



# Broxbourne Affordable Housing Strategy 2020-2025



**BOROUGH OF  
BROXBOURNE**

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# TABLE OF CONTENTS

<b>Introduction</b>	<b>3</b>
What is affordable housing?	3
Key facts about the Borough of Broxbourne	3
<b>Demographics and overview of the local housing situation</b>	<b>3</b>
Housing costs in the Borough	4
The demand and supply of affordable housing	5
The role of the private rented sector (PRS) in meeting housing need	6
<b>Affordable housing supply</b>	<b>6</b>
Local Plan targets for affordable housing delivery	7
Broxbourne Borough Council Corporate Plan	7
Broxbourne Local Plan	7
<b>Delivering affordable housing</b>	<b>8</b>
Delivery mechanisms for providing affordable housing	8
Providing affordable housing on-site	9
Design and layout	10
Accessible and adaptable dwellings	10
Affordable housing size and mix	10
Environmental Sustainability	10
Off-site affordable housing provision	11
Commuted sums	11
Use of commuted sums	12
Viability	12
Preservation of affordable housing	12
Housing for people with specialist needs	13
Homes England Funding	13
Working with registered provider housing development partners	13
Registered provider partners	13
Non-partner registered providers	14
<b>Broxbourne Council resources</b>	<b>14</b>
Preserved right to buy and right to acquire	14
Shared ownership buy backs	14
Council land	15
Council-owned housing company	15
Working to unlock sites where the planning process or development has stalled	15
Working with other Local Authorities	15
<b>Nomination rights</b>	<b>15</b>
First Homes	16
<b>Measuring success</b>	<b>16</b>
<b>Glossary</b>	<b>19</b>

# INTRODUCTION

This Affordable Housing Strategy sets out how the Council intends to maximise the supply of affordable housing to meet local housing need. It supports the Council's wider strategic priorities and housing objectives and the affordable housing policies set out in the Council's Local Plan (2018-2033).

This strategy provides an overview of the current local context and evidence of the need for additional affordable housing. It also details how the intended outcome of this strategy, to maximise the delivery of affordable housing in Broxbourne, will be achieved.

## What is affordable housing?

Affordable housing is housing which is provided by a registered provider. It is social rented and affordable rented accommodation. This includes affordable housing for rent, (homes let at social, affordable and intermediate rents) and affordable housing for sale, including shared ownership housing.

Affordable housing is long-term settled accommodation provided by registered providers of social housing. An affordable rent tenancy typically involves a one year starter tenancy followed by a five year fixed term tenancy. Affordable rented housing is allocated using guidelines set out in the Council's Allocations Policy over which local authorities have some degree of control, including determining eligibility criteria. Affordable rented housing is available to households that are successful in joining the Council's Housing Register. Shared ownership accommodation is also made available to eligible households as determined by the Council.

Whilst both long-term affordable housing and temporary accommodation are vitally important in helping the Council to reach its objectives, this strategy deals only with the provision of affordable housing.

## Key facts about the Borough of Broxbourne

The Borough of Broxbourne is located in south-east Hertfordshire in the Lea Valley corridor, bordering London to the south and Essex to the east. It is approximately 51 square kilometres in size and contains three major towns, Cheshunt, Hoddesdon and Waltham Cross, along with population centres in Broxbourne, Wormley, Turnford and the village of Goffs Oak. Settlement is largely concentrated along the A10 which runs north to south through the Borough and is a main route between London, Cambridge and Stansted Airport. The Borough's close proximity to London and convenient travel links, both by road and public transport, shape its living and working patterns.

# DEMOGRAPHICS AND OVERVIEW OF THE LOCAL HOUSING SITUATION

This section contains information about the Borough relating to population, tenure types, housing costs and housing supply. Key points are:

- there was an 8% increase in the population of the Borough between 2006 and 2016, with a notable increase in the number of those over 65 and a higher than average proportion of single parent households
- between 2001 and 2011, there was a significant increase in the proportion of private rented sector tenancies (127% increase)
- a household would need an income of around £50,000 to purchase a two-bedroom property in the Borough at the lower end of the market
- the median household income in Broxbourne is around £31,000, this is the minimum income needed to access the lower end of the private rented market for a two bedroom home

- the amount of Local Housing Allowance that can be claimed in Broxbourne is lower than market rents, some households could find it difficult to access private sector market housing without having to top up the allowance to pay the rent
- there were 1,401 households on the Council’s Housing Register at the end of 2018/19, 234 affordable homes became available to let during the year
- 35 new affordable homes were built during 2018/19
- the private rented sector has an important role to play in providing a settled housing option for households in housing need

The Borough has a population of around 97,150 with an average household size of 2.5 people (according to the East of England Forecasting Model). Most of the residential population is focused around the towns of Cheshunt, Hoddesdon, and Waltham Cross and along the A10 corridor.

