

HOMES & COMMUNITIES COMMITTEE

11 JUNE 2018

AFFORDABLE HOUSING DELIVERY 2017/18

1.0 Purpose of Report

- 1.1 To provide the Committee with detail on affordable housing delivery across the district for the financial year 2017/18 and provide an indicative guide on future anticipated delivery.
- 1.2 An update will also be provided on the progress being made to deliver the approved 5 year Council housing (*Housing Revenue Account*) development programme.

2.0 Background Information

- 2.1 Delivery of new affordable housing continues to be a strategic priority for the Council, with the need to develop a mixed provision of affordable homes to meet the requirements of younger people, families with young children and older people across the district's urban and rural communities.
- 2.2 The Council, along with enabling the supply of new affordable housing, continues to deliver directly new Council homes through its Housing Revenue Account (HRA) housing development programme in partnership with its housing management company, Newark and Sherwood Homes (NSH).
- 2.3 In addition to the Council's own development programme a range of approaches are adopted to secure the delivery of new affordable housing units in the district, through working with Registered Providers (housing associations) and developers.
- 2.4 The delivery of affordable housing is set against the Council having a robust evidence base and as the Committee will recall at its meeting on 7 January 2015 the findings of the Newark and Sherwood Housing Market and Needs Assessment (2014) were presented and endorsed.
- 2.5 The assessment indicated a total net affordable housing need of 677 units per annum and after deducting the annual supply of housing, the shortfall for the next 5 years is 221 homes per annum.
- 2.6 The Council owns 5443 dwellings, with 31 homes being sold through the Right to Buy in 2017/18.
- 2.7 There are currently 2722 applicants on the Council's housing register (*31st March 2018*), an increase of 575 on the previous year.

3.0 Affordable Housing Delivery 2017/18

- 3.1 Over the past thirteen years, a total of 1177 additional affordable homes have been provided across the district, through S106 agreements, 100% affordable housing developments, exception sites, the Council's own developments and NSH Growth Programme.

- 3.2 Between April 2017 and March 2018 130 additional affordable homes have been built across the district (*located in Newark, Farnsfield, Rainworth, Ollerton and Caunton*) and the approaches to deliver these are outlined below:

Developer: Section 106 Agreements	Registered Provider 100% Affordable Housing Schemes	NSH	HRA Developments	Total
49	16	5	65	135

- 3.3 The tenure breakdown of these units is as follows:

Social Rent	Affordable Rent	Intermediate Housing (Shared Ownership)	Discount for sale	Total
14	96	21	4	135

Section 106 Agreements and 100% Affordable Housing Schemes

- 3.4 The table below details the location of the affordable housing units delivered either through Section 106 planning agreements or on 100% affordable housing schemes:

Location	Affordable Ownership	Affordable Rent (AR)	Shared Ownership (SO)	Discount for Sale (DFS)	Type (total units)
Beacon Hill Road, Newark (S106)	Longhurst Housing Association	4	10	-	1 bed apartments 2 & 3 bed houses
Ash Farm, Farnsfield (S106)	HRA	16	-	-	3 x 3 bed houses
Ash Farm, Farnsfield (S106)	Derwent Living	-	9	-	3 x 3 bed houses
Warsop Lane, Rainworth (S106)	Derwent Living	4	-	4	4 x 2 bed houses 4 x 3 bed houses
Newark Road, Ollerton (S106)	NSH	2	-	-	2 x 2 bed houses
Gladstone House, Newark	HRA	60	-	-	48 x 1 bed apartments 12 x 2 bed apartments
Stephen Road, Newark	HRA	2	-	-	2 x 1 bed apartments
Quibell Road, Newark	HRA	3	-	-	1 x 2 bed bungalow 2 x 2 bed houses

Hedge Row, Caunton	Nottingham Community Housing Association (NCHA)	4	2	-	4 x 2 bed houses 2 x 3 bed houses
Mount School, Newark	St Leonards Trust	10 (<i>Social Rent</i>)	-	-	10 x 2 bed apartments
Total		105	21	4	

