

**NORTH LINCOLNSHIRE COUNCIL**

**HOUSING AND STRATEGIC PLANNING  
CABINET MEMBER**

**AFFORDABLE HOUSING DELIVERY UPDATE**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 To inform members of levels of affordable housing delivered during 2007/2008
- 1.2 To update members on current national, regional and local policy for the delivery of affordable housing
- 1.3 To set out targets for delivery in 2008/2009 and ways in which this will be achieved

**2. BACKGROUND INFORMATION**

- 2.1 Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:
  - Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices
  - Include provision for the homes to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.
- 2.2 Affordable housing is delivered using two key mechanisms. These are:
  - National, regional and local planning policies which place a requirement for the provision of affordable housing on housing developments meeting certain minimum development levels. This is known as planning gain or sometimes referred to as Section 106.
  - The National Affordable Housing Programme (NAHP), currently administered by the Housing Corporation, which provides Housing Associations with grant funding to develop affordable housing to meet local housing needs.
- 2.3 Local authorities are responsible for enabling the provision of affordable housing using the above mechanisms and their own resources in order to meet their identified housing needs.

2.4 The table below shows the number of affordable homes completed since 2004.

<b>Year</b>	<b>Total Housing Completions</b>	<b>Affordable Housing Completions</b>
2004/2005	540	4
2005/2006	1160	12
2006/2007	688	36
2007/2008	450	34
<b>Total</b>	<b>2838</b>	<b>86</b>
Note: Not all sites were eligible to provide affordable housing		

2.5 The target for delivery for 2007/2008 as set out in the Housing Strategy Statistical Appendix (an annual return to central Government) was 35 units. This target would have been exceeded as two developments completed ahead of schedule but a site in Scunthorpe was delayed due to the effects of the summer floods.

2.6 The table below shows the location of the units, the mechanism used to secure them and the type of tenure.

2007/2008

<b>Location</b>	<b>Mechanism</b>	<b>Number of units granted permission</b>	<b>Number for rent</b>	<b>Number for shared ownership</b>	<b>Other tenure</b>
Scunthorpe	NAHP	7	7	0	0
Owston Ferry	NAHP	5	5	0	0
Brigg	Planning Gain	2	2	0	0
Messingham	Planning Gain	4	2	2	0
Epworth	Planning Gain	6	6	0	0
Crowle	Planning Gain	3	0	3	0
Barton	Planning Gain	5	3	2	0
Scunthorpe	Planning Gain	2	0	0	2
<b>Total</b>		<b>34</b>	<b>25</b>	<b>7</b>	<b>2</b>

- 2.7 In addition to monitoring the number of affordable housing units completed on the ground it is also useful to consider the number of units granted planning permission in any one year. In fact this can perhaps provide a more accurate reflection of current performance due to the lead in time required for the development of units on the ground.

2007/2008

Location	Mechanism	Number of units	Number for rent	Number for shared ownership	Other tenure
Wroot	NAHP	6	4	2	0
Scunthorpe	NAHP	51	47	4	0
Brigg	NAHP	6	6	0	0
Ulceby	NAHP	10	6	4	0
Epworth	Planning Gain	8	5	3	0
Scunthorpe	Planning Gain	4	2	2	0
Gunness	Planning Gain	3	2	1	0
Kirton	Planning Gain	4	4	0	0
Scunthorpe	Planning Gain	2	2	0	0
Scunthorpe	Planning Gain	1	0	0	1
Scunthorpe	Planning Gain	144	100	44	0
<b>Total</b>		<b>239</b>	<b>178</b>	<b>60</b>	<b>1</b>

- 2.8 During 2007/2008 there were a number of changes to national, regional and local planning policies that have impacted upon the delivery of affordable housing. Firstly, Planning Policy Statement: 3 (Housing) became a material planning consideration when making decisions on planning applications from 1 April 2007. Importantly this document clarified the definition of affordable housing and established a national indicative minimum site size threshold of 15 dwellings. It also covers a number of other detailed issues with regard to securing the provision of affordable housing, which enables the local authority to maximise the provision in their area.