Targets for affordable housing delivery are based on a robust evidence base which takes account of a number of factors, including historic population growth and population and household projections. An analysis of growth shows an 8% increase in the population of the Borough in the ten year period between 2006-2016, with a notable increase in the proportion of those aged over 65 (a 25% increase). The table below (table taken from the 2018 report ‘Housing needs of particular groups’) shows the change in demographics for the area over this ten year period:

<b>Figure 2.7: Change in population by broad age group (2008-18) - Broxbourne</b>				
	<b>2008 population</b>	<b>2018 population</b>	<b>Change</b>	<b>% change</b>
Under 16	18,515	19,633	1,118	+6.0%
16-64	58,806	59,938	1,132	+1.9%
65+	14,309	17,305	2,996	+20.9%
<b>TOTAL</b>	<b>91,630</b>	<b>96,876</b>	<b>5,246</b>	<b>+5.7%</b>

Source: ONS mid-year population estimates download date May 2020

The evidence also shows a higher than average proportion of single parent households and relatively high levels of overcrowding with 5% of households lacking at least one bedroom. This contrasts with a high level of households living in properties that are under-occupied. Between 2001 and 2011, there was a significant increase in the proportion of private rented sector tenancies, and a small increase in the number of households with a social tenancy. The table below shows the make-up of properties in the Borough (table taken from the 2018 report ‘Housing needs of particular groups’):

<b>Figure 1: Change in tenure (2001-11) - Broxbourne</b>				
	<b>2001 households</b>	<b>2011 households</b>	<b>Increase/decrease</b>	<b>% change</b>
Owns outright	10,691	12,262	1,571	14.7%
Owns with mortgage/loan	17,183	15,616	(1,567)	(9.1%)
Social rented	4,855	5,297	442	9.1%
Private rented	1,844	4,199	2,355	127.7%
Other	360	284	(76)	(21.1%)
<b>TOTAL</b>	<b>34,933</b>	<b>37,658</b>	<b>2,725</b>	<b>7.8%</b>

Source: 2001 and 2011 Census

## Housing costs in the Borough

House prices in the Borough are relatively high, with a lower quartile two-bedroom home estimated to cost around £223,000. A household would need an income of around £50,000 to access this type of property (assuming a 10% deposit and a four times income multiple). The median household income in Broxbourne is around £31,000 with wide variations in the area (from around £26,000 in Waltham Cross to around £43,000 in Broxbourne). Similarly, the cost of private renting is also relatively expensive when compared to the national average. The cost of renting a lower quartile two-bedroom home is around £900 per month. The income required to afford this accommodation would be around £31,000 (this assumes approximately 35%

of income could reasonably be spent on housing). Furthermore, the amount of Local Housing Allowance that can be claimed in Broxbourne is lower than market rents, meaning that benefit-dependent households could find it difficult to access private sector market housing without having to top up the allowance to pay the rent.

Lower quartile house prices and rents are used in order to carry out an objective assessment of housing need in an area. This is in keeping with government guidelines for carrying out housing market research to inform planning policy. The figures used for the analysis in this section are taken from the 2018 report 'Housing needs of particular groups' which forms part of the Local Plan evidence base. To enable comparison with more up to date figures and provide information about the average cost of housing, average house prices and rents for the Borough are set out in the tables below:

<b>Average house prices in Broxbourne</b>	
All property types	£356,745
Detached houses	£755,372
Semi-detached houses	£446,452
Terraced houses	£344,796
Flats and maisonettes	£219,888

Source: August 2019 (source: Land Registry)

<b>Average monthly rents in Broxbourne</b>	
One bedroom flat	£841
Two bedroom flat	£1,094
Two bedroom house	£1,164
Three bedroom house	£1,447
Four bedroom house	£1,885

Source: August 2019 (source: RightMove)

## **The demand and supply of affordable housing**

The majority of affordable housing stock in the Borough is owned, developed and acquired by registered providers. B3Living is the largest stock holding registered provider in the Borough with over 3,500 units. Other registered providers with stock in the area are Paradigm and Metropolitan. All of these registered providers develop new homes. In order to be allocated a social housing tenancy, households must apply to join the Council's Housing Register. Not all households are eligible to join and the eligibility requirements are set out in the Council's Allocations Policy. Eligible households are awarded points according to their level of housing need; the more points a household has, the more likely they are to be successful in bidding for a property. The number of households on the Council's Housing Register has remained stable for the last few years at around 1,400.

Affordable housing supply in the Borough is low compared to the level of demand. In 2018/19 there were 1,401 households on the Council's Housing Register, however in that year only 234 affordable homes became available with 35 new affordable homes being built during the year. Most households on the Housing Register are seeking a one or two bedroom home and the lack of supply means households can wait many months or even years to be housed, and some are unlikely to ever be housed.

The number of households on the Housing Register at the start of each year (April), and the number of lettings during the year is shown on the table below. There were 234 properties let in 2018/19, so only 17% of the number of households on the register at the start of the year were housed. However, as new applications were received the overall number was maintained at around 1,400.

Size of property	2016/17		2017/18		2018/19	
	Demand	Lettings	Demand	Lettings	Demand	Lettings
Studio or 1 bed	540	96	504	135	514	119
2 bed	503	63	469	86	469	74
3 bed	287	28	334	27	344	38
4+ bed	55	2	72	2	74	3
Total	1,385	189	1,379	250	1,401	234
%		13.6%		18.1%		16.7%

The table below shows the number of months it took for households to be allocated a home for these years. For nearly half of those who were housed during this time, it took more than a year and a half. This is due to the limited supply of registered provider homes available.

