



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

Scrutiny Commission 14 December 2023

Wards affected: All wards

AFFORDABLE HOUSING DELIVERY

Report of Director (Community Services)

1. Purpose of report

- 1.1 To inform Members of the delivery of affordable housing in the Borough, as requested by the Scrutiny Commission as an annual position update.

2. Recommendation

That Scrutiny

- 2.1 Note the contents of this report.
- 2.2 Note the positive delivery of completions and permissions of affordable housing in the Borough which has exceeded the Core Strategy targets.

3. Background to the report

- 3.1 This report is the latest report presented in response to a Scrutiny Commission request that Members receive an annual report on affordable housing delivery.
- 3.2 The targets and thresholds for affordable housing in the Borough are set out in Policy 15 of the Core Strategy. These differ for the urban and rural settlements and are as follows:

Location	Site size threshold	Target
Urban (Hinckley, Barwell, Burbage and Earl Shilton but not the SUEs)	15 dwellings or more, or sites of 0.5 ha or more	20% affordable housing
Sustainable Urban Extensions – Barwell and Earl Shilton	15 dwellings or more, or sites of 0.5 ha or more	20% affordable housing
Rural areas (all sites not in the above categories)	4 dwellings or more, or sites of 0.13 ha or more.	40% affordable housing

- 3.3 However, local policy has been superseded by national policy, and as set out in paragraphs 64 and 65 of the 2021 revised version of the National Planning Policy Framework (NPPF), the provisions are as follows;

64. Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer). To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.

65. Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.

- 3.4 The Core Strategy also sets out the minimum numbers of affordable housing to be delivered in the Core Strategy period 2006 – 2026. This sets out a target of 2,090 affordable dwellings to be delivered over the policy period, 480 of which should be in rural areas.

4. Affordable housing completions and permissions to 30 September 2023

- 4.1 The total number of affordable housing completions and the percentage of affordable housing delivered since the start of the Local Plan period (2006 – 2026) is shown in the table below. This table has been updated from the Residential Land Availability monitoring statement for 2022/2023.

Year	Affordable Completions (net)		Total Affordable Housing Completions (net)	Total Open Market Housing Completions (net)	Total Housing Completions (net)	Percentage of housing delivery that is affordable (%)	Percentage of affordable housing delivery by location (%)	
	Rural	Urban					Rural	Urban
2006/07	15	65	80	358	438	18.26	3.42	14.84
2007/08	3	41	44	354	398	11.06	0.75	10.31
2008/09	9	80	89	385	474	18.78	1.9	16.88
2009/10	0	107	107	246	353	30.31	0	30.31
2010/11	0	5	5	222	227	2.20	0	2.2
2011/12	0	134	134	239	373	35.92	0	35.92
2012/13	6	11	17	208	225	7.55	2.66	4.88
2013/14	60	43	103	377	480	21.46	12.5	8.96
2014/15	93	61	154	598	752	20.48	12.3	8.12
2015/16	27	70	97	498	595	16.30	4.53	11.76
2016/17	59	82	141	428	569	24.78	10.3	14.41
2017/18	21	81	102	321	423	24.11	4.96	19.15
2018/19	59	40	99	365	464	21.33	12.7	8.62
2019/20	53	63	116	169	285	40.7	18.6	22.1
2020/21	40	62	102	146	248	41.12	16.1	25
2021/22	57	16	73	427	500	14.6	11.4	3.2
2022/30.9.23	306	44	350	533	883	39.6	34.6	5
Totals:	808	1005	1813	5874	7687	23.58	10.5	13.08

This table shows that since the beginning of the plan period (2006) a total of 1,813 affordable dwellings have been completed against the 2,090 affordable dwelling requirement set out in the Core Strategy Policy 15. Please note that figures reflected in this latest report reflect delivery over an 18 month period from April 2022 to September 2023.

