

AGENDA ITEM

COMMITTEE: SOCIAL INCLUSION SCRUTINY

DATE: 2nd NOVEMBER 2006

SUBJECT: SOCIAL HOUSING IN NEIGHBOURING AREAS

REPORT BY: HEAD OF HOUSING (STRATEGY AND PRIVATE SECTOR)

CONTACT OFFICER: MICHAEL MCMAHON 01582 546201

IMPLICATIONS:

LEGAL	✓	COMMUNITY SAFETY
EQUALITIES		ENVIRONMENT
FINANCIAL	✓	CONSULTATIONS
STAFFING		OTHER

WARDS AFFECTED: None

PURPOSE

1. To brief members on the process and progress of providing additional affordable housing to meet the housing needs of Luton residents in neighbouring authority areas.

RECOMMENDATION (S)

2. **Social Inclusion Scrutiny Committee is recommended to note the report.**

REPORT

National Affordable Housing Programme (NAHP)

4. The principal source of funding of new affordable housing is via the single capital pot where the Housing Corporation makes allocations to either Housing Associations or accredited development contractors to subsidise

the cost of providing additional affordable housing. There is a bi annual bidding process, where Associations and approved developers make formal submissions to the Housing Corporation for the development of specific sites. These bids are assessed by the Corporation against the regional and sub-regional priorities and a value for money/quality assessment framework resulting in the NAHP.

5. Housing Corporation investment decisions are influenced by the Regional Housing Strategy (RHS) against a number of investment themes.
6. As members will be aware the Government has identified 2 'Growth' areas within Bedfordshire (both of which are outside the Borough) and one of the RHS investment themes is specifically identified to meet the provision of new affordable housing in the growth areas. A strategic outcome to be achieved against this investment theme is:

'...the affordable housing must be providing accommodation for need over a larger area than what would be considered 'local need'...'
7. Therefore any new housing schemes within Bedfordshire funded by the Corporation against the 'Growth' theme must meet this criterion and therefore opens the opportunity for Luton to secure some of the new affordable housing that is to be developed within these growth areas.
8. In preparation for the 2006-08 Housing Corporation bid round discussions have been taking place with neighbouring authorities in Bedfordshire, but particularly South Bedfordshire District Council (SBDC) to identify future development schemes, which would result in some nomination rights for Luton Housing Register applicants.
9. The Committee received a report earlier in the year at the time when the Corporation were finalising the allocations for 2006/8. Bedfordshire has been successful in securing a total of £27m of housing investment.
10. In particular SBDC has secured funding of £5m for a new housing scheme at Sandringham Drive Houghton Regis for the development of between 150 and 190 dwellings predominately 3 and 4 bed roomed houses, up to 49% of which will be affordable, with some special needs provision for people with leaning disabilities and mental health issues as 'move on' accommodation. In addition the Corporation, in response to an innovation bid submitted jointly by SBDC, Aldwyck Housing Association, Bovis Homes and the Council in respect of the project made an additional award of £1m to develop high-density accommodation. SBDC have agreed to the principle of some of the tenancies for this new development being made to Luton Housing Register applicants.

11. In addition SBDC also secured Corporation Grant of £7.5m under the 'Growth' investment theme, for a development South of Leighton Buzzard for 160 units, and therefore the Council, along with other Bedfordshire authorities will have access to some of these tenancies.
12. The details of the nomination agreements have to be finalised.

Choice Based Lettings Scheme

13. Members may recall from earlier reports agreement has already been reached across the County to commit to develop a county wide choice based lettings system. Such a model of allocation would also give Luton Housing Register applicants the opportunity to obtain tenancies elsewhere in the County.

Tenancy Nomination Agreements with Housing Associations in Neighbouring Areas

14. In tandem with the discussions with neighbouring authorities in Bedfordshire negotiations have also taken place with North Hertfordshire Homes (the transfer Housing Association for North Herts District Council). Agreement in principal has been reached to access nominations to applicants of the Council's Housing Register to their housing stock.

LEGAL IMPLICATIONS

15. There are no direct legal implications in relation to the issues raised in this report as agreed by the relevant solicitor in Legal Services on 20 October 2006.

FINANCIAL IMPLICATIONS

16. There are no direct financial implications in relation to the issues raised in this report as agreed by the Housing and Community Services Departmental Finance Manager on 20th October 2006.

APPENDIX

None

LIST OF BACKGROUND PAPERS **LOCAL GOVERNMENT ACT 1972, SECTION 100D**

Regional Housing Strategy 2004

Bedfordshire Sub-regional Housing Strategy 2004