

New Expenditure Proposals for the Medium Term Financial Strategy



South
Cambridgeshire
District Council

1. Service: Affordable Housing	2. Submitted by: Denise Lewis
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<p>3. Brief Description of the proposal: Appraisal of Council Housing Assets</p> <p>To appoint an appropriately qualified member of staff to undertake an appraisal of Council owned housing assets ie land and property. The purpose would be to identify the following opportunities that could contribute to the delivery of affordable housing targets:</p> <ul style="list-style-type: none"> Individual plots that could be sold on the open market to enable funds to be made available specifically for new affordable housing provision on non section 106 sites eg rural exception sites, redevelopment of Council housing sites. Examples include substantive side gardens of existing Council properties and other small plots of land currently held by the Council that could accommodate a single dwelling. Fund realised could be reinvested by way of grant for new schemes as such capital receipts are ring-fenced for housing purposes in order to retain 100% within the Authority and avoid the pooling requirements of the Local Government Act 2002 which would otherwise apply. Under utilised sites eg garage sites, non traditional and low density housing sites and other land holdings that could be made available to Housing Association partners to provide new affordable housing. Such disposals will probably have to be made at nil cost to provide the subsidy required to make an affordable housing scheme viable or to attract central government funding through the Housing Corporation.
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4. Costs (£000s)				
Detail	2004/05	2005/06	2006/07	2007/8
Temporary Housing Surveyor (maximum 9 months appointment)	£	£	£	£
Salary and on-		21.5		1
Travelling and other employment costs		1.5		
Recruitment costs		1		
Total Costs:		24		

<p>5. Reason for bid:</p> <p><input type="checkbox"/> Inescapable</p> <p><input checked="" type="checkbox"/> Related to one or more of the three priorities</p>
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<p>6. Policy Justification:</p> <p>1) Medium Term Financial Strategy Priority 3: Affordable housing</p> <p>2) CPA Improvement Plan: Affordable Housing</p> <ul style="list-style-type: none"> Continue to achieve at least 300 units of affordable housing per annum, including a element of local village schemes Contribute to the LPSA County-wide target of 290 homes without grant Ensure planning policies, partnership arrangements and resources are available to meet these targets
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3) Community Strategy: Quality homes for all with new affordable housing meeting local needs

4) Housing Strategy: Increasing the supply of affordable housing

Relevant priorities include:

- Review capital resources available for new affordable housing
- Council housing to meet the Decent Homes target by 2006

7. Benefit for service users/public:

This exercise will determine what remaining housing assets the Council has in its ownership that can be utilised either directly or through realisation of capital receipts for the provision of affordable housing. This will enable the Council to demonstrate to its external partners both its commitment and ability to contribute resources to this priority. This should place the Council in a better position to make its case both as an individual authority and through participation in the Cambridge Sub-Region Partnership for additional resources by way of grant funding to be made available to the Sub-Region to meet affordable housing targets.

It is anticipated that this project will enable capital and/or land to be identified for affordable housing which will contribute to the Council's BVPI on affordable housing although the number of units cannot be quantified at this stage. However, it is unlikely that any land and/or financial resources identified in 2005/06 would impact on the relevant BVPI until at least 2006/07 as this is based on completions. Any schemes provided with free land but without grant may contribute to the County-wide LPSA target for affordable housing depending on the final definition agreed by the ODPM for this purpose.

8. Impact on Performance Indicators:

Performance Indicator		Estimated performance in 2004/2005	Estimated improved performance in 2005/2006
#	Description		
SH 311	Affordable Housing	234 Note: target for 2004/05 was 247	None – but if successful could contribute to improved performance from 2006/07.

9. Implications if not approved:

The Housing Strategic Services team will continue to look at options for making best use of existing housing resources through redevelopment and/or sale of land/property but this will be on an ad hoc rather than planned basis. It will also rely on to a large extent staff within Shire Homes bringing to our attention opportunities they become aware of rather than any structured approach. It had been hoped to carry out a more formal and comprehensive survey of Council housing assets within existing staff resources but this has proved to be unsuccessful in the past.

The Council needs to demonstrate its commitment to affordable housing in order to make an effective case for central government funding to be targeted to the Cambridge Sub-Region in general and South Cambridgeshire in particular.

The CPA Inspection report highlighted that the Council had not addressed the issue of resources for affordable housing following the loss of LASHG from April 2003 and this is an area included within the resultant CPA Improvement plan as agreed by Cabinet.

The maximisation of existing land and property resources will not add to the Council's current financial pressures as would be the case if capital resources such as grant funding were to be made available. All non-Right to Buy capital receipts are ring-fenced for housing purposes in order to retain 100% of such receipts within the authority.

If the Council is unable to contribute to the delivery of affordable housing through making available existing housing assets for this purpose then an alternative funding mechanism will need to be agreed in order to address the CPA Action Plan, etc which could result in affordable housing competing with other corporate priorities for available finances eg reserves and capital receipts.