

## Mole Valley District Council

**Decision:** Housing Capital Grant Allocation £315,000 – to be invested with Mount Green Housing Association to enable the development of 5 affordable rented housing units made up of:

- 2 (two) x 2-bed houses for Affordable Rent;
- 1 (one) x 1-bed house for Affordable Rent; and
- 2 (two) x 1-bed apartments for Affordable Rent (one of which shall be a Mobility Unit)

### (i) Details of decision

Allocate £315,000 of affordable housing capital grant to invest with Mount Green Housing Association for 5 x affordable rented homes at the **Preston Farm Stables, Preston Farm, Lower Road, Little Bookham KT23 4EF** site. 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 10 x affordable homes made up of 5 rented and 5 shared ownership units that are to be developed at Preston Farm Stables. The development was permitted planning permission (MO/2017/1323) on 7 March 2018 by the Development Control Committee.

The 10 affordable homes will assist the Council to meet the needs of households waiting for accommodation from the Housing Register that includes homeless households and those looking for an affordable home ownership option.

The capital investment of £315,000 is to specifically subsidise the 5 rented units. This expenditure can be met from the affordable housing capital budget that is funded from £4.2m capital set aside for investment to enable the development of new affordable homes. The £4.2m is made up of £2.9m remaining from the Large Scale Voluntary Transfer capital receipt for affordable housing and £1.3m 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 works out at £63,000 per unit and is similar to previous investments that 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 over £100,000 the officer decision is recorded in this document. The Executive Member Councillor Corinna Osborne-Patterson was consulted on 11 May 2018 and confirmed her agreement on 11 May 2018.

**(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:** 11 May 2018

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