

Record of Decisions

Turnkey Acquisitions for Social Housing

Decision Taker

Cabinet on 19 August 2025.

Decision

1. that delegated authority be granted to the Director of Finance, in consultation with the Cabinet Member for Housing and Finance, and the Director of Pride in Place, to acquire 14 homes at Site A and 4 homes at Site B, as located in Exempt Appendices 2 and 3 for affordable housing, subject to the satisfactory completion of all due diligence and securing an acceptable allocation of grant funding from Homes England;
2. that the required long-term borrowing be funded from the £20m prudential borrowing headroom agreed by Full Council in May 2025, and utilise an allocation of internal affordable housing capital funding for each site as proposed in Exempt Appendix 1 to reduce prudential borrowing and deliver a viable scheme overall, with delegation granted to the Director of Finance, in consultation with the Cabinet Member for Housing and Finance to agree the precise mix of internal funding sources from relevant existing approved budgets;
3. that delegated authority be given to the Head of Strategic Housing and Delivery to seek the maximum amount of grant funding that is considered reasonable and likely from Homes England;
4. that delegated authority be given to the Head of Strategic Housing and Delivery, in consultation with the Director of Finance, to finalise terms to acquire the developments; and
5. that delegated authority be given to the Chief Executive, in consultation with the Leader of the Council, to make the final decision as to the split of the properties between those in temporary accommodation and care experienced young people.

Reason for the Decision

Torbay faced acute housing challenges, with 1,600 households registered for social housing and around 160 in temporary accommodation at any time. Furthermore, the proposal represents a cost-effective and timely opportunity to deliver against multiple strategic objectives demonstrating the Council's willingness to strengthen its response to local housing pressures.

Implementation

This decision will come into force and may be implemented on 2 September 2025 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

Torbay Council had the opportunity to acquire 14 newly built, well located homes in Torquay (Site A) and 4 homes in Paignton (Site B) through turnkey arrangements, including the associated freeholds. These acquisitions were intended to deliver affordable housing for social

rent, primarily for households in temporary accommodation and care experienced young people.

The Council had applied for Homes England grant funding to subsidise the purchases and enable tenure conversion to social rent. The acquisitions were to be funded through a mix of internal capital and prudential borrowing from the £20 million headroom approved by Council in May 2025.

At the meeting Councillor Tyerman proposed and Councillor Chris Lewis 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

Option 1 the preferred option - was to proceed with the acquisition of the Sites A and B, to deliver 18 new homes and enable their conversion for social rent, to be let to households currently living in Temporary Accommodation, other forms of emergency/supported housing or care experienced young people. As both schemes were below Torbay's threshold of 15 homes, neither scheme would otherwise provide affordable housing tenures – the Council's intervention therefore significantly enhances the benefit of the projects to the community in Torbay.

Option 2 - not to proceed with the purchases. Whilst this option would avoid capital risk; it would not improve the housing situation and would be less likely to secure delivery of the site to meet Local Plan targets in the short-medium term. It would also mean Torbay misses an opportunity to increase its social housing stock.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

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

None

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22 August 2025

Signed: _____ Date: 22 August 2025
Deputy Leader of Torbay Council on behalf of the Cabinet