



PORTFOLIO HOLDER DECISION NOTICE

INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR HOUSING

TOPIC – ALLOCATION OF AFFORDABLE 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:

Case Officer:

Simon Maggs. Tel: 01962 848 203, Email: smaggs@winchester.gov.uk

Committee Administrator:

Ellie Hogston. Tel: 01962 848155, Email: ehogston@winchester.gov.uk

SUMMARY

In 2004 it was informally indicated that the Council would provide financial support in the form of affordable 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 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 wish to receive from the Council from £700,000 to £466,000.

To date the Council has made contributions totaling £65,500 towards the project. There are sufficient resources available in the Affordable Housing Capital Programme budget to pay the balance of £400,500.

Providing grant aid of this nature to Registered Social Landlords requires consent from the Secretary of State under S.25 Local Government 1988. A draft application for consent has been submitted to the Secretary of State and a response received indicating that consent is unlikely to be withheld. A formal application will be made once the Council has made a decision that its intention is to make the payment.

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

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

On 21 April 2008 Cabinet authorised the use of the portfolio holder delegation scheme in the following circumstances (CAB1654 refers):

“That the Portfolio Holder for Housing and Communities is granted delegated authority under paragraph 3.2 1 (a) of the Portfolio Holder delegation scheme to award Affordable Housing Grant to support the provision of future affordable housing provided that such an award would not exceed £500,000.”

DECISION

An affordable housing grant of £400,500 to be made to Hyde Martlett Housing Association to support the aforementioned scheme, subject to S25 consent being granted by the Secretary of State.

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.

The Council's Affordable Housing Capital Programme gives the ability to provide financial support for new affordable housing schemes. An allocation of resources to the Mountain Ash scheme will inevitably mean less resources are available for alternative schemes that may come forward during the year. Funding opportunities are reviewed regularly and it is considered the Mountain Ash scheme should be afforded sufficient priority to justify being funded.

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

N/A

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 Tony Coates – Portfolio Holder for Housing

Signed, 13 May 2009