

Report to Cabinet

9 June 2022

By the Cabinet Member for Housing and Public Protection



DECISION REQUIRED

Not Exempt

Allocation of Section 106 Commuted Sum funding for Saxon Weald

Executive Summary

Horsham District Council and Saxon Weald have a longstanding record of collaborative working. This approach has, in part, enabled the Council to achieve the high number of affordable homes provided in the district year on year.

Working in partnership with Council Officers and with grant funding from Section 106 commuted sum funds, an opportunity to maximise the number of affordable rented homes has been identified.

Saxon Weald secured planning permission August 2021 under reference DC/19/0412 to redevelop a site of accommodation at The Cobblers in Slinfold which will deliver 12 properties. To be policy compliant the site would need to deliver 20% of those units as affordable properties, this equates to 2.4 units. With the S106 commuted sum grant from the Council, the number of affordable homes that will be delivered increases to 12.

It is proposed to provide Saxon Weald with a grant of £360,000 to facilitate the delivery of all 12 properties as affordable rented properties. The Cobblers was an older block of accommodation designated for residents over 55 years of age. It provided bedsits with shared bathing facilities that was deemed no longer fit for purpose.

The proposed development would provide:

One Bed Flats	Two Bed Flats	Total
8	4	12

The 4 ground floor units will be delivered with wet rooms making them accessible for tenants that may have limited mobility.

The Council will receive 100% initial nomination rights to the properties and 75% subsequent nomination rights to the scheme secured through a scheme specific nominations agreement.

The grant funding by the Council will be secured in perpetuity through a separate legal agreement.

Recommendations

Cabinet is asked to:

- i. Approve the expenditure of £360,000 which is funded from Section 106 receipts secured for new affordable housing. This funding will enable the development to deliver all 12 units as affordable rented homes.

Reasons for Recommendations

- i) To assist the Council in achieving its target of delivering 240 affordable homes a year.
- ii) To assist Saxon Weald to deliver much needed affordable accommodation for households in housing need on the Council's housing register.

Background Papers

Affordable Housing Investment Report – considered by Cabinet November 2017

Wards affected: Slinfold

Contact: Ailsa Keogh, Affordable Housing Enabling Officer – 01403 215202

Background Information

1 Introduction and Background

- 1.1 The purpose of this report is to seek the Cabinet's approval to grant fund the development of 12 new affordable rented homes by Saxon Weald in Slinfold.
- 1.2 These affordable rented units will directly reduce the number of households on Horsham's Housing Register with an identified housing need.

2 Relevant Council policy

- 2.1 The Corporate Plan 2019-2023 identifies a strong, safe, and healthy community as one of the five identified themes. Within this theme, examples of what success looks like include "We will increase the supply of affordable homes and reduce rough sleeping"
- 2.2 The Council's Housing Strategy 2021-26 identifies five objectives and includes "Deliver the number and size of affordable homes that our communities and residents need in line with planning policies."

3 Details

- 3.1 The site has been subject to planning considerations with planning permission granted in August 2021.
- 3.2 If approved, the funding will be paid in two instalments with 50% of the funding paid when the development starts on site and the remaining 50% at the point of practical completion.
- 3.3 A legal agreement will be entered into to secure the funded units remain as affordable rented homes in perpetuity.

4 Next Steps

- 4.1 Funding will be paid as described in section 3.2.
- 4.2 Once the scheme is completed, the Council's housing team will nominate households from its housing register to the vacant properties. The nomination rights will be secured through a site-specific nomination's agreement.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The Housing and Public Protection PDAG was consulted on the 29th March 2022 with members supporting the proposals to allocate the requested commuted sums.

6 Other Courses of Action Considered but Rejected

- 6.1 Not supporting the scheme would result in the level of proposed affordable homes not being delivered and the additional affordable rented homes not being provided to assist those with a housing need on the Council's Housing Register.

7 Resource Consequences

- 7.1 The Council has a capital budget for Housing Enabling Grants. This is funded from Section 106 receipts which have been secured through the planning system and the funds used exclusively for the provision of affordable housing in the District. It is proposed that the grant of £360,000 for this new affordable housing development is paid from this budget. The capital budget for housing enabling grants in 2021/2022 is £1m. The proposed timing of the payments will mean that £180,00 is spent early in 2023 and the further £180,000 towards the end of 2023 or beginning of 2024. Therefore, the proposed expenditure would fall within the limits of the approved annual capital programme.

8 Legal Consequences

- 8.1 The Council has a general power of competence under Section 1 Localism Act 2011 and specific powers under the Housing Act 1985 and the Local Government Act 1988 to provide financial assistance to facilitate the provision of housing. Grant is being allocated in accordance with the criteria in which it has been received, "For the delivery of affordable housing".
- 8.2 The Council have powers to restrict the use of land pursuant to S106 of the Town and Country Planning Act 1990 (as amended by the Planning and Compensation Act 1991). A legal agreement will be entered into by the Council and Saxon Weald which secures the funded units of affordable rent in perpetuity.

9 Risk Assessment

- 9.1 There are no direct risks associated with this report.

10 Other Considerations

- 10.1 Access to housing is vitally important to preventing people from turning to crime
- 10.2 The Council is obliged (a) to give positive effect to the Convention rights and (b) not to infringe those rights as scheduled in the Human Rights Act 1998. Of particular relevance to the proposal are Article 8 (right to respect for private and family life) and Article 1 of the First Protocol (right to property). Hyde Housing will have primary responsibility – however, the Council will be deemed to have met its statutory duty under the 1998 Act.

As said, the Council is required to consider not only the detrimental effects on citizens' Convention rights but also positively to enhance those rights. Providing affordable housing through the scheme highlighted in this report will enable those in need to have a home of their own.

- 10.3 The scheme will contribute to meeting the housing need of persons in the District.
- 10.4 Delivering affordable housing and preventing homelessness are fundamental to establishing and maintaining sustainable communities.