

**Agenda Item No:** 9.8 **Report No:** 130/17  
**Report Title:** Community Housing Fund  
**Report To:** Cabinet **Date:** 27<sup>th</sup> September 2017  
**Cabinet Member:** Cllr. Ron Maskell, Cabinet Member for Housing  
**Ward(s) Affected:** All  
**Report By:** Ian Fitzpatrick, Director of Service Delivery  
**Contact Officer(s)-**

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**Purpose of Report:**

To advise Cabinet of a Community Housing Fund allocation of £180,179 by central Government to Lewes District Council; and to seek Cabinet approval for specified expenditure in respect of this funding.

**Officers Recommendation(s):**

- 1 That Cabinet use the Community Housing Fund allocated by Government to—
  - a. approve a grant of £20,000 to Action in Rural Sussex (AiRS) to set up a Sussex Wide Community Housing Hub.
  - b. approve funding of £25,000 for Lewes District Council's share of a post jointly funded with Eastbourne Borough Council to facilitate the Community Housing Fund (CHF).
  - c. note that, following expenditure of items 1a and 1b above, Lewes District Council have £135,179 available to deliver further community led housing initiatives.
- 2 That Cabinet grant delegated authority to the Director of Service Delivery in consultation with the portfolio holder to take all steps necessary for and incidental to the implementation of recommendations 1a and 1b above; and to allocate the uncommitted sum of £135,179 on such community led housing initiatives as they consider appropriate.

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**Reasons for Recommendations**

- 1 Delivering sustainable new housing and infrastructure is a Council Plan priority, and working with local communities is a key part of this.
- 2 The programme will potentially identify a number of development opportunities in the Lewes District for affordable housing.

## Information

### 1. Community Housing Fund

- 1.1 In the autumn statement of 2016 central government announced a budget of £60m to support community-led housing developments in areas where the impact of second homes is particularly acute. The programme is to run over five years.
- 1.2 In December 2016 Lewes District Council (“the Council”) received notice of the allocation from DCLG of £180,179. Eastbourne Borough Council received an allocation of £365,894.
- 1.3 In order to receive the funding, the Council was required to submit a proposal as to its intended allocation. The Council proposed to the DCLG that funding be used:
  - to contribute to the development of a Sussex Community Housing Hub; and
  - to employ an officer to work across both Lewes DC and Eastbourne BC to support local groups to deliver community led housing.
- 1.4 This bid to DCLG was successful and on 21 April 2017 CMT gave in principle approval for how the grant should be spent. This requires formal approval by Cabinet.

### 2. Enabling Community-led housing

- 2.1 As the funding is ring-fenced, there is a need to commit any future spend against activity which meets various detailed criteria and enable community-led housing developments to be delivered across the Lewes district. The proposal is for the Council to adopt the following activity against the funding:

- a. AiRS Sussex Community Housing Hub (SCHH)

- AiRS have operated as a rural housing enabling service for many years. They are operating an Umbrella Project called the Sussex Community Housing Hub which provides technical advice and support across Sussex.
- The SCHH will act as a steering group for 8 local authorities across Sussex to share best practice around delivery models, funding and governance.
- The SCHH have specific expertise relating to community housing and will offer a whole package of enabling support as outlined in Appendix A.
- Subject to Cabinet approval of recommendation 1a above, the Council will enter into a Service Level Agreement (SLA) with AiRS to govern the terms on which they will provide services to the Council in exchange for the grant. The key outcomes and indicators of success for AiRS’ provision of services under the SLA with the Council are set out in Appendix B.
- We are already working closely with AiRS to implement monitoring processes and design reporting mechanisms. This will ensure AiRS are performing and meeting our required standards.
- AiRS are based in Lewes and will primarily be supporting LDC officers with community led enabling work.
- Payment to AiRS of £20,000 in full will proceed as soon as the SLA is in force. This payment is LDCs contribution to the Housing Hub over three years.

b. Recruitment of a joint New Initiative Development Officer

- As part of the bid to DCLG, both Lewes DC and Eastbourne BC sought to employ an officer to work across both authorities to support local groups deliver community led housing.
- This report seeks Cabinet approval (at recommendation 1b) to commit £25,000 from the DCLG grant to part-fund this joint post. It is anticipated that Eastbourne BC will match-fund the remaining £25,000 cost if approved by their Cabinet. The post holder's duties will include monitoring AiRS' adherence to the SLA.
- The post will be for one year with a possibility of extension depending upon future funding pots.

c. Future Activity

- The uncommitted expenditure totals £135,179 for Lewes DC.
- This will be utilised for promotional work, site feasibilities and used to support specific proposals as they come forward for further development.
- The Council is already working closely with Lewes Community Land Trust to develop future affordable housing in Lewes town.

At the Meeting of the Council held on 23<sup>rd</sup> February 2017 it was agreed that "£20,000 be set aside from reserves to fund a feasibility study into providing low cost affordable rented homes for local people on easy access sites in the District". This initiative will assist with this aim.

**3. Legal Implications**

- 3.1 The Council has power to fund the three activities specified in paragraphs 2.1a, b and c using its power of general competence conferred by Part 1, chapter 1, of the Localism Act 2011.
- 3.2 The funding of these activities is an executive function, for which Cabinet is the appropriate approval body.
- 3.3 The Council's legal team have been instrumental in drawing up the service level agreement with AiRS to ensure it is legally robust.