Time waited to be housed (2016/17 – 2018/19)	Number of lettings	%	Increase/decrease
0-6 months	166	24.7	24.7
6-12 months	106	15.8	40.5
12-18 months	91	13.5	54.0
18-24 months	53	7.9	61.9
2-5 years	115	17.1	79.0
5+ years	142	21.0	100
Total	673	100	

The lack of supply of affordable housing has put pressure on the demand for temporary accommodation with the Council accommodating around 300 households in temporary accommodation.

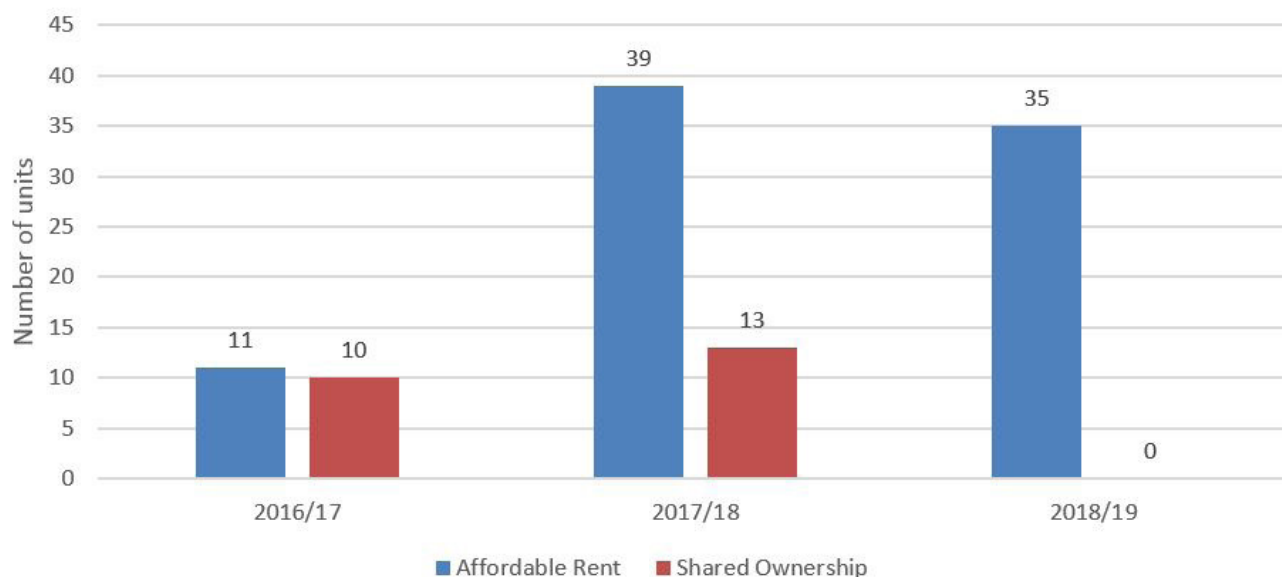
### **The role of the private rented sector in meeting housing need**

For many households that approach the Council for help with their housing situation, the pathway to settled accommodation is through the private rented sector (PRS). The PRS has an important role to play in providing a settled housing option for households in housing need.

## **AFFORDABLE HOUSING SUPPLY**

This evidence base demonstrates the need for more homes at more affordable prices within the Borough to meet local housing need. The table below shows the number of new build affordable housing completions over the last three years. Around 76 new affordable homes were completed in 2015/16, this decreased to 35 in 2018/19.

## New build affordable housing completions



### Local Plan targets for affordable housing delivery

The Local Plan includes an objectively assessed need of 7,718 new homes over the life of the Plan, an average of 454 per annum, of which 40% are required to be affordable. This strategy sets out how the Council will work closely with its partner organisations to fulfil this requirement and provide more affordable housing for Broxbourne residents.

Together with the Local Plan, the principles for affordable housing delivery set out in this strategy seek to make sure sufficient affordable housing is delivered over the next five years of the right type and size to best meet the housing needs of Broxbourne residents.

### Broxbourne Borough Council Corporate Plan

One of the objectives in the Broxbourne Borough Council Corporate Plan 2020 – 2024 is to:

- Deliver affordable housing for local residents and reduce homelessness.

Along with the Broxbourne Local Plan, this strategy describes how the policy commitment to deliver affordable housing will be achieved.

### Broxbourne Local Plan

The approach to delivering affordable housing set out in this strategy is consistent with Local Plan policies relating to the delivery of affordable housing in the Borough. The relevant Local Plan policies are:

- Policy H2: Affordable Housing
- Policy H4: Housing Mix
- Policy H6: Housing for Specific Needs

The Local Plan contains a number of objectives that provide the framework for delivering affordable housing and the policies set out in the plan. The following is the objective for housing:

***Housing will be provided through a range of market, affordable, elderly persons' retirement and special needs housing in the form of apartments, family and executive properties.***

# DELIVERING AFFORDABLE HOUSING

Set out below are the Council's objectives in relation to delivering affordable housing over the next five years against which success will be measured. These have been developed taking account of the current context for delivering affordable homes (see above), and changing government funding arrangements:

- maximise the delivery of affordable housing to meet local housing need
- work closely with the Council's registered providers to deliver affordable housing
- identify and maximise funding for affordable housing provision from a variety of sources
- make use of planning gain (S106 agreements) to deliver affordable housing
- investigate the use of Council-owned resources to deliver more affordable housing

The Broxbourne Local Plan states that affordable housing is provided for eligible households whose needs are not met by the market and includes affordable housing for rent and affordable housing for sale (shared ownership).

