

Item 9 - Question Time

To the Chair of the Planning, Development & Infrastructure Committee

“What is the current balance on the land bank, the total currently advanced, total current commitments and the available fund balance at present?”

Response to Mr Graham

The Housing land bank fund was originally set up in 2005 as a £10 million revolving finance facility to assist in the delivery of affordable housing in the Highlands. The fund was originally set up using a £5 million grant from the then Scottish Executive and £5 million raised by the Highland Council through sales of surplus HRA land. It is a condition of the grant offer from the Scottish Executive that if the land bank fund is used for any other purpose other than to assist in the delivery of affordable housing then the £ 5 million will have to be repaid. This position has recently been re-affirmed by the Scottish Government.

The current balance of the land bank fund is £16.243 million with approved (PDI Committee) commitments of £9.982million to be drawn down leaving a net balance available to fund new affordable projects of £6.261 million.

Currently, Council Officers are working on development pipeline projects requiring £8.495 million which will be brought forward for Members approval however it is hoped that some of these projects will be funded directly through the Scottish government.

The land bank fund is used to purchase strategic housing sites and properties, fund housing infrastructure and part fund high cost projects all to deliver new affordable housing. The fund is used to directly fund new council housing or assist the delivery of new affordable housing through loans and grants to our housing partners and community groups.

Loans and grants of £31.329 million have been advanced over the last 11 years with £20.194 million being repaid and recycled. To date the land bank fund has secured sites for or delivered over 2700 new homes in the highlands.