*Lawyer consulted 4.8.17. Legal ref: 006420-LDC-OD*

**4. Financial Appraisal**

- 4.1 This initiative is entirely funded through grant from DCLG as follows:

AiRS Sussex Community Housing Hub	£20,000
Joint Funding of New Initiatives Development Officer Post	£25,000
Remaining grant	£135,179
Total Grant	£180,179

## **5. Equality Screening**

- 5.1 The assessment identified that the recommendations made by this report are unlikely to have any impact on persons with protected characteristics under the Equality Act 2010.

## **Appendices**

Appendix A: Services to be provided by AiRS in accordance with the proposed SLA with the Council

Appendix B: Key outcomes and indicators of success under the proposed SLA

### Services to be provided by AiRS to the Council

- **Raising awareness and enabling**

Via direct contact with individuals, groups and community based organisations, AIRS will enable local communities to understand what community led housing is, become aware of the different models and how these might provide long term community benefit. They will support communities that are considering setting up a Community Land Trust or other community Led housing ("CLH") model to enable them to understand both the potential and the feasibility.

- **Business planning** - Facilitating the community group's vision for the project, considering an appropriate model of community-led affordable housing, exploring the implications for capital and revenue funding etc. Providing information and advice on funding, finance, development and management and assist with funding applications.

- **Technical assistance**

To provide technical assistance for CLH groups that have been established in relation to finance and development issues in particular. Enabling groups to make informed choices by providing a full suite of processes, tools, templates and options.

- **Delivery of community led affordable homes**

To work with CLH groups to achieve the delivery of affordable homes that contribute to the sustainability of the community. Acting as an intermediary between professionals/local authorities and community groups to facilitate understanding, constructive discussion, and decision making.

- **Legal formats and documentation** – Consideration of appropriate legal entities such as a Community Interest Company, Community Benefit Society, Company Limited by Guarantee (with exempt charity status) etc. Help will be provided to draft the objects of, and to incorporate, the new entity.

- **Site identification and land acquisition** - Advising on the site selection process and on the heads of terms between the community group and the landowner. Advising on the content and structure of a public meeting designed to win the support of the wider community for a recommended site. Recommending solicitors based on our experience of other projects. Providing template forms of option agreement and lease as necessary.

- **Planning issues** - Supporting the community group in deciding the number, type, tenure and design principles of the proposed housing and to play a full part in promulgation of the planning

application. Working alongside the LA and CLH group to agree the nominations process and facilitating discussions between the community, HA (if involved) and LA about the wording of the Section 106 agreement (where applicable) and ensuring that the community's preferences are incorporated as fully as possible.

- **Communication** - Supporting the community group in its communications with the wider community as and when required, including as many public meetings as necessary. Providing guidance on governance, management and community organising.
- **Project Management** - Administering project team meetings; drafting agendas, chairing and taking minutes as required until the community group feels confident enough to take these on. Maintaining an up to date project plan which forecasts when all elements of a project will take place (example attached for a CLT/HA partnership). Supporting CLH groups throughout the development journey, including stand-alone CLTs, advising on all aspects of the development process. Acting as an intermediary between professionals/local authorities and community groups to facilitate understanding, constructive discussion, and decision making. Introducing project delivery partners and liaising with these.
- **Strategic advice** - Researching ways of improving the social and financial return to community groups and advising on the implications of emerging initiatives such as the Government's Community Housing Fund.
- **Problem Solving** - Helping to keep the project on track by problem solving as and when snags arise; ranging from how best to address budget shortfalls to occasional reductions in the capacity of volunteers.
- **Lobbying** – working with others in the Community-Led Affordable Housing sector to maximise resources and policy support for community-led projects, including relationships with MPs, civil servants and special advisers.

**Key outcomes and indicators of success for AIRS' provision of services to the Council**

The key outcomes across the Lewes district will be:

- Increased awareness of community led housing provision;
  - Outcome will be measured by all Town and Parish Councils being approached directly by AiRS to discuss the work of the Sussex Community Housing Hub. Uptake will be monitored and reported back to LDC.
- More community led housing ("CLH") homes are in the pipeline for development;
  - Outcome will be monitored by reviewing existing "CLH" pipeline and subsequent quarterly updates on the revised pipeline.
- More people and groups are closer to living in affordable community-led housing;
  - Outcome will be measured by pipeline monitoring and subsequent quarterly updates.
- More sites and properties in the district are secured for community-led housing.
  - Outcome will be measured by at least one site being delivered through a community led housing project.

**SCHH Annual Performance Indicators – from July 2017**

- An information IT platform set up and working for groups and projects
- At least one promotional / launch event held in East Sussex per year
- At least one CLH event (parishes conference etc.) attended in the district per year
- At least 1 CLH group provided with direct advice and support in the district
- Guidance and support provided to Council staff in relation to best practice when working with CLH groups and projects – particularly around finance and development issues
- This support provided on a regular basis via e-mail and telephone as well as at least bi-monthly meetings with relevant staff (if required)
- All Town and Parish Councils approached directly with the offer to meet and discuss CLH and the work of the Sussex Community Housing Hub (SCHH)

**SCHH Programme performance Indicators – by July 2020**

- At least 1 CLH scheme in the pipeline - site identified and secured, planning application approved.