

BROXBOURNE AFFORDABLE HOUSING STRATEGY 2012-15

1. Introduction

1.1. Purpose of the Affordable Housing Strategy

1.1.1. The Strategy sets out how the Council intends to maximise the delivery of affordable homes to meet local housing need and to ensure delivery of the Council's wider housing and other strategic priorities. It sets out:

- The definition of affordable housing
- The national, regional and local strategic context and how this strategy is informed by, and contributes to other key strategies
- The Council's approach to how affordable homes are to be delivered through the town planning system, including the Council's expectations of developers, Registered Providers (RP) partners and other relevant parties.
- Options and approaches to the delivery of affordable homes through other means including the acquisition of new sites for development
- How the Council works with RP partners to deliver affordable homes
- How the Council expects completed affordable homes to be allocated
- The Council's position on the funding of affordable housing including the provision of Local Authority Social Housing Grant (LASHG)
- Procedures to monitor and review the strategy

2. Definition

2.1. The Planning Policy Statement 3: Housing 2011 defines affordable housing:

Affordable housing should:

- Meet the needs of local households at costs low enough for them to afford, having regard to local incomes and house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.

2.2. Affordable Housing includes:

- **Social Rented Housing:**
Rented housing owned and managed by registered social landlords, for which guideline target rents are determined through the national rent regime.

- **Affordable rented housing:**

Rented housing let by registered providers of social housing to households who would be eligible for social rented housing. Affordable rents should not be higher than 80% market rent for a property of equivalent size and location in the borough.

- Intermediate affordable housing:
Housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include shared ownership products (Homebuy) and shared equity products, other low cost homes for sale and intermediate rent but do not include affordable rented housing.

3. National Context

3.1. The Government's key housing policy goal is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. To achieve this, the Government is seeking:

- To achieve a wide choice of high quality homes, both affordable and market housing, to address the requirements of the community.
- To widen opportunities for home ownership and ensure high quality housing for those who cannot afford market housing, in particular those who are vulnerable or in need.
- To improve affordability across the housing market, including by increasing the supply of housing.
- To create sustainable, inclusive, mixed communities in all areas, both urban and rural.

3.2. The government has a target of delivering 170,000 new affordable homes in England over the period 2011–15.

4. Regional Context

4.1. The Regional Spatial Strategies (RSS) were introduced in 2004 giving a strategic level plan for each region and setting housing targets. In May 2010, the government announced its intention to abolish the RSS. The 2011 Localism Act enables the revocation of the targets and leaves local authorities free to set their own housing targets, having regard to local needs and aspirations.

4.2. The Broxbourne Local Development Framework will set out the authority's policies on development, how important spaces will be protected from development and how associated infrastructure and services will be provided. The Core Strategy will set out the spatial vision for the area and the housing targets for the period 2011–2026. The East of England Plan 2008 set housing targets for the region and local authority areas. The Broxbourne Core Strategy's housing target of 240 homes/ year during 2011-2026 is broadly in line with this target.

4.3. Broxbourne BC is a member of the Hertfordshire Housing Consortium, which comprises the 10 Hertfordshire local authorities and the major registered social housing providers in Hertfordshire.

5. Local Policy Context

5.1. The Local Strategic Partnership (LSP) for Broxbourne has responsibility for producing the Broxbourne's Sustainable Community Strategy. The LSP implements the action plan and monitors progress towards meeting the priorities it has identified.

5.2. The Broxbourne Housing Strategy 2009 -14 comprises the Places to Live part of the Sustainable Community Strategy. It is the overarching statement of housing priorities for Broxbourne.

5.3. The 7 strategic priorities of the Broxbourne Housing Strategy are:

- Encourage the formation of sustainable communities
- Identify sufficient sites to meet targets for new housing
- Improve the supply of good quality affordable housing
- Improve access to and choice in housing
- Prevent homelessness by providing appropriate advice and accommodation for those at risk
- Provide suitable accommodation and support for vulnerable people
- Maintain and improve the quality of the housing stock across all tenures