In order to ensure that the benefits of affordability are passed to successive occupiers, it is expected that affordable housing is only occupied by people identified by the Council as being in housing need in accordance with set policy.

Shared ownership enables the applicant, normally a first time buyer, to purchase a share of between 25% and 75% of the market value of a home, and pay rent on the remaining share. In assessing the affordability of shared ownership schemes, the overall housing cost including mortgage payments, rent and service charges will be taken into account. Normally, schemes should work on the basis that no more than 50% of net household income is allocated to housing costs. Shared ownership should provide buyers with the option to acquire up to 100% ownership.

## **Delivery mechanisms for providing affordable housing**

The Council will work with its partners to deliver additional affordable housing by:

- providing affordable housing on development sites via section 106 agreements
- providing affordable housing on alternative sites or accepting a payment of equivalent value to the required affordable housing units
- maximising Homes England funding
- registered provider own resources
- working with registered providers, developers and other partners to encourage them to develop on sites they already own or acquire sites for development
- exploring options for setting up a Council-owned housing company to deliver affordable housing
- working with developers to unlock sites where development has stalled
- using Council-owned land to develop affordable housing in partnership with registered providers
- working with other local authorities

Each of these delivery mechanisms is explored in the sections that follow.



## Providing affordable housing on-site

This section contains information for developers about providing affordable housing on-site, key points are:

- 40% of housing on new residential developments of more than 10 dwellings, or on a site of 0.5 hectares or more, are required to be affordable
- of these, 65% should be affordable housing for rent, 35% should be affordable housing for sale
- a section 106 agreement will set out planning obligations on the applicant, including the affordable housing provision
- developers should consult with the Council and identify a registered provider to deliver the affordable housing element at the earliest opportunity
- design, layout and environmental standards apply to all forms of affordable housing, as do infrastructure requirements including car parking
- on developments of more than 20 dwellings, 5% should meet building regulation requirements for accessible and adaptable dwellings
- targets for the sizes of affordable housing to be delivered are set out in the Local Plan (see below)

As set out in its policy H2: Affordable Housing, the Local Plan sets out the requirement for 40% of dwellings in any development to be affordable. The affordable housing should be split between 65% affordable housing for rent and 35% affordable housing for sale, unless identified requirements or market conditions indicate otherwise.

The provision of affordable housing will be required on all new residential developments of more than ten dwellings, or where the site has an area of 0.5 hectares or more.

Developers are required to deliver affordable housing as part of open market development; this will be secured by a section 106 agreement. This is an agreement between an applicant seeking planning permission and the Council. It secures planning obligations on the applicant to make contributions towards local infrastructure and facilities for the development site, including the provision of affordable housing. The agreement sets out the affordable housing obligation and incorporates the Council's requirement to nominate households to occupy the properties through its Allocations Policy and to any shared ownership units.

The phasing of a development or attempts to circumvent the 40% minimum threshold by fragmentation of a large site, or underdevelopment of a site suitable for a higher density will be strongly resisted. The size of the entire site will be used to determine whether the site meets the size criteria for affordable housing provision.

The Council will expect the developer to deliver ready to occupy homes or, where appropriate, land. Where land is transferred to a registered provider to allow it to build affordable housing, this will happen prior to the occupation of an agreed percentage of open market housing to be negotiated on a case-by-case basis.

Developers are encouraged to seek advice from the Council regarding the affordable housing element of any scheme and identify a registered provider to deliver the affordable housing being proposed at the earliest opportunity. The Council will provide contact details of registered providers to any potential developer if necessary.

## **Design and layout**

Affordable homes should be provided to the standards set out in the following documents:

- the Council's Local Plan
- the Council's Supplementary Planning Guidance (SPG)
- National Housing Space Standards
- Registered Provider design brief

All developments that include affordable housing should ensure the affordable housing properties are integrated within the scheme. They should have the same external appearance and quality, and accord with all other development standards in the Local Plan, including current Nationally Described Space Standards and the Council's space standards as defined by Supplementary Planning Guidance. The development should make efficient use of land through a design-led approach.

Residents of affordable housing require the same infrastructure provision as residents of open market housing, e.g. in respect of open space, transportation and other community facilities, and it is expected that there should be no distinction in the level of provision of these services, including provision for car parking.

## **Accessible and Adaptable Dwellings**

The Local Plan stipulates that within developments of more than 20 dwelling units, 5% should meet the Building Regulations Requirement for Accessible and Adaptable Dwellings (M4(2): Category 2). This requirement is based on the Local Plan evidence base which demonstrates the need for this level of accessible and adaptable dwellings.

## **Affordable housing size and mix**

The configuration of the affordable units on each development will be determined at the time of the application, having regard to the Council's Affordable Housing Strategy. In general, the Council will seek to achieve the following targets for the size of affordable housing mix as set out in the Local Plan:

- 20% of the properties will be one bedroom
- 40% of the properties will be two bedroom
- 35% of the properties will be three bedroom
- 5% of the properties will be four bedroom

The need to create sustainable, mixed and balanced communities requires a mix of tenures, as does the requirement to meet a range of housing needs. On larger sites, affordable homes should not be concentrated in one location in the development, nor should they be physically or visually isolated.

On smaller sites, the distribution of affordable homes will be considered on a case-by-case basis. However, for all sizes of sites, the Council will consider the views of the registered provider partner.

