

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	ENVIRONMENT HEALTH AND HOUSING COMMITTEE	4 MARCH 2019	5
UPDATE ON THE COMMUNITY HOUSING FUND			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The Community Housing Fund was announced in December 2016 by DCLG and provides revenue grant funding to enable community-led housing (CLH) schemes. Fylde Council was allocated a sum of £440,381 from the fund. Future funding bids for community-led projects will be via Homes England.

The initial grant allocation was to be used to build capacity within local groups such as improving technical skills, setting up support hubs to offer advice, business planning and providing staff to review local housing needs. In January 2018 a part-time Community Housing Fund (CHF) Development Officer was appointed for a period of 12 months. The role of the post is to promote community led development within Fylde, map existing interest from communities and develop supporting information for groups. The post was initially shared with Lancaster City Council until June 2018 as a full time post, after which, the post has remained within Fylde Council as a part time, 18.5 hour post.

The project has established a Fylde Council Community Housing Grant Fund Policy for communities considering community-led development to establish into a formal community group and undertake feasibility works on possible development sites. Contact has been made with existing community groups, parish and town councils in Fylde to promote the project and the scheme. The project has become involved with a community-led regeneration project at Lindsay Court, New Road, St Annes. A housing need survey has been completed with residents at Lindsay Court and community engagement events have taken place to consider future options, following the engagement of Regenda Regeneration Services to work with residents to co-design a deliverable regeneration solution.

This report is an update on the Community Housing Fund project and to request approval for extension of the CHF Development Officer post for a further period of 2 years to continue to promote community-led development within Fylde and to support the residents at Lindsay Court to take forward options for the site following the engagement of Regenda Regeneration Services. These two aspects of the work will require a funded budget increase for this purpose in the total sum of £75,000 across years 2018/19 to 2020/21 to be met from the Community Housing Fund grant received by Fylde Council in December 2016.

RECOMMENDATIONS

The Committee is requested to:

1. Note the contents of the report and the progress made to date in delivery of the Community Housing Fund project;
2. Note the contents of the related Information Item: Qualified Informal Procedure – Lindsay Court Resident Options Testing; and
3. Recommend to Council approval of a fully-funded revenue budget increase in the sum of £75,000 to provide sufficient resource for the continued delivery of the Community Housing Fund project as detailed within this report. The funding is required in the financial years 2018/19 to 2020/21 (£4,500 in 2018/19, £54,000 in 2019/20 and, £16,500 in 2020/21) to be met in full from the Community Housing Fund grant that the Council received in December 2016.

SUMMARY OF PREVIOUS DECISIONS

Minutes of Environmental, Health and Housing Committee 13th March 2018

It was RESOLVED to;

1. To note the contents of the report and the proposal to introduce a Community Housing Grant Policy;
2. Approve the adoption of the Community Housing Fund Grant Policy as attached at Appendix 1 to the report; and
3. Approve expenditure to a total sum of £60,000 in respect of the provision of grants in accordance with the Community Housing Fund Grant Policy.

Minutes of Council 17th July 2017

It was RESOLVED to;

1. Approve a fully-funded revenue budget increase in the sum of £440,381, funded by the Community Housing Fund grant in the same sum, as recommended by the Environment, Health and Housing Committee at the meeting of 20th June 2017; and
2. To note that Subject to 1 above, part of the funding in the sum of £100,000 will be used to provide support for the Church Road Methodist Church Project, (Committee 17th October 2016) which would in turn allow the S106 funds previously ear-marked for this project to be re-directed to support other affordable housing developments elsewhere in the Borough.

Minutes of Environmental, Health and Housing Committee 20th June 2017

It was RESOLVED;

1. To note the contents of the report and the proposals to take forward the Community Housing Fund in Fylde, noting that the funds in Year 1 should be used to develop an approach that fits within the current situation within the borough and a need to raise awareness of the Community Led Housing;
2. To recommend to Council approval of a fully-funded revenue budget increase for the total sum of £440,381 funded by the Community Housing Fund grant in the same sum;
3. Subject to 2 above, approve the engagement of a shared Community Housing Fund Development Officer (with Lancaster City Council) initially for a 12-month period to identify and build capacity within local groups by mapping existing interest and developing supporting information for groups to enable the local authority to draw down subsequent years funding to deliver housing on the ground for local people; and
4. Subject to 2 above, approve that part of the funding in the sum of £100,000 be used to provide support for the Church Road Methodist Church Project, (Committee 17th October 2016) which would in turn allow the S106 funds previously ear-marked for this project to be re-directed to support other affordable housing developments elsewhere in the Borough.