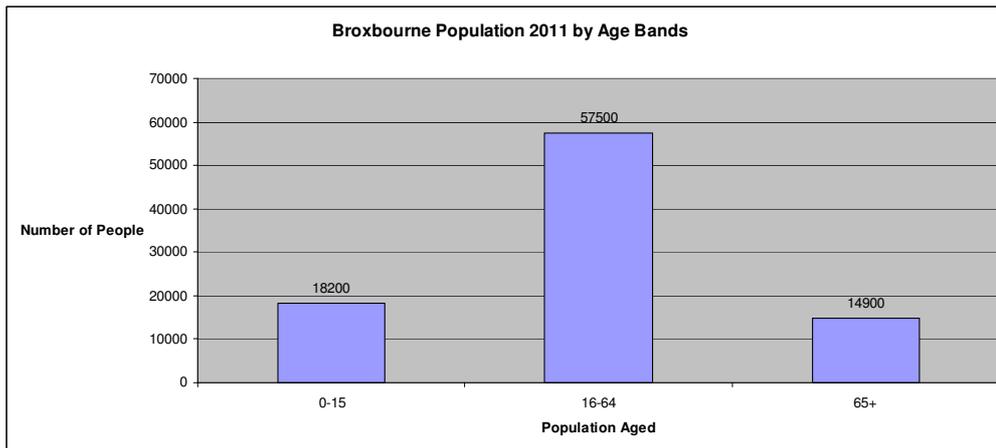
5.4. The Housing Strategy is supported by 3 sub strategies:

- Homelessness Strategy 2008 -13
- Private Sector Housing Strategy
- Affordable Housing Strategy 2012

6. The Need for Affordable housing

6.1. The population of the borough in 2010 is estimated to be 90,600, a 3.8% increase since 2001. The population is projected to increase to 93,800 in 2016. The most significant increase in population is in the number of people aged 80 and over. A 17% increase in this group is forecast between 2011 and 2016 (ONS 2008 based sub national population projections).

Figure1: Broxbourne Population 2011 by Age Bands



Strategic Housing Market Assessment 2008

The Council commissioned a Strategic Housing Market Assessment (SHMA) with 5 other local authorities in Hertfordshire and Essex in 2008. This study was based on published data such as the 2001 Census, Land registry house prices and CACI income data. Unlike previous Housing Needs Assessments for Broxbourne, it did not involve a survey of residents.

Figure 2: Broxbourne Household Projections by Household Type

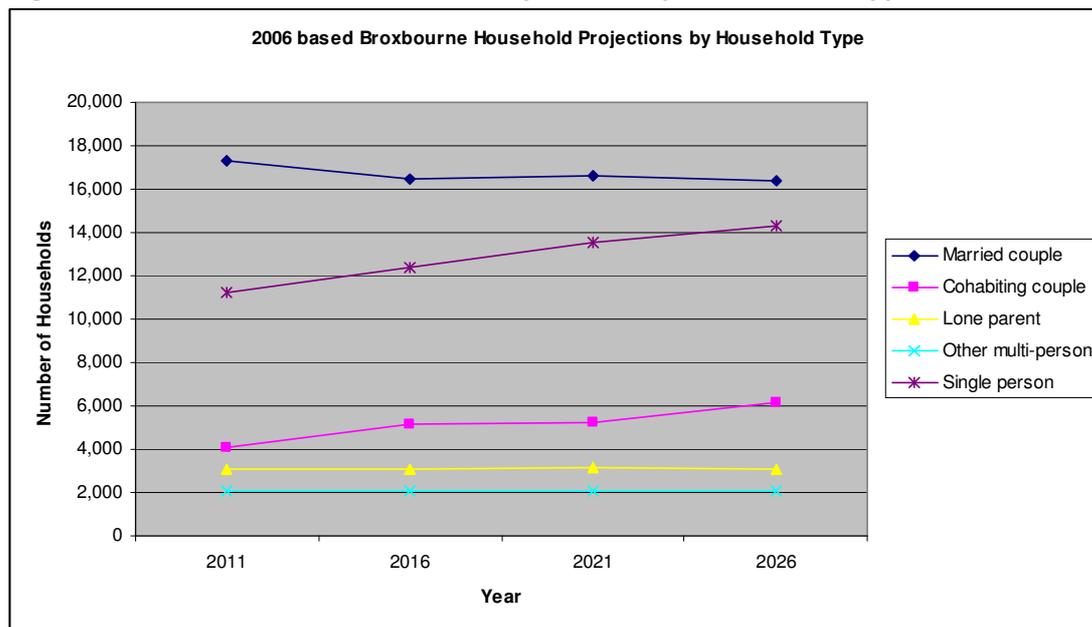


Figure 2 shows the projected change in the different types of household between 2011 and 2026. The greatest change is the growth in the number of single person households, which are projected to increase by 28%.