## **Environmental Sustainability**

Sustainable design and construction in the provision of affordable housing is expected and developer and registered provider partners are required to maximise the use of sustainable construction methods and materials, in keeping with Local Plan policy DSC5. Developments should be adaptable and resilient to meet the changing requirements of future environmental conditions, as well as flexible for the use of those that may live in and use them. The use of reused and recycled building materials should be employed wherever possible in order to help achieve environmentally sustainable developments.

Homes England has an objective to ‘contribute to the achievement of sustainable development and good design’ through its work with partners. This is supported by a requirement for quality design and sustainability in its affordable housing funding programme, including best practice approaches to resource use, waste minimisation and low-carbon performance. In addition to Local Plan requirements, any affordable housing project funded by Homes England will be required to address these aspects within their designs.

The Government’s Clean Growth Strategy sets out how the UK will achieve economic growth whilst reducing carbon emissions, with the aim of achieving net zero carbon emissions by 2050, and a minimum of Energy Performance Certificate (EPC) Band C by 2030. It is expected that all new housing will be required to meet tighter Building Regulations standards to reduce energy use; the Government is considering the results of consultations on its proposals.

## **Off-site affordable housing provision**

This section contains information for developers on delivering affordable housing off-site, key points are:

- off-site contributions to affordable housing provision will only be agreed in exceptional circumstances in keeping with NPPF and on a site by site basis
- off-site contributions should reflect the required ratio of market to affordable housing i.e. 60/40 and, if necessary, will be subject to a viability assessment
- payments received in lieu of affordable housing will be allocated for the provision of additional affordable housing in the Borough

Wherever possible, and in accordance with the Local Plan Policy H2, the required affordable housing will be delivered on-site. Policy H2:VI states: “contributions towards the off-site provision of affordable housing in lieu of on-site provision will be an exception and will only be accepted in relation to developments which the Council considers are unsuitable for the provision of affordable housing. Contributions towards the off-site delivery of affordable housing will be negotiated on a site by site basis, with regard to the Council’s Affordable Housing Strategy, and national policy requirements and funding arrangements at the time of the negotiation.” In such circumstances, the Council may accept the provision of the affordable housing associated with the planning obligations for a particular site on an alternative site. This is known as off-site provision.

Alternatively, the Council may accept a payment of equivalent value to the affordable housing requirement if there are disadvantages of providing affordable housing on a particular site that make it more appropriate to make off-site provision.

The NPPF provide two examples of when off-site provision may be acceptable:

- a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and
- b) the agreed approach contributes to the objective of creating mixed and balanced communities.

For instance, housing associations find it easier to manage groups of affordable properties in a single location rather than small, widely dispersed groups. Off-site provision may assist the delivery of affordable housing schemes in locations that have better transport and locally available community facilities. However, where off-site contributions are accepted, the Council will seek to optimise the use of available resources to deliver its priorities, including the direct acquisition of land to enable new development.

## **Commutated sums**

Commutated sums are financial contributions towards off-site provision in lieu of on-site provision and will only be considered in exceptional circumstances where the Council is satisfied that the reasons for not providing affordable housing on-site or on an alternative site can be robustly justified.

If a contribution towards the off-site delivery of affordable housing is agreed, it will be negotiated on a site-by-site basis, in accordance with policy requirements and funding arrangements at the time of the negotiation. The Council will aim to achieve a similar ratio of market to affordable housing as if the

units were provided on-site, i.e. 40% of the total. Provision will be made in the planning agreement for additional payments where reserved matters include additional dwellings.

Proposals to provide financial contributions towards off-site provision which fall short of the above requirements on grounds of viability will require a full economic appraisal of the development costs and anticipated values.

### **Use of commuted sums**

Payments received in lieu of affordable housing will be allocated for the provision of affordable housing in the Borough. Use of this funding would only be considered where it can be demonstrated it is essential to support the scheme viability to bring it forward and the homes delivered are affordable in perpetuity. This may be through:

- acquisition of land independently or in conjunction with Registered Providers for affordable housing schemes
- support for purchase of additional open market units, which may be in conjunction with Registered Providers
- financial support for site-specific projects, e.g. 100% affordable schemes, conversions of shared ownership to affordable rent
- development of the Council's own land holding if appropriate

Contributions towards off-site provision will be used to support the delivery of additional affordable housing to meet local housing need in accordance with the housing need priorities at the time and in line with the priorities set out in this strategy.

Where the agreement is to provide land, the Council will seek an independent valuation of the land and the expectation will be that the contribution of land will be fully serviced to its boundaries and of sufficient area to provide the equivalent on site provision. Cash contributions may be sought in addition to land where the land area is not large enough to provide the equivalent on site provision.

In exceptional cases, the Council may accept the transfer of free, serviced land in lieu of completed affordable housing units to an agreed registered provider. Free land is defined as transfer of legal title at nil consideration. Consideration will be decided on a scheme-by-scheme basis.

### **Viability**

The affordable housing requirement should be taken into account by developers when assessing the development potential and land value of a proposed development site.

Applicants offering less than 40% affordable housing on qualifying sites will be expected to submit a full viability appraisal of the site. This assessment may be subject to independent peer review by an assessor appointed by the Council, and will be carried out at the expense of the applicant. The Council expects negotiations between registered providers and developers to be on an 'open book' basis so that the Council can satisfy itself that the acquisition is in line with this policy.

