

## **Mole Valley District Council**

**Decision:** Housing Capital Grant Allocation £100,000 – to be invested with Mount Green Housing Association to enable the development of 2 x two bedroom houses for affordable rent.

### **(i) Details of decision**

Allocate £100,000 of affordable housing capital grant to invest with Mount Green Housing Association for 2 x two bedroom houses for affordable rent at the Photo Me Site, Church Road, Bookham. This proposal supports the Council's priority to enable the development of new affordable homes.

### **(ii) Reasons for decision**

Mount Green Housing Association has entered into an agreement to purchase 2 x two bedroom houses that are to be developed at the Photo Me site on Church Road, Bookham. The development was granted planning permission (MO/2016/0516) on 23 November 2016.

The houses will all be for affordable rent and will assist the Council to meet the needs of households waiting for two bedroom accommodation on the Housing Register, these households also include homeless families the Council has accepted a legal responsibility to house and are living in emergency accommodation. There are currently around 170 households waiting for two bedroom homes.

The capital investment of £100,000 towards the development can be met from the affordable housing capital budget that is funded from £4.3m capital set aside for investment to enable the development of new affordable homes. The £4.3m is made up of £2.9m remaining from the Large Scale Voluntary Transfer capital receipt for affordable housing and £1.4m held from section 106 affordable housing capital contributions collected through the planning system. The section 106 payments must be spent within five years of receipt otherwise they must be returned to the planning applicant.

This investment to enable 2 affordable houses works out at £50,000 per unit and similar investments during 2016/17 have ranged from £60,000 to £80,000 per unit.

Mount Green will be required to enter into capital grant and nominations agreements to protect the Council's investment. The Council will have 100% nomination rights on first let and 75% thereafter. Payment will be made to Mount Green when evidence is provided to confirm practical completion.

Officers have delegated authority in the constitution to make this decision in consultation with the Executive Member for Communities, Services and Housing and as the amount to be allocated is up to £100,000 the officer decision is recorded in this document. The Executive Member Councillor Corinna Osborne-Patterson was consulted on 2 June 2017 and confirmed her agreement on 4 June 2017.

**(iii) Details of any alternative options considered and rejected**

None

**(iv) Conflicts of Interest and any Dispensations Granted**

None

**Decision taken by:**

**(i) Name:** Alison Wilks

**(ii) Job Title:** Strategic Housing Manager

**Date of Decision:** 5 June 2017

**Date of Publication of Record of Decision:**