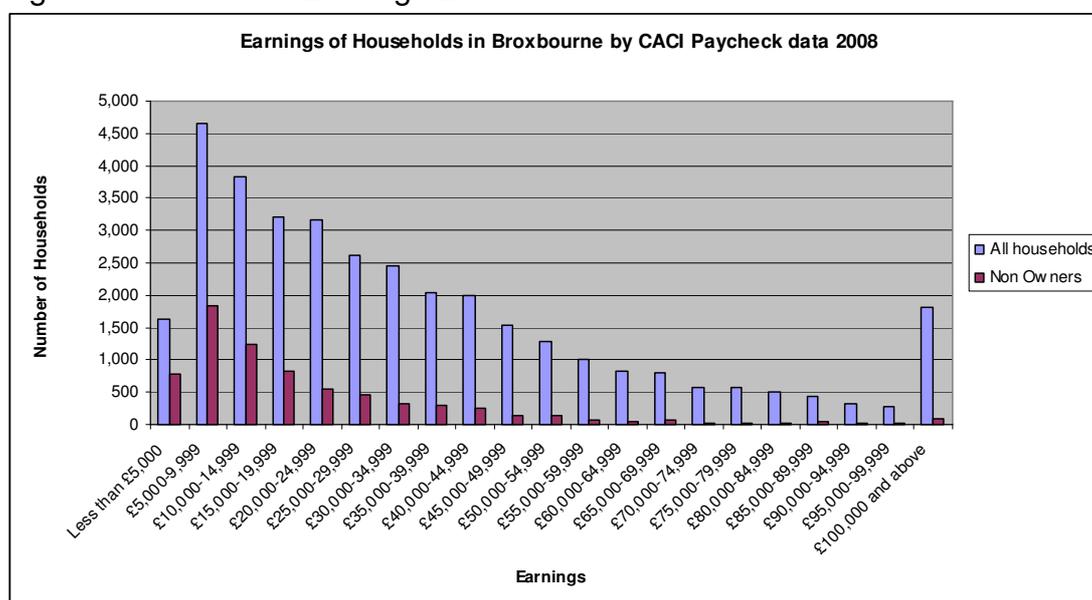
The SHMA used as its starting point the housing growth targets for each authority as set out in the East of England Plan 2008. An analysis of house prices and incomes of households who were not home owners was undertaken and the overall housing requirement for each tenure type was estimated.

Figure 3: Housing Requirement 2007 – 2026 based on long-term house price trends

Housing Type	% Total Housing	Total Number of Homes	Equates to Homes/ year
Market housing	48.0	2,300	121
Intermediate affordable housing	19.3	900	47
Social Rented housing	32.7	1,600	84

The earnings of all households in Broxbourne and of those who did not own a property are shown in Figure 4. Only 22% non owners earned more than £30,000/ year. 14% non owners earned between £20,000 and £29,999/ year.

Figure 4: Household Earnings 2008



The SHMA showed that there were insufficient private rented and home ownership options that were affordable to non owner households earning between £20,000 – 25,000/ year. For households with incomes of less than £20,000/ year, in the main only social rented housing was affordable.

Meeting the Borough’s Housing Need

7. Affordable Rents

7.1. In 2011, the definition of affordable rented housing was revised to include:

Rented housing let by registered providers of social housing to households who would be eligible for social rented housing. Affordable rents should not be higher than 80% market rent for a property of equivalent size and location in the borough.

7.2. Previously, social housing rents were sub-market ‘target’ rents, commonly set at 50-60% open market rents.

7.3. The CLG’s 2011-15 Affordable Homes Programme Framework sets out the structure under which affordable homes can be delivered during the next 4 years. It represents a significant change from earlier years. Registered providers bid to the Homes and Communities Agency (HCA) with proposed 4 year costed development programmes, with an agreed number of affordable homes and grant/unit. Successful providers sign a Framework Delivery Agreement to deliver these homes. Registered providers (RPs) may only offer affordable rented homes, where they form part of an agreement with the HCA to deliver new supply. New rented homes financed by the HCA would normally be expected to be let at affordable rents. Additionally, RPs may, with the agreement of the HCA, convert homes previously let at social rents to affordable rents, when they are relet to a new tenant. These higher rents are expected to generate additional revenue which will be used to reduce the requirement for grant funding for affordable housing.

8. Delivering Affordable Homes through Planning Gain

8.1. Affordable Housing Target

8.1.1. The Strategic Housing Market Assessment (SHMA) recommends that Broxbourne should build 2,300 market homes and 2,500 affordable homes in the period 2006-2026 (equivalent to 240 dwellings per year) in order to cater for population growth and resolve existing affordability problems. It recommends that Broxbourne should build 48% market properties and 52% affordable properties to resolve existing affordability problems. It suggests a target of 1,600 social rented homes and 900 intermediate homes in the period 2006-2026; which equates to 125 affordable dwellings per annum.