### **Preservation of affordable housing**

Any new affordable housing developed should remain affordable for future eligible households, this means it remains at an affordable price and continues to meet the government definitions of affordable housing. If affordable housing is delivered with the support of grant funding and it ceases to be affordable e.g. a shared owner purchases it outright, the grant should be recycled for alternative affordable housing provision within the Borough.

## **Housing for people with specialist needs**

The Council's affordable housing requirement applies to all types of residential development including extra care housing and other supported housing schemes.

The Local Plan seeks to provide a range of accommodation sizes, types and tenures to meet the needs of those with specialist housing requirements. This means offering a range of affordable housing choices for older people and vulnerable groups. This includes providing options for households looking to downsize which would free up family sized homes which would otherwise be under-occupied.

Housing for older people comprises a mixture of lifetime homes, extra care housing and retirement housing, providing accommodation that can be used flexibly and allow for different levels of care as support needs change. This includes the need for fully wheelchair accessible housing. The Council is also looking to increase the range of accommodation options for people with physical and learning disabilities, mental health issues, drug and alcohol addictions, homeless households and other specialist accommodation where it will meet local need.

Where the Council commissions any specialist supported housing, the Council would seek to work with a preferred partner to enable such a scheme to be delivered. These schemes generally rely on funding from Hertfordshire County Council (HCC) to deliver the support costs. The Council will, therefore, seek to work with HCC to identify the need for such a scheme and in determining a development partner.

## **Homes England Funding**

Homes England funding is one of the primary sources of funding for delivering affordable homes. Regular liaison between the Council and Homes England is important to accessing the current funding regimes and supporting registered provider bids for resources. Registered providers are encouraged to bid for Homes England grant funding. Government funding is available through a number of programmes operated in cycles. The current programmes include the 2016-2021 Shared Ownership and Affordable Homes Programme and the Care and Support Specialised Housing Fund. The latter supports the development of specialist affordable housing which meets the needs of older people and adults with disabilities or mental health concerns. The Council will support registered providers in their applications for Homes England funding where the development schemes meet the requirements set out in the Local Plan and demonstrate they will contribute to meeting local housing need. Homes England funding is not usually available on s106 sites.

## **Working with registered provider housing development partners**

### **Registered provider partners**

The Council recognises that working closely with registered providers is central to delivering more affordable homes in the Borough. It is committed to establishing and maintaining excellent working relationships through regular liaison and a mutual understanding of the challenges faced by each party. This partnering approach encourages registered providers to develop on sites they already own or acquire sites for development in the Borough. It embraces design, development and management issues in order to achieve joint objectives. Housing Development Liaison meetings take place regularly with local developing registered providers while Housing Management Liaison meetings focus on local management issues, involving all local providers.

The Council wants to make sure it is working together with all registered providers that have a commitment to helping meet housing needs in the Borough. The list of preferred partners is:

- B3Living Housing Association
- Hightown Housing Association
- Paradigm Housing Group

## **Non-partner registered providers**

The Council expects that affordable accommodation provided is managed by one of the Council's preferred partner registered providers that have a long-term commitment in the Borough. Where a developer makes alternative arrangements, the Council will need to be satisfied that acceptable procedures are in place to ensure the affordable housing will be made available to those in need, at rent levels that are affordable to local residents, and the homes are managed to equivalent standards to those required by Homes England.

The broad principles of working with non-partner registered providers in exceptional circumstances would include:

- that the registered provider agrees to the principles set out in the Council's key strategic documents including the preferred partner agreement, Affordable Housing Strategy and Homelessness and Rough Sleeping Strategy
- that working with that registered provider will bring quantifiable benefit, over and above that deliverable by the partners
- that the registered provider can demonstrate an ability to provide appropriate levels of service to tenants, post development

## **BROXBOURNE COUNCIL RESOURCES**

This section provides details of additional resources that may be available to the Council and its partners to provide affordable housing, key points include:

- recycling grant funding used to provide affordable housing that a tenant has purchased through right to buy or right to acquire
- reusing shared ownership properties that are 'bought back' by registered provider partners
- making council-owned land available for the development of affordable homes
- investigating options to set up a council-owned housing company to develop affordable housing
- working with developer and registered providers to bring forward development and unlock sites where development has stalled

## **Preserved right to buy and right to acquire**

As part of the terms of the large-scale voluntary transfer (LSVT) agreement in 2006, tenants living in previously Council owned homes retained the right to purchase their home, known as preserved right to buy. Housing association tenants also have the right to acquire their property. Historically, right to acquire has enabled the tenant to purchase the home they live in at discounted rates according to certain eligibility criteria.

The registered provider is required to recycle any grant that was used to provide units that are purchased, and use it to invest in the provision of more affordable homes. If the grant was provided by Homes England, registered providers hold it in the Recycled Capital Grant Fund (RCGF). If grant was provided by the Council, there is also a requirement for it to be reinvested in the provision of additional affordable housing in the Borough.

## **Shared ownership buy backs**

From time to time, a registered provider may buy back part or all of the equity of a shared ownership property. The property could then be used as follows:

- preserve the tenure as affordable housing for sale (i.e. as shared ownership)
- convert to a social or affordable rented unit



The Council will evaluate each property on a case by case basis in partnership with the registered provider having regard to the suitability of the dwelling as a rented or shared ownership unit and the housing need at the time.

