

Committee: Housing Board

Agenda Item

Date: 28th September 2011

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Title: AH Policy Update

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Item for decision

Summary

1. This report recommends' the adoption of the attached Affordable Housing Policy Update Statement.

Recommendations

2. That the Housing Board recommend to Cabinet that the Affordable Housing Policy Update Statement be adopted to cover a period from 2011 to 2013

Financial Implications

3. This has implications on the off-site provisions the council receives through s106 agreements.

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Affordable Housing Policy Update Statement 2011-13

Impact

5.

Communication/Consultation	N/A
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

Situation

6. As reported to Community and Housing Committee in early 2011, Central Government has changed the way affordable housing is to be funded. This has significant implications to Uttlesford District Council, and has put the current affordable housing policy considerably out of date.
7. In addition to addressing central government changes, the policy also seeks to include several new measures, which put the Council in the strongest position when negotiating with developers on s106 agreements.
8. The old policy will still remain as a council policy, but will be superseded where necessary in this the Affordable Housing Policy Update Statement 2011-13.
9. The new policy update statement recommends a change in policy from requiring that the 40% affordable element of a scheme be made up of 70% social rented, and 30% intermediate tenure, to a new recommendation that the 40% affordable element of a scheme be made up of 100% affordable rented tenure. Central Government is clear that it sees Affordable Rent (rents at up to 80% of market rents including service charge) as the long term replacement for social rent. This is reflected in the 75% reduction in central government capital affordable housing development budgets. This will mean that the Council no longer requires shared ownership housing, but as a result of central government policy, all tenants in affordable rented housing will have the option to purchase their homes on a shared ownership basis, meaning that there is still an option for households to part buy their homes.

10. The new policy includes a mechanism for calculating an off-site provision for developments where building out affordable housing is not suitable or practical. It emphasises that this is only used in extra-ordinary cases.
11. The need for older persons housing is highlighted in this new policy, as is a requirement to maintain lifetime tenancies until the Uttlesford Strategic Tenancy Policy is produced in 2012. It also highlights that in cases where there are breakdowns in negotiations on levels of affordable housing provision, the developer is required to pay for an independent study on the Council's behalf that will assess the viability of a site.
12. The new policy highlights an overall need for 2 and 3 bedroom houses, and that all units must meet the Government's HQI space standards for affordable housing. It also highlights that Uttlesford has a list of housing associations that it has worked with in the past and would wish to work with in the future.
13. This document will considerably strengthen the Council's position on negotiating affordable housing provision, principally through updating the existing policy in order to take account of recent changes.

Risk Analysis

14.

Risk	Likelihood	Impact	Mitigating actions
Ensuring policy is succinct with central government	1 – This policy will ensure that UDC policy aligns with central government policy	2 – Currently central government policy is taking precedent so changes are urgently required	Adoption of this policy will align UDC policy to central government policy, whilst protecting local interests.

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.