

AGENDA ITEM: 13

SUMMARY



Report for:	Housing and Community Overview & Scrutiny Committee
Date of meeting:	9th May 2012
PART:	1
If Part II, reason:	

Title of report:	Affordable Housing Update
Contact:	Cllr Margaret Griffiths, Portfolio Holder for Housing Jack Burnham, Team Leader – Housing Strategy & Development
Purpose of report:	To update the Housing Overview and Scrutiny Committee on the work of the Council's Strategic Housing Function
Recommendations	That the Housing Overview and Scrutiny Committee notes the work of the Council's Strategic Housing Function
Corporate objectives:	Affordable Housing Delivery
Implications:	<u>Financial</u>
'Value For Money Implications'	<u>Value for Money</u>
Risk Implications	-
Equalities Implications	-
Health And Safety Implications	-
Consultees:	Assistant Director, Planning & Regeneration

Background papers:	Affordable Housing Principles
Glossary of acronyms and any other abbreviations used in this report:	RP – Registered Provider of Social Housing (Housing & Regeneration Act 2008) – The majority of RPs are Housing Associations and Local Authorities.

1. Affordable Housing Definition Update

As a result of the Government changes to the planning system, the new National Planning Policy Framework provides a definition for Affordable Housing which replaces the current definition in PPS3. This definition is outlined below.

Affordable housing comprises Social rented, Affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

- *Social rented* housing is owned by local authorities and private registered providers, for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.
- *Affordable rented* housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).
- *Intermediate housing* is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

For planning purposes "*low cost market*" housing (i.e. discounted market housing at a maximum of 80% open market values) does not meet the definition of affordable housing, unless applicant/affordable housing provider can demonstrate there is a mechanism to retain the discount of the homes in perpetuity for future purchasers.

2. Housing Needs and Market Assessment Update 2012

The Council has procured an update to the 2003 DCA Housing Needs Assessment to provide an up to date information base on which to formulate affordable housing policy.

A draft report has been prepared by DCA (the consultants) and has been checked for accuracy by the Strategic Housing team. A redraft is currently being undertaken and the report is expected to be finalised in late May 2012.

Initial feedback shows that in order to meet the affordable housing demand in Dacorum, over 800 affordable homes would need to be built annually.

3. Choice Based Lettings Update

The Council moved to an online registrations process for the Choice Based Lettings system in November 2011. In the past six months, over 5,800 households have registered for housing in Dacorum. Once cancelled, housed and applications waiting to be pointed are excluded, there are currently 5,000 active households on the Council's Housing Register.

4. Affordable Housing Delivery

A key part of the delivery of affordable housing is enabling affordable homes to be built by working in close partnership with Registered Providers.

- 149 Affordable Homes were enabled in 2011/12
- A minimum of 150 Affordable Homes are expected in 2012/13
- A minimum of 200 Affordable Homes are expected in 2013/14

The Strategic Housing section holds regular meetings with developing RPs to discuss development opportunities and where the Local Authority can help facilitate the delivery of affordable housing. Schemes are considered by the Corporate Regeneration Group. Officers also work closely with RPs surrounding lettings, management and maintenance issues related to new affordable housing developments.