

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

28 May 2012

Report of the Director of Health and Housing

Part 1- Public

Matters for Information

1 STRATEGY AND ENABLING UPDATE

Summary

This report updates Members on the progress being made by the Council's Registered Provider (RP) Partners in providing new affordable housing in the Borough, and summarises the programmes for 2010/11 to 2014/15. The report goes on to describe the progress on housing strategy matters.

- 1.1.1 The effective negotiation, planning and delivery of affordable housing forms one of the key priorities of the Council's housing service. Allied to this is the need to track and monitor the progress of RPs in delivering new schemes. Failure to secure a steady supply of new homes has a direct knock-on effect on the levels of homeless households placed in temporary accommodation or bed and breakfast. Members will be aware that the Council is under a duty not to house homeless families with children in bed and breakfast except in an emergency, and then for a period not exceeding six weeks.
- 1.1.2 While we are dependent on our partners to ensure timely delivery of new housing, the Council also has a role to play in tracking performance. This is important to ensure that any difficulties arising on new schemes are highlighted early on and corrective action taken.
- 1.1.3 Set out at **[Annex 1]** is a monitoring spreadsheet showing the completed schemes in the year to date and the development programme to 2014/15. The table identifies:
- the scheme address;
 - RP Partner;
 - start on site (SoS);
 - total number of units to be provided (rent and/or shared ownership);
 - detailed split of rent and shared ownership units;

- expected date of completion; and
- information on progress.

- 1.1.4 Members should be aware that details on some schemes may alter where planning permission has yet to be secured and some may not proceed. The number of units to be provided is therefore an indicative figure for strategic planning purposes, pending confirmation of final scheme details. As new schemes come forward these will be also be added to the schedule.
- 1.1.5 Members will note that the projected development programme for 2011/12 shows the Kings Hill and Leybourne Grange affordable housing from Russet Homes, and hence the delivery for this period is estimated to be lower than previous years, which had a very healthy level of performance. I hope Members will be encouraged to see that subsequent periods show a high yield of affordable housing connected to schemes that have both planning permission and a commitment to delivery from the developer and housing provider partner.
- 1.1.6 The dip in outturn for the 2011/12 period is likely connected to the preceding downturn in the housing market and wider uncertainties connected to grant funding for affordable homes and the Government's emerging housing and planning policy frameworks, and is therefore not limited just to Tonbridge & Malling. However viewed over the wider Comprehensive Spending Review period of 2011 to 2015 the programme remains very healthy.

1.2 Coldharbour Project

- 1.2.1 Members will be aware of the ongoing project between Kent County Council and the Council in refurbishing and enlarging the existing Coldharbour Gypsy and Traveller site in Aylesford. The site currently consists of eight pitches, and in spring 2011 the HCA offered KCC the opportunity to obtain £932k of unused grant allocation for the provision of Gypsy and Traveller pitches from elsewhere in the country.
- 1.2.2 Although sizeable, the allocation was not enough to cover the entire capital cost of the project. However, the necessary land was acquired and a new architect was appointed by the Project Board to design an acceptable new site that was achievable to the available funding. This resulted in a site design for twenty six pitches, which was refined and developed working in consultation with local Members, along with a consultation event for the current site residents and wider Gypsy and Traveller community in Tonbridge & Malling.
- 1.2.3 KCC concluded a full tendering exercise to appoint a suitable contractor to build out the site, with 8 companies taking part. It is important to note there remained a capital funding shortfall between the HCA allocation and scheme costs, and this was despite KCC prudentially borrowing against the projected rental income from the additional pitch provision.

- 1.2.4 Approaches were made to the HCA to make the case for an additional award of grant to close the funding gap, which were unfortunately unsuccessful. The new bid round for HCA grants does not open until later this month with the outcome not likely to be known until late autumn at the earliest. Consequently KCC and this Council were willing to forward-fund the shortfall to enable the work to proceed as one contract, with the aim of submitting a retrospective bid to the HCA. Sharing the funding of the shortfall equally with KCC represents a cost of circa £240k per authority. We are in discussion with KCC about the funding bid to the HCA to reclaim the £480,000 forward funding made by both authorities
- 1.2.5 KCC, through its Project Approval Group, has signed off their £240k contribution which was then considered and approved by the Cabinet Member. Tonbridge & Malling's Cabinet, at its meeting on 28 March, was asked to agree that the Council forward fund circa £240,000 as our contribution towards the funding shortfall for the 26 pitch site. That decision obtained approval at full Council on 17 April.
- 1.2.6 In terms of assurance of delivery KCC have already tendered for the contract and discussed with the contractor a timeline with an estimated delivery date agreed. The contractor is currently completing a Gypsy and Traveller scheme in London and will transfer the experienced team to this project. The project timetable is summarised in Table 2 below.
- 1.2.7 Table 2 - Project Timetable

