## Housing Committee INFORMATION SHEET (NO.4) 31<sup>st</sup> January 2023

# The Housing Enabling Process - how new affordable homes are delivered.

# Why is affordable housing needed?

The need for subsidised housing provision has long been recognised. The cost of private sector housing that meets acceptable standards, compared with the level and distribution of incomes and assets, means significant numbers of households lack the resources to make a demand for decent housing effective in the market. Without subsidised housing, these households may fail to obtain housing of a decent standard. (Research Briefing March 2022, House of Commons Library)

## What is affordable housing?

Affordable housing, which can be for either rent or sale, is a specific product for those whose needs are not met by the market. It comprises different tenures, including social rent, affordable rent, and shared ownership.

The most commonly referred to definition of affordable housing is set out in the National Planning Policy Framework (NPPF). This is the definition used by local authorities when making provision within their areas to meet local need for affordable housing.

## Who owns affordable housing?

While the SDC owns the majority of existing affordable homes in the district, Housing Associations are the largest developers of new affordable housing locally, completing 1300 such homes in the last 10 years. The bulk of these were enabled with officer support through the council's planning policies.

## National Planning policy

National planning policy has long provided the ability for local authorities to create policies to meet housing need in their district

This process starts with detailed statistical analysis to calculate the quantum and type of need, with outputs setting out the number of new affordable homes needed, alongside the size, type and tenure required. This analysis must be robust and defensible, as it will be tested and challenged by developers.

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The analysis outputs are then subject to viability testing to ensure that policies resulting from this are deliverable, and don't render sites unviable. Although the housing need outputs may show, for example, that all major development sites should deliver 60% of homes as affordable housing, there would be no point in having a Local Plan policy seeking this if it prevented sites coming forward by making them unviable.

# Local Plan policies

The result of this combined work then feeds into the drafting of Local Plan policies which seeks to meet need, as far as is viable. These draft policies are then subject to consultation, examined and adopted as part of the wider Local Plan process.

To this point, the work - from evidence base to policy adoption - has taken place as a collaboration between Housing Strategy and Planning Strategy officers. Once the policies have been adopted, the work then becomes a collaboration between Housing Strategy and Development Management officers for those policies to be implemented through the planning process.

Officer time taken on this work varies, but the enabling work broadly accounts for onefifth to one-quarter of a full-time officer post, plus planning officer time.

# Planning Application Process

For large strategic housing sites such as Great Oldbury, much of the initial work is done on a pre-application basis, when detailed negotiations will begin around the number, tenure split, size, type, and quality standard of affordable home to be delivered across the development. The resulting outline planning permission will be accompanied by a legal agreement securing the affordable housing and setting out a delivery timeframe to ensure that the affordable homes are built concurrently with the market homes.

Affordable homes on large sites are almost always delivered by housing associations; the developer has a free choice as to which association they work with. If required, officers will support the developer in identifying an appropriate housing association partner.

Reserved Matters applications are then received for each phase of development, and at this point the negotiations will focus on the design, location and standard of the properties. For these applications, officer attention is on the integration of the affordable homes into the wider development, ensuring that the homes are 'tenure blind' and benefit from the same design, parking standards and amenity space as the

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market homes. In short, it shouldn't be possible to identify the tenure of any homes on a development by their location, design, or quality.

As an example of the long timeframes involved in housing enabling work, Great Oldbury was identified as a strategic site in the 2015 Local Plan. Early discussions on this site began in 2011, with detailed affordable housing discussions taking place from 2014 onwards. Reserved matters applications are still being submitted on a phase-by-phase basis and are expected throughout 23/24 and beyond.

## Who gets the homes?

New rented affordable homes are advertised on Gloucestershire HomeseekerPlus in the same way that council properties are, while shared ownership properties are advertised on the Help to Buy website. Both routes have qualifying criteria to ensure that the homes only go to those who need them. Most housing association tenancies are assured tenancies, which, like council secure tenancies, are tenancies for life.

Year	Rented	Shared Ownership	Discounted Sale	Total
2021/22	114	131	0	245
2020/21	111	107	1	219
2019/20	116	81	1	198
2018/19	53	57	4	114
2017/18	89	33	0	122
2016/17	100	24	0	124
2015/16	45	37	0	82
2014/15	112	9	0	121
2013/14	87	27	0	114
2012/13	79	35	14	128

# Affordable Housing completions per annum

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