

1.	Decision title	Increasing the supply of new Affordable Housing: Request for further increased funding towards proposed Supported Living Scheme at Waterside
2.	Declarations of interest	
3.	Date of decision	5 February 2025
4.	Decision maker	City Mayor
5.	Decision taken	<p>To approve:</p> <ul style="list-style-type: none"> (i) the addition of up to £0.6m of unallocated Right to Buy Receipts, on top of the previously approved amount of up to £5.7m, as grant payment to East Midlands Housing towards their projected total capital costs for the provision of 55 planning gain Affordable Housing dwellings within the proposed 75 unit Supported Living scheme to be built within the new Waterside residential development; subject to East Midlands Housing entering into an Affordable Rent Grant Agreement with the Council; i) the addition of a further £0.6m to the Housing capital programme for 2025/26 financed from unallocated Right To Buy Receipts.

6.	<p>Reason for decision</p>	<p>To enable EMH to deliver the proposed 75 unit supported housing block at the Waterside.</p> <p>In July 2024, the Council approved an increase in grant funding towards the 55 planning gain Affordable Housing dwellings resulting in approved funds of up to £5.7m or 40% of the total eligible capital costs for the 55 dwellings, whichever is the lowest.</p> <p>EMH ran a procurement exercise last Autumn, to seek to appoint a contractor to build the proposed scheme, dependent on the outcome of their planning application. The tenders came in much higher than anticipated and EMH has again approached the Council to ask if it can increase its funding to up to 40% of the tender-indicated maximum eligible capital costs for the 55 Planning Gain dwellings. The latest cost projected for these 55 dwellings is up to £15.75m, including contingency; 40% of which is £6.3m.</p> <p>In addition to delivering new affordable housing, these proposed dwellings will be let to people aged at least 18 who are in receipt of an SCE (Social Care & Education) care package.</p>
7.	<p>A) KEY DECISION Yes/No?</p> <p>b) If yes, was it published 5 clear days in advance? Yes/no</p>	<p>No</p>

<p>8.</p>	<p>Options considered</p>	<p>EMH's request for additional funding from LCC, if supported, will only meet part of the projected cost increase and funding gap. EMH will have to secure funds for the remaining shortfall.</p> <p>The total scheme costs for all 75 units is now projected to be £20,809,331. (The 55 Planning Gain dwellings being approximately £15.7m of this total cost.) EMH is proposing to invest £12,549,331 of its own funds into the scheme, dependent upon LCC providing up to £6.3m (towards the cost of the 55 Planning Gain dwellings; representing up to 40% of the updated projected cost for the 55 dwellings) and Homes England providing £1.86m (towards the cost of the additional 20 dwellings) along with a Developer Contribution from Keepmoat of £250,000.</p> <p>EMH's proposed £12.5m towards the overall 75 dwelling proposed scheme represents a significant part of EMH's overall development programme, reflecting their ongoing commitment to seek to deliver this proposed scheme. Government rules about what funding can be used towards the supply of Planning Gain dwellings means that the other potential sources of funds that EMH has access to, such as Homes England and Recycled Capital Grant Fund, cannot be used towards the Planning Gain dwellings but can be used towards the costs of the 20 additional dwellings. If LCC approve EMH's request, EMH will have to pay at least 60% of the final costs of the 55 Planning Gain Units as well as the costs not covered by any Homes England grant for the additional 20 dwellings. This funding position is outside of EMH's usual parameters but, to date, their Board remains committed to the delivery of this proposed scheme.</p> <p>Should EMH be unable to secure sufficient funding to bridge the £2m gap, they will need to undertake further value engineering of the project, including a review of the design and specification. EMH has worked extensively with LCC's Adult Social Care and Planning Teams as well as their own Care and Support</p>
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9.	<p>Deadline for call-in</p> <ul style="list-style-type: none"> • 5 members of a scrutiny commission or any 5 councillors can ask for the decision to be called-in. • Notification of call-in with reasons must be made to the monitoring officer 	12 February 2025
10.	<p>Signature of decision maker (City Mayor or where delegated by the City Mayor, name of executive member)</p>	