

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 | | 15 | 63 | 96 | 96 | 96 | 96 | | 589 | 1,338 | | | | |

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 .

Adjusted phasing to reflect that shown in Agenda item 4

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