

## Public Document Pack

<b>MEETING:</b>	Penistone Area Council
<b>DATE:</b>	Thursday, 7 December 2017
<b>TIME:</b>	10.00 am
<b>VENUE:</b>	Council Chamber, Penistone Town Hall

### AGENDA

- 6 Affordable housing (PAC.07.12.2017/6) (*Pages 3 - 20*)

To: Chair and Members of Penistone Area Council:-

Councillors Barnard (Chair), David Griffin, Hand-Davis, Millner, Unsworth and Wilson

Area Council Support Officers:

David Shepherd, Penistone Area Council Senior Management Link Officer  
Elaine Equeall, Penistone Area Council Manager  
Kate Faulkes, Head of Service, Stronger Communities  
Peter Mirfin, Council Governance Officer

Please contact Peter Mirfin on 01226 773147 or email [governance@barnsley.gov.uk](mailto:governance@barnsley.gov.uk)

Wednesday, 29 November 2017

This page is intentionally left blank

# Affordable Housing - Section 106



**Presentation to Penistone Area Council  
December 2017**

---

## Definition - Affordable Housing is...

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

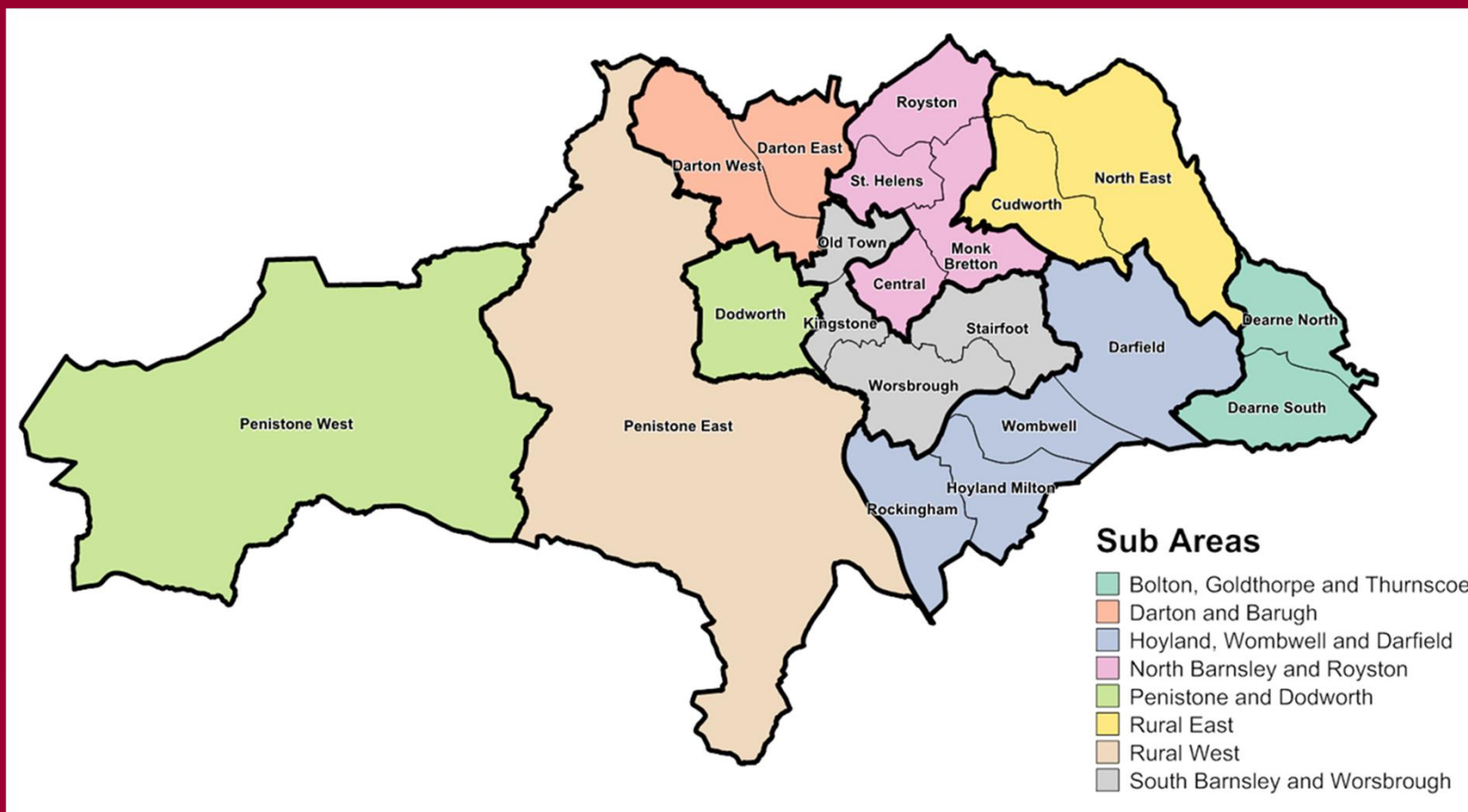
**Social Rented Housing** - owned by local authorities and private Registered Providers with guideline target rents set through the national rent regime.