### **Council land**

The Council may make land it owns available for the development of affordable homes, where it is considered appropriate and value for money can be demonstrated. Land made available in this way will only be transferred to preferred partner registered providers with the prerequisite that in exchange the Council receives the nomination rights to the affordable homes built on the site. In order to increase the supply of affordable housing in Broxbourne, the Council will explore the possibility of working together with preferred partner registered providers to develop affordable housing projects on Council-owned sites.

### **Council-owned housing company**

The Council will explore options for setting up a housing company to develop more affordable housing in Broxbourne. This includes looking at financing options that would be available, for example eligibility to apply grant funding from Homes England, as well as governance arrangements and regulation requirements. The company could develop new affordable homes, or purchase properties on the open market for use as affordable housing to meet local demand. Mixed tenure developments could cross subsidise additional affordable housing. A Council-owned housing company would enable the Council to make the best use of Council land and exercise control over the pace and quality of developments. It would provide an opportunity to work with the local construction industry, support local businesses, provide training and employment opportunities and would be well positioned to co-ordinate efforts to achieve wider strategic plans.

### **Working to unlock sites where the planning process or development has stalled**

The Council will work with partners to ensure a smooth delivery pipeline for affordable housing projects in the Borough. Where development has stalled on a site within the development pipeline, or has been unable to get underway, the Council will seek to work with developers or the registered provider to find mutually acceptable solutions.

### **Working with other Local Authorities**

Councils other than Broxbourne continue to own and manage stock in the Borough of Broxbourne. Where an opportunity for joint working arises, Broxbourne will work with that council to deliver affordable homes to meet local need.

## **NOMINATION RIGHTS**

This section explains the Council's rights to nominate households to occupy affordable housing that becomes available in the Borough, key points include:

- registered providers delivering affordable housing in the Borough will be required to join the Council's Common Housing Register and the Council will nominate households to occupy new and void properties
- the Council will also nominate households to shared ownership properties that become available
- the above processes will be set out in a nominations agreement that forms part of the section 106 agreement

A nominations agreement will be entered into prior to occupation of all affordable housing and will be a requirement of any relevant s106 agreement.

All registered providers working with the Council are expected to sign up to the Common Housing Register managed by the Council, which requires that any void properties are filled by Council nominees. However, under the Common Housing Register arrangements, 25% of all nominations are automatically ring-fenced for households who are already tenants and wish to move to an alternative property, known as transfers.

The Council would normally expect registered provider partners to carry out a post occupation survey to evaluate the new affordable homes, how well they meet the needs of the occupants and ensure they are fit for purpose. The findings will be shared with the Council to inform future planning.

Shared ownership housing in the Borough is advertised by the Hertfordshire Homebuy Agent. It maintains a database of applicants indicating an interest in these properties and carries out eligibility checks. The Council's priorities for allocating shared ownership housing are set out in the nominations agreements for each development. When intermediate properties are nearing completion the developing registered provider should request a list of applicants from the Homebuy agent. Marketing materials should be sent to these applicants and the Council will approve applicants before a formal offer is made.

## First Homes

It is important to note the government is consulting on proposals for a new form of affordable housing for sale called First Homes. The scheme would provide new discounted homes for local first-time buyers with a lower deposit and mortgage requirements. First Homes would be discounted by at least 30% of the market purchase price and would remain available for first time buyers in perpetuity. The proposal is for local authorities to have a degree of discretion to define a 'local first time buyer' and to determine whether to set property discount levels above 30%. Although these proposals are still in their early stages, should First Homes become a type of affordable housing, the Council would be keen to ensure delivery of First Homes meets local need alongside other types of affordable housing.

## MEASURING SUCCESS

This strategy will run from 2020 – 2025, and will be subject to an annual review.

The outcomes of this strategy are to:

- maximise the delivery of affordable housing to meet local housing need
- work closely with the Council's registered provider partners to deliver affordable housing
- identify and maximise funding for affordable housing provision from a variety of sources
- make use of planning gain (s106 agreements) to deliver affordable housing
- investigate the use of Council-owned resources to deliver more affordable housing

The success of these outcomes will be measured by Authority Monitoring Reports (AMRs). AMRs are prepared annually to monitor development in the Borough each year. They set out progress against a range of measures including the number of new dwellings built and set out plans and projections for the future.

Monitoring the affordable housing pipeline and forthcoming development will be based on the housing trajectory compiled from planning applications and permissions, as well as updates from registered provider partners and developers along with other Council initiatives, such as the use of Council resources.

Outcomes of this strategy are reviewed annually as part of Broxbourne Council's Annual Work Plan, which measures the Council's performance against corporate aims including affordable housing delivery. Detailed performance measures relating to this strategy will also be recorded and measured.

Ongoing monitoring of the effectiveness of the Council's Affordable Housing Strategy also takes place through its partnership working arrangements with registered provider partners and with other partner organisations. Quarterly meetings are held with registered provider partners where housing delivery,



funding and the effectiveness of policy are discussed. Other partner organisations, such as Hertfordshire County Council, are also regularly engaged in both the planning and the review of affordable housing schemes.