Gladstone House

- 3.5 Most significantly in 2017/18 the Council completed Gladstone House in Newark, a 60 unit (48 x 1 bed & 12 x 2 bed units) extra care scheme, in partnership with Homes England, Nottinghamshire County Council and Newark and Sherwood Homes, who project managed the development.
- 3.6 The scheme is let on an affordable rent basis, which includes meals at lunchtime, laundry and community facilities, with the intensive housing management service provided by Newark and Sherwood Homes who manage the scheme. Nottinghamshire County Council have nomination rights to 40 of the units (32 extra care & 8 assessment units) and provide extra care support to eligible residents in these units.
- 3.7 The Council has entered into a Co-operation Agreement with the County Council for the 40 nominated units, which guarantees a rental income to the HRA Business Plan should a unit continue to be void after a prescribed period of time.

4.0 Anticipated Affordable Housing Delivery

- 4.1 The table below shows the number of units that at this point are anticipated to be delivered over the next 4 financial years. It is difficult to provide an accurate picture beyond 2019 as further sites may come forward through the planning system, some sites may be delayed (especially those major developments phased over a long build period) and national funding/policy arrangements may change: (**NB: Units being delivered through the HRA development programme are detailed at Section 6.**)

Scheme Details	Ownership	No. of Units	Progress
Anticipated Delivery 2018 – 19			
Elston (100% affordable housing rural exception site scheme)	NCHA	10 (AR/SO) 3 x 2b3pbungalow (AR) 4 x 2b4p houses (AR) 1 x 3b5p house (AR) 1 x 2b4p house (SO) 1 x 3b5p house (SO)	Anticipated completion March 2019

Clipstone x 3 sites (100% affordable housing development)	NCHA	25 (AR) 13 x 2b houses 12 x 1b2p apartments	Anticipated start on site June 2018. Completion June 2019
Belle Vue, Blidworth 21 unit market development by NSH. (S106)	NSH	6 (AR) 6 x 1 bed apartments	Anticipated completion July 2018
Warsop Lane, Blidworth Taylor Wimpey	Derwent and Developer DFS	17 (10 DFS and 7 for S/R)	Continued delivery throughout 2018/19
Augustus Grange, Ridgeway, Farnsfield 60 unit market development by Miller Homes (S106)	NCHA	18 (AR/SO) 1 x 2b flat (AR) 3 x 3 bed houses (AR) 7 x 2 bed houses (AR) 7 x 2 bed houses (SO)	Anticipated completion September 2018
Anticipated Delivery 2019 – 21			
Southwell Rd, Farnsfield 48 unit market development by Bellway Homes. (S106)	Gedling Homes	14 (AR/DFS) 6 x 2 bed (AR) 2 x 3 bed (AR) 2 x 3 bed (DFS) 4 x 2 bed (DFS)	Anticipated completion July 2019
Augustus Grange, Ridgeway, Farnsfield 60 unit market development by Miller Homes (S106)	NCHA	18 (AR/SO) 1 x 2b apartment (AR) 3 x 3 bed houses (AR) 7 x 2 bed houses (AR) 7 x 2 bed houses (SO)	Anticipated completion September 2018 (1 st phase)
The Council has agreed to take an off-site S106 contribution in the form of land (Newark location) and a monetary sum. The land would then be developed for affordable housing. (100% affordable housing development)	HRA	12 (AR)	No start on site confirmed.
Allenby Road, Southwell (S106)	No provider confirmed	20 (12 AR/8 SO)	No start on site confirmed
Braemar Farm, Collingham S106	NCHA	24 (8 AR/16 SO)	Commenced development

