

Committee: Housing Board

Date:

Title: Section 106 Affordable Housing Funds

15th March 2022

Report Author: Judith Snares – Housing Strategy and Operations Manager - 01799 510671

Item for decision:
Yes

Summary

This report provides detail of the proposed use of the Section 106 commuted sums with the Housing Revenue Account (HRA) development programme

Recommendation

1. Housing Boards recommends to Cabinet that the Section 106 Affordable Housing contributions are utilised within the HRA development programme

Financial Implications

2. Detailed in report.

Background Papers

3. HRA business plan

Impact

- 4.

Communication/Consultation	Parish Councils
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	All
Workforce/Workplace	Housing Development

Situation

5. The council currently has Section 106 contributions or approx. £946K which is for use on the delivery of affordable housing within the district.
6. It is proposed to utilising these contributions, when appropriate, within the council's Housing Development Programme.
7. The S106 contributions will allow the HRA to reduce the HRA funding element on future developments. Reducing HRA borrowing requirements will release money that can be used to invest in the council's current stock.
8. This report does not propose specific details on which development schemes these contributions will be used, but rather to gain Member approval for the in principle decision that Section 106 contributions are utilised by the HRA development programme.
9. The exact use of the contributions will be detailed as proposed schemes are brought before Members to agree their funding,

Risk Analysis

9.

Risk	Likelihood	Impact	Mitigating actions
Increased costs of borrowing within the HRA	3 There is currently a projected requirement to be able to complete future planned Schemes (subject to planning permission)	3 To continue the development programme would require funding be curtailed on planned and responsive maintenance work within current stock, or increased borrowing, the alternative is to curtail the development programme	By utilising Section 106 affordable housing contributions the development programme can continue with reduced need of funding from HRA

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

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