaser's deposit. The tenant/purchaser will look to match this amount and at year 5 (or before) will then access a high street mortgage with between 5% - 10% deposit and purchase the property. As this will be an equity stake the investment will be subject to any agreed capital appreciation (or depreciation). This investment will be fully repaid on completion of the purchase and can then be recycled into the fund to be used again. The estimated investment will range from between 10% and 20% of the construction costs of the new home or purchase and refurbishment (£90k) of an existing home subject to viability. If successful the receipt from the properties will be recycled every 5 years.

Total homes that could be delivered is between 83 and 166 (New Build) and 110 and 220 (existing homes)

- 4.25 **Mortgage Guarantee** - can be either cash-backed (where money is placed into an account with the lender providing a mortgage) or un-funded (where the money is held by MCC ) that allow a resident with a 5% deposit to access a 95% Loan to Value (LTV) mortgage at a reduced rate similar to a 75% LTV rate. Executive approved the 'Manchester Mortgage Guarantee' in November 2012 which was on the basis of the unfunded model. However due the introduction of a similar Government-backed scheme this did not proceed. The Government's scheme has now ceased and several local authorities in GM and wider are keen to reintroduce this to the market. Although 90 - 95% mortgages are more widely available they are still dependent upon very stringent affordability ratings and may be difficult to access by many of our residents. The investment would be recycled every 5 years

Total homes that could be delivered is 83

- 4.26 The products described in the above two paragraphs are still in development and will require further work with colleagues from legal and finance so will not be available until 2018

### **Investment criteria and Governance**

- 4.27 It will be necessary to set out a broad range of criteria that will guide the Council's investment decisions. As a prerequisite for any scheme that will be subsidised through the affordability fund it must achieve one or more of the following;
- Deliver new or existing homes that will be affordable to residents on or below the average household income for the city (as defined in Manchester's HAPF)
  - Support the development of a range of products that will provide Manchester residents an affordable option to buy or rent a home in the city
  - Free up existing social rented homes
  - Provide a form of specialist or supported home
  - Maximise the use of any external funding
  - Provide housing that is located in areas reasonably accessible to jobs markets using public transport.
- 4.28 It is proposed that the Council's Strategic Housing Board should provide the overall governance of the Housing Affordability Fund. The Board offers a wealth of experience of dealing with affordable homes and comprises the Deputy Leader with responsibility for Housing, senior officers from the across Council directorates and five Chief Executives of Registered Provider partner organisations. The Board will ensure that each proposed scheme is challenged and assessed in line with the requirements of the Council's capital programme delivery process, namely;
- Strategic Fit
  - Economic value
  - Financial implications
  - Risk
  - Deliverability
  - Value for Money

## **5.0 Conclusion**

- 5.1 Manchester's Affordability Fund has the opportunity to support a range of established and innovative products that will allow residents, on or below the average household income for the city, to access the home of their choice. By being more creative, and working with both public and private sector partners, this can be delivered at a scale that would not be possible if the Council did this alone.
- 5.2 Recommendations appear at the front of this report

## **6.0 Contributing to the Manchester Strategy**

### **(a) A thriving and sustainable city**

- 6.1 The affordability fund will support the Council in providing the right mix of housing that is affordable across a range of tenure and income levels to support a functioning Manchester and sub-regional economy.

### **(b) A highly skilled city**

- 6.2 The new and existing homes will be well connected to employment opportunities and schools

### **(c) A progressive and equitable city**

- 6.3 Increasing the supply of good quality affordable homes for sale and rent will provide the opportunity for Manchester residents to raise their individual and collective aspirations

### **(d) A liveable and low carbon city**

- 6.4 The right mix of quality energy efficient housing is needed to support growth and ensure that our growing population can live and work in the city and enjoy a good quality of life.

### **(e) A connected city**

- 6.5 This approach recognises the importance a balanced housing offer plays within a well-connected city and the neighbourhoods within it. It seeks to create neighbourhoods where residents will choose to live and their housing needs and aspirations are met

## **7.0 Key Policies and Considerations**

### **(a) Equal Opportunities**

- 7.1 This approach to affordability will enable the provision of a diverse range of housing to meet the needs of the growing and changing population. Local communities will be engaged through appropriate consultation, giving all stakeholders opportunities to engage in the development of Manchester's policy.

### **(b) Risk Management**

- 7.2 Assessment, mitigation and management of risk will be overseen through the city council's governance arrangements associated with residential growth

### **(c) Legal Considerations**

7.3 This report contains a wide range of outline options for the operation of the HAF which, when more detailed arrangements are being considered, will involve legal matters which will need to be taken account of in the light of relevant legislation, case law and also current Council policies applying to ensure that the Council is acting in accordance the law and its powers and to also ensure the effective operation and longevity of the HAF. The legal considerations will cover wide and varied areas, some of which are referred to in the report, such as:

- (a) Disposal of land at an undervalue;
- (b) Procurement;
- (c) Housing law;
- (d) Use of CPO powers;
- (e) The power to make grants and loans;
- (f) Planning matters, including section 106 agreements;
- (g) Property management agreements, and
- (h) Property structure and disposal.

The legal team will continue to support officers in the detailed delivery of the HAF.