

# Agenda



## Cabinet Member for Adult & Community Services

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Date: Wednesday, 29 July 2015

Time: 10.00 am

Venue: Cabinet Member Office

To: Councillors P Cockeram

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<b>Item</b>		<b>Wards Affected</b>
1	<u>Social Housing Grant Programme</u> (Pages 3 - 6)	All Wards

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# Report

## Cabinet Member for Adult and Community Services

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### Part 1

Date: 3 August 2015

Item No:

**Subject** Social Housing Grant programme

**Purpose** To confirm with the Cabinet Member for Adult and Community Services the Social Housing Grant Programme submitted to the Welsh Government in June 2015, for the period 2015-2019.

**Author**

**Ward** All

**Summary** Sole responsibility for the Social Housing Grant Programme transferred to all local authorities in Wales on the 1<sup>st</sup> April 2011. An allocation of capital finance is conferred each year and the City Council then determines the housing schemes to be constructed by partner housing associations. A 3 year indicative capital allocation is provided. There is no requirement for match funding by Newport City Council, housing associations will provide the additional funds through private finance.

**Proposal** To agree the proposed Social Housing Grant Programme.

**Action by** Head of Regeneration, Investment and Housing

**Timetable** Immediate

This report was prepared after consultation with:

- The Genus Consortium
- The Syniad Consortium
- Newport City Homes
- Head of Law and Regulations
- Head of Finance
- Head of People and Business Change

**Signed**

## 1. Background

- 1.1 Since 2011 local authorities have been provided with a capital allocation of Social Housing Grant.
- 1.2 A programme delivery plan (PDP) has to be submitted every quarter by the local authority to detail progress with the expenditure of this capital sum. The authority also has to authorise each payment to the housing association.
- 1.3 The PDP also includes an approved list of reserve scheme that can be included in the programme if further capital finance is made available. Approval is sought for this list so that the City Council can respond in a timely manner to requests for schemes if such finance comes forward.
- 1.4 The Social Housing Grant allocation provides the capital finance to deliver new affordable housing. The money constitutes 58% of the costs of building new homes, the remaining 42% is private finance raised by the housing associations as traditional mortgages.
- 1.5 The Welsh Government has provided an indication of the capital allowance (referred to as the Cash Limited Allocation) that Newport will receive for the next 3 years. The PDP then shows how this money will be spent within the City. The PDP is appended to this report.
- 1.6 In order for schemes to be delivered they have to have full planning consent, an agreement has been reached with the landowner or the housing association already owns the land, and the tender price for construction is cost effective.
- 1.7 The plan also details future schemes which could be delivered within the city this has 2 functions :-
  - a) it provides alternative schemes for the authority to substitute if a scheme within the programme is unable to progress.
  - b) it provides evidence for colleagues within Welsh Government to demonstrate the need for additional funding. This additional funding often becomes available towards the end of the financial year and local authorities are expected to respond extremely quickly to the call for bringing schemes forward.
- 1.8 The Strategy & Development Manager manages the Social Housing Grant Programme on a daily basis, monitoring the delivery of affordable housing, submitting the appropriate forms to the Welsh Government and ensuring that all new opportunities for housing are fully explored.

## 2. Financial Summary

- 2.1 The financial resources required to manage the Social Housing Grant Programme are already included within the department's set budget for the financial year i.e. the Strategy and Development Manager, currently manages the whole process.

## 3. Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Failure to manage the process will result in capital	H	L	The appointment of the Strategy & Development Manager was to ensure the full management of the process and the maximisation of capital	Regeneration, Housing & Property Manager

finance being lost to Newport and redistributed elsewhere within Wales			finance for Newport.	
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\* Taking account of proposed mitigation measures

#### **4. Links to Council Policies and Priorities**

4.1 The Social Housing Grant Programme will address the housing need identified within the Local Housing Strategy, the Local development Plan and the Local Housing Market Assessment.

4.2 The programme helps to deliver the following City Council priorities:-

- Health & Wellbeing Theme, ensuring that good quality housing is provided so that people live in sustainable communities and can lead independent lives and are supported when appropriate. Ensuring that all new affordable housing is of a standard to promote and enhance the health and wellbeing of future occupiers.
- Safe & Cohesive Communities Theme, ensuring that all new affordable housing achieves Secure by Design accreditation so that residents live in safe and inclusive communities.
- Economy & Skills Theme, ensuring that opportunities for apprenticeships are maximised as part of the development of affordable housing.

#### **5. Options Available**

5.1 To approve the proposed Social Housing Grant Programme and list of reserve schemes.

5.2 To propose amendments or alternatives to the proposed Social Housing Grant Programme.

#### **6. Preferred Option and Why**

6.1 To approve the proposed Social Housing Grant Programme to facilitate the provision of affordable housing and provide employment locally within the development industry

#### **7. Comments of Chief Financial Officer**

7.1 The Social Housing Grant programme is managed through existing staff members within the Strategy and Development service. There are no further revenue implications resulting from this proposal as no money passes through NCC. This is purely an administrative function being carried out within the team.

#### **8. Comments of Monitoring Officer**

8.1 There are no legal issues arising from the Report. The matter has been referred to the Leader of the Council for an executive decision because the Cabinet Member has declared a personal interest. The Social Housing Grant Programme identifies an indicative allocation of capital funding for social housing schemes in Newport for the next 3 years, as required by Welsh Government, and the accompanying plan identifies progress with the delivery of each project within the programme.

#### **9. Staffing Implications: Comments of Head of People and Business Change**

9.1 The report outlining the Social Housing Grant Programme has no staffing implications as this is currently within the planned work load of staff. The approach broadly supports the priorities for Newport, as identified within the Single Integrated Plan.

## **10. Comments of Cabinet Member**

10.1 Cabinet Member has approved the report the report for circulation.

## **11. Local issues**

11.1 The Social Housing Grant Programme covers the entire City of Newport.

## **12. Scrutiny Committees**

12.1 Not applicable.

## **13. Equalities Impact Assessment**

13.1 The Local Housing Strategy and Local Housing Market Assessment which determine the housing needs which this programme addresses have both undergone an Equalities Impact Assessment.

## **14. Children and Families (Wales) Measure**

14.1 Not applicable.

## **15. Consultation**

15.1 The Social Housing Grant Programme has been agreed with partner housing associations who are zoned to develop within the City of Newport

## **16. Consultation with Non Executive Members**

None received

## **17. Background Papers**

17.1 None

Dated: 3 August 2015