

Allerdale Borough Council

Executive – 20 April 2022

Affordable Housing Scheme

Portfolio holder	Councillor Marion Fitzgerald, Strategy Policy and Performance
Report from	Sharon Sewell - Chief Officer (Place and Governance)
Wards affected	All outside of the National Park Planning Authority
Is this a key decision	Yes

1.0 The reason for the decision

- 1.1 To ensure that the Council has a formally adopted policy detailing the framework in which the Council will assess applications for Affordable Housing in the private sector where the Council is the certifying body.
- 1.2 Existing Low Cost Home Ownership guidance has been in place since 2015 and by changing this strengthens the Council's policy position particularly in relation to s106 eligibility criteria and how it is implemented.
- 1.3 In addition, this new policy also includes a suite of other affordable housing documents which formalises the framework, and includes First Homes, which Central Government has recently introduced to the market and Allerdale Borough Council are taking up the option to include local connection criteria.

2.0 Recommendations

- 2.1 That the Executive supports the introduction of a formal approach to assessing eligibility criteria for Private Sector Affordable Housing where the Council is the certifying body.
- 2.2 That the Executive formally adopts the Affordable Housing Scheme as set out in Appendix 1 to support local people in accessing housing that meets local need.
- 2.3 That any future minor amendments are delegated to the Chief Officer Place and Governance in consultation with the Portfolio Holder for Housing.

3.0 Background and Introduction

- 3.1 The use of an Affordable Housing framework supported by a suit of policies allows the Council to intervene in the housing market by steering what is a finite supply of housing opportunities in the borough towards occupants who can demonstrate a link to the locality and a need to live in a given location.
- 3.2 Policy SA3 in the Local Plan Part 2 determines the number and tenure of affordable housing units to be delivered on new housing developments. The output of this is that the Council is able to use the affordable housing scheme in which to delivery against this policy.
- 3.3 Currently the Council has in place a number of informal guidance documents with which to assess affordable housing eligibility and which are also referred to within Section 106 obligations to secure affordable housing.
- 3.4 In addition, Government recently introduced the First Homes product as part of the affordable housing mix, and has establish national criteria as part of the National Planning Policy Framework.
- 3.5 This National Planning Policy framework also provides an opportunity for the Council to include local clauses, including local connection, and discretion to introduce a non-rental policy for first homes.
- 3.6 This report seeks to replace the informal guidance documents and introduce the Affordable Housing Scheme (including first homes) as a formally adopted policy.
- 3.7 These policies will strengthen the Councils position in terms of providing clarity on how we assess housing need and the policy criteria within s106 obligations.

4.0 Content (to include alternative options considered)

- 4.1 The purpose of the affordable housing scheme is to ensure that local people continue to have access to housing which remains affordable and which serves local need.
- 4.2 Local people often find it difficult to access suitable housing in the area where they live or work or have previously lived and as such, this policy will provide an opportunity for qualifying people to access housing.
- 4.3 The introduction of the Affordable Housing Scheme contains a number of tenures for which a policy has been developed. These individual policies will provide clarity on how the Council will assess applications, leading to certifying applicants to rent or purchase homes.

The Affordable Housing Scheme (Appendix 1) is the overarching framework containing policies relating to the following tenures:

- i. Affordable Rent (Not transferred to a registered provider) (Appendix 2)
- ii. Discounted Sales (Appendix 3)

- iii. First Homes (Appendix 4)
- iv. Shared Ownership (part rent part buy (Appendix 5)

5.0 Delivery arrangements

5.1 The Affordable Housing Scheme Policy, is underpinned by the Housing Strategy which aims support the delivery of Affordable Housing, and the outcomes of delivery are reported through the quarterly performance framework

6.0 Implications and Impact

6.1 Contribution to Council Strategy Priorities, Outputs and Outcomes

This policy supports the priority of meeting local housing need in areas where housing is in demand. This policy contributes to the People objective “Building stronger and healthier communities” by ensuring that we meet the identified need as set out in the Council current Housing Strategy beyond 2021. This also contributes to the objective “Thriving Towns and Villages” as set out in the Council Strategy 2020-2030, by seeking to ensure that the Council enables “suitable affordable housing for all”

6.2 Finance/Resource implications

There are no financial implications on revenue as this implementation and delivery of the policy will be managed within existing resources.

6.3 Legal and governance implications

The Council has the right in which to apply local policy through the Town and County Planning Act 1990 and National Planning Policy ratified in the Allerdale Local Plan (Part 1) and its associated Supplementary Planning Documents and Guidance, as attributed to each respective Planning Application by way of a Section 106 Agreement.

6.4 Risk analysis

A scored and mitigated risk log

Risk	Consequence	Controls required	Mitigated score
Challenges to the policy	Review policy and decisions made relating to applications.	Timeframe in place to review policy. Appeals process set out within the policy.	Low
Policy isn't approved	The Council will not have a policy to determine how it facilitates access to affordable housing.	Policy that sets out criteria so that residents in low incomes can access affordable housing through this scheme.	Medium

	<p>People of low incomes are priced out of the housing market.</p> <p>Impacts upon the delivery of Local Plan Policy SA3.</p>		
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6.5 Increasing satisfaction and service

The Affordable Housing Scheme Policy recognises the need for a person centre approach when assessing their eligibility for housing, and taking into consideration personal circumstances. The implementation of this policy is already in place and by formalising the policy there will be a continuation of how we deliver the service.

6.6 Equality impacts

An equality impact assessment has been carried out and there are not negative impacts relating to the policy.

6.7 Health and Safety impacts

None

6.8 Health, wellbeing and community safety impacts

None

6.9 Environmental/sustainability impacts

6.10 There are no environmental impacts on this policy as it is, aimed at supporting residents into home ownership through the delivery of affordable housing through new development and or resale properties that have been secure through s106 obligations and in perpetuity, and therefore the long term sustainability of this scheme is also protected.

6.10 Other significant implications

None

Appendices attached to this report

Appendix number	Title of appendix
1	Affordable Homes Scheme – (Policy Framework)
2	Affordable Rented – Not Transferred to a Registered Provider
3	Discounted Sale
4	First Homes
5	Shared Ownership

Background documents available – none

Name of background document	Where it is available
First Homes Guidance	https://www.gov.uk/guidance/first-homes

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