

SUBJECT:	<i>Affordable Rented Housing Contribution – Springett Place</i>
REPORT OF:	<i>Cllr Graham Harris Portfolio Holder Health Housing and Communities</i>
RESPONSIBLE OFFICER	<i>Martin Holt Head of Healthy Communities</i>
REPORT AUTHOR	<i>Martin Holt 01494 732055</i>
WARD/S AFFECTED	<i>All or specify individual wards affected by the item of report</i>

1. Purpose of Report

This report is to inform Cabinet of the decision by the Chief Executive to use delegated powers in consultation with the Cabinet Leader to support delivering of affordable rented properties on the proposed development, (3 x 3 bedroom houses, 2 x 2 bedroom houses, 2 x 1 bedroom flats) with a contribution of £40K per unit (total £280,000) to Paradigm (PHG) from the Council.

RECOMMENDATION

1. Cabinet note that the Chief Executive has exercised his powers of urgency under the Scheme of Delegation (in consultation with the Cabinet Leader) to authorise payment of a contribution of £40K per unit (total £280,000) to Paradigm (PHG) from the Council, subject to incorporating provisions in the funding/nomination agreement that could provide for a repayment of grant to the Council in the event of any property subsequently being sold within 10 years.
2. Authority be delegated to the Head of Healthy Communities, in consultation with the Head of Legal and Democratic Services, to negotiate and conclude any agreement required to give effect to the decision to provide funding, including provisions for repayment on any future sales to sitting tenants.

2. Reasons for Exercise of Urgency Powers

To enable the PHG board at its meeting 14th December to consider the proposal to develop affordable rented properties on the proposed Springett Place development, rather than provide shared ownership properties on site.

To enable a contribution of £40K per unit (total £280,000) from the Council to Paradigm (PHG) to develop 3 x 3 bedroom houses, 2 x 2 bedroom houses, 2 x 1 bedroom flats for affordable rent.

To provide for a repayment of grant to the Council in the event of any property subsequently being sold to a sitting tenant.

To assist the Council discharge its duties in relation to affordable housing and homelessness.

3. Background to Decision

Following receipt of planning permission Paradigm Housing Group (PHG) is redeveloping the Springett Place site, to provide; a terrace of five houses and two maisonettes with associated parking: 3 x 3 bedroom houses, 2 x 2 bedroom houses, 2 x 1 bedroom flats.

Paradigm approached the Council to convert the tenure of the scheme from shared ownership to affordable rent, in return for a contribution of £40K per unit (total £280,000) from the Council. Affordable rented accommodation is much needed to assist the Council in discharging its duties in relation to Affordable Housing and Homelessness, were as share ownership would be sold as low cost market housing.

As at 24th October 2016 a total of 587 applicants were registered with Chiltern District Council for Bucks Home Choice and were entitled to express interest in vacant social or affordable housing for rent.

The availability of properties to let via Bucks Home Choice remains limited in comparison with the number of households registered with Bucks Home Choice. Since 1st April 2016, an average of between just 3 to 4 properties per week have been available for letting and been advertised. Consequently, many applicants in Chiltern District continue to face a long wait for accommodation.

During the first half of 2016/17 (1.4.16 to 30.9.16) a total of 101 properties were let in Chiltern via Bucks Home Choice or direct lettings as follows:

- 1 bedroom = 47 (Average wait = 17 months)
- 2 bedroom = 44 (Average Wait = 17 months)
- 3 bedroom = 10 (Average Wait = 28 months)

The Affordable Members Working Group supported the need to delivery of affordable housing for rent and whilst a number of sites are in consideration, in reality these will take a significant period of time to come to fruition, involving community consultation and planning consent. This proposal has planning consent, is ready to be developed, with contractors due to start on site in 2017.

In support of the Council's contribution to the development Paradigm has confirmed that it can look at incorporating provisions in the funding/nomination agreement with CDC that

could provide for a repayment of grant to the Council in the event of any property subsequently being sold to a sitting tenant.

Budget

The available budget arising from historic s106 for Chiltern is;

106 funding	£
Current balance	1,650,000
Springett place	280,000
Balance	1,370,000

In consideration of the proposal, the councils need to deliver affordable rented accommodation, Members views and the requirement to meet the PHG board deadline of the 14th December, the Chief Executive has exercised his powers of urgency under the Scheme of Delegation (in consultation with the Cabinet Leader) to authorise payment of a contribution of £40K per unit (total £280,000) to Paradigm (PHG) from the Council, subject to incorporating provisions in the funding/nomination agreement that could provide for a repayment of grant to the Council in the event of any property subsequently being sold within 10 years

4. Consultation

Not Applicable

5. Options

- 1) *to note the decision taken to support the delivery of affordable rented properties assisting the Council meet its Homeless and Housing enabling duties*

7. Corporate Implications

Reports must include specific comments addressing the following implications;

- 3.1 *Financial* - The available budget arising from historic s106 for Chiltern is currently £1.65M
- 3.2 *Legal* – *the Councils has grant making powers to support the delivery of affordable housing*
- 3.3 *The proposal supports the Councils objectives of providing affordable housing*

8. Links to Council Policy Objectives

9. Next Step

An agreement will be drafted with PHG to provide for a repayment of grant to the Council in the event of any property subsequently being sold within ten years

Background Papers:	It is a legal requirement that we make available any background papers relied on to prepare the report and should be listed at the end of the report (copies of Part 1 background papers for executive decisions must be provided to Democratic Services)
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