Affordable Housing Development Programme

Executive Portfolio Holder: *Councillor Ric Pallister, Strategy and Policy*
Director: *Martin Woods, Service Delivery*
Service Manager: *Colin McDonald, Corporate Strategic Housing Manager*
Lead Officer: *Colin McDonald, Corporate Strategic Housing Manager*
Contact Details: *colin.mcdonald@southsomerset.gov.uk or (01935) 462331*

1. Purpose of the Report

The purpose of this report is to update the Executive on the final position of the Affordable Housing Development Programme for 2017/18, the current position for 2018/19 and future prospects.

2. Recommendations

The Executive are asked to:-

(a) NOTE the affordable housing development programme outcomes to date

(b) AGREE to withdraw the award of £ 396,661 grant to Yarlington for the proposed scheme at Misterton in the event that suitable planning permission is not in place before 5th July 2019

3. Public Interest

3.1. This report covers the provision of affordable housing over the past year and anticipates the likely delivery of more affordable homes being constructed during the current financial year. It will be of interest to members of the public concerned about the provision of social housing for those in need in their local area and of particular interest to any member of the public who is seeking to be rehoused themselves or has a friend or relative registered for housing with the Council and it's Housing Association partners.

3.2. "Affordable" housing in this report broadly refers to homes that meet the formal definition that appears in national planning policy guidance (the 'National Planning Policy Framework'). In plain English terms it means housing made available to people who cannot otherwise afford housing (owner occupied/mortgage or rented) available on the open market. Typically this includes rented housing (where the rent is below the prevailing market rate for a private sector rented property of similar size and quality) and shared ownership (where the household purchases a share of the property that they can afford and pays rent, also at a below market rate, on the remainder). The Housing & Planning Act 2016 formally defines the new Starter Homes as also being a form of 'affordable housing'.

3.3. This report covers the level of public subsidy secured (which is necessary in order to keep rents at below market rates) and sets out where affordable housing has been completed. It does not cover the letting of the rented housing or the sale of the shared ownership homes; in short, it is concerned with the commissioning and delivery stages only.

4. Background

4.1. The overall programme has traditionally been achieved through mixed funding (Housing Grant [administered by Homes England – formerly the Homes and Communities Agency - HCA], Local Authority Land, Local Authority Capital, Housing Association reserves and S106 planning obligations) and the careful balancing of several factors. This includes the level of need in an area; the potential for other opportunities in the same settlement; the overall geographical spread; the spread of capacity and risk among our preferred Housing Association partners and the subsidy cost per unit.

4.2. A previous report was considered by the District Executive on 7th July 2017 which considered the final outturn for 2016/17 and gave some longer term perspective including some commentary on previous 'voluntary disposals' by various Housing association partners.

4.3. In recent years a significant element of the affordable housing delivery programme has been produced through planning obligations within larger sites being brought forward by private sector developers. However the delivery of these is tied to wider economics, not least the developers view of prevailing market conditions and the speed at which they estimate completed properties will sell at acceptable prices. Typically the required affordable housing is agreed at the outset of larger sites, but delivered as the site progresses over a number of years.

4.4. Under both HG3 and HG4, the Local Plan seeks 35% to be provided as affordable housing (subject to viability). The 35% derives from the previous Strategic Housing Market Assessment (SHMA) which was undertaken by Fordham Research in 2009, commissioned in conjunction with the other districts in Somerset and covering both the Taunton and South Somerset Sub-Regional Housing Market Areas. A new needs assessment was delivered in October 2016 by Justin Gardiner Consulting, commissioned in conjunction with three other districts. These assessments take into account the 'backlog' of need (as expressed on the housing register) and the demographic projection of newly arising need over the remainder of the plan period.

