

WYRE FOREST DISTRICT COUNCIL

CABINET MEETING
27TH OCTOBER 2005

Single Housing Capital Pot

OPEN	
COMMUNITY STRATEGY THEME	Improved Health and Wellbeing
CORPORATE PLAN THEME:	Enabling Community Wellbeing
KEY PRIORITY:	Housing and Independent Living
CABINET MEMBER:	Councillor Mrs. A. T. Hingley
RESPONSIBLE OFFICER:	Head of Planning Health and Environment
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APPENDICES	-

1. PURPOSE OF REPORT

To agree the rolling programme of capital funding from the Single Housing Capital Pot.

2. RECOMMENDATION

The Cabinet is asked to **RECOMMEND** to Council that:

- 2.1 The three year rolling funding to support affordable housing delivery through the single housing capital pot be agreed as part of the budget for 2006/07 and beyond.**

3. BACKGROUND

- 3.1 Following a report to Cabinet on 25th November 2004 the Council, as part of its budget setting for 2005/06 and beyond, consolidated its housing capital programme into a single budget known as the Single Housing Capital Pot (SHCP).
- 3.2 The SHCP is made up of the balance of the capital receipts from the sale of the Council's housing stock to Wyre Forest Community Housing, proceeds from the sale of ex Council Housing Stock through the Right to Buy and other sources such as commuted sums in lieu of affordable housing on new housing developments.

3.3 The SHCP is used to provide Affordable Housing Grant to assist the Council's partner Housing Associations providing new affordable housing, to fund Disabled Facilities Grants and to support the funding of grants and other initiatives through the Council's Private Sector Housing Assistance Policy 2003 (which will shortly be reviewed and updated to take full account of the new Housing Act 2004 duties and powers).

4. KEY ISSUES

4.1 The SHCP provides the Council with capital funds to meet the objectives of its Housing Strategy, Affordable Warmth Strategy and the Empty Property Strategy.

4.2 As part of its approach to maximising inward investment into the District, for instance by Housing Associations or through Supporting People (which in part funds the North Worcestershire Care and repair Agency), the Council uses its SHCP to match fund or support the work of partners, to meet its strategic objectives.

4.3 The recently launched West Midlands Regional Housing Strategy is likely to have a direct impact upon inward investment. Worcestershire Local Authorities together with Stratford on Avon District Council and Warwickshire District Council now form what is known as the South Housing Market Area (SHMA) and housing investment from the Government and the Housing Corporation will be directed to this and other Housing Market Areas in the West Midlands. Council Officers have lobbied hard, along with other SHMA colleagues to attract capital funding for new affordable housing to meet the high levels of need. In the short term there will be some funding for affordable housing schemes in the SHMA, to try and meet local needs, but it is unclear whether this will be available in the longer term. The Housing Corporation will be looking to Local Authorities to also contribute to the funding of affordable housing in their areas.

4.4 The Council's approach on funding affordable housing schemes has been to work with partner Housing Associations to firstly try and obtain Housing Corporation funding. Failing this the Council would then consider using its SHCP to support schemes.

4.5 There are a number of potential housing schemes in the pipeline, most notably the redevelopment of the Horsefair in Kidderminster and the Comberton Arms site by Wyre Forest Community Housing. The Council has earmarked funding from the SHCP for these schemes, but there are indications that these may obtain funding from the Housing Corporation, whose bidding round deadline for 2006-2008 is mid October with results announced in February 2006.

4.6 Other partner Housing Associations are also bidding for schemes in Wyre Forest which may have been funded through the Councils SHCP.

4.7 The result is that we have to wait until February 2006 to have a clearer picture over which schemes the Council may need to fund. This is potentially very positive for the District and will enable the Council to focus its spending from the SHCP on other

housing initiatives. This will be monitored and reported back to Members through the normal processes.

4.8 Additionally the Council is comprehensively reviewing its private sector housing grant funding in line with the new Housing Act 2004 and much of the backlog of discretionary grants has been cleared. The level of discretionary grant funding has been adjusted to match the likely level of activity during the rest of the financial year.

4.9 The SHCP is intended to provide a flexible approach to meeting the Council's objectives. Changes in Regional funding and new legislative and administrative changes outside the Council's control have enabled the Council to redirect its SHCP funds. It is proposed that the balance of this years SHCP should be rolled forward into 2006/07 and beyond to enable the Council to continue to fund its housing priorities and to be able to fund new schemes that come forward and those which are unsuccessful in the current Housing Corporation bidding round.

5. FINANCIAL IMPLICATIONS

5.1 To be confirmed as part of the Council's budget setting process for the SHCP.

6. LEGAL AND POLICY IMPLICATIONS

6.1 Relevant policy implications are contained within the Council's Housing Strategy 2004-2007 and Private Sector Housing Assistance Policy 2003 which will be reviewed shortly.

7. RISK MANAGEMENT

7.1 Risk of increasing homelessness and poor housing conditions if the Council is unable to support its Housing Strategy objectives. Failure to support our partner RSL's may lead to them investing in other parts of the SHMA.

8. CONCLUSION

8.1 Housing is at the centre of the fast moving and ever changing policy environment and the Council's strategic commitment to supporting capital projects, needs to be flexible and adaptable to recognise this. The SHCP has been designed to do this and Members are asked to agree a continuing three year rolling programme.

9. CONSULTEES

9.1 CMT

10. **BACKGROUND PAPERS**

None

11.10.05