

## **AGENDA ITEM No. 10**

**CABINET**

**QAMER YASIN – HEAD OF ENVIRONMENTAL  
HEALTH & HOUSING  
REPORT NO. EHH1710**

**Tuesday 4<sup>th</sup> April 2017**

**KEY DECISION: NO**

### **FIRST WESSEX (FW) REQUEST FOR ALLOCATION OF RUSHMOOR BOROUGH COUNCIL CAPITAL GRANT FUNDING**

#### **SUMMARY AND RECOMMENDATIONS:**

- 1.1 This report outlines a request from First Wessex (FW) for an allocation of Capital Grant for a scheme of new affordable homes.
- 1.2 Cabinet is requested to approve the allocation of £46,000 from the Council's budget for Capital Grants to Registered Providers of Social Housing 2017/18.

## **2. INTRODUCTION**

- 2.1 The purpose of this report is to seek Cabinet approval of £46,000 in Capital Grant Funding to First Wessex (FW) from the Capital Grant Budget 2017/18 to enable the delivery of four, 3-bedroom, family homes, at Affordable Rent that can be used to help meet Rushmoor's demand for affordable, larger, family homes.

## **3. BACKGROUND**

- 3.1 Under the Housing Act 1996 s22, ss3 local authorities are permitted to make grants or loans for the assistance of a registered social landlord. To qualify as Capital Grant the contribution the Council makes must be at least £10,000.
- 3.2 The Council has helped FW secure funding from the Homes and Community Agency (HCA) by demonstrating its commitment to new affordable housing on former garage sites, through contributions of Capital Grant.
- 3.3 FW are continuing their programme to regenerate their underused garage courts on sites identified as having development potential to provide new affordable housing. The programme has delivered 50 new affordable homes so far.

- 3.4 Garage courts that FW assess as not having development potential are being considered for disposal.
- 3.5 Planning permission was granted in November 2016 for a scheme at Lyndhurst Avenue, Aldershot on an underused garage court. A site location map is attached in Appendix 2.
- 3.6 The scheme is four, 3-bedroom homes for Affordable Rent. Where the layout permits there is potential to provide disabled adaptations i.e., walk in shower and ceiling hoists therefore reducing the costs should a property require adaptations. Enhanced use of renewables will be used to achieve the required energy performance standards.
- 3.7 The scheme will meet the need for larger, affordable, family homes. There are currently 271 households in the housing allocations pool who are in need of a 3-bedroom home, including some who need adaptations. We will maximize the number of lets we can achieve as a result of this scheme by considering opportunities to chain let.

#### **4. DETAILS OF THE PROPOSAL**

- 4.1 The total development cost of the scheme is £876,045. Private finance secured by FW and £140,000 from the HCA leaves a funding short fall of £46,000 which FW is requesting from the Council's Capital Grant Budget 2017/18
- 4.2 Full Council approved the Capital Grant Budget for 2017/18 at its meeting on 23 February 2017. The budget for Capital Grant for affordable housing is £98,500.
- 4.3 A contribution of £46,000 from the Council to the development costs of the scheme, equates to £11,500 per unit, £2,300 per person.
- 4.4 The scheme provides family housing for Affordable Rent, contributes to our strategic housing objectives and the Council Plan.
- 4.5 The Council's contribution will help secure Affordable Rented housing with 100% nomination rights on first let and 75 % on re-lets in perpetuity
- 4.6 FW intend to start on site in the late spring 2017 and are expected to deliver the new homes in the spring 2018.

#### **Consultation**

- 4.7 The Portfolio Holder for Health and Housing has been made aware of this proposal.

## **5. IMPLICATIONS**

### **Risks**

- 5.1 The Council's contribution gives some control on the type and tenure of the new homes. Without making this funding contribution, the Council may not be able to secure the Affordable Rented housing that best meets its housing needs.

### **Legal Implications**

- 5.2 There are no legal implications arising from this proposal.

### **Financial and Resource Implications**

- 5.3 The proposal is to fund the scheme from the balance remaining in the approved £98,500 Capital Grant Budget for 2017/18. Grant will be paid at completion, therefore; spend will take place in spring 2018. Details for the 2017/18 budget are shown in Appendix 1.
- 5.4 This new build scheme contributes to the supply of new Affordable Rented housing, which helps to reduce bed and breakfast costs.

### **Equalities Impact Implications**

- 5.5 A preliminary Equalities Impact Assessment has been prepared and there are no equalities issues arising from this report.

## **6. CONCLUSIONS**

- 6.1 The Lyndhurst Avenue scheme represents an opportunity to provide family housing for Affordable Rent in a good location, close to local shops, schools, doctors and local bus routes. This will meet the needs of those in our housing allocation pool needing larger family homes including those who may need adaptations. It may offer the opportunity for chain lettings.
- 6.2 In order to secure much-needed Affordable Rented homes for Rushmoor residents it is recommended that the Council make a £46,000 Capital Grant contribution to the scheme.

