

**THE CCH SCRUTINY TASK GROUP RAISED A NUMBER OF QUESTIONS WITH CCH AT THE CONCLUSION OF THE REVIEW - THOSE QUESTIONS AND CCH'S RESPONSES ARE BELOW:**

- 1. The Group have concerns that 18 months into the contract there is a lack of progress specifically on home improvements, (we have heard that work on Arcon & the Willows have been deferred). What plans are in place to ensure the overall target is met?**

RESPONSE:

The Board of CCH is overseeing the improvement programme and is satisfied with progress, and satisfied that the programme will be delivered in line with the stock transfer promise. The Willows and Arcon House have been taken out of the programme because we are consulting the residents on remodelling these schemes in order to eliminate the low demand bedsit flats in the schemes, including a proposal to provide extra care accommodation for older, more frail residents. This proposal is supported in principle by Lancashire County Council. It will require additional funding from the new Homes and Communities Agency and Chorley BC has been consulted on our outline proposals. Zoe Whiteside at the Council has been provided with details.

- 2. Could CCH provide the detail of how the extra funding in the business plan generated by the restructuring has been spent?**

RESPONSE:

The business plan has been approved by the Housing Corporation and our funders. It is the Board's responsibility to determine how the surplus might be spent. Whilst we are happy to discuss strategic objectives, we do not feel that it is appropriate to provide the detail on our business plan, which is a commercially sensitive document, to the Council.

- 3. Looking at the updated report monitoring progress on all six promises made to tenants is the below correct? Is there an update on plans to deliver the affordable housing target? I understood that the affordable housing units on the Gillibrand estate were agreed before the contract with Chorley Community Housing was signed?**

<b>OD17</b>	<b>40 New Affordable homes per annum for five years</b>	<b>Planning permission granted. 38 units so far. Handover of first 14 units programmed for Dec 2008 – Feb 2009 at Gillibrands Parcel 8. 24 units at Parcel 9 to be delivered Summer 2009 Funding secured for a further 6 rural purchase and repair properties.</b>	<b>On Target</b>
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RESPONSE:

Regular meetings are held with Zoe Whiteside on progress in delivering the affordable housing target. The affordable housing units on the Gillibrand estate were included in the 200 property target and we have a letter from Colin Campbell at CBC to that effect.

- 4. Apparently there are two waiting lists, one that CCH administer and one that the Council administer. This hasn't come up previously – could we have some clarification on the allocation arrangements?**

RESPONSE:

Chorley Borough Council decided it wished to administer its own housing waiting list and management of this contract returned to the Council on 31<sup>st</sup> March 2008. The Council has 75% nominations on CCH's stock so, in effect, three out of every four allocations are made to applicants nominated by the Council.

- 5. One of the draft recommendations is “The format of the report monitoring progress on all six promises made to tenants should be amended to include the targets, achievement against the target, sufficiently detailed evidence to support this and actions to be taken where the target has not been met”. Would it be possible to have this more detailed information?**

RESPONSE:

The monitoring report is produced in a format agreed with the Housing Corporation. CCH will happily provide performance monitoring information to the Council where this is readily available and provided it is not commercially sensitive. However, the costs of producing additional performance information would have to be borne by tenants, which we do not consider reasonable given that there is no obligation upon us to do this under the terms of the transfer agreement.

*The following response was presented to the Group in August 2008.*

**What is the strategy and progress on the delivery of 40 affordable homes each year?**

RESPONSE:

#### **Background**

AHG has a legal agreement with CBC to provide 200 extra rented properties over the next 5 years, ie 40 properties pa. If the target is not reached in any year then the requirement is rolled over to the following year.

There is no clarity in the legal documents over the definition of 'extra' units. In the previous 4 years CBC had received a low level of SHG allocation from the Housing Corporation, and it was intended by producing schemes which were both deliverable and value for money (through additional funding from AHG, reduced land costs from CBC etc), 'extra' units could be picked up through 'slippage' in the programme. This is no longer the case: Chorley has gained priority in the Regional Housing Strategy and has received increased funding; bidding has become quarterly, which makes slippage less definable.

#### **Current Development:**

The first 38 properties are on site (Gillibrands Parcels 8 & 9) and will complete in 2009. To achieve this development CBC provided the land at nil value, AHG are funding £500,000 through recycled grant and £2,937,560 private finance, the HC are funding £1,593,095.

**38 additional homes for rent**

**Proposed Future Developments:**

Strategy for the delivery of the required 40 affordable homes each year includes:

**Land transferred to CCH:** There are a number of infill and garage sites which transferred to CCH along with the stock. A full register has been drawn up and AHG development department are currently exploring opportunities to develop approximately 20 houses, flats and bungalows on this land.

**20 additional homes for rent**

**Section 106 sites:** AHG development department is investigating every s106 rented opportunity. Currently working with a number of developers (including: Miller Homes, Rowland Homes, Redrow, Arley Homes, Newfield Jones Homes and McInerney Homes). An offer has been accepted on 13 properties for rent with exclusive negotiations being held for a further 2 properties.

**15 additional homes for rent**

**Outright sale sites:** Currently looking for sites where a mix of rent and outright sale would be possible, with the profit from the sale properties reinvested to fund the rent properties.

**Other sites:** Continue to look for other sites on the open market and through CBC. AHG to provide both private finance and recycled grant. Currently progressing an opportunity to develop approx 30 houses and flats for rent across a number of sites.

**30 additional homes for rent**