Former Miners Welfare, Edwinstowe <i>(100% affordable housing development)</i>	NCHA	28 (14 SO/12 AR & 2 Rent to buy) 1,2 & 3 bed houses and apartments	Anticipated start on site December 2018
Bowbridge Road, Newark <i>(100% affordable housing development)</i>	NCHA	62 (AR/SO) 1, 2, 3 & 4 bed houses and bungalows	Anticipated start on site December 2018
Edwinstowe House, Edwinstowe <i>(Affordable Housing by planning Condition)</i>	NCHA	21 A/R & S/O 2 and 3 beds	Anticipated start on site July 2019
New Lane, Blidworth (S106 (10 units) plus additional 38 additional units)	Derwent	48 8 x 2 bed bungalow 21 x 2 bed houses 6 x 3 bed houses	Delivery over two years from 2019/20

5.0 Rural Exception Sites

- 5.1 Exception sites, in accordance with Planning Policy, are schemes solely for the development of affordable housing on land within or adjoining existing small rural communities, which would not be otherwise released for general market housing. The evidence to support the development of such sites includes the commissioning of a parish housing needs survey.
- 5.2 In November 2017, a scheme at Cauntton was completed by NCHA and delivered 6 affordable dwellings, consisting of two and three bedroom houses for affordable rent and shared ownership for local people. The scheme has been part funded by Homes England and Council Grant.

Hedge Row, Cauntton



- 5.3 The Council continues to work in partnership with NCHA and Trent Valley Partnership to deliver rural affordable housing. NCHA have commenced development of a scheme at Elston for ten affordable units, consisting of two and three bedroom houses and bungalows for affordable rent and shared ownership to applicants with a local connection to the village. The scheme has received funding from Homes England.
- 5.4 The partnership is currently working towards the delivery of other exceptions site for affordable housing in the district including sites at North Muskham and Walesby (Phase 2), which will be subject to planning approval.

6.0 Housing Revenue Account - Development programme

- 6.1 In addition to the above affordable housing delivery the Council, further to Policy & Finance Committee approval at its meeting on 30 June 2016, is progressing an ambitious 5 year Council housing (HRA) development programme to deliver an indicative 335 additional homes across the district to meet the housing needs of local residents.
- 6.2 The Council is working in partnership with NSH, who are project managing the development programme, and Robert Woodhead Ltd who have been awarded the build contract to deliver the new Council homes.
- 6.3 The majority of the sites identified for the development programme are relatively small, often disused HRA garage or infill sites. Flexibility is required within the 5 year development programme as sites may have to be swapped, as some will be able to be progressed for development and some will either be delayed or not suitable linked to further due diligence works.
- 6.4 The target delivery for the first phase of the programme is 70 units; this is in addition to the 60 units now developed at Gladstone House, and **Appendix A** details current progress to meet this target.
- 6.5 To date the Council has successfully received Homes England grant funding via the 2016-21 Affordable Homes Programme for 65 units totalling £2.8m, which averages over £40,000 per unit. A further grant bid has been submitted for the 4 units at the Windsor Close site in Collingham and the outcome of this is now awaited. For 1 unit, 1-4-1 Right to Buy receipts have been utilised to ensure this money is spent within the Governments required timelines.

Better Care Fund - Accessible Homes

- 6.6 Further to a successful bid into the Better Care Fund for £118,000, this finance is being utilised to improve accessibility standards to some of the units in phase 1 of the programme. In consultation with the Company the following sites have been identified:
- California Road, 1 bungalow
 - Wolfit Avenue, 2 bungalows
 - Wolfit Avenue, 1 bungalow
 - Wolfit Avenue, 2 bungalows
 - Adj 67 Greenwood Crescent, 1 bungalow
 - Adj 31 Trinity Road, 1 bungalow
 - 102 Haywood Oaks Lane, 2 ground floor flats

- 6.7 The Company are currently in a value engineering exercise with Robert Woodheads to finalise costings, with the intention to deliver level access / low access showers to each unit and level entry access where appropriate.

