

WYRE FOREST DISTRICT COUNCIL

CABINET MEETING
21st DECEMBER 2006

Arrangements for the Award of Financial Support for Affordable Housing through the Capital Strategy

| OPEN | |
|---------------------------------|--|
| COMMUNITY STRATEGY THEME | Improved Health and Wellbeing |
| CORPORATE PLAN THEME: | Enabling Community Wellbeing |
| KEY PRIORITY: | Housing and Independent Living |
| CABINET MEMBER: | Councillor Anne Hingley |
| RESPONSIBLE OFFICER: | Head of Planning, Health & Environment |
| CONTACT OFFICER: | Gordon Wilkes, Principal Housing Officer Ext 2561 Gordon.Wilkes@wyreforestdc.gov.uk |
| APPENDICES | Appendix 1 - Bid for funding for Affordable Housing through the Capital Strategy evaluation report |

1. PURPOSE OF REPORT

- 1.1 To propose an amendment to the Council's bid evaluation report for Affordable Housing Grant through the Single Housing Capital Pot following the abolition of the Housing Corporation's Total Cost Indicators (TCIs).

2. RECOMMENDATION

The Cabinet is asked to DECIDE:

- 2.1 **To agree to the amendment of the bid evaluation report.**

3. BACKGROUND

- 3.1 The Council provides Affordable Housing Grant to partner RSL's for new affordable/social housing via the Single Housing Capital Pot. As part of the assessment the Council has used the Housing Corporation's procedures. The Housing Corporation's assessment of bids for affordable housing grant no longer includes the use of Total Cost Indicators, which was a method of financially assessing bids. The Council's current bid evaluation report has required bidders to include the Total Cost Indicators analysis, and as a consequence of the Housing

Corporation's changes, these Indicators are no longer updated and have become obsolete.

- 3.2 The Housing Corporation now uses a suite of assessment tools to compare bids, based on quality, cost and track record of delivery. These tools would not give meaningful information on a programme of the scale within the District, as there is not the volume of bids to enable sufficient comparison. The proposed amendments to the bid evaluation report give greater emphasis to cost comparison with Housing Corporation approved bids in the current programme. This will enable the Council to benefit from the Housing Corporation's assessment tools with bids to the Council being referenced to those which have been subjected to the Housing Corporation's wide ranging comparison.

4. PROPOSED CHANGES TO THE EVALUATION OF BIDS REPORT FOR THE AWARD OF FINANCIAL SUPPORT FOR AFFORDABLE HOUSING THROUGH THE SINGLE HOUSING CAPITAL POT

- 4.1 The Council's new evaluation report will now require bidders to provide the average grant per unit requested to enable comparison with other bids to the Council and bids accepted in the current Housing Corporation programme within the Wyre Forest District.
- 4.2 Should the bidder request an above average Housing Corporation grant per unit rate, they will be required to provide an explanation in support of the bid.
- 4.3 The evaluation report also requires the bidder to support the application with examples of added value based on the suite of assessment tools that are mentioned in 3.2 of this report.
- 4.4 No other changes to the existing assessment for the evaluation of bids are proposed at this time and no changes to the existing policy are proposed.

5. FINANCIAL IMPLICATIONS

- 5.1 The funding of bids will impact upon the Capital Strategy.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 There are no legal implications arising from this report.

7. RISK MANAGEMENT

- 7.1 There are no risk management issues arising from this report.

8. CONCLUSION

- 8.1 The proposed new arrangements will enable decisions to be reached in respect of bids for financial support for affordable housing following the changes to the Housing Corporation's method of assessment of affordable housing bids requiring changes to be made to the Council's evaluation criteria. The new evaluation assessment will continue to benefit from the Housing Corporation's approach and ensure informed decisions are reached.

9. BACKGROUND PAPERS

- 9.1 Housing Strategy 2004 – 2007

21.11.06