	Market homes	Affordable Homes	Affordable as % Total Homes	Total homes	Total number of homes/ year
New build 2006 – 2026 (SHMA)	2,300	2,500	52	4,800	240
Core Strategy submission 2010 -2026	2,304	1,536	40	3,840	240
Core Strategy submission 2010 -2026 homes/ year	144	96	40	240	240

- 8.1.2. However, the Affordable Housing Viability Study found that many sites in the borough are only currently viable at 30% and up to 40% affordable housing. This means that Broxbourne will struggle to build the affordable housing target recommended above. It is important to set the highest target that can viably be achieved however in order to help prevent homelessness and overcrowding. However, the Council considers that such a high target would place too much strain on local services. In a highly pressurised area with acute affordability problems there is concern that a low target would fail residents on the housing waiting list or earning low incomes. A 40% affordable housing target which equates to 96 affordable homes/ year therefore represents the best balance between meeting housing need and not putting excessive development pressure on the borough.
- 8.1.3. On qualifying sites, the sizes of the affordable homes should normally reflect the overall size mix. When affordable housing demand does not align with this, a mix delivering approximately 40% bedrooms will normally be required. However, the mix may be subject to negotiation in order to achieve a balanced, sustainable community. The Council's Housing Strategy section encourages discussions with developers at an early stage regarding the affordable housing provision on specific sites.

8.2. Section 106 Threshold

- 8.2.1. The submission Core Strategy adopts a policy of a 40% target which will be flexibly applied to all development proposals on sites of more than 0.5 hectares or with 15 or more dwellings. The Council is considering reducing this threshold. Commuted payments may be sought where the downsides of affordable housing on a particular site would make it more appropriate to make off-site provision. Payments may also be sought from suitable development proposals of less than 0.5 hectares or fewer than 15 dwellings. These monies will be used to fund affordable housing provision. A Planning Contributions Supplementary Planning Document (SPD) will be prepared to assess the viability of affordable housing contributions from smaller sites alongside other community objectives.
- 8.2.2. The Core Strategy states that the type/size and density of development proposals, particularly those in and around urban areas, will be informed by design considerations, local surroundings and infrastructure capacity. Larger family properties will be favoured on small edge-of-urban sites and/or large green belt sites.

8.3. Site Viability

- 8.3.1. The Council takes the view that the affordable housing requirement should be taken into account by developers when assessing the development potential and land value of a proposed development site. The Council may carry out its own financial appraisal on a given site. Applicants will be required to submit the information detailed in Appendix ... to inform the appraisal.
- 8.3.2. Applicants offering less than 40% affordable housing on qualifying sites will be expected to submit a full viability appraisal of the site and any reports made to the board or partners in support of the development. Applicants may also be required to bear the reasonable costs of the Council's employing consultants to review the appraisal.
- 8.3.3. RP preferred partners have agreed that they will pay the developer no more than 65% of the open market value of the affordable homes or equivalent, made available in pursuance of a s106 obligation. The Council expects negotiations between RPs 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.
- 8.3.4. HCA or LASHG grant will not normally be available for s106 sites. In exceptional circumstances where grant will deliver additionality, it may be available to the Council's RP development partners.

8.4. Tenure Mix

- 8.4.1. The SHMA recommended that the Broxbourne housing requirement should comprise:

Market Housing	48%	
Affordable Housing	52%	
<i>Intermediate affordable housing</i>		<i>19.3%</i>
<i>Social rented housing</i>		<i>32.7%</i>

- 8.4.2. However, site viability has demonstrated that a 52% affordable housing target is not viable at present and a 40% target has been retained.
- 8.4.3. Many local low income households do struggle to access the intermediate sector. In 2010, the average house price: income in Broxbourne was 8.43. Given the low number of shared ownership resales in the borough, there is a need for new intermediate housing in order to increase housing choice and provide access to home ownership for households on lower incomes. However, increasing the percentage of intermediate

homes above the existing 8% requirement would be at the expense of rented homes. Given the high demand from applicants on the housing register for rented housing and the increasing incidence of homelessness, this would be a high risk strategy. Therefore rented homes will continue to be prioritised until market conditions improve. An affordable housing target of 32% rented housing: 8% intermediate housing will be retained for the moment. These targets will be reviewed periodically in the light of site viability.

8.4.4. The SHMA estimated that almost three quarters of the intermediate housing need was for 2 bedroom homes or larger. On smaller sites, the proportion of intermediate housing will be reviewed in the light of the site location, unit type and anticipated demand for the homes.

8.5. Affordability of Intermediate housing

8.5.1. The median gross income in the borough in 2010 was £23,100. (ONS) Incomes of at least £30,000/ year are necessary to be able to finance the purchase of the cheapest one bedroom home in Broxbourne. New intermediate homes should target local households who are unable to access the private sector. Smaller intermediate homes should be affordable to those on incomes between £22,000 and £27,500 (2011 income levels). Equity shares offered to purchasers should include levels of no more than 40% and preferably lower percentages on larger homes. Rent levels should be no more than 2% of unsold equity. These terms will aid households who have difficulty in accessing open market purchase to acquire their own homes.