4.5. Many aspects of the Housing and Planning Act 2016 are now in force. However it included different sets of regulations which further detail will be written into in due course, none of which have yet appeared. The Act introduced the Governments proposal of 'Starter Homes' as an alternative form of provision to 'traditional' Affordable Housing. A starter home is a new dwelling which is only available for purchase by qualifying first-time buyers and which is made available at a price which is at least 20% less than the market value subject to a cap. A first time buyer must be aged at least 23 and under 40. The price cap is £ 250,000 outside London.

4.6. We have operated a system of preferred Housing Associations partners for over twenty years, choosing our main partners on a range of criteria (not just concentrating on the efficiency and effectiveness of their development function but also taking into account their record of housing management, such as their ability to robustly respond to substantiated incidents of antisocial behaviour).

5. New Main Partner Housing Association

5.1. Following discussions at the annual review meeting, BCHA chose to withdraw from being a main partner, formally confirming this in September 2017. BCHA remain an accredited Housing Association partner and we will continue to work with them on specialist projects, such as the acquisition of move-on properties, and other opportunities (for example where a private sector developer feels unable to work with one of the Main Partners on the affordable housing obligated under their s106 Agreement)

5.2. Given the length of time since the joint assessments undertaken in conjunction with Mendip it was not reasonable to simply ‘promote’ another association that had already gone through the ‘second stage’ assessment. Instead all existing accredited Housing Association partners were contacted and invited to express an interest in being considered for Main Partner status.

5.3. Initially this elicited three potential applicants who were then invited to an interview to be held on Wednesday 17th January. However one Housing Association withdrew, leaving two to attend the interviews, which were held at the Westlands complex in Yeovil. The interview panel was chaired by Councillor Ric Pallister, as relevant portfolio holder, and had two relevant officers – Colin McDonald, the Corporate Strategic Housing Manager and Nina Richards, the enabling officer from Mendip. With the exception of Councillor Linda Oliver, the portfolio holder from Mendip, this was the same interview panel that had conducted the assessments three years earlier.

5.4. Both Associations performed well and impressed the panel overall, the results were consistent and the preferred partner Association was unanimous. The panel agreed that had there been two vacancies for main partner status then both Associations would have been successful. The unsuccessful Association has been given informal feedback, albeit mainly in the form of praise for the areas where they impressed the panel, and remains able to work on some specific schemes as an accredited partner. Of course they will also have the opportunity to re-apply when we review the entire partnership again at the end of the current period

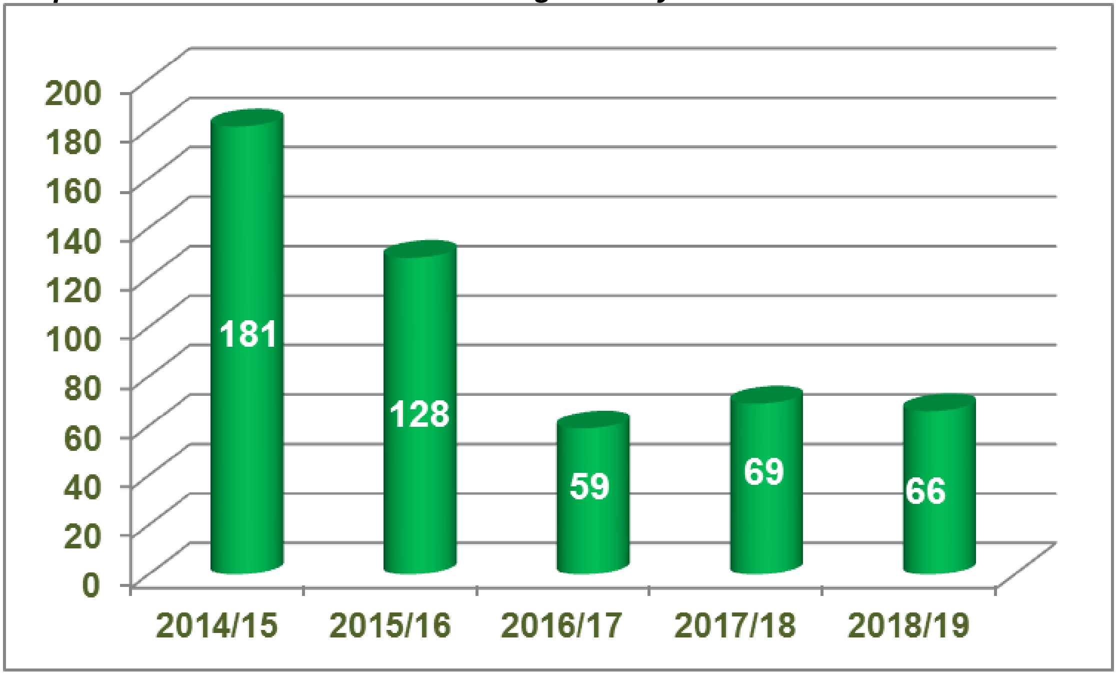
5.5. The Portfolio Holder confirmed the appointment of Magna Housing Association through a portfolio holder report in January 2018. Magna were a preferred partner in the past but had withdrawn from their development programme – choosing instead to ‘hibernate’ whilst concentrating on providing good landlord services to their existing tenants, They have recently reversed this decision and recruited a new development team but will be restarting their development activities ‘from scratch’ so it will be a couple of years before we can expect to see delivery outcomes on a scale comparable to our other partner Housing Associations.

