




Affordable Housing Delivery Task and Finish Group July 2022

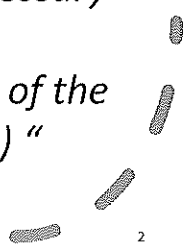
Sale of the councils stock under LSVT

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Member question

“It might be important for the TFG to understand exactly why CDC decided it was necessary to sell off all its housing stock in 2001 and what steps will be necessary for CDC to reverse the decision (if that is one of the objectives of the TFG?) “



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The national position

- National housing policy and political drivers in that era were about moving assets and services from the public to other sectors
- VCT (Voluntary Competitive Tender), CCT (Compulsory Competitive Tender) and LSVT (Large Scale Voluntary Transfer) were fundamental planks of government policy

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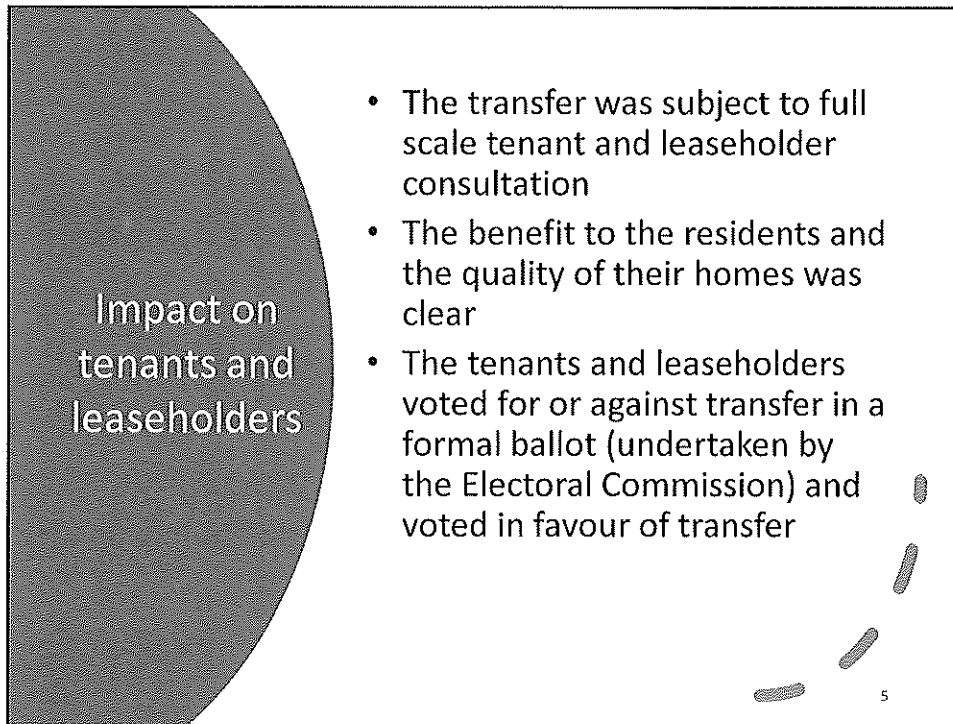
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The cost to run housing

- The national policy restrictions and formulaic approach to repairs and maintenance and investment in stock meant stock condition across the country was declining
- The catch up repairs, forecast responsive repairs and void works, cyclical repairs and maintenance and programmed renewals for the CDC stock in 2001 were independently calculated to be a cost to the council for the next 30 years of **£213m**

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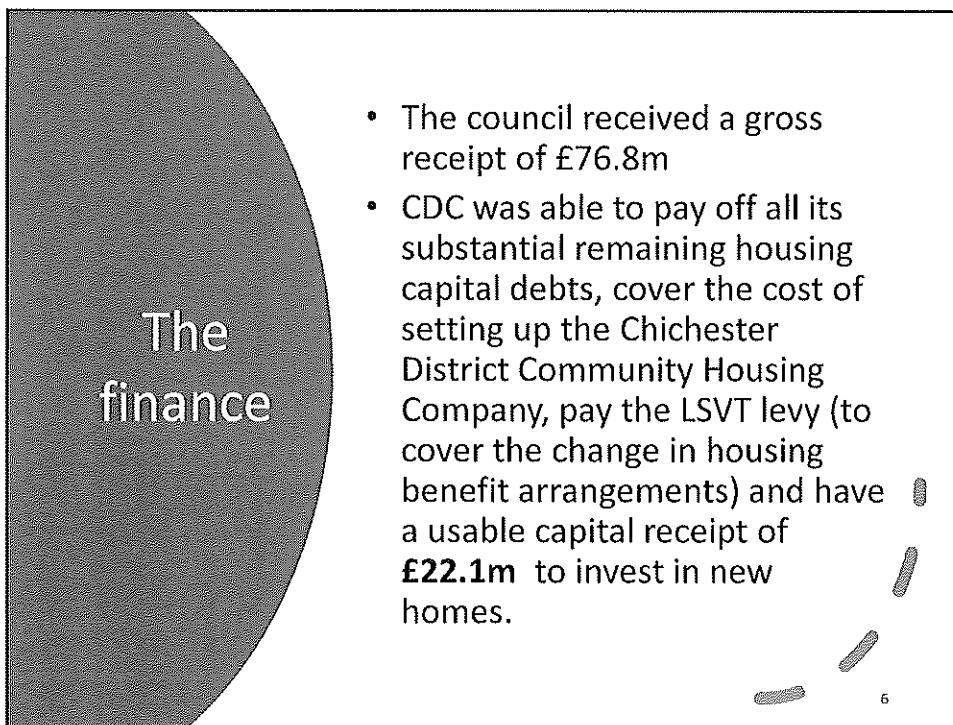


Impact on tenants and leaseholders

- The transfer was subject to full scale tenant and leaseholder consultation
- The benefit to the residents and the quality of their homes was clear
- The tenants and leaseholders voted for or against transfer in a formal ballot (undertaken by the Electoral Commission) and voted in favour of transfer

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The finance

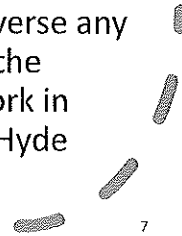
- The council received a gross receipt of £76.8m
- CDC was able to pay off all its substantial remaining housing capital debts, cover the cost of setting up the Chichester District Community Housing Company, pay the LSVT levy (to cover the change in housing benefit arrangements) and have a usable capital receipt of **£22.1m** to invest in new homes.

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The position now

- 5,321 homes were transferred in 2001
- CDCH Ltd was subsequently incorporated into Martlett Homes which in turn became incorporated into Hyde Martlett and finally just as Hyde
- The stock transfer is now 21 years old
- There is no scope to reverse any of these decisions and the council continues to work in close partnership with Hyde



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