Site purchased	April 2011
Site surveys (eg ecology)	Oct 2011 – Feb 2012
Pre-planning dialogue	Oct – Nov 2011
Planning consent	Nov 2011
Site construction (enabling work)	March 2012 (Feb 2012)
Scheme completion	Nov 2012

- 1.2.8 Members are reminded that the expansion of the existing Coldharbour scheme is to allow the borough to meet the pitch shortfall described in our Gypsy & Traveller Accommodation Assessment, and is therefore to address the identified housing needs of our Gypsy and Traveller population.
- 1.2.9 The continuing progress of the Coldharbour scheme will be detailed in full through reports to the new Gypsy and Traveller Panel and this Board.

1.3 Strategic Tenancy Strategy

- 1.3.1 Officers continue to lead on the Strategic Tenancy Strategy through Kent Housing Group, as detailed in another paper to this Board.

1.4 Isles Quarry West Borough Green

- 1.4.1 The developer for the Isles Quarry West scheme (Crest Nicholson) is in the final stages of submitting a fresh planning application for this site. The application is likely to describe a 177 unit scheme across two phases, with the affordable housing consisting of 37 homes for affordable rent and 16 for shared ownership, provided by Russet Homes. Crest Nicholson are to provide 25 homes for shared equity that meet the Council's and the HCA's definition of affordable dwellings, based on their cost and accessibility criteria such as salary maximums.
- 1.4.2 To ensure that the scheme truly meets the local housing need as required a bespoke local lettings plan will be in operation. This takes the form of an agreed document between the Council and the housing association that looks to manage aspects of the allocations such as child density and levels of economic activity amongst the households living there.
- 1.4.3 To ensure the affordable homes best serve the local housing need this lettings plan includes provisions to target and prioritise households from the immediate and surrounding areas, before (if required) considering housing those from the wider borough.

1.5 Holborough Valley

- 1.5.1 Southern Housing Group are currently completing with Berkeley Homes the last phase of affordable housing at Holborough Valley in Snodland. These 85 dwellings are all for social rent, with the housing association phasing the occupation through May and July in accordance with a dedicated local lettings plan created through close working with officers.

1.6 Low Cost Home Ownership Initiatives

- 1.6.1 The Homebuy Agent Moat provides a report for Tonbridge & Malling on low cost home ownership initiatives, as shown in Table 2 below.

Members will note that the level of interest in low cost home ownership initiatives remains high, compared to the actual number of sales, which remain low compared to previous years. This reflects the downturn in the housing market and wider economy.

Table 2 – TMBC Homebuy Statistics Quarter 3 (October – December) 2011

Low Cost Home Ownership Product	Number of Households
Number of Enquiries	101
Number of Applications	92
Homebuy Direct Sales	0
First Time Buyers Initiative Sales	5
Newbuild Homebuy Sales	0
Resales	1

1.7 Legal Implications

1.7.1 The Council needs to secure a sufficient supply of affordable housing to meet its statutory duties.

1.8 Value for Money Considerations

1.8.1 Financial and The Affordable Housing Programme (AHP) is the means by which public subsidy is secured for the delivery of affordable housing. RPs must adhere to strict value for money and design considerations imposed by the HCA.

1.9 Risk Assessment

1.9.1 Failure to secure sufficient investment in affordable housing could mean that the Council is unable to deliver its local strategic housing priorities and meet its statutory obligations to the homeless and others in housing need resulting in unacceptable financial and reputational risk.

1.10 Equality Impact Assessment

1.10.1 See 'Screening for equality impacts' table at end of report

1.11 Policy Considerations

1.11.1 [Select 'Policy Considerations' from list or remove if not applicable]

1.12

Background papers:

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Nil

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