

REPORT TO THE EXECUTIVE

Report No.15

Date of Meeting	9 th November 2006
Title of Report	Request for Affordable Housing Grant – Hill Corner Road
Portfolio	Housing
Link to Corporate Priorities	Housing
Key Decision	YES - The decision will result in the Council requiring expenditure or making savings which amount to over £50,000
Executive Workplan Ref	B300
Public Report	YES

Summary of Report

This report seeks Members' authorisation for an allocation of £100,000 AHG to enable Westlea Housing Association to provide two, 4 bedroom houses for rent at Hill Corner Road, Chippenham.

Officer Recommendations

- Members authorise the commitment of Affordable Housing Grant of £100,000 to enable the provision of 2 new affordable homes by Westlea Housing Association at Hill Corner Road, Chippenham**
- Members delegate authority to the Legal Services Team Leader to agree a nominations agreement with Westlea Housing Association.**

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.

Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
YES	YES	YES	NONE	YES

Contact Officer	Janet O'Brien Housing Team Leader 01249 706307 jobrien@northwilts.gov.uk
------------------------	--

1. Introduction

- 1.1 The report seeks Member's approval for allocation of £100,000 of Affordable Housing Grant to provide 5 shared ownership homes at Hill Corner Road in Chippenham.

2. Options and Options Appraisal

- 2.1 Option 1: To approve the allocation of the requested AHG to assist Westlea Housing Association in providing 2 new affordable homes for social rent. Westlea have also put in a bid to the Housing Corporation to fund this site which could reduce, or eliminate the need for AHG from the Local Authority.
- 2.2 Option 2: Refusing the request for AHG could result in the 2 new affordable homes not being provided.

3. Background Information

- 3.1 Westlea Housing Association is one of the Council's five affordable housing development partners.
- 3.2 Hill Corner Road, Chippenham is an existing garage area owned by Westlea Housing Association. Westlea have obtained detailed planning permission to develop the site, subject to resolving vehicle turning on site.
- 3.3 The units provided will comprise 2 dwellings for social rent (2 x 4 bed houses).
- 3.4 The scheme represents good value for money for the Council at £50,000 per unit. The use of the Council's capital funding will enable the scheme to proceed as presented. The average public subsidy per social rented unit from the Housing Corporation National Affordable Housing Programme 2006-08 for the South West Allocations was £52,837.
- 3.5 Chippenham is an area of particularly high need. As at 8th August 2006, there were 561 households on the Housing Needs Register with Chippenham as their first choice and the District Wide Housing Needs Survey 2005 indicated a net need for 326 new affordable homes in Chippenham per annum for the next five years.
- 3.6 Westlea Housing Association has agreed to enter into a nominations agreement to enable the Council to nominate to both of the properties on first sale and 75% of re-sales thereafter.

4. Financial Implications

- 4.1 The Council has agreed a capital budget of £2,000,000 for new affordable housing provision for 2006/7 plus a rollover of £63,241 from 2005/6. A projected provision of £2,000,000 in each of the following 2 years is subject to member's approval.
- 4.2 It is anticipated that £80,000 of the affordable housing grant for this scheme can be accommodated within the budget for 2006/07, with the remaining £20,000 being paid on completion within the budget for 2007/8. See **Appendix 1** for Anticipated Cash-Flow 2005-09.

5. Legal Implications

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

6. Community and Environmental Implications

6.1 The provision of 2 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. Equality and Diversity Implications

7.1 The provision of affordable housing helps to enable all residents in the district to have the opportunity to meet their housing needs locally. An Equality Impact Assessment has been completed and no resulting actions were identified.

8. Risk Analysis

8.1 This is considered to be low risk. Westlea Housing Association are a long-standing partner of North Wilts DC and are requesting funding at a reasonable level for a specific scheme. The site at Hill Corner Road already has planning permission and is owned by Westlea Housing Association, therefore making the scheme very deliverable.

8.2 It is not considered that this issue has significant strategic, policy or operational implications and therefore a risk assessment has not been completed.

Appendices:	<ul style="list-style-type: none"> • Appendix 1 – Anticipated Cash-Flow 2008-09
Background Documents Used in the Preparation of this Report:	<ul style="list-style-type: none"> • District Wide Housing Needs Survey 2005 • Application for Capital Funding Pro-Forma • Housing Needs Register Report Summary – First Choice at 08/08/2006

Previous Decisions Connected with this Report

Report	Committee & Date	Minute Reference
<ul style="list-style-type: none"> • None 		