

Cabinet – 24 October 2012

Homes and Communities Agency Investment Partner Qualification – Affordable Homes Programme Traveller Pitch Funding

Portfolio: Councillor Adrian Andrew, Deputy Leader, Regeneration
Related portfolio Councillor Towe, Finance and Personnel

Service: Housing Services

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

In January 2012, Walsall Council (the “Council”) was awarded an allocation of £941,050 from the Homes and Communities Agency (“HCA”), to provide 11 new traveller pitches. The funding bid was made to the HCA as part of a consortium bid by Sandwell Council as the accountable body. The Council was unable to bid itself as it did not have HCA investment partner status. However, since Sandwell Council were not successful in attracting funding for their own site provision, it is proposed that the Council apply to the HCA for investment partner qualification; this will allow the Council to receive the £941,050 funding directly from the awarding body (HCA) under an agreed framework contract and Cabinet approval is required for the Council to act as an accountable body in accordance with the Council’s constitution. An award of HCA investment partner status would allow the Council to bid for funding from the HCA directly in future.

2. Recommendations

- 2.1 That Cabinet approve that an application is made to the HCA for the Council to be awarded ‘Investment Partner Status’.
- 2.2 That Cabinet approve that the Council act as an accountable body for the £941,050 allocation and any governance arrangements relating to this.
- 2.3 That Cabinet approve that the council's own capital is used to cashflow the development of the 11 Traveller Pitches

- 2.4 That Cabinet approve the traveller pitch funding project plan at Appendix A.
- 2.5 That Cabinet grant delegated authority to the Executive Director for Regeneration Services, in consultation with the Portfolio Holder for Regeneration, to agree, sign or authorise the sealing of any deeds, contracts and other related documents including the HCA traveller pitch funding programme framework agreement for the delivery of new traveller pitches and any newbuild or refurbishment works by March 2015.

3. Report detail

- 3.1 The Black Country Core Strategy (BCCS) that was adopted by the Council in February 2011 commits the authority to provide an additional 39 permanent pitches for the Gypsy and Traveller community over the period 2008-2018. 6 additional pitches have been provided through the refurbishment and extension to the council's existing Willenhall lane site but the council still need to provide 33 additional pitches.
- 3.2 The HCA administer a grant assistance programme to help local authorities meet the housing needs of gypsy and traveller communities. A bidding round was launched in February 2011, and the Council was part of a consortium (of Sandwell MBC and Walsall Council only) bid submitted by the closing date on 3 May 2011. The bid was submitted via the lead partner, which was Sandwell Council. On 5 January 2012, the HCA announced that the Council (via Sandwell Council) had been successful in attracting £941,050 to develop 11 new traveller pitches in Walsall. However, Sandwell Council was not successful in attracting funding for their pitch provision at that time.
- 3.3 Subsequent discussions with the HCA have confirmed that the Council can, if it so chooses, contract directly with the HCA to receive this funding. This would be subject to a successful bid by the Council to be granted Investment Partner Status by the HCA and would mean that Sandwell Council would not have to administer this fund on behalf of the Council, allowing the Council to claim the funding direct (rather than through a third party). In line with the Council's accountable body protocol, Cabinet approval is required to enter directly into contract with HCA for this funding, being in excess of £500,000. The HCA's qualification process would allow it to assess the Council's financial and technical capacity to carry out funded works and is a standard procedure across all HCA investment programmes.
- 3.4 HCA Investment Partner Status would also mean that the Council could bid directly itself in future for traveller pitch funding in relation to additional pitches to meet need, depending on the availability of external funding (including Council match funding resources). The HCA has currently launched a round of "Continuous Market Engagement" which means they will consider future traveller pitch funding applications at any time up to 2015, whilst there is still unallocated funding.

- 3.5 The HCA has subsequently confirmed that the Council's allocation of £941,050 can be claimed up to March 2015, to identify and develop the site. The identification of suitable sites will be progressed through the development of the Council's Site Allocation Document ("SAD"). The Council is preparing a SAD that is intended to allocate sites for gypsies and travellers as well as for general housing. The SAD and identification of a suitable traveller site/s will be the subject of future Cabinet reports.
- 3.6 The identification of sites for travellers conforms to local policy in the BCCS as well as national policy guidance, these being:
- BCCS Policy HOU4 states that, local authorities will allocate sites through SAD and "Area Action Plans", and will pursue funding, where necessary, to ensure pitches and plots are delivered.
 - The national policy requirement to provide for new traveller pitch provision is contained within the publication entitled "Planning Policy for Travellers sites" (published by the CLG) in March 2012, and its aims include:
 - the encouragement of local planning authorities to plan for sites over a reasonable timescale; and
 - the increase of the number of traveller sites in appropriate locations with planning permission, to address lack of provision and the maintenance of an appropriate level of supply.