8.5.2. In assessing the affordability of intermediate schemes, the overall housing cost including mortgage payments, rent and service charges will be taken into account. Normally schemes should be set such that no more than 50% net household income should be allocated to housing costs.

8.5.3. The council's priorities for intermediate housing, set in consultation with the local Homebuy agent, currently Lea Valley Homes, are:

- 1) Current Social Housing tenants and MOD personnel
- 2) First Time Buyers living or working in the borough of Broxbourne earning no more than £60,000/ year and existing shared ownership owners living or working in Broxbourne. Existing Home owners living in Broxbourne and liable to lose their homes as a result of relationship breakdown.
- 3) Other First Time buyers earning £60,000/ year or less

8.5.4. Intermediate housing in the borough is advertised by the Hertfordshire Homebuy agent. They carry out eligibility checks and maintain a database of applicants indicating an interest in intermediate properties. When intermediate properties are nearing completion the developing RP should request a list of applicants on the Council's housing register who are interested in this type of property. In addition, a list of applicants registered with the Homebuy agent should be requested. Marketing materials should be sent to these applicants.

8.5.5. Applicants expressing interest in the properties should be prioritised as above. The Council will approve applicants before a formal offer is made by the RP.

8.6. Affordable Rent

8.6.1. The SHMA was carried out before the introduction of the affordable rent product and therefore did not have regard to this type of affordable housing. Average incomes in Broxbourne are low; the median gross income in 2010 was £23,100. 80% market rent may be unaffordable to working families on low incomes. The Council will therefore assess the affordability of proposed affordable rent schemes, especially homes of 3 and 4 bedrooms and may require these rents to be set lower than 80% market rent. The Council will support affordable housing proposals of 32% affordable rented: 8% intermediate housing, provided that rents are shown to be affordable to applicants on the housing register.

8.7. Size Mix

8.7.1. The size, location and nature of the site will influence the size mix of the affordable housing to be provided. Family housing will be prioritised on suitable sites and a range of unit sizes is preferable. On s106 sites, the Council's starting position is that the size mix of the homes should reflect the mix on the site as a whole.

8.8. Distribution of Dwellings on Section 106 Sites

8.8.1. Government planning policy guidance recognises the need to create sustainable communities which include a mix of uses and tenures to reach 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. However, where appropriate, sympathetic groupings will be considered.

8.8.2. On smaller sites, the distribution of affordable homes will be considered on a case by case basis. However, for all sizes of sites, due weight will be afforded by the Council to the views of the RP partner who will own and manage the site after completion.

8.9. Planning conditions

8.9.1. The Council normally requires the provision of affordable housing on qualifying sites through a s106 agreement. Affordable housing should be available in perpetuity for those in housing need in accordance with the PPS3 guidance. The type, distribution, mix and tenure of the affordable dwellings should accord with the policy set out in this Affordable Housing Strategy. A mortgagee in exclusion clause will normally be included in s106 agreements.

8.9.2. The Council would expect the fully serviced homes or, where appropriate, land, to be transferred to a RP prior to the occupation of an agreed percentage of open market housing. This will be negotiated on a case by case basis.

8.10. Unilateral Undertakings

8.11. The Council would normally expect a developer to comply with its obligations by way of a planning obligation. However, where a developer offers a unilateral undertaking, the Council would expect such an undertaking to adhere to the principles and requirements of this strategy. In particular the Council would expect the percentage of affordable homes and size mix to be as set out in this document.

8.12. Any variation to this will be considered on its own merits and having regard to this, and other key priorities of the Council.

8.13. Completed Units

8.14. Affordable homes should be provided to the standard set out in this strategy and related policies including:

- Local Development Framework
- Any supplementary planning guidance/ documents that are published from time to time
- RP design brief
- Homes and Communities Agency's design and quality standards or equivalent including Code for Sustainable Homes Level 3 or higher

8.15. This applies irrespective of whether the affordable homes are provided with or without grant and irrespective of funding source. Residents of affordable housing require the same

infrastructure provision as the 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. Normally the percentage of parking spaces allocated to affordable housing residents should be commensurate with the percentage of affordable housing on the development.

8.16. Lifetime and Wheelchair Homes

8.17. Lifetime Homes are built to readily adapt to the changing needs of their residents through their whole lives. On new build schemes the Council has a target of all affordable houses and ground floor flats to be Lifetime homes. Where need can be demonstrated in the specific location, 10% of all affordable homes should be suitable for wheelchair users.

