

From the Deputy Secretary
Mr Andrew Hamilton

CLERK TO COMMITTEE FOR SOCIAL DEVELOPMENT

Dr Kevin Pelan
Room 412
Parliament Buildings
BELFAST
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23 May 2014

Dear *Kevin*

JUNE 2014 MONITORING ROUND

1. The Department's first monitoring return for 2014-15 is due with Finance & Personnel on 5 June and an oral briefing on this has been scheduled for Thursday 29 May. With the usual caveat that the information provided may be subject to change, the following table and subsequent paragraphs outline our main proposals.

Table 1: Monitoring Round position by Business Area

<u>Housing Bids</u>	£m	Classification
NI Co-ownership Housing	15.0	Capital
<u>Urban Group Bids</u>		
Package of capital bids	25.0	Capital
<u>Social Security Agency</u>		
Reduced requirements	1.9	Resource non-cash
<u>Core - Reduced Requirement</u>		
Housing Benefit Rates Relief- Owner Occupiers	7.0	Resource
<u>TBUC Bids</u>		
<u>Housing</u>		
Together Building United Communities	3.2	Capital
Environmental Improvement Scheme	0.3	Capital
<u>Urban</u>		
Urban Villages	0.8	Revenue

2. Supporting Information

Housing

NI Co-ownership bid - £15.0m

- 2.1 The Co-Ownership Scheme remains the Department's main measure for supporting potential first-time buyers and those returning to the market who wish to purchase their own home but cannot afford to do so outright. Northern Ireland Co-ownership Housing Association provided 1,223 homes during the 2013-14 financial year, with a total HAG of £51.5 million. Baseline funding for 2014-15 of £25 million will deliver 450 affordable homes, whereas NICHA had almost 500 applications carried forward into 2014/15. A bid for additional funding of £15 million, if met, will help the wider economy as well as constrained first-time buyers and those returning to the market who are struggling to purchase a home. The extra £15m would be sufficient for a further 360 homes.

Urban Group

- 2.2 The Urban Group has proposed £25m of capital bids. This £25m bid is to allow DSD to complete and accelerate a number of Urban Regeneration and Community capital projects across Northern Ireland in advance of the transfer of these powers to the new councils in April 2015.
- 2.3 The projects fall into the following categories; Community facilities, Public Realm and Spaces, Revitalisation Projects and regionally significant infrastructure. The completion of these projects will have a beneficial impact on all new eleven councils and contribute to three of the five PfG targets including growing the economy, tackling disadvantage and building a strong and shared future.

- 2.4 In formulating the detail for the bid for DFP, it will include information for Belfast, Londonderry and the regions for each of the above themes, along with project level details for each category. Project level information has already been captured and work is ongoing to obtain further information required by DFP for formal submission of the bid.

Social Security Agency

Non-Cash Easements - £1.9m

- 2.5 The non-cash easements in the Social Security Agency stem from reduced requirements relating to depreciation & impairment issues. These non-cash amounts cannot be used for any other purpose and will be surrendered.

Core - Reduced Requirement

- 2.6 Housing Benefit Owner Occupiers has an easement of £7m. The funding requirement from DFP via Land & Property Services confirms that the requirement is £7m less than the current budget cover. This funding was given Executive protection on transferring from AME to DEL and we are therefore not able to utilise this funding elsewhere.

Together Building United Communities (TBUC)

Housing - £3.2m capital

- 2.7 In his letter of 1 April 2014, Minister McCausland outlined the TBUC shared housing programme as a Ministerial Priority for 2014-15. This bid represents the incentive (10% uplift) element of TBUC Shared Neighbourhood Programme which will fall to be funded in 2014-15. Some of these costs will be funded through Reinvestment and Reform Initiative (RRI) funding. The incentive is intended to encourage Housing Associations to buy into the shared housing programme.

Housing - Environmental Improvement Scheme - £0.3m capital

- 2.8 This bid is for the Redmanville Estate in Portadown, which has signed up to shared principles and participates in the Housing Executive's Shared Communities Programme. The aim of the scheme is to improve the community setting and help make it a more welcoming and attractive place to live as a shared neighbourhood.

Urban Villages - £0.8m revenue

- 2.9 There are proposals to create 4 Urban Villages to create and stabilise change within communities. These offer opportunities to utilise innovative and visionary proposals to make a real and lasting change in areas that have witnessed years of decline, market failure and low social capital. There are currently 2 agreed villages in Colin and Lower Newtownards Road.

3. Summary

- 3.1 The above paragraphs set out the main elements of the Department's monitoring round proposals which I trust the Committee will find helpful. I should confirm that I will be attending the oral briefing along with Stephen McMurray, the Department's Director of Financial Management.

ANDREW HAMILTON

cc: Stephen McMurray
Joyce Bill
Kathy Sands
David Reid