

## REPORT TO THE EXECUTIVE

Report No. 12

Date of Meeting	07/06/2007
Title of Report	<b>Request for Affordable Housing Grant (AHG) to Provide Affordable Housing – Heathfield, Chippenham</b>
Portfolio	<b>Housing</b>
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	B331
Public Report	Yes

### Summary of Report

This report seeks Members' authorisation for an allocation of £180,000 AHG to enable Westlea Housing Association to provide 4 units of affordable rented housing at Heathfield, Chippenham. The scheme will provide 2 x 2 bedroom, 4 person and 2 x 4 bedroom 6 person houses for affordable rent.

### Officer Recommendations

- 1. Members authorise the commitment of Affordable Housing Grant of £180,000 to enable the provision of 4 new affordable homes by Westlea Housing Association at Heathfield, Chippenham**
- 2. 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

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## **1. Introduction**

- 1.1 The report seeks Member's approval for allocation of £180,000 of Affordable Housing Grant to provide 4 homes for affordable rent for general needs housing, at Heathfield, Chippenham.

## **2. Options and Options Appraisal**

- 2.1 To approve the allocation of the requested AHG to assist Westlea Housing Association in providing 4 new affordable homes for rent.
- 2.2 Refusing the request for AHG could result in the 4 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 The site at Heathfield, Chippenham currently is a garage area owned by Westlea.
- 3.3 The scheme is on a brown-field site and will achieve scheme development standards, secured by design, Ecohomes standard - very good.
- 3.4 The total scheme costs are £433,793 requiring subsidy of £180,000. The average public subsidy per unit is £45,000, which represents good value for money. The average public subsidy per affordable 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 high need. As at 2<sup>nd</sup> April 2007, there were 533 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 315 new affordable homes in Chippenham per annum for the next five years.
- 3.6 Westlea Housing Association has agreed to enter into a nomination agreement to enable the Council to nominate to all of the properties on first let and 75% of re-lets thereafter.

## **4. Financial Implications**

- 4.1 The approved budget for 2007/08 for new affordable housing provision is £1.5m plus £152,978 brought forward from prior years making a total available of £1,652,978.
- 4.2 Schemes totalling £705,229, identified for payment during 2007/10, are shown on Appendix 1 of which £459,482 has previously been approved by Members. Unapproved schemes total £245,747 including £180,000 for Heathfield, the subject of this report. Members have previously agreed that Officers could enter into negotiations with RSLs for schemes which could be awarded grant funding in future years as these necessitate long lead times.

## **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 4 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.

## **8. Risk Analysis**

- 8.1 This is considered to be a low risk. Westlea Housing Association is a preferred development partner of North Wiltshire District Council and is requesting funding at a reasonable level for a specific scheme. The site at Heathfield is owned by Westlea and planning permission has been applied for, therefore the scheme is deliverable.
- 8.2 It is not considered that this scheme has significant strategic, policy or operational implications and therefore a risk assessment has not been completed.

<b>Appendices:</b>	<ul style="list-style-type: none"><li>• <b>Appendix 1: Anticipated cash-flow 2005-09</b></li></ul>
<b>Background Documents Used in the Preparation of this Report:</b>	<ul style="list-style-type: none"><li>• <b>District Wide Housing Needs Survey 2005</b></li><li>• <b>Application for Capital Funding Pro-Forma</b></li><li>• <b>Housing Needs Register Report Summary – First Choice at 01/03/2007</b></li></ul>

### **Previous Decisions Connected with this Report**

<b>Report</b>	<b>Committee &amp; Date</b>	<b>Minute Reference</b>
<ul style="list-style-type: none"><li>• <b>None</b></li></ul>		