

REPORT TO: Cabinet Member - Regeneration

DATE: 7th July 2010

SUBJECT: Priority order of bids for National Affordable Housing Programme funding for affordable housing in Sefton.

WARDS AFFECTED: All

REPORT OF: Alan Lunt - Neighbourhoods and Investment Programmes Director

CONTACT OFFICER: Tom Clay, HMR Programme Manager
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EXEMPT/CONFIDENTIAL: No

PURPOSE/SUMMARY:

To seek the approval of Cabinet Member – Regeneration to the proposed priorities for bids to the Homes and Communities Agency (HCA) for National Affordable Housing Programme (NAHP) Grants for affordable housing projects within Sefton.

REASON WHY DECISION REQUIRED:

To agree the priorities and provide the required support for affordable housing schemes seeking funding from the HCA within Sefton.

RECOMMENDATION(S):

That the Cabinet Member – Regeneration approve the priority order and bids for National Affordable Housing Programme to be made to the Homes and Communities Agency by Registered Social Landlords for affordable housing schemes within Sefton as set out in Table 1 attached to this report.

KEY DECISION: No

FORWARD PLAN: N/A

IMPLEMENTATION DATE: Upon the expiry of the call in period for the minutes of the meeting

ALTERNATIVE OPTIONS: If the Council was not to support the proposed bids, it would be very unlikely that any of the bids would receive HCA grant support. The proposed schemes within the bid are critical to assisting in meeting affordable and social housing needs within the borough and to the Housing Market Renewal programme in South Sefton.

IMPLICATIONS:

Budget/Policy Framework: None

Financial:

None for the authority

<u>CAPITAL EXPENDITURE</u>	2009 2010 £	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: No implications

Risk Assessment: N/A

Asset Management N/A

CONSULTATION UNDERTAKEN/VIEWS

The Director of Planning and Economic development has been consulted in the preparation of this report.

FD 452 - The Interim Head of Corporate Finance & Information Services has been consulted and has no comments on this report

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	X		
2	Creating Safe Communities	X		
3	Jobs and Prosperity	X		
4	Improving Health and Well-Being	X		
5	Environmental Sustainability	X		
6	Creating Inclusive Communities	X		
7	Improving the Quality of Council Services and Strengthening local Democracy		X	
8	Children and Young People	X		

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Background

1. In the past, there has been a regular annual, and for 2008 to 2010 triennial cycle for Registered Social landlords (RSLs) to bid for funding for affordable housing as part of the National Affordable Housing Programme (NAHP).
2. Since 2008, the then Housing Corporation introduced a system of 'Regular Market Engagement', where further bids against reserved monies could be made from time to time as viable and appropriate schemes came forwards. The reserve fund was supplemented by allocations which had been made to schemes which had fallen by the wayside.
3. The Housing Corporation and English Partnerships, both non-departmental government bodies, were then combined to form the Homes and Communities Agency (HCA), and the roles of both agencies absorbed into the new body.
4. RSLs have since been retitled 'Registered Providers'.
5. On May 24th 2010, central Government's Treasury announced a wide range of reductions in public spending by the HCA. This included a reduction of £100 million from the NAHP in the current financial year, to be sought from unallocated expenditure.
6. At the same time, the Treasury indicated that it will 'recycle' £170million of the £500 million of Government savings back to the HCA to reinvest in social rented housing.
7. This would appear to be a £70 million increase in the NAHP, although the statement does not make clear in which year these funds will arise. In itself, this equates to only 2.9% of the current annual programme.
8. At the present time, however, all new allocations are frozen until after the Chancellor's '50 Day' budget on 22nd June 2010.
9. The HCA has said that, following this Budget, it will then engage in a round of discussions through the 'single conversation' with Local Authorities. In Merseyside, the HCA proposes that this should be done through City Region arrangements via the MAA. The details of this process are not yet clear, nor how each Local Authority within the City Region will have its proposals considered and prioritised through the MAA..
10. It is therefore critical that Sefton Council is prepared to put forwards a robust case and supporting detail for the schemes it wishes to see funded, both in the immediate term i.e the remainder of the current financial year, and also for the longer term.
11. The criteria for Council support, reflecting those in the Regional Housing Statement and the Council's own Housing Strategy, are as follows;

- Regeneration in the South of the Borough and in the Housing Market Renewal area in particular to provide affordable new and refurbished housing for residents displaced by redevelopment and to rebalance the housing market and provide an improved housing 'offer' to support in-migration.
 - Affordable housing in areas of undersupply, and in particular social rent in Southport and 'Prime Sefton', to reflect the needs identified in the work Fordham's have done for the Council on housing need.
 - Bringing vacant stock back into use and the refurbishment of older stock in South Sefton and Southport to prevent it falling out of use.
 - Meeting gaps in the provision of supported housing for people with special needs, and improving the quality of the existing supported housing offer, including the provision of extra care housing.
12. Given the diminished length of time between now and the end of the current Financial Year, in addition to these criteria, deliverability will be a critical factor. Therefore schemes which may have substantial delivery issues, for instance, planning permission and/or land ownership still unresolved have either been placed lower in the priority list or included in the list for funding after March 2011.

