

Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET – 7 DECEMBER 2023
Subject	PROACTIVE DELIVERY OF AFFORDABLE HOUSING
Wards affected	All
Accountable member	Joe Harris - Leader of the Council Email: j <u>oe.harris@cotswold.gov.uk</u>
Accountable officer	Charlie Jackson - Assistant Director, Planning & Sustainability Email: <u>charlie.jackson@publicagroup.uk</u>
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Summary/Purpose	This report seeks to outline the Council's aspiration for a more proactive approach to increase the supply of affordable housing within the district, outline of how this can be achieved, and the resources required.
Annexes	None
Recommendation(s)	 That Cabinet resolves to: I. Note the suggestions to explore more innovative and proactive models to enhance the Council's ability to increase the supply of affordable homes within the district.
Corporate priorities	 Provide socially rented homes; We are at the centre of a housing affordability crisis. Housing is key to resilient, supportive communities, health and wellbeing, and a safe place to live and thrive. Without an affordable home, none of these can flourish, and so it's vital we tackle the national housing affordability crisis and strive to provide a home for everyone. We will maximise the opportunities presented by our own assets as well as working with developers and partners to progress affordable housing developments within the District.
Key Decision	NO



Exempt	NO
Consultees/ Consultation	Consultation with stakeholders, colleagues, portfolio holders and retained officers regarding moving to a more proactive approach. Further consultation required once actions to take forward have been identified.



I. EXECUTIVE SUMMARY

1.1 Cotswold District Council recognises the national housing affordability crisis and the impact on residents and communities. It is a key corporate priority for the Administration to explore all options to increase the number of affordable homes – especially those within the social rented category, which are ultimately one of the few forms of truly affordable housing. This paper sets out how the council will look to enhance the proactive measures available to take a more proactive approach to the delivery of affordable housing.

2. BACKGROUND

- 2.1 Social housing stock has been in steady decline across the county for the past several decades, with former stock being sold off, demolished and not replaced. Shelter report there are 1.4 million fewer households in social housing than in 1980, and 1 million households are currently waiting for social housing. Combined with excessive house prices, making homes unaffordable, this has pushed demand into the private rental sector, where supply has been slow to keep up. The result is above inflationary increases in rents, especially in the south of England and big cities.
- 2.2 Cotswold District Council has identified through its housing register that 1453 households across the district are in need of affordable rented housing and recognises the national housing affordability crisis and the need to do more to combat the effects of this emergency within the district. The Corporate Plan and recently refreshed Housing Strategy, sets out the intent to provide more affordable housing (with the emphasis on social rented accommodation) and provide additional housing to meet the needs of the district. The Council understands the impact of the changing economical environment and wishes to put measures in place to increase the number of truly affordable housing units delivered annually, including the promotion of innovative housing solutions to reduce the housing waiting list and develop and maintain thriving communities.
- **2.3** Cotswold District is a challenging economical environment with house prices being on average around 14 times higher than average earnings.

3. CURRENT DELIVERY METHODS

- **3.1** The council currently seeks to deliver affordable housing through a number of mechanisms, including developer contributions and land led developments (in partnership with housing associations).
- 3.2 Via Section 106 agreements, on schemes over a certain threshold size, developers are required to build affordable housing units as part of their planning permission. This valuable contribution to housing supply helps to create mixed-tenure communities. However, a survey conducted by Inside Housing showed only 49% of the homes completed by housing associations in 2021-22 were acquired via Section 106. Inside Housing considers that this



percentage will continue to reduce meaning alternative methods of affordable housing delivery are required and more housing associations are exploring land led schemes to deliver affordable housing instead.