Phase 2

- 6.8 The Council and Company are progressing work to deliver phase 2 of the development programme with a target to deliver 50 units. The table below shows those sites now with planning permission or currently in the planning system:

Site	Units (Nos)	Type of Unit	Planning Status
Knotts Court, Balderton	1	2 Bed bungalow	Approved
Beech Avenue, Ollerton	2	2 Bed houses	Validated
Meldrum Crescent, Newark	4	1 Bed apartments	Approved
Central Ave, Blidworth	4	2 x 1 Bed apartments 2 x Bed bungalows	Approved
Valley View, Coddington	3	3 x 2 Bed houses	Approved
Parkes/Thorpe Close, Coddington	4	1 x 1 Bed bungalow 3 x 2 Bed bungalows	Approved
Thorpe Close, Coddington	1	3 Bed bungalow	Validated
Windsor Close, (Off Braemar Road), Collingham (Will form part of Phase 1 delivery)	4	2 x 2 Bed houses 2 x 3 Bed houses	Approved
Gainsborough Rd, Winthorpe	1	1 Bed bungalow	Validated

- 6.9 Work continues to identify further suitable sites for the remainder of phase 2, which will involve consultation with local ward members.
- 6.10 In terms of continued grant support from Homes England, discussions have been held with local officers who are keen to receive future bids from the Council to support the ongoing development programme.

Extra Care Scheme - Ollerton

- 6.11 As reported to the Committee at its meeting on 15th January 2018 consideration is being given to the development of a new extra care facility in Ollerton, on an allocated housing site in the HRA's ownership, based on the model that operates at Gladstone House. This is in recognition of the demand for suitable accommodation for older adults requiring 'housing with care' in Ollerton.
- 6.12 Scheme designs have been drawn up by Newark and Sherwood Homes, on the Council's behalf, showing that the site can accommodate 40 supported housing units, as well as on-site communal facilities. To date a formal planning application has not been submitted, though pre-application advice has been obtained.
- 6.13 Most recently the Council has received a letter of support from Nottinghamshire County Council, stating:

“.....In respect of the above development, as proposed by Newark & Sherwood District Council, I can confirm that Nottinghamshire County Council will be seeking to agree nomination rights to a proportion of the new homes to be created for use as ‘housing with care’ for its service users as part of the implementation plan.

The County Council will meet all of the ongoing eligible social care needs of all the occupants living in the units that the County Council’s has nomination rights for, as well as occupants living in the other units at the scheme where these individuals develop future needs that are assessed as eligible for social care support.

The care support contract will be funded from the County Council’s ongoing revenue budget.....”

- 6.14 The Committee should note, however, that the County Council will not contribute a capital sum towards the cost of this proposed development, which it did for Gladstone House.
- 6.15 As with the arrangements at Gladstone House, those units not nominated to the County Council would be let as general supported housing, with the Company providing the housing management and repairs service for the whole scheme.
- 6.16 Financial modelling is now being undertaken within the HRA Business Plan against the total scheme costs for this proposal and existing commitments to ascertain whether there is available finance to take forward this development.
- 6.17 Members should also note that due to the enhanced design principles of the proposed scheme, and as no additional capital funding will be received from the County Council, a grant bid submission will also be made to Homes England.
- 6.18 These matters will be reported to the next Policy & Finance Committee meeting to seek approval to progress the development of an extra care scheme in Ollerton, subject to the finance being available through the HRA Business Plan, a grant funding bid submission to Homes England and receiving full planning permission.

7.0 Equalities Implications

- 7.1 The Council’s housing needs evidence based informs the type of affordable housing to be delivered across the district to meet the needs of all communities, including those with protected characteristics.

8.0 Impact on Budget/Policy Framework

- 8.1 The Company, in consultation with the Council, continues to work with Robert Woodhead to establish accurate costs for the delivery of each site prior to commencement for ongoing financial monitoring. This process will continue throughout the life of the project and work will be progressed to ensure that the average cost per unit over the programme achieves good value for money.
- 8.2 Monitoring of the HRA Business Plan continues based on the known changes and grant funding obtained via Homes England. Current indications show that the approved 5 year development programme is deliverable within the resources available.

