

**STOCKTON-ON-TEES BOROUGH COUNCIL**

**CABINET RECOMMENDATIONS**

**PROFORMA**

Cabinet Meeting .....19th January 2017

1. Title of Item/Report

Consolidation of the Thirteen Housing Group

2. Record of the Decision

Consideration was given to a report on the consolidation of the Thirteen Housing Group.

The Thirteen Group was created in April 2014 following the merger of two locally based housing groups (Vela and Fabrick). Within the existing Thirteen Group structure there were four subsidiary registered provider landlords including Tristar Homes Limited.

Since the establishment of Vela and more recently Thirteen, £50m had been investment into the borough through property improvement / investment and the delivery of much need new affordable homes. However over recent years the operating environment for all Registered Housing Providers had changed significantly, in order to deliver savings and greater efficiencies Thirteen proposed to consolidate the group structure to create one landlord. The new landlord would retain the name Thirteen and would own and manage the Groups services and 34,000 properties. In order to progress with group consolidation Thirteen sought the Council's consent to change Tristar Homes Limited (THL) Articles of Association this would then enable THL to transfer its engagements (assets and liabilities) to Thirteen and for THL to then be dissolved.

Mr Ian Wardle (Thirteen Housing Group) was in attendance at the meeting and outlined the plans and significant forward investment programme which included:

- This financial year a further £14.4m
- Between 2017/18 to 2021/22 £41m to be investment in properties and neighbourhoods improvements.
- Over the next 3 years the delivery of 145 new homes in the borough (95 affordable rent and 50 for intermediate homeownership).

In addition active discussions would commence with the Council to develop a Strategic Plan which would align Thirteen's investment ambitions with the Council's priorities to maximise impact and to explore joint venture opportunities.

RESOLVED that:-

1. The necessary changes to the THL Articles of Association which would enable the Thirteen Group consolidation to take place (as detailed in paragraph 5 of the report) be agreed.

2. The Chief Executive be authorised to nominate a representative to exercise the Council's vote at any General Meeting of THL and for this representative to vote in favour of:

(i) THL converting to become a community benefit society.

(ii) THL transferring its engagements (assets and liabilities) to the Thirteen Group.

3. A referral be made to Scrutiny Liaison Forum / Executive Scrutiny Committee proposing that a scrutiny review of the new arrangements takes place after a period of 12 months.

4. Cabinet's report and decisions be submitted to Council, in order to update all Members regarding the proposals for Tristar Homes Limited and the arrangements for giving the Council's consent to the restructuring plans.

3. Reasons for the Decision

To enable the Thirteen Group to consolidate the existing landlord group structure to form a single Registered Provider. The proposed changes in structure are intended to streamline operations and enable the more efficient use of resources to support existing services to tenants, ongoing property investment programmes and enable the ongoing development of new housing within the local area which will address local needs.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Steve Nelson declared a personal and prejudicial interest in respect of agenda item 10 - Consolidation of the Thirteen Housing Group

as he was a member of Tristar Board. Councillor Steve Nelson did not vote on the item.

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Midnight, 27 January 2017

Proper Officer  
23 January 2017