## **BACKGROUND DOCUMENTS:**

The Housing Strategy and Enabling development file  
Housing and Homelessness Strategy 2017-2022  
The Council Plan 2017/18

## **CONTACT DETAILS:**

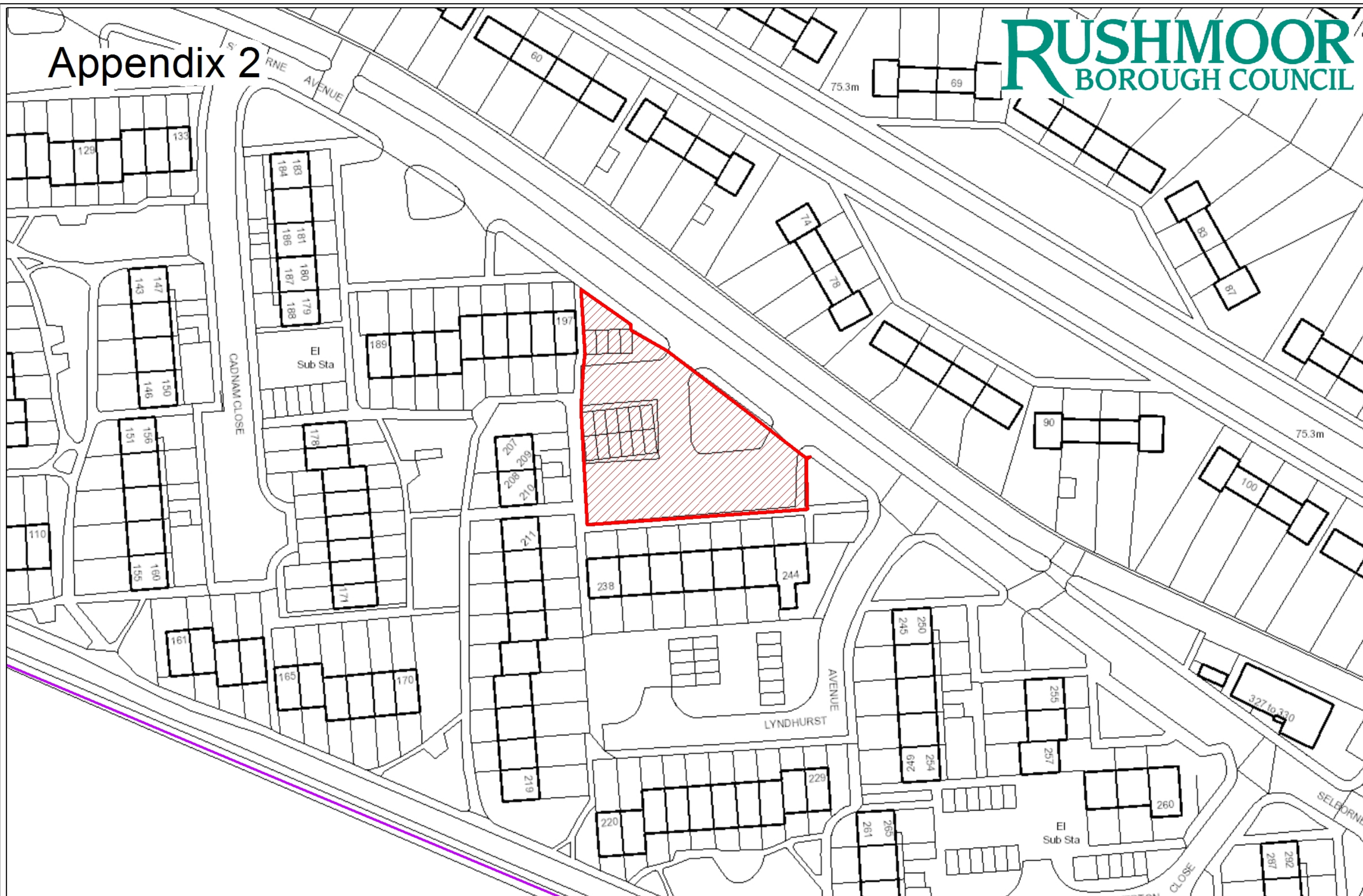
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**APPENDIX 1****EHH 1710****CAPITAL BUDGET MONITORING 2017/2018**

<b>2017/2018</b>	<b>£</b>	<b>Comment</b>
2017/18 budget	£98,500	
<b>Approved schemes</b>		
Stonewater – Raglan Close, Aldershot	£40,000	Slipped from 2017/18 due to delay at SOS. Already approved under delegated powers
First Wessex - Birchett Road, Farnborough	£12,500	SOS payment made July 2016 Final payment due 2017/18. Already approved under delegated powers.
<b>Pipeline schemes</b>		
First Wessex – Lyndhurst Avenue, Aldershot	£46,000	Full payment due on Completion Spring 2018
<b>TOTAL</b>	Nil Balance	

# Appendix 2



**Lyndhurst Avenue Garage Site, Aldershot**