

**MEDIUM TERM PLAN
REQUESTS FOR RELEASE OF FUNDS**

(Report by the Head of Financial Services)

1 PURPOSE

- 1.1 The purpose of this report is to allow Cabinet to decide whether to release funds for the MTP schemes detailed in the attached annexes.

2 BACKGROUND

- 2.1 The Council agreed in December 2005 *that, having regard to the implications for future spending and Council Tax levels, Directors review with appropriate Executive Councillors the need for schemes/projects included in the MTP but not yet started and that specific prior approval be sought and obtained from the Cabinet before such schemes/projects are implemented.*
- 2.2 Officers have identified the schemes that they wish Cabinet to consider releasing funding for and have discussed them with the relevant Executive Councillor.
- 2.3 Annex A summarises and the following Annexes detail these requests.

3. RECOMMENDATION

- 3.1 The Cabinet is recommended to release the funds shown in Annex A.

ACCESS TO INFORMATION ACT 1985

None

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ANNEX A

SUMMARY		Net Revenue Impact (£'000)						Net Capital (£'000)					
		2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011
Annex B	615 – Affordable Housing Social Housing Grant		46	133	174	174	174		1,846	1,627			
			0	0	0	0	0		0	0			
	Total amount for which release now requested		46	94	96	96	96		1,846	81			

615 – Affordable Housing Social Housing Grant

Steve Plant

Financial Impact

	Net Revenue Impact						Net Capital							
	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2009/ 2010 £000	2010/ 2011 £000	2011/ 2012 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2009/ 2010 £000	2010/ 2011 £000	2011/ 2012 £000
Approved Budget		46	133	174	174	174	174		1,846	1,627				
Already released		0	0	0	0	0	0		0	0				
Amount for which release now requested		46	94	96	96	96	96		1,846	81				

Justification for Release

Rising house prices have led to an increase in the need for affordable housing. There are currently 2,400 households on the Council's housing register and the recent housing needs survey identifies a need to develop 585 social rented homes per year for households in need who cannot access the market plus an additional 470 intermediate tenure for households who can afford private rented housing but cannot access owner occupation. (Fordham Survey Update, 2006)

The development of new affordable housing is a priority for this Council. Following the abolition of Local Authority Social Housing Grant, the Council decided to continue funding new affordable housing. This money will be used to fund sites that are not funded by the Housing Corporation, ODPM or other sources; or where joint funding is required to address the tenure balance to better meet the housing needs of the district. This will address two objectives – to help to increase overall supply; and to address tenure balances in favour of social rented housing which forms the Council's highest need.

A total of £1,846k is requested for release, as stated in the approved MTP. This will be used to fund schemes which have not been funded by the Housing Corporation but which will start on site, and therefore require grant to be committed in 2006/07. To enable the developments to be delivered, a small tranche (£81k) from the budget in 2007/8 also needs to be committed and therefore this too needs to be released.

Committal of the budget to individual schemes will be done in consultation with the Executive Councillors for Finance and Housing .