4. NEXT STEPS

- **4.1** The council wishes to take a more proactive approach in meeting the affordable housing demands of the district and has identified a number of workstreams to pursue. These include:
 - Developing key working relationships with organisations to support the council's ambitions, identifying existing and new partners to support this proactive approach, including Housing Associations, developers and Homes England.
 - Working with partners to identify different models of delivery including building homes on council owned land, acquiring new land, purchasing homes from the open market and reviewing empty homes across the district.
 - Creating a blended approach to housing delivery utilising existing resources including council plans and policies, reviewing strategic site allocations and brownfield site opportunities and exploring alternative options such as rural exception sites and the use of Compulsory Purchase Orders.
 - Identifying and defining less obvious areas of the district where there are opportunities and a need for affordable housing (what could be termed as "hidden needs"), such as the needs of key workers, supported housing and care leaver requirements.
- **4.2** There are no doubt further options that can be brought forward to explore, and best practice across the UK can be reviewed and incorporated into these ambitions.
- **4.3** This approach will be carried out in line with the council's new Housing Strategy once formalised.

5. **RESOURCING**

- 5.1 Cotswold District Council currently has 1 FTE Strategic Housing & Development Officer working within the Housing Strategy Team. This colleague plays a crucial role in shaping the growth and development of communities within the district to ensure housing needs are met.
- **5.2** The council's ambition to deliver more affordable homes outside of traditional methods requires additional resource, to enhance and drive the strategic vision, and to seek out new ways of working. To this end a Strategic Housing Development & Enabling Manager will be appointed.



5.3 West Oxfordshire Council share these ambitions so following conversations between the two Councils, the proposal is that this post will be shared.

6. ALTERNATIVE OPTIONS

- **6.1** An alternative option would be to continue to seek to deliver more innovative solutions to the affordable housing crisis using existing resources. However, it is unlikely that this approach will allow the Council's ambitions to be realised as this member of staff is already working at capacity.
- **6.2** It is therefore likely that using existing resource would not allow a truly proactive approach to delivering more affordable housing. This would likely result in an unacceptable step back from the council's ambitions as set out within the Corporate Strategy.

7. CONCLUSIONS

- **7.1** The housing affordability crisis and need for affordable housing continues to grow. Whilst the Council is affective in delivering affordable housing through traditional methods, there are alternative options that can be explored to take a proactive approach, meet the needs of the district more specifically, and deliver additional truly affordable housing units for our communities.
- 7.2 In order to achieve this greater capacity and alternative skills are required. A new "Strategic Housing Development and Enabling Manager" role can be appointed using existing budget on a 2 year FTC.

8. FINANCIAL IMPLICATIONS

- **8.1** This paper outlines the proactive approach and ideas to take forward in order to generate additional affordable housing outside of traditional delivery methods. Those workstreams will need to be appraised and costed at the appropriate time and intervals.
- **8.2** Funding for the new role of Strategic Housing Development & Enabling Manager will be shared between this council and West Oxfordshire District Council. Funding for this role will come from existing budget and will be at no extra cost to the council.

9. LEGAL IMPLICATIONS

9.1 No additional legal implications.

10. RISK ASSESSMENT

- **10.1** No significant risks identified.
- **10.2** Some reputational risk if this proactive approach is not adopted or successful in delivering additional affordable housing as set out within the Council Plan.



10.3 Some risk that existing funds are used for a new role, but benefits are not realised. This will be mitigated through a robust recruitment process, and support provided to the role by the Strategic Housing team, portfolio holder and Assistant Director for Planning & Sustainability.

II. EQUALITIES IMPACT

- **11.1** Under equality legislation, the Council has a legal duty to pay 'due regard' to the need to eliminate discrimination and promote equality in relation to:
 - Race
 - Disability
 - Gender, including gender reassignment
 - Age
 - Sexual Orientation
 - Pregnancy and maternity
 - Religion or belief
- **11.2** No detrimental impact on the above groups. This report outlines an approach to explore new ways to deliver more affordable housing, to support balanced and cohesive communities and meet the needs of those requiring affordable housing.
- **11.3** Recruitment for the new role of Strategic Housing Development & Enabling Manager will be done in a fair and transparent manner in accordance with relevant council policies.

12. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

12.1 No impact at this stage.

13. BACKGROUND PAPERS

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