6. The Affordable Housing Programme: A five-year profile

The graphs below show the overall shape of the programme over the past four financial years (in order to give some longer term context) and the projected outturn for the current financial year. Further detail on the first three years covered by these graphs can be found in the previous reports to District Executive (1st October 2015, 1st September 2016 & 6th July 2017) and is not repeated here. This report considers the outturn for the last complete financial year, 2017/18 and future schemes which now have grant funding confirmed (either from HCA or from this Council), most of which shall be on site during the current financial year.

6.1. Overall Delivery

Graph One: Overall Affordable Housing Delivery

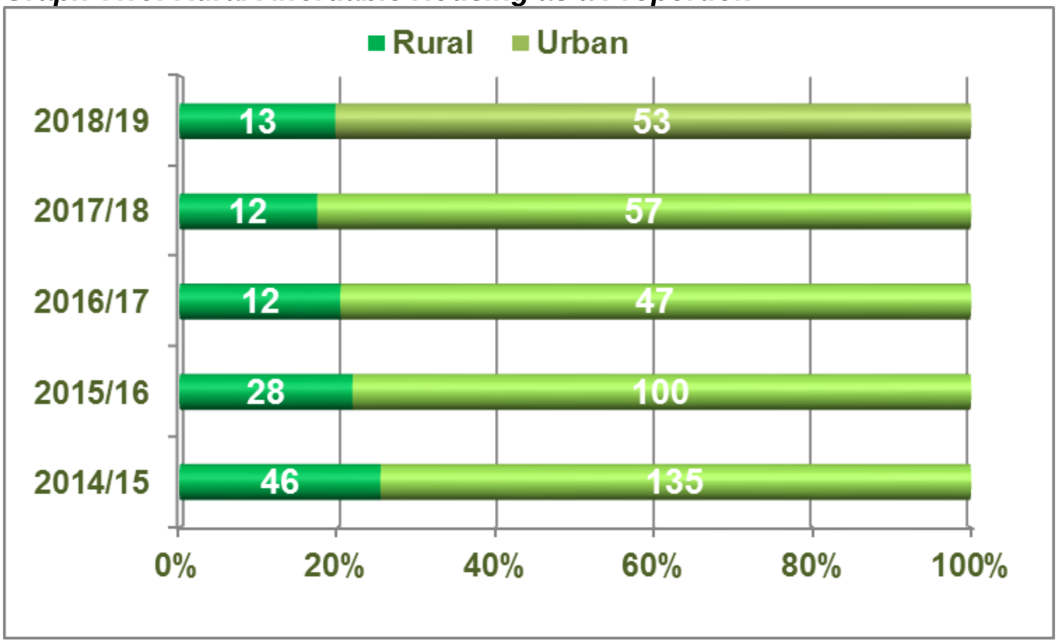


Graph one (above) shows the overall size of the affordable housing programme over the past four years and the expected size for the current year. The longer term trend has been downwards with the average for the four year period above falling to 109, whereas the average for 2011-15 (the last complete HCA four year funding period) was 206.