**Affordable Rented Housing** - let by local authorities or private Registered Providers of social housing to households who are eligible for social rented housing. Affordable Rent should be no more than 80% of the local market rent (including any service charges).

**Intermediate Housing** - homes for sale and rent provided at a cost above social rent, but below market levels. E.G shared equity or other low cost homes for sale and intermediate rent. Homes that do not meet the above definition of affordable housing, such as “low cost market” housing/Help to Buy, are not be considered as affordable housing in planning terms.



# Barnsley Geography



---

# Market Supply and Demand

The SHMA update 2017 suggests:

- Overall shortfalls of detached and semi-detached houses and bungalows
- Sufficient supply of terraced houses and flats
- Shortfalls of all property sizes
- Need to continue development to satisfy household aspirations, in particular the development of detached and semi-detached houses and a range of property sizes to offset identified market imbalances.
- Need to develop an increasing range of housing and support products for older people.
- Need to deliver additional affordable housing to help offset the identified net shortfalls



---

## Affordable Housing Need

- Net annual shortfall = 295  
(5 years 2014-19).
- Tenure Split Preference – 78.8%  
(Social) Rented, 21.2% Intermediate  
Tenure.



Sub Area	General Needs 1/2 Bed	General Needs 3+ Bed	Older Persons 1/2 Bed	TOTAL
Bolton, Goldthorpe and Thurnscoe	74	-34	-1	39
Darton and Barugh	44	-6	6	44
Hoyland, Wombwell and Darfield	113	-36	15	92
North Barnsley and Royston	111	-67	9	53
Penistone and Dodworth	72	21	16	109
Rural East	-9	-22	1	-30
Rural West	41	-6	-4	31
South Barnsley and Worsbrough	9	-55	3	-43
Total	455	-205	45	295





# Affordable Housing Policy – Draft SPD

- Local Plan evidence base contains revised SHMA and Draft SPD
- Existing Policy =
  - 25% in Penistone and the Rural West, Darton, Barugh and Dodworth.
  - 15% across the rest of the Borough.



# Barnsley's Local Plan policy H8 states:

Housing developments of 15 or more dwellings will be expected to provide affordable housing.

- 30% affordable housing will be expected in the Rural West, and Penistone and Dodworth;
- 20% affordable housing in Darton and Barugh;
- 10% in South Barnsley and Worsbrough; Bolton, Goldthorpe and Thurnscoe; Hoyland, Wombwell and Darfield; North Barnsley and Royston and the Rural East.

These percentages will be sought unless it can be demonstrated through a viability assessment that the required figure would render the scheme unviable. The developer must show that arrangements have been put in place to keep the new homes affordable.



---

# Methods of Delivery

1. On-site provision of affordable units (30%: 20%:10%) transferred to a Registered Provider (“RP”) at a discounted price for rent or affordable sale.
2. Shared equity or other low cost home ownership schemes sold by the developer direct to eligible purchasers.
3. The transfer of free serviced land, equivalent to the level of contribution secured, to an RP or the Council to enable them to deliver affordable housing itself within the site.
4. On-site provision of affordable units through transfer to an agreed third party provider which will hold the asset and enter into a long term lease with an RP.



---

# Methods of Delivery

- 5. Off site provision, which can include improvements to, or refurbishments of, existing or acquired stock, or new provision on alternative parcels of land.
- 6. A financial contribution (commuted sum) equivalent to the cost of on-site provision\*.
- 7. A mix of the above e.g. part on-site provision, part off-site provision and part commuted sum

\* In July 2013, Cabinet approved a report to establish a Strategic Section 106 Officer Panel. Decisions re: section 106 commuted sum spend for Affordable Housing will be agreed by this group following a Prioritisation Framework.



# Housing Growth Penistone (Dec 17)

- Allocations - 8 key sites (Inc. Oughtibridge)  
39.1 ha = 828 units
- 124 completions 2016/17 (14% of overall completions) (includes conversions)
- 1296 Social Housing (across both wards)  
= 11.9%
- Completions 2000-2017/18 = 2562 over 416 sites
- 15+ sites = 32 BUT 19 agreed prior to AH Policy & 1 excluded (live/work units)
- 3 sites delivered Maj. AH (66 AH, 6 sale)
- 9 sites delivered 446 units (72 AH & £1,020,352 in revenue) = 16% on-site
- 198 AH units since 2000 – 10% across all sites (including those pre-AH policy).

