

## **Record of Decisions**

### **Future Structure and Operation of TorVista Homes**

#### **Decision Taker**

Cabinet on 05 December 2023.

#### **Decision**

That Cabinet recommends to Council:

1. That TorVista Homes be dissolved with effect from 1 April 2024, (or immediately following transfer of all social housing units, if this is beyond this date), with mandatory de-registration to the Regulator of Social Housing by TorVista Homes in advance and:

The Director of Pride in Place be instructed to:

- a. Commence tenant consultation (in line with current requirements by the Regulator of Social Housing) in relation to the proposal to transfer the social housing units, income and liabilities into Torbay Council;
- b. Instruct TorVista Homes to maintain a continuous level of service to their tenants (in accordance with all requirements for Registered Providers of social housing, to at least the same standard as they currently receive), including continuing to achieve mandatory compliance standards until transfer of the homes has been completed; and
- c. Develop detailed delivery plans, in consultation with the Cabinet Member for Housing, Finance and Corporate Services and all Group Leaders (or their nominees), setting out how the Council will accelerate;
  - i. the provision of new Affordable Housing, targeted to meet Torbay's local housing need, specifically including;
    1. Social Rented Housing; and
    2. Affordable Rented Housing
  - ii. The provision of accommodation for strategic priority areas, including;
    1. Extra care
    2. Supported housing (for various client groups)
    3. Temporary accommodation, and
    4. Care experienced young people.

The Director of Finance, in consultation with the Monitoring Officer and Cabinet Member for Housing, Finance and Corporate Services, be given delegated authority to:

- a. Subject to satisfactory completion of all necessary due diligence, (and tenancy engagement), enter into the Capital funding grant agreements with Homes England and to transfer all social housing units, assets, liabilities

and income from TorVista Homes into the ownership and management of Torbay Council; and

- b. Upon completion of all satisfactory due diligence, transfer any land or development assets owned by TDA or TorVista Homes into the ownership of Torbay Council, as required; and

The Head of Strategic Housing and Delivery, in consultation with Cabinet Member for Housing, Finance and Corporate Services, be given delegated authority to:

- a. Subject to completion of a satisfactory procurement, agree a suitable scope and extend the Council's existing Temporary Accommodation and property maintenance contract for a further 12 months, with additional provision to include the maintenance and compliance of any homes currently owned by TorVista Homes that transfer to the Council, should this be required; and
  - b. Apply for Investment Partner status on behalf of the Council, and secure Homes England funding for any eligible future directly provided affordable housing scheme.
2. That Council approve an annual revenue budget of £150k for 2024/25 for the Council to fund and provide in house, the management and operation of activities previously undertaken by TVH.

### **Reason for the Decision**

"Future Options on the structure and operations of Torbay Economic Development Company" which was approved by Council in September 2023, required further work to be undertaken by the Director of Finance with regards to the future management and operation of the 32 units currently owned by TorVista.

The assets and liabilities of TorVista Homes are underwritten by the Council. Having recently written-off £1.5m of operational costs, the Council needs to determine whether there was a more cost effective and financially sustainable model of delivering its strategic housing objectives.

### **Implementation**

The recommendation of the Cabinet will be considered at the Council meeting on 7 December 2023.

### **Information**

In September 2023, the Council considered a report on the future options for the structure and operation of TorVista Homes, Council agreed that the Director of Finance undertake further work with regards to the future management and operation of the 32 units currently owned by TorVista, (plus any subsequent units that might arise through either St Kilda and/or Torre Marine), to drive down operational costs. The Director Finance was requested to report the outcome of this work to the Cabinet to enable it to make recommendations to the Council meeting on 7 December 2023.

The Council has explored whether it is able to manage and maintain the existing units held by TorVista Homes, in line with the requirements of the Regulator for Social Housing, and the conditions as set out in Homes England grant agreements, without having to maintain a separate wholly-owned company model. Additionally, it has sought to establish whether it is able to deliver wider strategic housing projects such as the proposals for St Kilda and Torre Marine, alongside any further initiatives the Council may develop in the future.

Having considered the various operating models the Council was being recommended to dissolve TorVista Homes and approve an annual revenue budget of £150k for 2024/25, in order for, the Council to fund and provide in house, the management and operation of activities previously undertaken by TorVista Homes.

At the meeting Councillor Tyerman proposed and Councillor David Thomas seconded a motion that was agreed unanimously by the Cabinet, as set out above.

### **Alternative Options considered and rejected at the time of the decision**

Consideration was given to continuing to operate TorVista Homes as a subsidiary of Torbay Council and to transfer its housing stock within TorVista Homes, but it is not believed that this would provide any advantage as compared to the proposed option and would result in a higher financial cost to the Council.

### **Is this a Key Decision?**

No

### **Does the call-in procedure apply?**

No

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None.

### **Published**

7 December 2023

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Leader of Torbay Council on behalf of the Cabinet