Reviews of this strategy will ensure it remains up to date and will include:

- revised Council housing policies, initiatives and targets
- updated Local Plan housing trajectory
- updated policy and guidance from Homes England
- findings from research into local housing need
- monitoring of affordable housing delivery

### **Measures of success**

The Council will carry out the following monitoring to ensure this strategy is meeting the needs of the Council:

Outcome	Measure of success
Maximise the delivery of affordable housing to meet local housing need	The number of affordable homes delivered each year
	The tenure mix of affordable homes delivered reflects housing need
	A pipeline of 50 affordable properties is maintained for each year of the plan
	The amount of section 106 funding that is achieved where a commuted sum is agreed
	The number of households from the Housing Register placed into affordable housing from the March 2020 baseline
Work closely with the Council's registered provider and other partners to deliver affordable housing	A mechanism is established for identifying sites delivering affordable housing where the planning process or development has stalled and for working with developers to support progress on the development
	A regular programme of development liaison meetings with registered provider partners
	Preferred registered provider partner agreement is reviewed and actions identified and implemented
	Regular engagement with Homes England and other district councils
	Regular liaison with Hertfordshire County Council regarding supported affordable housing developments, informing the design and service provision, ensuring they meet local need
	Keep the Council's Tenancy Strategy up to date and available to registered providers
Identify and maximise funding for affordable housing provision from a variety of sources	<p>The amount of funding for affordable housing that is achieved and the number of homes delivered with the funding from:</p> <ul style="list-style-type: none"> <li>• Homes England</li> <li>• Hertfordshire County Council</li> <li>• Other sources e.g. MHCLG</li> </ul>
Make use of planning gain (s106 agreements) to deliver affordable housing	The amount of section 106 funding that is invested to bring forward additional affordable homes and the number of homes delivered
Investigate the use of Council-owned resources to deliver more affordable housing	Options appraisal for setting up a Council-owned housing company completed and way forward established and actioned
	Identify Council-owned sites in the Borough where land could be made available for affordable housing development
	Identify routes via which the Council could provide direct funding to support schemes to provide additional affordable housing in the Borough

# GLOSSARY

## **Accessible/adaptable dwellings**

Homes that are designed to meet various needs of their occupants, including older people or people with disabilities, and can be adapted to meet changing needs over time

## **Affordable homes/affordable housing**

Homes for households who cannot afford market housing

## **Affordable housing for sale**

Homes for sale at a cost below market levels provided to eligible households whose needs are not met by the market. Shared ownership is a type of affordable housing for sale

## **Affordable rent**

Homes that meet the national definition for affordable rent are those charging no more than 80 per cent of the market rent for the area

## **Benefit cap**

The maximum amount of benefits that working age households can receive

## **Conversion**

Creating two or more new homes out of one existing home

## **Extra care**

Homes for older people where care or support services are provided along with accommodation

## **Family sized homes**

Those with three or more bedrooms

## **First Homes**

Government-backed scheme out for consultation at the time of writing, where local first time buyers can access new homes with at least 30% discount on selling prices

## **Grant**

Public money made available for affordable housing development

## **Homelessness**

Being without suitable accommodation or without accommodation that you have a right to occupy. The statutory definition can also include those households at risk of homelessness

## **Homes England**

A central government agency that provides investment for new homes

## **Housing Benefit**

A welfare benefit that helps households in need to pay for all or part of their rent

## **Intermediate housing**

Affordable housing where costs are set below market costs but above social housing costs

## **Landlord**

Someone who owns and rents out property

## **Local Housing Allowance**

A form of Housing Benefit that is paid to private rented tenants

## **National Planning Policy Framework (NPPF)**

A document that sets out central government's planning policies and how these should be applied

**Nomination Rights**

Where the Council has the right to nominate persons from its Housing Register to affordable housing units

**Overcrowding**

When a household is living in a home with insufficient space or rooms to meet their needs

**Private rented sector**

Homes that are owned by private companies and individuals and rented out at market rents

**Registered Providers**

Organisations providing affordable housing on a not-for-profit basis that are registered with the social housing regulator, formerly known as Housing Associations

**Right to Buy**

A right that some social tenants may have to buy their home at a discount

**Service charges**

Fees paid by a leaseholder or a tenant to cover the maintenance of a building

**Shared ownership**

A type of affordable housing for sale where the occupier owns a share of the property and pays rent on the remaining share

**Social housing**

Rented homes provided at low cost to households who cannot afford market housing, with rents set by the social housing regulator e.g. affordable rent, social rent

**Strategic Housing Market Assessment (SHMA)**

An assessment carried out to determine the future housing need in an area

**Supplementary Planning Guidance (SPG)**

Documents produced by Broxbourne Council providing detailed guidance on planning matters

**Supported housing**

Housing where people with disabilities or vulnerabilities are supported to live as independently as possible

**Temporary accommodation**

Accommodation that the Council provides as part of its homelessness responsibilities to households who are homeless or at risk of homelessness. It is only intended to be occupied for a limited period

**Tenancy**

An agreement to occupy property in exchange for the payment of rent

**Tenant**

Someone who occupies property rented from a landlord

**Tenure**

The conditions under which property is occupied, for example social rented, private rented or owner occupied

**Transfer**

Moving from one home to another, or transferring ownership of a property from one person or organisation to another

**Under-occupation**

When a household is living in a home with more space or more rooms than is needed

**Wheelchair accessible**

Homes which meet the Building Regulations standards for accessibility for wheelchair users



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