



PORTFOLIO HOLDER DECISION NOTICE

INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR HOUSING

TOPIC – ALLOCATION OF SOCIAL HOUSING GRANT TO HYDE HOUSING ASSOCIATION FOR PROVISION OF AFFORDABLE HOUSING AT MOUNTAIN ASH, OTTERBOURNE

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Corporate Director (Governance), the Chief Executive and the Head of Finance are consulted together with Chairman and Vice Chairman of the Principal Scrutiny Committee and all Members of the relevant Scrutiny Panel (individual Ward Members are consulted separately where appropriate). In addition, all Members are notified.

Five or more of these consulted Members can require that the matter be referred to Cabinet for determination.

Contact Officers:

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Committee Administrator:

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SUMMARY

In 2004 it was informally indicated that the Council would provide financial support in the form of social housing grant to Hyde Housing Association (now Hyde Martlett), one of the Council's partner Registered Social Landlords, to construct affordable housing at the above site. This was indication was given subject to resources being available in the Council's Affordable Housing Capital Programme and formal approval by members.

Hyde subsequently completed a scheme of 27 units, of which 14 are affordable (a mix of 7 no. 1 bed and 7 no. 2 bed shared ownership properties). All affordable homes have been completed and are now occupied. By Hyde developing all of the homes it has been possible to achieve a higher than usual proportion of affordable homes (52% rather than the usual 30%).

Since the commencement of development Hyde Martlett have been able to use some alternative funding which reduces the amount they would wish to receive from the Council from £700,000 to £466,000. They do, however, appreciate there are

currently insufficient resources in the Council's Affordable Housing Capital Programme to formally commit to fully support this scheme.

In March 2008 the Council made a contribution of £45,000 to the project, funded from developers contributions under S.106 agreements. This amount reflected the resources that were available at the time.

Additional resources are now available from developers S.106 contributions and Hyde have asked that these be used to further support the scheme. The amount that it is recommended for allocation represents all currently available resources.

Providing grant aid of this nature to Registered Social Landlords requires consent from the Secretary of State under S.25 Local Government 1988. A general consent exists for up to £330,000 to be granted in the 2008/09 financial year. (General Consent F – small amounts of financial assistance.) This proposal will be the first allocation under the consent. Any expenditure above the £330,000 limit will require a specific application to the Secretary of State and this is likely to apply to schemes that come forward later in the year.

The Head of Strategic Housing confirms that the proposal comes within the terms of the DCLG guidance on EU procedures for State Aid to RSLs.

It is likely that Hyde Martlett will seek further support to fund the scheme in the future up to the level set out above. Subject to the approval of the recommendation the residual support Hyde may request could be up to £400,500. Members will need to consider such a request on its merits at that time.

The provision of affordable housing supports the Corporate Strategy Objectives of *Economic Prosperity, High Quality Environment, and Safe and Strong Communities*.

DECISION

A social housing grant of £20,500 to be made to Hyde Martlett Housing Association to support the aforementioned scheme.

REASON FOR THE DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

The funding is required to support the provision of affordable housing.

The alternative is to not provide funding. In this particular case, given the investment that Hyde have already made, this would prejudice the future funding of affordable housing schemes by that organisation and consequently the provision of additional affordable housing in the future.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED
FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION
NOTICE**

None.

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR
OFFICER CONSULTED**

None.

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

N/A

Approved by: (signature)

Date of Decision

Councillor George Beckett - Leader

(Authorised by the Leader in the absence of the Portfolio Holder for Housing)