SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO:	PFH Housing	17 th February 2010
AUTHOR/S:	Corporate Manager Affordable Homes / Housing Development & Enabling Manager	

FINANCIAL CONTRIBUTION TOWARDS THE PROVISION OF ELEVEN AFFORDABLE HOMES ON A RURAL EXCEPTION SITE AT "THE VALLEY" COMBERTON

Purpose

- 1. To seek approval to use money received through S.106 Agreements in lieu of affordable housing to contribute towards the provision of 11 new affordable homes on a rural exception site with full planning permission at the "The Valley", Comberton.
- 2. This is not a key decision but requires Housing Portfolio Holder approval under the Council's constitution for the allocation of S.106 money received in lieu of affordable housing.

Background

- 3. Planning permission was secured for this site in 2008 and will see the provision of 8 rented and 3 shared ownership units developed on this rural exception site, in the village of Comberton.
- 4. A Housing Needs Survey was completed by Cambridgeshire ACRE in 2007 and it identified that there was a need for 51 units to be provided for people with a local connection.
- 5. The Housing Development and Enabling Manager has been working with the Local Member, Parish Council and Cambridge Housing Society for the last three years to bring forward a suitable rural exception site to assist in trying to meet this need.

Considerations

- 6. The proposed scheme is to be developed under the Councils exception site policy HG/5 contained within the LDF and consists of 7 x 2 bed houses and 4 x 3 bed houses which will all be constructed to code level 3 for sustainable homes.
- 7. The site is currently in the process of being acquired and will also make provision for large area of public open space, which is to be adopted by the Parish Council and Cambridge Housing Society will also create 5 additional overflow car parking spaces to help alleviate current car parking problems in the area.
- 8. Cambridge Housing Society originally submitted a formal grant bid to the Homes and Communities Agency in September 2009, but unfortunately their bid was unsuccessful. The scheme has therefore had to be re-appraised and the tenure mix altered to help reduce the grant rate. The scheme now consists of 8 houses for affordable rent and 3 shared ownership and has therefore reduced the amount of grant required from the HCA, however this still leaves a shortfall in the overall viability of the scheme.

9. Cambridge Housing Society have asked if SCDC would consider using its commuted sum money to assist in meeting this shortfall. They have requested £110,000, which equates to £10,000 per unit. Cambridge Housing Society are proposing to commence construction in the summer 2010 with completion of the units forecast for Autumn 2011. This will be subject to the approval of grant from the HCA.

Options

10. The Council currently has a budget which allows money received in lieu of an affordable housing contribution on site to be used towards the cost of providing affordable housing in the South Cambridgeshire District. Funding not exceeding £110,000 is therefore available and would help facilitate the delivery of the project.

Implications

11.	Financial	This funding will be provided through money received in lieu of affordable housing and cannot be used for other purposes other than towards the provision of affordable housing.
	Legal	None
	Staffing	None
	Risk Management	None
	Equal Opportunities	None

Consultations

12. The Housing & Development Enabling Manager has consulted with the local member, Cllr Harangozo, Parish Council and they are in support of this proposal.

Effect on Strategic Aims

 13. Commitment to being a listening council, providing first class services accessible to all. This proposal brings together the work of the District Council, Local Member, Parish Council and Cambridge Housing Society to deliver affordable housing that is accessible to all, meeting those with specific housing needs.
Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all.

Commitment to making South Cambridgeshire a place in which residents can feel proud to live.

Commitment to assisting provision for local jobs for all.

Commitment to providing a voice for rural life.

Conclusions/Summary

14. Following a request by the Homes and Communities Agency for this scheme to be reappraised to reduce the amount of grant originally requested, Cambridge Housing Society have a shortfall in their project viability of £110,000, which is required to ensure that the scheme is delivered to help meeting the Housing Need already identified in Comberton.

Recommendations

15. It is recommended that funding during the financial year of 2010/11, not exceeding £110,000 to help deliver 11 new affordable homes on a rural exception site at The Valley, Comberton be approved, subject to grant being confirmed by the HCA and start on site being achieved by 31st March 2011.

Background Papers: the following background papers were used in the preparation of this report:

None

Contact Officer: Schuyler Newstead – Housing Development & Enabling Manager Telephone: (01954) 713332