

SUBJECT:	Affordable Housing Contributions Update
RELEVANT MEMBER	Councillor Patrick Hogan
RESPONSIBLE OFFICER	Head of Healthy Communities – Martin Holt
REPORT AUTHOR	Housing Manager – Michael Veryard
WARD/S AFFECTED	All wards

1. Purpose of Report

To provide Members with an update on the position of the Affordable Housing Contributions received by the Council and how they have been utilised.

RECOMMENDATIONS

1. That Members note the update on the Affordable Housing Contributions

2. Executive Summary

Not applicable

3. Reasons for Recommendations

There are no funding recommendations to consider so the report is for noting only.

4. Content of Report

4.1. The Council's Core Strategy (adopted in 2011) and Affordable Housing Supplementary Planning Document (adopted in 2013) make provision for developers to pay a financial Affordable Housing Contribution in lieu of on-site provision where there are sound planning reasons or other reasons. These funds are then utilised by the Council to help secure affordable housing elsewhere.

4.2. As at 31st January 2019, the position of the AHCs (Affordable Housing Contributions) was as follows:

Affordable Housing Contributions	£
AHCs received since January 2011	£9,299,243
Funds spent	£7,976,324
Committed Funds	£1,322,122
Uncommitted Funds	£797

Further details are set down in the following paragraphs.

Funds spent to date (£7,976,324)

4.3. The funds spent to date (£7,976,324) have delivered additional affordable housing via a range of schemes since 2011:

Scheme	Delivery
Property acquisitions (L&Q)	39 x units acquired and let
Your Choice Equity Loan (Catalyst)	25 x equity loans granted to support applicants to purchase homes
Downsizing	15 x Registered Provider tenants supported to downsize
Incentive to Purchase	1 x Registered Provider tenant supported to acquire property
Subsidy to convert new build shared ownership to rent	18 x units converted to rent on two schemes (L&Q and Hightown)
Property acquisitions for use as temporary accommodation (Bucks HA)	2 x units acquired and let and further acquisition pending (see below)
Temporary Accommodation schemes at Bath Road <ul style="list-style-type: none"> - 1-12 Walters Court - 801 Bath Road 	These schemes are delivering 14 units through the new development of 12 units at 1 -12 Walters Court and the conversion of 801 Bath Road to provide 2 units. Funding has been spent on both schemes to date with further expenditure due to take place pending completion (see below)

4.4. When the Policy Advisory Group was last updated on Affordable Housing Contributions in June 2018, the "Downsizing" and "Incentive to Purchase" schemes had been brought to a close. Since that time:

- L&Q has completed its programme of property purchases and the Council is not currently funding L&Q to undertake any further purchases.
- The Your Choice Equity Loan Scheme operated by Catalyst has been put on hold and is not currently taking any new applications. The Council will be reviewing the future of the scheme with Catalyst later this year to determine if there are grounds to recommence it taking account of likely demand and the availability of funding.

Committed Funds (£1,322,122)

4.5. The committed funds (£1,322,122) are broken down as follows:

Scheme	Committed Funds
Property acquisitions for use as temporary accommodation (Bucks HA)	£120,000

Temporary Accommodation schemes at Bath Road - 1-12 Walters Court - 801 Bath Road	£1,099,486
Other Temporary Accommodation and Move-On Initiatives	£102,636
Total	£1,322,122

Further details on each scheme are below

(a) Property Acquisitions for use as Temporary Accommodation

4.6. Bucks Housing Association has completed the acquisitions of two units to date with funding support of £240,000 from the Council. A further £120,000 remains committed to support one more acquisition which is due for completion in February 2019.

(b) Temporary Accommodation schemes at Bath Road

4.7. To date, the two temporary accommodation schemes have drawn down funding totalling £2,256,035 (for 1-12 Walters Court) and £868,479 (for the acquisitions, repair and conversion of 801 Bath Road) from the Affordable Housing Contributions.

4.8. There are remaining committed funds totalling £743,966 (for 1-12 Walters Court) and £167,906 (for 801 Bath Road refurbishment), which will fund the completion of these schemes. A further £187,614 is earmarked for the purchase of the adjoining land at Bath Road

(c) Other Temporary Accommodation or move-on initiatives

4.9. The sum of £462,636 was committed to support initiatives to deliver more options for temporary accommodation or move-on accommodation. Of this, £360,000 has been used to fund the property acquisitions by Bucks Housing Association (see above). This leaves a balance of £102,636 which is still available to support further initiatives. Scheme proposals to utilise this funding will be brought forward by the Head of Healthy Communities and subject to consultation and agreement with the Healthy Communities Portfolio Holder on a scheme by scheme basis.

Uncommitted Funds (£797)

4.10. The uncommitted funds of £797 are insufficient to support any further initiatives at this time. The Council is scheduled to receive a significant Affordable Housing Contribution of approximately £350,000 in the near future and other contributions are scheduled to be received subject to developments progressing.

These contributions will increase the level of funds available. As and when that happens, the Head of Healthy Communities will review the options for utilising the funds to secure further affordable housing in consultation with the Healthy Communities Portfolio Holder.

5. Consultation

Not Applicable

6. Options (*if any*)

There are no options to consider. The available funding has already been committed aside from £797 which will be held pending further income from Affordable Housing Contributions

7. Corporate Implications

7.1 Financial

The schemes and initiatives being supported by the Affordable Housing Contributions are being delivered within the Council's budget and will help to reduce the use of nightly booked temporary accommodation. This will in turn help to reduce the Council's temporary accommodation costs.

7.2 Legal

The Council's Affordable Housing Supplementary Planning Document enables the Council to utilise funding from Affordable Housing Contributions to support the delivery of affordable housing within the district.

8. Links to Council Policy Objectives

8.1 Delivering cost-effective customer-focussed services

8.2 Working towards safe and healthier local communities

9. Next Steps

The existing financial commitments will be completed and the AHC funding spent accordingly. Further schemes will be brought forward for consideration when further AHC income is received.

Background Papers:	It is a legal requirement to make available background papers relied on to prepare a report and should be listed at the end of the report (copies of background papers for executive decisions must be provided to Democratic Services). Hyperlinks to papers published online should be used where possible. Where there are no background papers, insert None.
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