- 4.2 In addition to the completions of affordable housing, at 30.09.23 there is planning permission for 987 affordable homes which have not yet been started, and 62 under construction. This equates to **1049** affordable dwellings with planning permission within the borough on 30 September 2023, of which 340 are in the rural settlements.
- 4.3 In conclusion, this equates to a total number of completions and permissions for affordable dwellings of 2,862 against the adopted Core Strategy target of 2,090 for the period 2006 – 2026. The Core Strategy also sets a target of 480 of the affordable dwellings to be delivered in the rural areas, and with completions and permissions, 1,148 affordable homes have been delivered in the rural areas. Delivery against target is therefore as follows:

Core Strategy AH target - all	AH completions + planning permissions – all	% delivered against Core Strategy target – all	Core Strategy AH target – rural	AH completions + planning permissions - rural	% delivered against Core Strategy target – rural
2090	2862	136.94	480	1148	239.17

4.4 As in previous years, work is still ongoing to maximise the delivery of affordable homes in the borough. Core Strategy targets strike a balance between the levels of need in the borough and the amount that was realistically deliverable on planning gain (section 106) sites. Need for affordable housing in the borough continues to grow across all tenure types but is most acute for rented properties.

4.5 Delivery figures for the 18 month period show high numbers of completions in rural areas. Much of this delivery is due to 2 large sites which are being developed out for 100% affordable housing. Garden Farm Barlestone and Springfield Riding School in Ratby have completed 92 and 107 new affordable homes respectively in the reporting period.

4.6 Delivery on section 106 sites is currently challenging, due to most Registered Provider (RP) partners stating their programmes are at capacity. RPs who are strategic partners with Homes England are focussing on their delivery targets for the Affordable Homes programme, which does not include policy compliant delivery numbers on section 106 sites. Work is ongoing to negotiate on a site by site basis where developers have failed to secure an RP partner.

4.7 First Homes

There are no sites under development in this reporting period which have an obligation to deliver First Homes. One approval, the site at Wykin Lane Stoke Golding, includes the delivery of 5 First Homes as part of the affordable housing mix.

5 Exemptions in accordance with the Access to Information procedure rules

5.1 Not exempt.

6. Financial implications [IB]

New Homes Bonus

6.1 The current scheme has been phased out and is due to end by 2025/26 and now excludes legacy payments. The Government plans to reform the scheme. Future grant, if forthcoming, is expected to be lower than the current scheme and will probably not include any legacy payments. Historically, the current scheme gave £1,272 per new band D property for up to 5 years plus £280 for affordable housing.

Council Tax

- 6.2 Based on an average band D equivalent for each property added to the Council Tax Base, the additional income will be £149.87 (including special expenses).

7. Legal implications MR

- 7.1 None

8. Corporate Plan implications

- 8.1.1 This report meets the aims of the Corporate Plan 2021 – 25. In particular objective 4 of Places:

8.1.2

Improve the quality of existing homes and enable the delivery of affordable housing.

9. Consultation

- 9.1 None required as this report is for information only.

10. Risk implications

- 10.1 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) risks

Risk description	Mitigating actions	Owner
Failure to deliver affordable housing increases the pressure on the Council's waiting lists and impedes its desire to assist residents in the Borough who cannot meet their needs on the open market	<p>Completion of an independent viability assessment before agreement to reduce the numbers of affordable housing on qualifying sites.</p> <p>Where viability is compromised, negotiation to change the type and tenure mix rather than reduce numbers of affordable housing.</p> <p>Work with our RP partners to bring forward suitable sites for 100% affordable housing.</p> <p>Negotiation with all developers to ensure the dwelling types meet the identified need.</p> <p>Work with developers and RPs to find solutions to low uptake of affordable housing on section 106 sites.</p>	Strategic Housing and Enabling Officer

11. Knowing your community – equality and rural implications

11.1 This report is concerned with ensuring that a supply of affordable housing is available in the Borough for people in the greatest need. This includes consideration of people from vulnerable groups, and those living in rural areas.

12. Climate implications

12.1 This report is for information only on delivery numbers so there are no climate implications.

13. Corporate implications

13.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications
- Planning implications
- Data protection implications
- Voluntary sector

Background papers: None

Contact officer: Valerie Bunting x5612

Executive member: Councillor Bill Crooks