8.18. Serviced Land or Plots

8.18.1. In exceptional cases, the Council may be prepared to accept transfer to an agreed RP of free, serviced land and consideration in lieu of completed units. Free land is defined as transfer at nil consideration. Consideration is the cash contribution, to be decided on a scheme by scheme basis.

8.18.2. Serviced land is defined as land that has all the services provided up to the frontage of each plot. Services provided include (but may not be limited to) the following:

- Decontamination where applicable.
- Water.
- Sewerage.
- Drainage.
- Electricity.
- Gas.
- Telecommunications.
- Cabling.
- Roads and pathways.
- Shared car parking areas.

8.19. Section 106 sites: Selecting a RP

8.19.1. Generally the Council will nominate a specific RP to work with a developer on a s106 site. However, the Council will consider specific requests from developers to work with another RP where, for example, the developer and the RP have an ongoing partnership, as long as that RP is one of the Council's preferred partners. The Council will set a ceiling for the overall

amount to be paid by the RP for the units. Nominated RPs are expected to comply with the Council's strategy in respect of this.

8.19.2. It is the intention of this Strategy that, in general terms, development opportunities be spread broadly evenly across the partners. However, in any one year this may not be possible or desirable. The Council may, in some circumstances, give additional weight to BHA in determining the most appropriate partner on a given scheme.

8.20. **Off-Site Affordable Housing Provision**

8.20.1. The Council will take a flexible approach in order to maximise the provision of affordable housing across all tenures. The Council may seek serviced land, off-site units or commuted payments where the downsides of affordable housing on a particular site would make it more appropriate to make off-site provision. 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. The Council will 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.

8.20.2. The Council's Planning and Licensing committee set out its policy on commuted payments in October 2006:

8.20.3. Where a commuted payment is offered, the Council aims to achieve a similar ratio of market to affordable housing as if the units were provided on-site, i.e. (40% of the total). In the case of outline planning applications, the contribution will be based on the indicative figure included in the design and access statement. Provision will be made in the planning agreement for additional payments where reserved matters include additional dwellings.

8.20.4. Commuted payments will be based on a contribution per dwelling unit to reflect like for like provision through open market acquisition. The payment is based on local housing market costs and any grant that would normally be available from the Homes and Communities Agency. The elements will be reviewed annually.

8.20.5. Payments will be determined on a case by case basis. The payment should result in a cost neutral position for the council and the developing RP.

8.21. **Provision of land or units off-site**

8.21.1. Where off-site provision is agreed, this contribution will be used directly to provide affordable housing in the district. Provision will be applied by the Council to meet local housing need in accordance with the housing need priorities at the time and in line with the priorities set out in the Council's Affordable Housing Strategy.

8.21.2. Where there is agreement to provide land, the Council will, where necessary, seek an independent valuation. The contribution of land will in most cases be land, serviced to its boundaries, of sufficient area to provide the equivalent on site provision. Cash contributions may be sought in addition to land where the land is of insufficient area to provide the equivalent on site provision.

8.21.3. Payments received in lieu of affordable housing will be held in an Affordable Housing Fund and used for the provision of affordable housing in the Borough. This may be through:

- Acquisition of land independently or in conjunction with RPs for affordable housing schemes.
- Support for purchase of additional open market units in conjunction with RPs
- Financial Support for site-specific projects, e.g. 100% affordable schemes, conversions etc.

8.21.4. Provision of completed units on an alternative site will be in addition to any applicable affordable housing requirement arising from the alternative site.

8.21.5. Where off-site monies are made available to RPs in the form of direct grants, they will normally only be made available to preferred partner RPs.

8.22. **Planning Applications**

8.22.1. The Council wishes to ensure that both the housing authority and its RP partners are fully involved in the delivery of affordable housing through the planning system as early as possible, both prior to and following submission of a planning application. Planning applications should contain sufficient information, in addition to the design statement, to satisfy the Council that the overall scheme is viable and that the affordable housing provision will be of the size and type appropriate to meet identified needs. Early dialogue will assist developers in submitting planning applications that fully meet the Council's affordable housing requirements and prevent delays through the need to re-design and redraw scheme layouts.

9. **Delivering Homes through other Means**

9.1. It is envisaged that opportunities will continue to arise to provide additional units outside of the planning process. These may include development on land owned by the Council or RPs, and could include sites below the threshold for providing affordable housing, as well as the acquisition of dwellings on the open market, where this is considered appropriate.

9.2. Council Land

9.2.1. The Council may make land in its ownership 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 be transferred only to preferred partner RPs in exchange for nomination rights to the affordable homes built on the site and is generally transferred at nil cost. However, this cannot be guaranteed.

