



Affordable Housing Update

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1. Site Updates
2. 'First Homes' – government consultation
3. Funding New Council Homes

Site Updates – Tranche #1

Bridge Road (Oak Tree Close)

- Delay due to weather & service connections
- Should complete in April 2020
- Prospective tenants being lined up



Highlands (Rose Court)

- Slight delays due to weather
- Should complete early autumn 2020
- Brickwork commenced



Site Updates – Tranche #2

Station Road

- March Planning Committee



-Est. construction start autumn/winter 2020

-Est. 12-18 month build programme

Stubbington Lane

- 11 x houses for Shared Ownership
- March Planning Committee
- Homes England grant application submitted



-Est. construction start by end of 2020

-Est. 12-18 month build programme

Coldeast former Scout Hut

- 9 flats seem possible (small increase)
- Planning application early summer



-Est. construction start early 2021

-Est. 12 month build programme

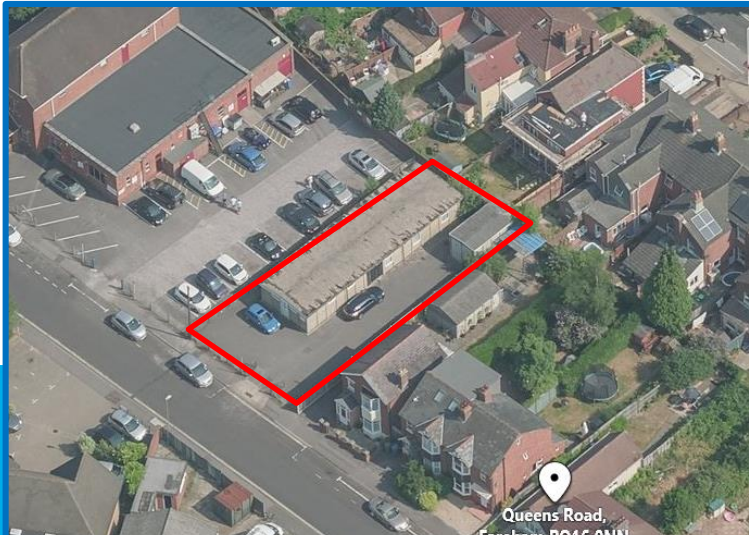
Assheton Court

- Principle of redevelopment agreed by Executive in December 2019
- Redeveloped to provide a larger modern sheltered facility
- Potentially 60-70 flats
- Brief for architects being drawn up
- Architect appointment expected on/before Spring



Possible New Sites

- **28 Queens Road**
(former St. John Ambulance site)
- Two large family houses/disabled use
- Incorporate 'greener' solutions
- Using S106 monies



- **15 and 17 Crossfell Walk**
- Significant costs to fix and anti-social issues in undercroft
- Potential demolition and re-build with 1No. larger family house



First Homes

Current government consultation – closes 3rd April 2020

Overview

- Affordable home ownership
- New homes
- At least 30% below market (this remains on the property for future re-sales)
- For Local People (prioritising first time buyers, key workers, armed forces)
- Council's to determine priority of who gets homes
- First Homes owners can have a lodger/potentially rent out for up to 2 years

Sounds good, but....



Ministry of Housing,
Communities &
Local Government



Backed by HM Government

**Consultation on the design
and delivery of First Homes**

February 2020

First Homes cont.

Concerns

- Difficulties to set-up
 - Whole new 'waiting list' specifically for First Homes
 - Monitoring/Enforcing any inappropriate use of First Homes
- Impacts to delivery of Affordable/Social Rent homes on planning sites (i.e. s106 delivery)
- Impact to Shared Ownership model
- Confusing for potential purchasers (different waiting lists/eligibility)
- Local Plan impacts (viability work in particular)



Current intention for Officers to provide a response to the consultation

Funding New Council Homes

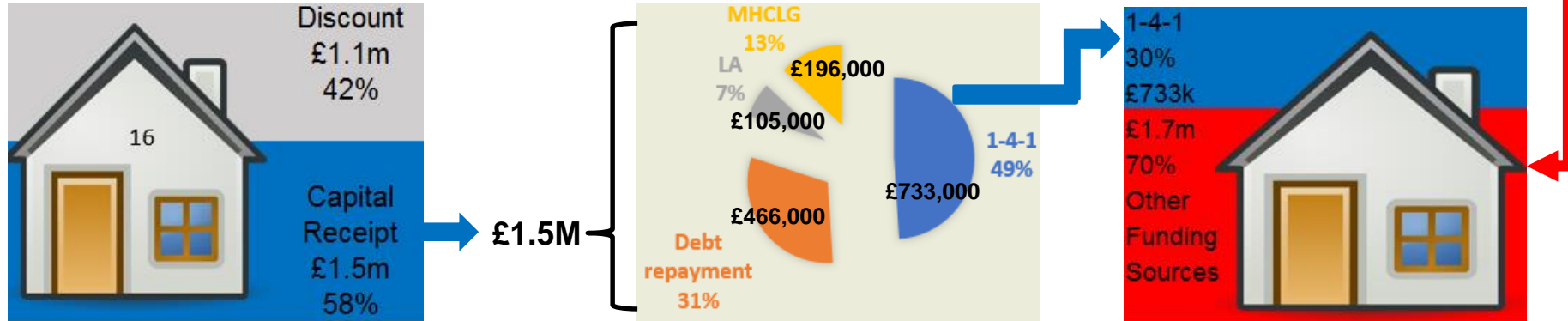
Funding Sources

- **HRA Capital Development Fund**
 - money set aside in the HRA for capital development works. What we can take out depends on what is available without compromising other expenditure needs of HRA.
- **Homes England Grant Funding**
 - Typically £35K-£75K per property, doesn't have to be repaid, for SR, AR or SO
- **Right to Buy, 1-4-1 Receipts (Supplemented on a 30:70 ratio)**
 - Has to be spent within 3 years, other money in HRA set-aside to allow spend
- **Section106 monies**
 - Amount received fluctuates, should be spent within 3 years typically
- **HRA borrowing**
 - Need to be prudent, rental incomes/sales should enable repayment of loan. Need to avoid a detrimental impact on rest of HRA

