

**Blaby District Council
Council**

Date of Meeting	8 July 2025
Title of Report	Affordable Housing Contributions This is not a Key Decision and is on the Forward Plan
Lead Member	Cllr. Les Phillimore - Housing, Community Safety and Environmental Services
Report Author	Housing Services Manager
Strategic Themes	Enabling our communities and supporting our vulnerable residents

1. What is this report about?

- 1.1 To ask Members to support the proposed contribution of funds towards an all affordable housing scheme.

2. Type of Recommendation (please select)

- 2.1 That Members approve an allocation of £148,381 towards a proposed 21 unit all affordable housing scheme.

3. Reason for Decisions Recommended

- 3.1 To ensure that funds previously allocated for affordable housing and commuted sums paid in lieu of affordable housing are utilised in the most appropriate and efficient way.
- 3.2 To ensure that the above funds are used to enable the delivery of affordable housing.

4. Matters to consider

- 4.1 Background

Members will recall from previous reports that the Council holds funds that are ring-fenced for affordable housing delivery. These funds consist of

commuted sums, garage sale receipts and a small amount of New Homes Bonus. The table below details the current balance of these funds:

Receipt	Amount
New Homes Bonus	£13,278.00
Capital Receipts (Garage Site Sales)	£224,635.00
S106 Contributions (Uncommitted)	£317,586.52
Total	£555,499.52

Table 1 – Balance of funds held for affordable housing

(For clarity, £57,835 from the above funds was approved by Council on the 24th of September 2024 to support the Norton Housing Mental Health scheme in Blaby. This has yet to be paid or committed due to the need for additional legal documentation being completed. This is currently in process. Once this is completed the total fund available for Affordable Housing will be £497,664.52)

In November 2015 Council approved that funds previously allocated for affordable housing would be utilised in the most appropriate and efficient way, examples of which were contained in the November 2015 report of the Principal Housing Strategy Officer, these being:

- Contributions to the Council's Rural Exception Site Programme.
- Contributions to new all affordable housing developments.
- Contributions to specialist supported accommodation such as Extra Care schemes for the ageing population and Foyer schemes for Young People.
- Bridging Registered Provider capacity gaps on major schemes.
- Any other affordable housing projects / schemes deemed appropriate by the Strategic Housing Team in consultation with the Group Manager for Planning and Economic Development and the Group Manager for Housing and Community Services

Springwell Lane, Whetstone 21 Unit All Affordable Scheme

The scheme at Springwell Lane is being developed in partnership between the developer My Pad and the registered provider Futures Housing Group (one of our preferred not for profit social housing providers).

It meets the following strategic priorities set out in the Councils adopted Housing Strategy (2020 – 2025), namely:

- Increasing the supply of Affordable Homes
- Prevent Homelessness and end Rough Sleeping

The scheme is made up of 21 units consisting of 15 x social rented homes and 6 x shared ownership homes with the following mix:

1 bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
1	8	7	5

The mix of house types has been developed in conjunction with the Housing Strategy Team from the outset. Close collaboration between My Pad and Blaby District Council has been ongoing from initial proposals to the awarding of planning approval.

Of particular note for a development of this size is the inclusion of larger house types in the Affordable Housing sector provision. This has been led by the Housing Strategy Team to address the growing number of larger blended families needing both social and shared ownership housing due to the unaffordability of the Private Rented Sector. These are provided whilst still addressing our core need of two and three bedroom affordable housing for rent.

As is currently common on an affordable development of this size the viability of the scheme from a financial perspective is very tight. Futures Housing group approached the Housing Strategy Team for assistance when it became clear that in order to deliver the scheme as affordable housing at the current mix, they would require some financial input from the Council through our ring fenced Affordable Housing Fund.

The amount requested (£148,381) represents £7,066 per unit and is comparable to previous affordable housing contribution awards passed by the Council.

As is policy the Housing Strategy Team commissioned an independent viability consultant to assess the scheme. The report confirmed that the amount sought by Futures would be required to ensure the development could proceed as an all affordable scheme. The Independent Viability Assessment report is attached (Appendix A).

4.2 Proposal(s)

To approve an allocation of £148,381 towards the costs of the scheme alongside funding already agreed from Homes England and Futures Housing themselves.

4.3 Relevant Consultations

- Portfolio Holder for Environmental Health, Housing and Community Services
- Executive Director – Communities

4.4 Significant Issues

None

- 4.5 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities and there are no areas of concern.

5. Environmental impact

- 5.1 There is no environmental impact as a result of this report, the Environmental Impact of the delivery of the scheme has been considered as part of the Planning Application process.

6. What will it cost and are there opportunities for savings?

- 6.1 The costs are outlined at 4.1 (Table 1)

7. What are the risks and how can they be reduced?

- 7.1 If this funding is not approved there is a risk that the scheme would be unviable and not be completed as an all affordable development.

8. Other options considered

- 8.1 There are no other options, without the proposed contribution the scheme would not be viable as affordable housing.

9. Appendix

- 9.1 Appendix A – Springwell Lane Appraisal Review

10. Background paper(s)

- 10.1 None

11. Report author's contact details

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