9.3. Land Acquisition

9.3.1. The level of housing need in the borough is high and unlikely to be met by the anticipated future development. The Council believes that acquisition of land for affordable housing development is justified to enable more need to be met. The Council is therefore actively seeking opportunities to buy land to develop affordable homes and will continue to work with RPs on land assemblies to provide affordable housing. It will make resources available where it considers it appropriate to do so, including the use of commuted sums for off-site provision..

9.4. RP Purchase of existing properties

9.4.1. Purchasing homes on the open market is generally not considered value for money, and would therefore not normally attract any grant payments. Accordingly, the Council does not have an ongoing open market purchase programme.

9.4.2. However, where there is a significant shortfall in the new development programme, the Council may in certain circumstances consider grant funding the purchase of properties on the open market, in co-operation with partner RPs:

- a) on new build schemes, the developer offers a partner RP units over and above the section 106 requirement as part of a negotiated package that offers good value for money
- b) where units can be acquired below market value
- c) where there is significant advantage in acquiring a specific property e.g. where it has been significantly adapted and there is identified demand for it, or as part of a land assembly

9.4.3. Where the Council decides to implement such a programme, the Council determines the cost ceiling payable, property type and tenure as part of the negotiations with the RP partner.

9.5. Low cost home ownership buy backs

9.5.1. From time to time, homes in which a RP partner owns part of the equity become available again leading to a number of options:

- a) recycle the home as a low cost home ownership product (LCHO).
- b) convert the unit into a social rented unit.
- c) convert the unit to 100% market

9.5.2. The Council will evaluate each property on a case by case basis having regard to the suitability of the dwelling as a rented or LCHO unit, the grant requirement to convert the unit to rented, and the view of the RP. The Council may, however, review these priorities in line with any revision in the assessment of local need.

10. Partnership Working

10.1. The successful delivery of affordable housing in Broxbourne is dependent on the relationships built up between the house builder, the developing and managing social landlord and the Council through its planning, enabling and housing allocation roles.

10.2. In view of their expertise in the field, the Council would normally expect that the social or affordable rented accommodation provided is managed by one of the Council's preferred partner RPs. Where a developer elects to make alternative arrangements, the Council will need to be satisfied that acceptable procedures are in place to ensure that the housing is made available to those in proven need, at rent levels that are affordable to local residents, and the homes are managed to equivalent standards to those required by the HCA.

11. Working with Registered Providers

11.1. There are 13 registered provider (RP) landlords that own and manage social housing in Broxbourne. The council currently works with six preferred partner RPs in the delivery of new affordable homes:

- Aldwyck Housing Association
- Broxbourne Housing Association
- Hightown Praetorian & Churches Housing Association
- Metropolitan Housing Trust
- North Hertfordshire Homes

- Paradigm Housing Group

12. Preferred Partner Agreement

- 12.1. The Council views its relationship with its preferred partners as central to the delivery of its Affordable Housing Strategy. The RSL preferred partners must be signatories to the Council's preferred partner agreement (Appendix ...), which sets out the development, nomination and management requirements of the parties concerned. Preferred partner status with the Council is dependant upon adherence to its core principles.
- 12.2. Regular development liaison meetings are held with partner RPs to ensure that the relationship is fully consultative and directed to achieving targets. This partnering approach embraces design, development and management issues.
- 12.3. Separate Housing Management Liaison meetings focus on local management issues, involving all local providers. The Council also chairs the Multi-agency Housing Initiative Group which is a partnership of a number of agencies designed to engender engagement and community capacity building amongst social tenants, with a particular focus on new developments.
- 12.4. It is a condition of the granting of LASHG that RPs are signatories to the preferred partner agreement.
- 12.5. The Council would normally expect RP partners to carry out some type of post occupation evaluation of new affordable homes and to share these findings with the Council to inform future planning.
- 12.6. The Council will carry out an annual review of its RP partners to ensure their continued commitment to working towards meeting the Council's affordable housing strategic objectives. The Council will periodically review the partnership arrangements, including consideration of retendering for preferred partner RPs.

13. Preferred Partner Development Agreement with Broxbourne Housing Association

- 13.1. It is anticipated that this will be determined during 2012.

14. Non Partner Registered Providers

- 14.1. It is central to this strategy that the Council works with its preferred partners who are signatories to the Preferred Partner Agreement. However, very exceptionally, there may be circumstances where it may agree to work with other RPs. The broad principles are:

- That working with that RP will bring quantifiable benefit, over and above that deliverable by our partners (*and without the need for LASHG*)
- That the RP can demonstrate an ability to provide appropriate levels of service to tenants, post development
- That the RP agrees to the principles set out in the Council's key strategic documents including the preferred partner agreement, Affordable Housing Strategy, Housing Strategy and Homelessness Strategy.