## Sites with Completions from and including 2000 - 2017/18 in Penistone Wards (includes new build, conversion, change of use etc)

Number of Sites	416
Sites of under 15 units	384
Sites of 15 or over	32
Units in All Sites	2562
Units in sites of under 15	819
In sites of 15 or over	1743
1 unit sites	247
account for almost 60% of sites in area	59.4%
& produce just under 10% of all units delivered	9.6%
Sites of 2-14	137
account for 33% of sites in area	32.9%
and produce 22% of all units delivered	22.3%
Sites of 15 or over	32
account for only 8% of sites in area	7.7%
but produce 68% of all units delivered	68.0%



# Affordable Housing Borough wide

## Evidence Base for LP:

- 15% areas = 13 sites, 1179 units average of 7.85% AH on-site
- 25% areas = 6 sites, 732 units average of 19.5% on-site

## Annual Completions:

Annual Target (internal) = 150 units

2016/17 = 160

2017/18 @ Q2 = 98 units (65% of target)

Currently 125 new units being delivered via the AHP programme (Nanny Marr, Snape Hill, Hill End Road, King's Road) with 1 additional schemes (56 units) seeking Planning Approval.

Section 106 completions – 15 in Q2 (57 in 2017/18 to date). 28 acquired by BH -10 at Hartcliffe Penistone; 14 Cross Street Monk Bretton & 4 at Mapplewell.



**BARNESLEY**  
Metropolitan Borough Council

# AH Section 106 Spend Position

- Allocated = £187,000 (2017/18)
- To be Allocated = £1,771,000 (collected 2015-2017)
- Since 2013 – £265,586 s106 spent (£715,414 match)

Affordable Housing		
Development	Amount	Specified Use
Bamford Close, Dodworth	£129,414	Dodworth ward
Bamford Close, Dodworth	£155,000	Dodworth ward
Kingstone High School	£337,337	Bungalows in borough
Church Lane, Hoylandswaine	£341,760	Borough wide
Penistone Grammar School	£200,400	No conditions (assume Penistone)
Hartcliff Road, Penistone	£323,242	Borough wide
Highfield Grange, Wombwell	£283,730	Hoyland, Wombwell or Darfield
<b>TOTAL</b>	<b>£1,770,883</b>	



# AH Section 106 Spend/Priorities

## Current:

- 2016-19 - supported (as match to HRA) the acquisition of 70 new build units.
- Future acquisitions (agreed in principle) for 7 sites during 2018/19 and beyond.
- To support projects which bring empty homes back into use to be let as Affordable Housing - used as LA match to support grant funding requested via the Homes and Communities Agency's Empty Homes Programme.
  - 2015/18 funding has supported the return to use of 37 units.
  - 2018-21, £400,000 funding will be used as match to return a further 39 units back into use for let via Berneslai Homes.

## Pipeline/Future:

- Section 106 funding is identified to support the strategic acquisition of land for the purpose of delivering Council House Build development.
- Strategic growth opportunities emerging from the allocation of Local Plan sites at Penistone, Royston-Carlton J36 and J37. Opportunity to acquire up to 500 Section 106 Homes over the Plan Period.





# Prioritisation Framework

Contribute to the Housing Growth 5 Year Investment Plan, which will provide strategic housing with the flexibility to support the delivery of new build housing schemes on:

- Smaller less viable infill pots
- Schemes providing costly specialist housing provision for vulnerable/older persons, or;
- Schemes with extensive site abnormal that our RSL framework partners would otherwise be unable to financially support.
- Assist in delivering the Council's Empty Homes Strategy via supporting the acquisition of Empty Homes for Affordable Housing provision, or 'match' monies as part of a wider HCA Affordable Housing Programme submission (Empty Homes or New Build).
- Contribute to the improvement of Council owned Social Housing Assets which are over and above Barnsley Homes Standard works, and/or, planned maintenance. For example, this may include a contribution towards extensive re-modelling of obsolete housing, or a requirement to address properties with a specific Conservation Status etc.



---

# Prioritisation Framework cont.

- Support the acceleration of Housing Growth by supporting the strategic purchase of section 106 units on priority housing development sites - across the Housing Growth Zones (Hoyland, Dearne Valley and Junction 36/37).
- Support the acceleration of Housing Growth by funding the strategic purchase of land/assets for the purposes of delivering Affordable Housing Provision (Land Assembly, selective clearance to facilitate new build/access etc.).
- Support the delivery of new build affordable housing provision by the Council/ALMO in priority regeneration/growth areas - e.g. The Dearne, Hoyland and Dearne Valley Growth Corridors, J36/J37, the West.



---

# Future Process:

December 2017 – report on section 106 to Cabinet

## Recommendations:

- Further Member representation on the panel. Cllr Gardiner was nominated given his Finance Portfolio.
- Head of Planning to join the panel.
- Quarterly reports being shared with Members to show the position in respect of allocated and unallocated monies.
- Members to be notified when a scheme is being presented to the panel.
- All reports evaluated against Strategic Fit, Value for Money, opportunities for match funding, scope for new income generation, avoiding/minimising maintenance costs, Community Support, & Deliverability.



---

# Any Questions ??



**BARNSLEY**  
Metropolitan Borough Council