9.0 **RECOMMENDATION**

That the Committee notes the affordable housing delivery in 2017/18, future anticipated delivery and progress with the Council's five year development programme making any observations as appropriate.

Reason for Recommendation

To appraise Members on the current and future delivery of affordable housing across the district.

Background Papers

Nil

For further information please contact Rob Main, Business Manager - Strategic Housing on 01636 655930 or Jill Sanderson, Housing Development Officer on 01636 655624.

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Director – Safety

Housing Revenue Account – Development Programme

Cluster	Site	Start	Completion	Unit Type	Progress
Newark 18 units	Stephen Road	14-08-17	13-02-18	2 x 1 bed apartments	Completed
	Grange Road	14-08-17	04-05-18	5 x 2 bed terraced houses	Completed 25/4/18
	Meldrum Crescent	07-08-17	25-06-18	8 x 1 bed apartments	On programme. Completion date at risk awaiting Section 38 agreement.
	Quibell Road	29-08-17	29-03-18	1 x 1 bed bungalow 2 x 2 bed houses	Completed
Farndon Cluster 17 units	Almond Grove 1	08-01-18	13-06-18	2 x 2 bed bungalow	Superstructure works commenced
	Almond Grove 2	27-11-17	14-08-18	1 x 2 bed bungalow	On programme. Completion date at risk awaiting Section 38 agreement.
	The Willows	20-11-17	14-08-18	1 x 2 bed and 1 x 3 bed houses (semi-detached)	On programme. Completion date at risk awaiting Section 38 agreement.
	Staveley Court	06-11-17	14-08-18	6 x 2 bed houses 2 x 3 bed houses 2 x 1 bed bungalow 1 x 3 bed bungalow	Work progressing well. Plots at various stages ranging from sub structure brickwork to second lift brickwork. Roof timbers placed on first pair of bungalows.
	California Road	23-03-18	14-08-18	1 x 2 bed bungalow	On site.
Balderton Cluster 10 units	Wolfit Avenue	05-02-18	11-08-18	3 x 2 bed houses	On site.
	Wolfit Avenue	26-02-18	11-08-18	2 x 2 bed bungalows	Diversion of STW main delayed progress
	Wolfit Avenue	26-02-18	14-08-18	2 x 1 bed bungalow	On site.
	Wolfit Avenue	05-03-18	14-08-18	1 x 2 bed bungalow	On site
	Gibson Crescent	08-01-18	14-08-18	2 x 3 bed houses	On site
Collingham Cluster 9 units	Windsor Close 1	05-03-18	03-08-18	3 x 2 bed house	On site, footings in for all 3 units, blockwork up-to dpc going in.

	Snowdon Road	05-03-18	03-08-18	2 x 2 bungalows	On site, garages demolished, fencing up all around, ground workers on site.
	Windsor Close 2	29-03-18	03-10-18	2 x 2 bed house 2 x 3 bed house	On site, garages demolished
West of Newark Cluster 16 units	Preston Road (2) Rainworth	18-01-18	14-08-18	2 x 1 bed bungalows	On site.
	Haywood Oaks Lane, Blidworth	19-03-18	30-09-18	3 x 1 bed apartments	On site.
	Central Avenue, Blidworth	12-03-18	14-08-18	1 x 2 bed bungalow	On-site.
	Greenwood Crescent, Boughton	08-01-18	14-08-18	2 x 2 bed bungalows	On site.
	Adj 67 Greenwood Crescent, Boughton	26-03-18	30-09-18	1 x 2 bed house	On site.
	Eastfield Close, Clipstone	19-03-18	29-10-18	2 x 2 bed houses	On-site.
	Adj 1 Allenby Road, Southwell	12-03-18	30-09-18	2 x 1 bed apartments	On-site.
	Adj 31 Trinity Road & Vicarage Road, Southwell	19-03-18	30-09-18	1 x 2 bed bungalows	On-site.
	Vicars Court, Clipstone	12-03-18	30-09-18	2 x 2 bed house	On-site.
Total: 70 units					