

## **Request for Affordable Housing Grant – Greenway Corner, Chippenham**

### **1. Purpose of the Report**

- 1.1 This report seeks Members' authorisation for an allocation of £300,000 Affordable Housing Grant (AHG) to enable Knightstone Housing Association to provide 10 units of general needs social housing provision at Greenway Corner, Chippenham.

### **2. Recommendation**

- 2.1 Members authorise the commitment of Affordable Housing Grant of £300,000 to enable the provision of 10 new affordable homes by Knightstone Housing Association at Greenway Corner, Chippenham.**
- 2.2 Members delegate authority to the Legal Services Team Leader to agree a nominations agreement with Knightstone Housing Association.**

### **3. Links to Corporate Plan**

- 3.1 Housing is a corporate priority.

### **4. Background Information**

- 4.1 Knightstone Housing Association is one of the Council's five affordable housing development partners.
- 4.2 Greenway Corner is a site being developed for residential use. The developer has offered Knightstone Housing Association the opportunity to purchase the new homes being developed on the site off the shelf at a discounted price for use as affordable housing.
- 4.3 There will be 10 affordable units at Greenway Corner consisting of 2 x 1 bed and 8 x 2 bed flats for social rent.

### **5. The Scheme**

- 5.1 The scheme is already on site and Knightstone would be purchasing the units off-the-shelf from the developer. It is anticipated that the properties will be completed at the end of January 2006.
- 5.2 The affordable units will comprise 10 dwellings for rent; (2 x 1 bed flats, 8 x 2 bed flats).
- 5.3 Knightstone Housing Association is bidding for additional funding from the Regional Housing Body via the Housing Corporation for £788,132 to fund this development. If they are not successful in obtaining funding from the Housing Corporation, Knightstone will use their own finances to cover the amount required in addition to the AHG.
- 5.4 Knightstone Housing Association require approval at this point to enable them to enter contract with the developers in order to secure the provision of the units.
- 5.5 The scheme represents good value for money for the Council at £30,000 per unit.

- 5.6 Chippenham is an area of high housing need. The latest available figures taken from the Housing Needs Register on 5<sup>th</sup> December 2005 show that there are 510 households on the Housing Needs Register with Chippenham as their first choice. Of these, 299 households require 1 bed accommodation and 132 households require 2 bed accommodation.
- 5.7 Knightstone Housing Association has agreed to enter into a nominations agreement to enable the Council to nominate to all of the properties on first let/sale and 75% of re-lets/re-sales thereafter.

## **6. Financial Implications**

- 6.1 The Council has agreed a capital budget of £2,000,000 for new affordable housing provision for 2005/06 plus a rollover of £1,624,000 from 2004/05. A projected provision of £2,000,000 in each of the following 2 years is subject to members' approval.
- 6.2 It is anticipated that the cash draw-down for this scheme can be accommodated within the budgets for 2005/06 and 2006/7. See Appendix 1.

## **7. Community and Environmental Implications**

- 7.1 The provision of 10 new affordable homes in Chippenham with nomination rights for the Council is a valuable contribution towards meeting the high levels of housing need identified in North Wiltshire.
- 7.2 One of the priorities identified in the Chippenham Community Area Plan is to "increase the provision of affordable housing for local people". The approval of this scheme will help to meet that priority.

## **8. Human Resources Implications**

- 8.1 None. The new homes will be managed by Knightstone Housing Association.

## **9. Equal Opportunities Implications**

- 9.1 The provision of affordable housing helps to enable all residents in the district to have the opportunity to meet their housing needs locally.

## **10. Legal Implications**

- 10.1 Local Authorities have powers under s22 (3) of the Housing Act 1996 to make grants to Registered Social Landlords.

### **Documentation used in the preparation of this report**

- Housing Development Files

### **REPORT OF THE COMMUNITY & REGENERATION STRATEGIC MANAGER TO THE EXECUTIVE – 2<sup>ND</sup> FEBRUARY 2006**

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