- 2.9 In addition, a draft version of the Yorkshire and Humber Plan: The Regional Spatial Strategy (RSS) was published and again could be used as a material consideration when making decisions on planning applications. The Regional Spatial Strategy (RSS) has now been formally adopted. Critically for the delivery of affordable housing Policy H4 of the RSS states that:

'Local Development Frameworks should set targets for the amount of affordable housing to be provided. Provisional estimates of the proportion of new housing that may need to be are as follows:

- Over 40% in North Yorkshire districts and the East Riding of Yorkshire
- 30-40% in Kirklees, Leeds, Wakefield and Sheffield
- Up to 30% in other parts of South and West Yorkshire, Hull, North Lincolnshire and North East Lincolnshire.'

2.10 Perhaps the most significant shift in policy during 2007 came about due to a secretary of state direction regarding the saved policies in the adopted North Lincolnshire Local Plan. The direction stated that a number of policies contained within the Local Plan were out of date and had been replaced by more appropriate national and regional guidance. Included within this were all of the policies relating to the provision of affordable housing.

2.11 After discussions with Government Office we were advised as an interim measure to use Planning Policy Statement 3: (Housing) and the Regional Spatial Strategy as the basis for requesting affordable housing on development sites.

2.12 In addition to changes in policy, the delivery of affordable housing has now become the focus of a National Indicator included within the 198 indicators that local authorities must monitor. Added emphasis has been given to the importance of this indicator in North Lincolnshire, as it had been included within the Local Area Agreement, meaning it will be more closely monitored and scrutinised.

2.13 Targets for the delivery of affordable housing over the next three years have now been agreed as part of the Local Area Agreement for National Indicator 155. These are as follows:

2008/2009 = 70 units  
2009/2010 = 149 units  
2010/2011 = 225 units (estimate)

2.14 The deliverability of these targets could well be called into question if current issues with credit and the housing market continue. There will be an opportunity to review the above targets on a regular basis and we will continue to monitor the situation with the housing market.

### **3. OPTIONS FOR CONSIDERATION**

3.1 Option one: Continue to undertake this work in as it has been done in the past.

- 3.2 Option two: Task the newly appointed Affordable Housing Development Officer with driving forward performance and increasing the number of affordable homes being delivered on the ground.

#### **4. ANALYSIS OF OPTIONS**

- 4.1 As can be seen in the above targets we must improve our performance in the delivery of affordable housing. This will not happen if we do not proactively drive and champion this area of work.
- 4.2 During 2008/2009 the work of the Strategic Housing Team and specifically that of the Affordable Housing Development Officer will be focused on the following:
- Continuation and improvement of the Affordable Housing Delivery Group and record;
  - Improve our working relationship with Housing Associations by formalising the Development Partner Agreement
  - Reviewing and re-focusing the work of the Rural Housing Enabler;
  - Commissioning a financial viability assessment of the draft affordable housing policies within the Local Development Framework Core Strategy; and
  - Development of an Affordable Housing Delivery Statement to clearly set out to developers and partners North Lincolnshire Councils approach to delivering affordable housing in the area.

#### **5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 5.1.1 It will continue to be necessary to assess the need for and opportunity to use the council's land assets for the delivery of affordable housing. This process must be balanced with the need to use capital receipts from the sale of council owned land for other priority capital projects.
- 5.1.2 A report is currently being prepared with Asset Management and Culture to clarify this process.
- 5.1.3 We will also continue to work with Housing Associations to maximise the potential for the development of affordable housing using their land assets.

#### **6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

- 6.1 The provision of good quality, affordable homes in safe communities where people want to live can drastically improve peoples quality of

life and reduce the likelihood of people taking part in criminal and antisocial activities.

## **7. OUTCOMES OF CONSULTATION**

- 7.1 Local people are consulted throughout the process of gathering housing needs information from Rural Housing Needs Surveys to the information they provide to apply to the North Lincolnshire Housing Register. As a result of this consultation, affordable housing development in terms of the type, tenure and location of the units is provided to meet the identified needs.

## **8. RECOMMENDATIONS**

- 8.1 That the Cabinet Member notes the contents of the report.
- 8.2 That the Cabinet Member receives bi-annual updates on performance in this key area of work.

### **HEAD OF STRATEGIC REGENERATION HOUSING AND DEVELOPMENT**

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**Background Papers used in the preparation of this report:**  
None