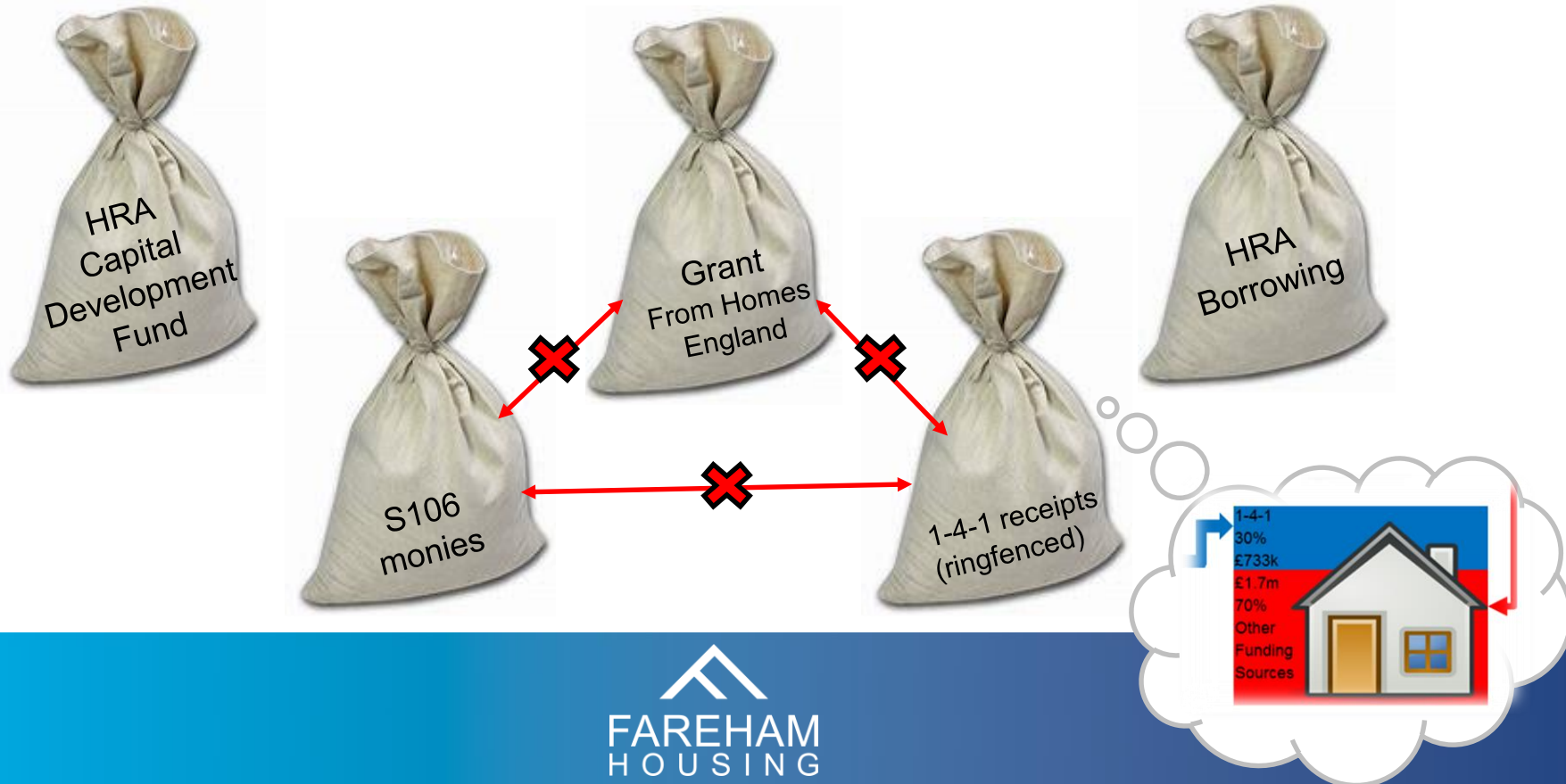
RtB receipts explained

Typical year, as an example...

- 16 Council homes sold through Right to Buy
- Average discount on market value of 42%
- Total Capital Receipt of £1.5M (58% of market value)



Funding New Council Homes



Funding so far & pending

- Highlands Rd (Rose Court)

- HRA Capital Development Fund
- Homes England Grant £1.27M

- Bridge Rd (Oak Tree Close)

- HRA Capital Development Fund
- Homes England Grant £270K

- Station Rd

- 1-4-1 Receipts
- Holly Hill Mansion Receipt
- External contribution
- Capital Development Fund

- Stubbington Lane

- Homes England Grant £484K?
- Borrowing (source tbc)

Any Questions

