

STROUD DISTRICT COUNCIL

AGENDA
ITEM NO

HOUSING COMMITTEE

2 FEBRUARY 2021

6

Report Title	GENERAL HOUSING: ALLOCATION OF GRANT TO EASTINGTON COMMUNITY LAND TRUST			
Purpose of Report	To request permission to allocate grant funding of £50,000 to Eastington Community Land Trust (ECLT) to support the purchase of land for affordable homes.			
Decision(s)	The Committee RESOLVES to authorise the allocation of £50,000 Affordable Housing Grant to Eastington Community Land Trust (ECLT), subject to the completion of a legal agreement between SDC and ECLT.			
Consultation and Feedback	Consultation has been carried out with Eastington CLT around the legal agreement required by SDC to secure the funding.			
Report Author	Pippa Stroud, Housing Strategy and Community Infrastructure Manager Email: pippa.stroud@stroud.gov.uk			
Options	Committee could choose not to permit the grant funding, or to delay the allocation of funds. However, this is an opportunity to secure land for the future development of affordable housing; the landowner could choose to dispose of the land elsewhere in the meantime.			
Background Papers	None			
Appendices	None			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

1. INTRODUCTION / BACKGROUND

- 1.1 Eastington Community Land Trust (ECLT) was established in 2013 with a mission to provide affordable homes for people with a connection to the parish of Eastington.
- 1.2 ECLT has already enabled the development of 23 homes for affordable rent in partnership with Aster Homes Housing Association. These 23 homes completed in December 2020 and have been heavily over-subscribed.

- 1.3 ECLT's next affordable homes project is for a further 31 homes and will again be carried out in partnership with a Housing Association and funded by Homes England. The proposals are currently in pre-application discussion with the Council's Planning Department. This development is again expected to be over subscribed.

2. MAIN POINTS

- 2.1 Alongside the land required for this next project, there is an opportunity for an additional tranche of land to be secured in the same location for a further phase of affordable housing development. It is estimated that this land could accommodate a further 17 homes, with development expected to take place in around 2026.
- 2.2 This additional piece of land has been valued at £60,000. Homes England will not fund the acquisition of this land as it falls outside their current investment programme timelines. Accordingly, ECLT has approached the Council to ask for grant funding of £50,000 towards the £60,000 purchase cost.
- 2.3 Officers have delegated authority to allocate capital grant funds to Housing Associations. ECLT is not a Housing Association registered with Homes England, however it does have a record of proactive and positive engagement with Stroud District Council and an impressive track record of delivery of affordable homes.
- 2.4 We are holding sufficient S.106 funds to support this request for funding. These have been accumulated from developers where, for example, our 30% affordable housing planning policies have resulted from the payment of a commuted sum rather than on-site provision, and has to be spent on the provision of affordable housing elsewhere.
- 2.5 It should be noted that further affordable housing development at the proposed location will depend upon the outcome of a local housing needs survey which ECLT anticipates will take place during 2024. Should Members support this funding request, we will ask ECLT to enter into a legal agreement which will secure the return of the funds should the land not be purchased, or not be used for the development of affordable housing.

3. CONCLUSION

- 3.1 This funding request is being made by a community organisation with a history of positive engagement and delivery of affordable homes. At a grant cost of under £3,000 per home, the request for £50,000 appears to represent good value for money.

4. IMPLICATIONS

4.1 Financial Implications

There are sufficient S106 funds available to allocate this funding to support the affordable housing provision.

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4.2 Legal Implications

The Council has powers to give a grant to ECLT by virtue to Section 24 of the Local Government 1988 and General Consent C issued pursuant to Section 25 of 1988 Act. A grant can be given by a local housing authority to any person (which includes companies and other legal entities) for the purpose of, or in connection with the acquisition, construction, conversion, rehabilitation, improvement, maintenance or management (whether by that person or by another) of any property which is or is intended to be privately let as housing accommodation.

The position regarding state aid has recently changed due to ending of the transition period following the UK's withdrawal from the European Union. The giving of aid by public bodies is now referred to as the Subsidy Control. Advice will be given to officers to ensure compliance with the new regime.

A legal agreement will be required with the ECLT that sets out the use of the grant.

One Legal

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4.3 Equality Implications

An EqIA is not required because there are no specific changes to service delivery proposed within this decision.

4.4 Environmental Implications

There are no significant implications within this category.