TABLE 1: NAHP UNFUNDED BID PRIORITIES

DATED: 22/6/2010

Priority	Partner	Scheme	Scheme Type	Planning Status	Post	Total
YEAR 2010/11.		Name	(NB HB, RH R etc)	(None/outline submitted/outline approved/full submitted/full approved)	code	Units
1	Gtr Hornby	Bedford Queens 1b/2 (Part 2)	NB R	Full approval	L20	9
1	Gtr Hornby	Bedford Queens 1b/2 (Part 2)	NBHB	Full approval	L20	13
2	Gtr Hornby	2 Wadham (<i>Rebmission</i>)	NB R	Full approved	L20	3
3	LHT	Palmerston Rent (<i>Rebmission</i>)	NB R	Full approved	L21	24
3	LHT	Palmerston H'buy (<i>Rebmission</i>)	NB HB	Full approved	L21	12
4	Adactus	Upper Aughton Road NB Rent	NB R	Full approved	PR8	18
5	Riverside	Orrell school Phase 2/3	NBR	Pre-submission	L20	11
6	Adactus	Klondyke 1A Rent	NB R	Full approved (to be revised)	L20	20
6	Adactus	Klondyke 1A HB	NBHB	Full approved (to be revised)	L20	15
7	Gtr Hornby	Kings Centre	RH R	Pre-submission	L20	5
8	Plus Dane	Knowsley Road	NB INTER	Pre-submission	L20	10
9	Greater Hornby	19-29 Stanley Road	NB R	Pre-submission	L20	6
10	Adactus	Captains Green 2 (The Mount)	NB R	Submission June 2010	L20	18
11	Cosmopolitan	Langdale Street	NB R (supported)	None	L20	5
12	Gtr Hornby	Evolve IFHB 08	RH HB	Not required	L20	5

PRIORITY	Partner	Scheme	Scheme Type	Planning Status	Post	Total
YEAR 2011/12 ON		Name	(NB HB, RH R etc)	(None/outline submitted/outline approved/full submitted/full approved)	code	Units

submitted/full approved)						
PRIORITY	Name	Scheme	Type	Planning Status	Post code	Units
1	Adactus	Klondyke 1B Rent	NB R	Outline approval	L20	15
1	Adactus	Klondyke 1B Homebuy	NB HB	Outline approval	L20	12
2	Gtr Hornby	BQ2Regency Phase 3	NB R	Outline approval	L20	19
2	Gtr Hornby	BQ2Regency Phase 3	NB HB	Outline approval	L20	5
3	Riverside	Pinegrove S/O	NB HB	Pre-submission	L20	6
3	Riverside	Pinegrove Rent	NB R	Pre-submission	L20	10
4	Adactus	Klondyke Phase 2	NB R	None	L20	33
4	Adactus	Klondyke Phase 2	NB HB	None	L20	17
5	Cosmopolitan	Southport Hospital Trust	NB R (Supp)	None	PR8 6PN	78
6	TBA	Johnsons	NB R (Supp)	Full approved – to be revised	L20	68
6	TBA	Johnsons	NB HB	Full approved – to be revised	L20	8
7	Riverside	Akenside Phase 1	NB R/HB	None	L20	TBA
7	Riverside	Akenside Phase 2	NB R/HB	None	L20	TBA
8	Adactus	Fairfield, Crosby.	RH R (Supported)	Planning to be submitted July 2010	L23	TBA
9	Arena	Kew, Southport	NB R/HB (supported)	Pre-submission	PR8	65
10	Gtr Hornby	Evolve IFHB 09	RH R/HB	Not applicable	L20	5
10	Gtr Hornby	Evolve IFHB 10	RH R/HB	Not applicable	L20	5
11	Adactus	Southport Refurb Rent Yr 1	RH R	Not applicable	PR9 9HL	6
11	Adactus	Southport Refurb Rent Yr 2	RH R	Not applicable	PR9 9HL	6
12	Plus Dane	HOLD Project	NB R (supported)	Not applicable	L20	10
13	TBA	Coffee House Bridge	NB R	SPD (Development Brief)	L20	24
13	TBA	Coffee House Bridge	NB HB/INTER	SPD (Development Brief)	L20	12
14	Vicinity Partner	Liverpool Rd, Formby Scheme	NB R Scheme	None Planning Status	L37 Post	TBA Total
2011 ON (cont)			Type			
		Name	(NB HB, RH (None/outline R etc)	submitted/outline approved/full submitted/full approved)	code	Units
15	Riverside	Knowsley Peel Infill	NB	None	L20	TBA
16	TBA	Albert Road, Southport	NB R	None	PR8	TBA
17	New Progress	Freshfield Leonard Cheshire	RH R	None	L37	TBA

18	Adactus	Brooke St, Crossens, S'port	(Supported) NBR	None	PR8	15
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