15. Nominations

- 15.1. The Council's Strategic Tenancy Policy is included in its published Allocations Policy.
- 15.2. All RPs working with the Council are expected to sign up to the Common Housing Register managed by the Council, which requires that all local voids are filled by Council nominees. However, under the Common Housing Register arrangements, 25% of all nominations are automatically ring fenced for tenants of RPs who are resident in the borough of Broxbourne.
- 15.3. In the event that the Council abandons the Common Housing Register, it is expected that the Council would receive 100% nominations on first let and 75% thereafter in line with existing nomination agreements.
- 15.4. Preferred partners are also expected to participate in Choice Based Lettings for rented properties and co-operate and engage with the Council's Choice Based Lettings partners, Locata (Housing Services Ltd) and the Herts and Essex Housing Options Consortium scheme *HomeOption*.

16. Partnership Working with other Local Authorities

- 16.1. 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. Grant may be made available for such schemes, although there is no guarantee.

17. Private Developers

- 17.1. The Council believes that RPs are best placed to manage and develop affordable housing. Therefore it expects developers to work with the Council's preferred partner RPs in delivering affordable homes in the borough. The Council will not provide grant to private developers for the development of affordable homes.

18. Supported Housing

- 18.1. The Council will promote the provision of specialist accommodation for the elderly and for people with physical and learning disabilities, mental health issues, drug and alcohol addictions and other specialist problems where there is an identified need.
- 18.2. Where the Council commissions any specialist supported housing, the Council would seek to work with a preferred partner to enable such a scheme to go forward. However, as such schemes generally rely on revenue funding from Hertfordshire County Council (HCC) to fund the support costs, the Council will work with HCC to identify the need for such a scheme and in determining a development partner. The Council will consider grant funding of such schemes where they demonstrate a clear fit with the Council's Housing and Homelessness strategies, including homelessness prevention. Proposals for supported housing schemes should normally be accompanied by proposals for the revenue funding of the support to be offered to residents. Schemes should show a good fit with the HCC's strategies for the care and support of vulnerable groups. If the ongoing support is likely to be funded by HCC, an indication of support for the scheme will be required from HCC.

19. Funding

19.1. Local Authority Social Housing Grant

- 19.1.1. Although the Council continues to fund a Local Authority Social Housing Grant (LASHG) programme, these funds should be seen as a 'last resort' when all other options have been explored and exhausted. LASHG is primarily intended to supplement existing funding streams either to deliver a scheme that would not otherwise go forward, or to ensure that scheme mix and tenure meets local need, where in the absence of such funds, this will not be achieved. LASHG has usually been provided on a match funding basis with the HCA. Grant will normally only be made available to a RP preferred partner. It will not normally be available to fund section 106 units.
- 19.1.2. When a development proposal includes LASHG, an open book process will be expected with the RP partner showing the Council the basis of its calculations. The Council reserves the right to conduct its own development appraisal before determining grant payable. The Council welcomes RP investing in development land and land banking in the borough. Schemes arising through this route would be appropriate for LASHG.

- 19.1.3. All grants payable to RP partners are conditional on the Council receiving 100% nomination rights on first let and 75% thereafter, in perpetuity.

19.2. **Registered Provider Resources**

- 19.2.1. The Council expects that, wherever possible, RP partners maximise the use of their own reserves and investment capacity to deliver affordable homes in Broxbourne, using the same broad criteria as they would with other local authority partners. The guiding principle is that LASHG should deliver additional and not substitute investment by RP partners.

19.3. **National Affordable Housing Programme**

- 19.3.1. Funding from central government via the HCA under the National Affordable Housing Programme should be considered the first and primary source of funding for the delivery of affordable housing, where additional funding is necessary.

19.4. **Disabled Facilities Grants**

- 19.4.1. Grants made via this route are made in the context of the statutory and local policy frameworks. Tenants of RPs will be expected to apply for such grants in the normal way and will be assessed accordingly. However, the Council would expect preferred partners to consider making a capital contribution to these works, where appropriate.

20. Monitoring and Review of the Affordable Housing Strategy

- 20.1. The strategy will run from 2012 – 2015.
- 20.2. The strategy will be monitored against the targets set out in the action plan. Monitoring of the strategy will be reported quarterly to the Cabinet and to the Homelessness Strategy steering group. Current and future housing delivery also features in the LDF Annual Monitoring Plan which is considered by the Planning and Licensing committee and submitted to the government office every December. Progress will be reviewed with partner RPs through the regular liaison meetings.
- 20.3. The Strategy will be updated annually, taking into account:
- Revised housing policies and targets
 - Updated housing land supply and development sites
 - Findings from research into local housing need
 - Monitoring of affordable housing delivery