



To: Executive Councillor for Housing: Cllr Catherine Smart
Report by: Alan Carter, Head of Strategic Housing
Relevant scrutiny committee: Community Services Scrutiny Committee 30/6/2011
Wards affected: All Wards

AFFORDABLE HOUSING PROGRAMME

Key Decision

1. Executive summary

In June 2010, the Executive Councillor for Housing approved a three year rolling programme of housing sites in the Council's ownership for consideration for development, redevelopment or disposal.

This report provides a review of the programme and specifically seeks approval of a revised three year rolling programme that includes sites to be investigated in 2011/12 to 2013/14. The programme includes for the first time a number of garage sites.

This report sets this request for approval to the revised three year programme in the context of;

- the delivery of Affordable Housing through the planning system
- the new Council housing programme
- the new regime for funding Affordable Housing through the Homes and Communities Agency (HCA)

2. Recommendations

The Executive Councillor is recommended:

- 1) to note progress of the Affordable Housing Programme
- 2) to approve the revised three year rolling programme of housing sites in the Council's ownership to be considered in 2011/12 to 2013/14 for development, redevelopment or disposal (see Appendix 2).

3. Background

“Maximising the delivery of new housing in a range of sizes, types and tenures ensuring that current standards are at least maintained” is a Strategic Objective in the Housing Portfolio Plan. Most new Affordable Housing is delivered through the planning system. However, to provide some balance to this, two recent programmes of work have been about making the best use of housing land in the Council’s ownership to deliver new Affordable Housing and understanding the viability of a providing new Affordable Housing direct by the Council through City Homes (as opposed to through Registered Providers).

Affordable Housing Programme

As context for the consideration of future investment priorities district authorities, the County Council, the Homes and Communities Agency and Horizons collaborated to produce the Cambridgeshire Local Investment Plan (March 2011). This identified sites that have the capacity to deliver nearly 4000 new Affordable Home in Cambridge over an approximate time period of five years. The current state of the housing market however, illustrates the difficulty of predicting the delivery of new housing in general. Background work with Registered Providers prior to the bid deadline under the new regime for funding Affordable Housing through the HCA (see below) suggests that approximately 1200 new Affordable Housing may be completed over the four year period to end March 2015. This would include the completion of the first new Affordable Housing on the Cambridge Growth Sites.

Three Year Rolling Programme

A new approach to the use of housing land in the Council’s ownership was introduced in July 2008 following Committee scrutiny. It was agreed by the Executive Councillor that a three year rolling programme of sites be brought forward each year for consideration for development, redevelopment or disposal. The annual review keeps members apprised of progress with sites and offers the opportunity to introduce new sites for investigation.

Appendix 1 provides an update of the schemes within the three year rolling programme that are already under investigation.

Appendix 2 is the revised three year rolling programme that is requested to be approved. This appendix is confidential at this stage in keeping with the process agreed at the July 2008 Community Services Scrutiny Committee. However, following Executive Councillor approval of the inclusion of new sites in the three year programme, any tenants or leaseholders directly

affected will be advised immediately, together with the ward members and tenant representatives as the three year programme will immediately be in the public domain following the Committee meeting.

Since the introduction of the three year rolling programme officers have been aware of the potential to consider for redevelopment a number of Council garage sites that are unpopular and increasingly hard to let. Officers have now completed a review of garages that is summarised in Appendix 3 in a standard project report format. The revised three year programme therefore includes for the first time a number of garage sites. This Appendix is also confidential at this stage.

New Council House Programme

Five new Council homes were completed in Harris Road and Cockerall Road in January 2011 as part of our eight unit programme, the first programme of new Council house building for some time. A sixth unit in Teversham Drift is due to be completed in June. The final two units in Church End have been delayed due to the need to divert a range of utilities (water supply, drains and broadband cables) running across the site that were not shown on available plans and is now scheduled for completion in November 2011.

The redevelopment of Seymour Court has been approved as a new Council scheme to provide 21 flats for older people. All tenants have now moved out of Seymour Court and the redevelopment can commence once County Council and health staff have moved out of offices at the centre of the site.

Based on the three year rolling programme officers have identified the potential to provide a further 125 new Council homes by the end March 2015. To facilitate this officers have been working on a procurement process to set up an Affordable Housing Development partnership (AHDp) with a house-builder/developer and four Registered Providers. It is expected that this partnership will be in place by October.

The City Council remains one of the few Council's in the country to sustain a Council house building programme.

Funding from the HCA for new Affordable Housing

In mid February 2011 the HCA issued the new process for bidding for funding to provide new Affordable Housing. The new process required agencies to submit indicative bids for funding for schemes that are planned to be complete by end March 2015. The bid deadline was 3 May 2011. The bid document specifically sought "offers from local authorities in response to the framework.....to allow consideration in the round of all proposals which contribute to the delivery of the main Affordable Rent product."

The Council has therefore submitted a bid for funding for 146 new Council homes based on the three year rolling programme, including funding for Seymour Court.

It should be stressed that bids at this stage are indicative and do not commit the Council to progress any schemes (a scheme specific bid has been made for Seymour Court as this has already been considered by Committee). The HCA will confirm which bids have been successful early in July 2011. Thereafter the funding required will be considered on a scheme by scheme basis and each scheme will be brought to Committee for specific approval.

The formation of the AHDp will facilitate the delivery of the Council's own programme.

Appendix 4 provides a summary of the Council's bid for funding to the HCA.

4. Implications :-

(a) Financial

There are no financial implications at this stage. Financial implications will be assessed and reported when individual schemes considered suitable for development, redevelopment or disposal are brought forward to Committee.

(b) Staffing

There are no specific staffing implications. The Affordable Housing Programme is managed through the Enabling and Development team in the Strategic Housing Service.

(c) Equal Opportunities Equality Impact Assessment conducted

Equality Impact Assessments have been carried out in relation to the establishment of the Affordable Housing Development partnership and for the Seymour Court project.

(d) Environmental

The new Council House Programme is specified to be built to Level 4 of the Code for Sustainable Homes.

(e) Community Safety

There are no specific Community Safety implications in respect of this report.

5. Background papers

These background papers were used in the preparation of this report:

“Cambridgeshire Local Investment Plan”, Horizons. March 2011.

“2011-15 Affordable Homes Programme – Framework”, Homes and Communities Agency, February 2011.

Garage Site Feasibility Reports

EQIA Assessments for the Affordable Housing Development partnership and the Seymour Court project.

6. Appendices

Appendix 1 - Review of Three Year Affordable Housing Programme 2010/11 to 2012/13. Progress on sites assessed in 2010/11.

Appendix 2 – Three Year Affordable Housing Programme 2011/12 to 2013/14 **(Exempt Information)**

Appendix 3 - Garage Sites – Additions to the Three Year Affordable Housing Programme **(Exempt Information)**

Appendix 4 - 2011-15 Affordable Homes Programme – Bid by Cambridge City Council

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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