



## Report of the Director of Place

External Funding Panel – 6 December 2017

### **Innovative Housing Programme - To Support the Delivery of 2000 New Affordable Homes in Wales**

<b>Purpose:</b>	To provide details of the Bid for Welsh Government Innovative Housing Programme --To support the delivery of 20,000 new affordable homes in Wales
<b>Policy Framework:</b>	More Homes Strategy Local Housing Strategy Policy Commitments – Tackling Poverty
<b>Consultation:</b>	Access to Services, Finance, Legal.
<b>Recommendation(s):</b>	It is recommended that: 1) The Phase 1bid is approved retrospectively by the External Funding Panel. 2) Approval is given to submit a second funding bid for Phase 2 by the Welsh Government deadline
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<b>Finance Officer:</b>	Jayne James
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Catherine Window

## **1. Introduction**

- 1.1 The purpose of this paper is to provide the External Funding Panel with the background regarding a Welsh Government Innovative Housing Programme (IHP). The IHP will run in 2 phases over 17/18 and 18/19. Due to a very short timeline for bid submission imposed on the council by Welsh Government, the Phase 1 bid has already been submitted, after advice being sought and permissions obtained from Director of Place, Head of Housing and Public Protection and Cabinet Member of Housing, Building Services and Energy to submit the bid.

## **2. Background**

- 2.1 WG announced the launch of the Innovative Housing Programme (IHP) in February 2017. The programme which will initially be funded by £20m over the next two years, will contribute to the 20,000 affordable homes target the Welsh Government aims to provide over the term of government. The innovative homes, which will help to significantly reduce or eliminate fuel bills, will inform the Welsh Government about the type of homes it should support in the future
- 2.2 The application process and timescales were announced in August 2017, with a closing date for submission of bids for year 1 on 15 September. It is likely that the bidding process for Phase 2 will commence before the end of 2017/18.

## **3. Bids**

- 3.1. A bid for the first Council direct build passivhaus scheme at Colliers Way was submitted by the deadline of 15 September 2017.
- 3.2 Welsh Government has indicated that the application process for Phase 2 will commence before the end of 2017-18. A bid for the second Council new build scheme at Parc Y Helyg will be submitted in accordance with the WG deadline.

## **4. Equality and Engagement Implications**

- 4.1 An Equality Impact Assessment (EIA) screening tool confirms that a full EIA is not required.

## **5. Financial Implications**

- 5.1 The cost of the scheme will be Phase 1 £2.762M and the estimated scheme cost for Phase 2 is circa £2.80M. The bid is for up to 58% of the scheme costs, plus 100% of innovation costs attributed to the innovative elements within the design. See table 1.

Table 1

	2016/17 £	2017/18 £	Year 3 £	Year 4 £	Year 5 £	Total £	Ongoing £
Total project cost:							
Capital – Colliers Way Parc Yr Helyg	1,190,000 107,000	1,572,324 2,693,000				2,762,324 2,800,000	
Revenue							
Grant applied for:							
Capital		3,226,148				3,226,148	
Revenue							
<b>Internal Match Funding</b>	<b>1,297,000</b>	<b>1,039,176</b>				<b>2,336,176</b>	

5.2 The HRA will fund the full scheme costs if the bids are unsuccessful

## 6. Legal Implications

6.1 The Housing (Wales) Act 2014 sets out the Welsh Government's vision for housing in Wales and provides the framework to assist local housing authorities in Wales to provide affordable new homes.

6.2 The Council will need to ensure that it complies with any terms and conditions attached to this Welsh Government grant funding.

### Background Papers:

NGA1 Form, EIA form, Innovative Housing Bid Form

### Appendices:

Appendix A - EFP1 document