4. Council priorities

As expressed in the Corporate Plan 2011/12 – 2014/15, part of the Council's shared vision for the borough is that the Council will be a great place to live, work and invest, where "everyone has the chance to live in a home fit for their purpose and fit for their future". This provision will ensure that the traveller community will have access to appropriate pitches to meet their housing needs, as part of the overall housing mix in the borough. This reflects a key objective of the Marmott Review – Fair Society, Healthy Lives (2010), by helping to create and develop healthy and sustainable communities. The provision may also help the Council to tackle unauthorised development and encampment.

5. Risk management

- 5.1 Not achieving Investment Partner Status – the HCA have indicated this is a reasonably straightforward exercise and regular contact is being maintained with them throughout the process
- 5.2 Financial risk of not receiving the £941,050 allocation - there will be a legally binding contract in place between the Council and the HCA that funding will be paid on satisfactory completion of units
- 5.3 Not being able to identify a suitable site will increase the likelihood of unauthorised encampments and will make it harder to resist planning applications involving unsuitable sites, including sites in the Green Belt. The identification of a suitable site/s is being dealt with through the SAD

development and will be the subject of future reports. If the identified site requires additional funding above the £941,050 HCA allocation, then a bid will be made for the difference from the Council's own capital programme.

6. Financial implications

- 6.1 The HCA grant funding is only paid to the Council on completion of the traveller pitches (ie there are no start on site or interim payments). Council capital will therefore be required to 'cashflow' the development, which will be repaid via the HCA Grant on completion. This will include a requirement for approximately £20,000 in 2013/14 for a Planning application, with the balance of £921,050 being required in 2014/15 for the development of the site.
- 6.2 It is anticipated that the £941,050 allocation will be sufficient to develop 11 new plots, but if the most suitable site identified were to have significant land costs, then there may be a financial shortfall, and a bid for Council capital for the shortfall would be made for 2014/15.

7. Legal implications

Legal advice has been sought on a legally binding contract the Council will need to enter into directly with the HCA as the funding body in accordance with all appropriate legislation, the Council's Contract Rules 2010 and the constitution.

The traveller pitch funding programme aims to support schemes which can:-

- eliminate unlawful discrimination;
- advance equality of opportunity; and
- foster good relations.

8. Property implications

The 11 completed traveller pitches would become a Council property asset on completion, in addition to the Council's existing Traveller site at Willenhall Lane. The alternative would be for a Registered Provider to take ownership and / or management of the site / s, and this option could be further explored in future.

9. Staffing implications

- 9.1 Development of the site will be managed within existing Housing Services staffing resources.
- 9.2 Tenancy management of the additional 11 pitches will be provided through existing Housing Services resources. Therefore there are no additional staffing costs associated with this provision.

10. Equality implications

As a public body, the Council is required to meet statutory equality duties set out in section 149 (1) of the Equality Act 2010 (the "Act"). The Council's have carried out an equality impact assessment ("EqIA") and no key areas for concern were raised.

11. Consultation

This report concerns the Council applying to the HCA for Investment Partner Status, and subsequently entering into contract to receive £941,050 Traveller Pitch funding. Therefore, the prime consultation has been with internal Finance, who have confirmed being able to claim the funding directly is a preferential approach. The HCA has also been consulted and has advised that the Council can apply for Investment Partner Status, and subject to attaining this qualification, they are happy to enter into contract directly with the Council for the proposed grant allocation. The HCA has also confirmed that they will clarify this position with Sandwell Council.

Background papers

2011-2015 Affordable Homes Programme Framework document - Homes and Communities Agency

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24 October 2012



Councillor Andrew
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Portfolio Holder – Regeneration

24 October 2012

Appendix A

Traveller Pitch Project Plan (to be updated on identification of Site)

- Secure HCA Funding January 2012
- Cabinet Approval to bid for Partner Status and be Accountable Body for Traveller pitch funding October 2012
- Site Identification (including Feasibility study) - October 2013
- Cabinet Approval for site and associated detailed project plan and costings - December 2013
- Secure Planning Permission - March 2014
- Commence Development works April 2014

Completed Development works and claim HCA grant March 2015