

Chichester District Council

THE CABINET

7 February 2017

Community Led Housing Fund

1. Contacts

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2. Recommendation

- 2.1. That the Cabinet and the Council note that funding of £1,386,067 has been allocated for the 2016-2017 financial year from the government's Community Housing Fund to support community led housing developments
- 2.2. That the Cabinet recommends to the Council that delegated authority be given to the Head of Housing and Environment Services, following consultation with the Cabinet Holder for Housing and Environment Services, to approve the spend of these funds in line with the government guidance issued with notification of the award (appendix 1) and the Council's adopted Housing Strategy.

3. Background

- 3.1. In the government's 2016 budget a £60 million fund was announced to support community-led housing developments in areas where the impact of second homes is particularly acute. The fund is to enable local community groups to deliver affordable housing units. It is to be used to provide technical support, revenue funding and enable capital investment, to make more schemes viable.
- 3.2. The funding has been allocated between local authorities proportionate to the number of second homes in the area and taking account of the affordability of housing to local people. The council received notification of the allocation on 23rd December 2016. The first tranche of £690k was received on 16th January. The second tranche will follow in early 2017, subject to the authority providing satisfactory evidence that the money is being spent in accordance with the objectives outlined in the government's Budget announcement.
- 3.3. Key priorities of the Council's Housing Strategy are to maximise the supply of local homes to meet the needs of local people and to enable local people to find their own solutions. The mid-term review in March 2016 recognised the need for the Council to develop a range of delivery mechanisms in order to meet the needs of local households unable to purchase their own home. This included the provision of advice and support to communities to identify need, sites and alternative options for the delivery of housing through registered providers or

community land trusts (CLTs). Since then the Council's housing delivery team has sought to build up in-house knowledge, expertise and contacts to provide advice and support to community groups. A series of events have been held and a leaflet produced promoting the benefits of community land trusts.

- 3.4. To date one CLT has been established in the district and there are at least seven community groups considering setting up a CLT. Most of those interested are group led, though there has been interest from two landowners to form developer-led partnerships.

4. Outcomes to be Achieved

- 4.1. The enabling infrastructure to provide a full range of advice and technical support services for community led housing initiatives, together with a funding programme which supports both government objectives and the priorities set out in the housing strategy. This will help to maximise delivery of affordable housing, particularly in the least affordable rural areas of the district.

5. Proposals

- 5.1. This report proposes that the funding received from the community led housing fund is allocated in line with the government guidance at appendix 1 and also to support stated aims within the Housing Strategy in particular support for CLTs.
- 5.2. Whilst there has been considerable interest in CLTs progress can be slow. A survey of parishes and community groups is proposed to identify the perceived barriers to give a deeper understanding of how the council can best support community groups and provide an evidence base for the allocation of resources.
- 5.3. An article promoting community led housing to the general public is planned for the spring edition of Initiatives inviting individuals to register their interest with the Council so that groups with similar interest can be put in touch with each other and supported. Consideration is also being given to setting up a district wide stakeholder group which could advise the Council on policy direction from a wider perspective.
- 5.4. Consideration must be given to how the Council can best use the £1.4m to support community groups to achieve maximum output. Initially it can be used to meet research costs, training, specialist advice, grants to community groups and set up costs. Options include:
 - (1) Offering the Council's in house expertise and staffing resources, such as rural housing enabling, business planning, governance, community engagement, land purchase and valuation. Consultants could be used to fill any gaps in expertise or capacity.
 - (2) Set up an umbrella CLT, made up of professional members and champions of the community. This would be a non-profit organisation which could then employ staff or consultants to support the development of CLTs in the district. Cornwall Council and Cambridge have both set up umbrella CLTs.
 - (3) The fund could be used to provide grants directly to CLTs to buy in the professional advice they need, such as support from Action in Rural Sussex, specialist legal advice, advice on governance, business planning and funding.

(4) Pooling resources with other authorities to develop the resources and expertise.

(5) Contribute to and help secure the capital funding to purchase land and build homes.

- 5.5. Issues to be taken into account include timely spend of funds and the availability of expert advice locally. A mapping exercise will be undertaken of existing resources and expertise both within the district and neighbouring authorities. It should be noted that CDC received the 2nd largest allocation of funds in the SE, second only to the Isle of Wight UA. Other West Sussex authorities collectively received £945K.
- 5.6. Consideration will be given to setting up and encouraging developer led partnerships, where appropriate. This could include the council setting up a community partnership to take on the affordable housing to be delivered on council owned sites and encouraging developers to form such partnerships where they have difficulties in finding a registered provider to take on affordable housing or where there is interest from the community.

6. Resource and Legal Implications

- 6.1. The Housing Strategy review approved by Council in March 2016 set out the allocation of Council's resources to support new affordable housing provided by registered providers and CLTs, comprising:
- The Affordable Housing Grant Fund of £626,613 to be used as grant funding.
 - The Affordable Housing Capital Fund of £2.5m to be used as a recyclable loan fund.
- The Community Housing Fund will complement these funds.
- 6.2. CDC employs a dedicated Rural Housing Enabler, whose primary role is to promote, facilitate and coordinate the provision of new affordable housing developments, working with communities, landowners, planning officers, developers and registered providers, contributing to the sustainability of the rural communities within the district. Any additional enabling resources required can be funded from the government grant.

7. Consultation

- 7.1. The Department of Communities and Local Government has worked closely with the National Community Land Trust Network and other members of the community-led housing sector to produce guidance (Appendix 1).
- 7.2. This fund supports the priorities highlighted in the Housing Strategy review, which was shaped by discussions with the Chichester Housing Delivery Partnership, members and officers across the Council. There have also been meetings with the National CLT Network, Wickham CLT and Wessex CLT Project.

8. Community Impact and Corporate Risks

- 8.1. These proposals will have a positive impact on local people and communities through the provision of community led housing and delivery of the Housing Strategy objectives.

- 8.2. This government funding initiative is aimed at helping local groups to deliver affordable housing in response to the problem second homes can cause in reducing both the supply and affordability of homes. It's spend is not restricted to those parishes with the highest second home ownership. From 2017/18 onwards, allocations will depend in part on how the 2016/17 allocation has been spent.

9. Other Implications

Crime and Disorder	None
Climate Change	None
Human Rights and Equality Impact see paragraph 8.1.	Yes
Safeguarding and Early Help	None

10. Appendices

10.1. Guidance Community Led Housing Fund

11. Background Papers

11.1 None