

# Oxford City Council's Housing Company

**APSE Annual Seminar**  
7<sup>th</sup> September 2017

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Oxford City Housing Limited

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# Housing Challenge - some facts and figures

- Average house price £491k ( 16x average household income of £29.4k )
- Home Ownership 47% vs national average 63%
- Large private rented sector 28% vs 16% England and South East
- Median private rent for 3 bed £300/week which is over half the median earnings and 30% above local housing allowance rate
- 3,300 on OCCs housing register
- Homelessness pressures increasing ( 100 approaches from homeless/month and 33 street homeless at last official count )
- Over 7,700 overcrowded households
- Estimated between 24-32,000 homes needed up to 2031

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# Why a housing company ?

- **Constrained development opportunities due to Green belt and flood risk**
- **Market and housing association partners have better growth opportunities elsewhere**
- **Changes to Government policy undermined the Council's Housing Revenue Account business plan**
  - **1% rent reduction for 4 years**
  - **Provision for high value void levy**
  - = **£100m reduction in business plan income over 10 years**
- **Series of difficult sites**
- **15/16 Council had built 120 units within the HRA and with some HCA grant**

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# What will the housing company be doing ?

- **Overall objectives**
  - To increase the supply and range of housing including affordable housing
  - To provide a financial return to the Council
- **Specific objectives**
  - The purchase and management of the affordable rented homes at Barton ( 950 home development by Joint Venture between OCC and Grosvenor Estates )
  - To develop new affordable housing with a range of tenures
  - The purchase and management of high value void properties from the Council
  - To undertake estate regeneration schemes

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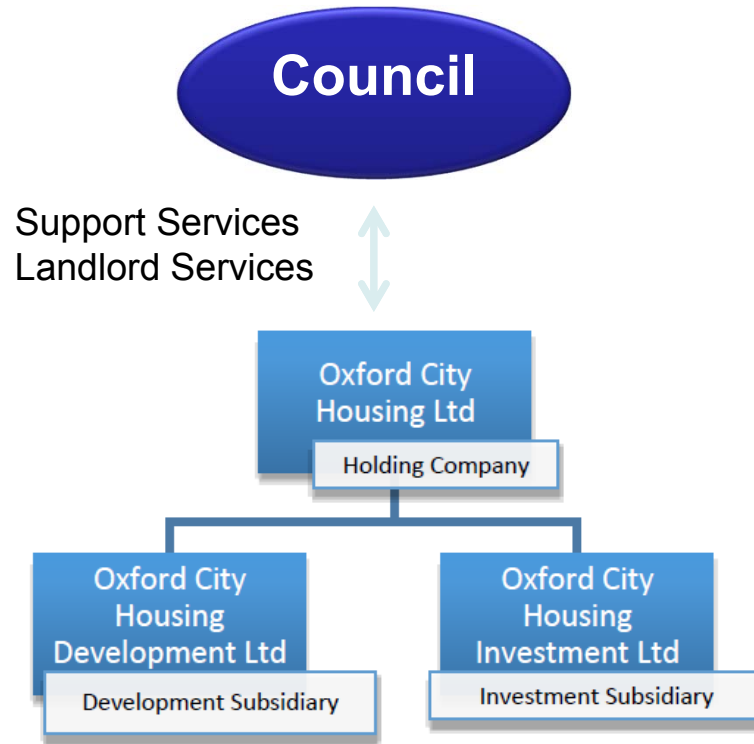
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# Structure



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# Governance

- **Wholly owned company of Oxford City Council**
- **Shareholder responsibility exercised by City Executive Board**
- **3 Directors (OCC Senior Managers) option for non-Executive**
- **Company secretarial role provided by Head of Law and Governance**
- **Not a registered provider**

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# Progress

- Governance arrangements in place.
- Business Plan developed and agreed.
  - Development programme of 500 units over next 5 years on HRA land
  - Other development site opportunities being explored
  - Exploring options for purchase of affordable units on regeneration schemes.
  - Project management consultancy procured
- Loans agreed within Council's budget.
- Policy framework being developed.
- First units in management 17/18

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# Learning Points

- Do not underestimate timescale
- Organisational capacity and capability
- Governance and interface with scrutiny
- Organisational culture – role separation
- Understanding risk appetite
- Business planning and establishing business accounts

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