Minutes of Council 17th October 2016

It was RESOLVED to:

1. Approve a fully funded addition to the Capital Programme in the sum of £550,00 –
“Affordable Housing Scheme at Church Road Methodist Church” – for 2017/18 to be fully funded from part of the balance of S106 developer contributions for affordable housing currently held by the Council for this purpose (from Agreement Ref: 03/0157 – Queen Mary School Development: a total capital contribution of £550,000 to deliver 10 units for affordable rent at Church Road Methodist Church, St Anne’s to Great Places Housing Association); and
2. Authorise expenditure in the sum of £550,000 to Great Places Housing Association in relation to the scheme after regard and consideration of the compliance with the financial regulations covered within the body of the report.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	✓
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

REPORT

COMMUNITY HOUSING FUND DEVELOPMENT AT FYLDE

1. The Community Housing Fund was announced in December 2016. In year 1 Fylde BC were awarded £440,381 to establish community led housing within the borough. The fund provides revenue and capital funding as an alternative to, or to augment and bridge gaps in existing funding to increase genuinely community led housing in areas with high levels of second home ownership.
2. The first year's funding did not have to generate quick delivery of units on the ground. There was flexibility for local authorities to develop an approach that fits within the current approaches that exist within their boroughs. Subsequent years funding will be managed by Homes England.
3. Within Fylde opportunities for new build community led housing approaches is limited and resources were required to establish what exists on the ground and options for the fund that would meet the priorities in the borough. The initial grant allocation was to be used to build capacity within local groups such as improving technical skills, setting up support hubs to offer advice, business planning and providing staff to review local housing needs.
4. In January 2018 a part-time Community Housing Fund (CHF) Development Officer was appointed to progress community-led development within the borough. The post was initially shared with Lancaster City Council to create a full time post and from June 2018, it reverted back to a part time post within Fylde at 18.5 hours per week from 11th June 2018. The role of the post is to promote community led development within Fylde, map existing interest from communities and develop supporting information for groups. Table 1 details tasks undertaken in the first 12 months of the project.
5. Environment Health and Housing Committee 13th March 2018 approved expenditure to a total sum of £60,000 in respect of the Community Housing Fund Grant Policy. To date no communities have made applications to the grant fund, however it is anticipated Lindsay Court Community Group will be submitting application to both Stage 1 and Stage 2 costs. The fund can be used by communities for:

Stage 1 costs (not exceeding £5k)

- Community development work – support community engagement work with local communities to set up and develop a community organisation.
- Community development/set up fund – to support the development of a specific group to ensure they fulfil the council's requirements and are a legal entity.

Stage 2 costs (not exceeding £15k)

- Feasibility Fund - support initial feasibility work for a potential community led housing scheme.

Table 1 – Community Housing Fund Project January to 2018 to January 2019

Project Description	Outcomes
1. Develop Affordable Housing Policy that encompasses all options for affordable housing including community led development	Completed and agreed by Registered Provider Partnership. Informed development of Affordable Housing Supplementary Planning Document.
2. Engage with Registered Providers of Affordable Housing to promote community led development on new build schemes	On-going and supporting delivery of affordable housing within the borough.
3. Develop a Community Housing Grant Policy and application process to enable funding to be made available	Approved by Environmental Health and Housing Committee on the 13 th March 2018 with approved expenditure up to £60,000. Is available on the new council website.
4. Producing awareness raising material to promote community led development in Fylde.	Leaflet available on new council website. Grant policy and leaflet sent to all parish and town councils in Fylde in April 2018. Show and Tell event with wider housing team for staff, Councillors and partner agencies in May 2018.
5. Engage with and support existing community groups to provide to provide information on options for project development and delivery.	Approached by Lindsay Court residents following concerns from several residents on costs to refurbish the site. Ongoing project supporting community to form into a legal status to take forward viable options for regeneration. Regeneration Services at Regenda engaged to provide specialist support to the community on viable options for the scheme.
6. Undertake Housing Need Surveys in agreement with planning and housing priorities	Lindsay Court Sept 2019 to support private sector team. Elswick parish council approached to inform development of two sites. The parish council chose not to go ahead with the survey.
7. Produce exemplar material on Church Road Methodist funded from Community Housing Fund to illustrate concept	On-going. Scheme to be handed over in July 2019.

LINDSAY COURT, NEW ROAD, ST ANNES

6. The housing need survey at Lindsay Court was completed in the Autumn of 2018. A return rate of 36.5% for the resident survey and 30% from the landlords/leaseholders, gave us a valuable and robust insight into the housing and building issues at Lindsay Court. The summary of the survey can be found in Appendix 2.
7. Lindsay Court was built in the 1960s and is a development of 96, 2 bed flats, spanning 16 blocks. With lack of investment into the repairs and maintenance on site the buildings have become dilapidated and repair work is required. The land is in private ownership with one third of the flats are owner occupied, the remainder are let out privately. The current proposal for the site is a full fabric scheme requiring a £30,000 contribution from each owner.

8. Fylde Council have an enforcement role under the Housing Act 2004 to ensure that private sector homes are safe for residents and neighbourhoods and to ensure that private sector homes are of a reasonable standard. In 2018 the private sector team received 5 complaints and in 2019 3, complaints have been received so far this year and it is possible the number of complaints will increase as the structural condition of the properties deteriorates.
9. The opportunity presented under the Community Housing Fund has enable Fylde Council to take a proactive approach in trying to facilitate an inclusive process that will link the community, local Councillors, the managing agent Homestead, Homes England and the MP Mark Menzies into an emerging partnership to establish options for the regeneration and refurbishment of the site.
10. Regeneration Services at Regenda were approached to establish if they would be interested in working with Fylde Council to work up options for the site. They are working within Fleetwood to regenerate an area within and around their housing stock and this work informed how they would approach working with residents of Lindsay Court. The project is not simply about the fabric of the buildings, it is about bringing the community together to plan how they will take forward and commit to the regeneration of their homes. As in Fleetwood there are mixed tenures within the properties and therefore mixed views within the community on the best end result.
11. A Qualified Informal procedure for Lindsay Court resident options testing has been submitted to this Committee to advise on the engagement of Regenda Regeneration Services and their proposal for the co-design a deliverable regeneration solution for Lindsay Court can be found in Appendix 3. They will work with the community from a social housing investment perspective. They have engaged as part of the project CASS associates who will bring on board private sector investment expertise. Together they will test options that include part social/part private sector investment options for the entire site. The total costs for this work is £35,000.

THE COMMUNITY HOUSING FUND ADMINISTERED BY HOMES ENGLAND

12. Homes England have been supportive of the project and have engaged with Fylde Council to work up a scheme that could be submitted to the Community Housing Fund. The funding is split into two phases. Phase One is making grants to organisations for revenue funding for capacity building, including revenue grants to local authorities to support community groups. Phase Two is for capital costs for associated infrastructure costs which will support community housing development.
13. Although Fylde Council have not had a formal response from Homes England regarding the outcome of the Phase One funding bid, which covers employing an Officer to work specifically with Lindsay Court residents and engaging Regenda Regeneration Services, officers have been advised that HE require match funding for Phase One, which cannot be from projects that have already been funded by the Community Housing Fund announced in December 2016 (see paragraph 1).
14. Officers have sought clarification of this position as ultimately the bid is based on the work arising from the project established under that initial funding stream in December 2016, and therefore it is logical to match fund from this initial tranche of monies. Monies which allowed flexibility for local authorities to develop an approach towards community led development that fits within the current approaches that exist within the boroughs.
15. In addition the council has been advised that local authorities need to have spent all their funding from the Community Housing Fund received in December 2016. With commitments already made from this funding and the extension of the Project Officer role for a further two years and the engagement of Regenda Regeneration Services, there will be remaining £189,000 from this funding source.
16. Regardless of the outcome from the revenue funding bid to Homes England for the Community Housing Fund, officers are still hopeful the residents at Lindsay Court will be in a position to apply for the Capital funding Phase 2 from the Community Housing Fund in the Autumn of 2019. There will be a requirement for social housing to be delivered as part of the overall project.

IMPLICATIONS	
Finance	This report requests that the committee recommend to Council approval of a fully-funded revenue budget increase in the sum of £75,000 to provide sufficient resource for the continued delivery of the Community Housing Fund project (as detailed within this report) to be met in full from the Community Housing Fund grant that the Council received in December 2016.
Legal	None
Community Safety	None
Human Rights and Equalities	None
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	None

LEAD AUTHOR	CONTACT DETAILS	DATE
Kirstine Riding	Kirstine.riding@fylde.gov.uk & Tel 01253 658569	11 th February 2019

BACKGROUND PAPERS		
Name of document	Date	
Community Housing Fund Grant Policy	Sept 2018	Community Housing Fund
Affordable Housing Policy	Sept 2018	Affordable Housing Policy
Homes England Community Housing Fund	Sept 2018	https://www.gov.uk/government/collections/community-housing-fund

Attached documents

Appendix 1 - Community Led Housing Leaflet

Appendix 2 – Lindsay Court Residents Survey

Appendix 3 – Lindsay Court final proposal Regenda Regeneration Services