6.2. Rural Delivery

Graph two demonstrates that we have previously consistently delivered at least 20% of all new affordable homes in settlements of under 3,000 population. Last year this fell to around 17½%; the projection for the current financial year is just over 19½%.

Graph Two: Rural Affordable Housing as a Proportion



6.3. Public subsidy

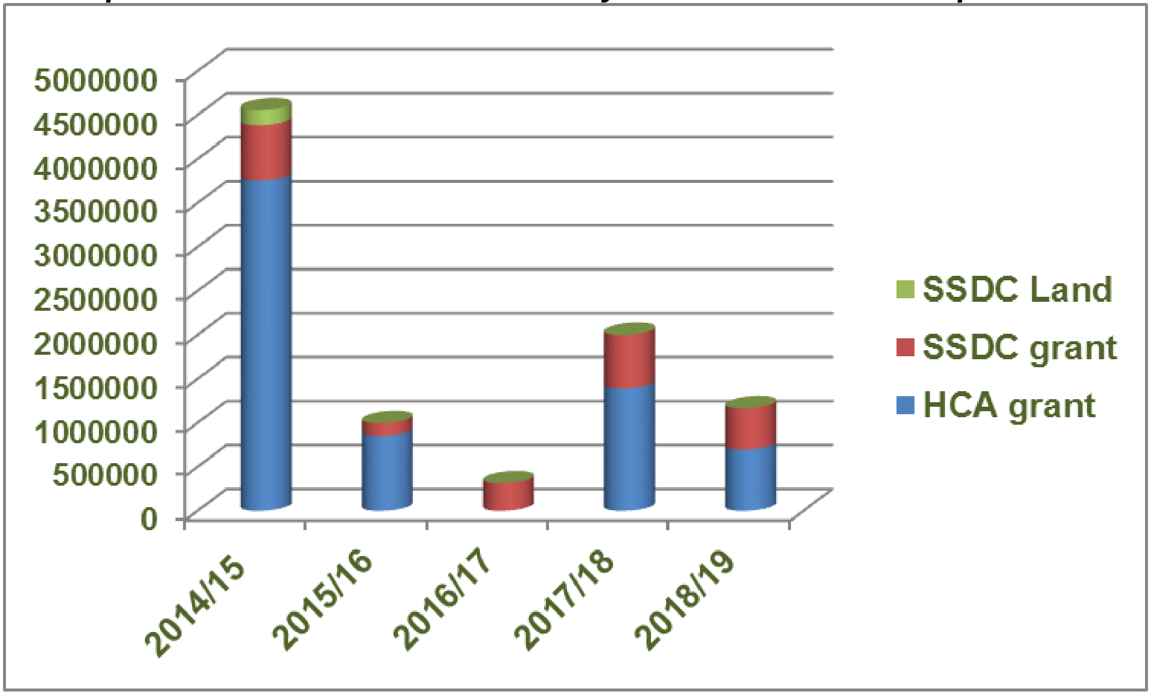
- Graph three shows the level of public subsidy associated with schemes completing in each financial year. It should be noted that subsidy is paid at various stages and in most cases some proportion of the subsidy will have been paid over in the financial year/s prior to the year of completion, as the development has progressed. Historically, capital subsidy from the Homes and Communities Agency has been the dominant feature.

- Over the past four years the total value of public subsidy has been as follows:

Homes & Communities Agency	£ 6,001,195	(76%*)
District Council (Capital Grant)	£ 1,699,200	(22%*)
District Council (Land Value)	£ 170,000	(2%*)
Total public subsidy	**£ 7,870,395**	

**Rounded to nearest whole number.*

Graph Three: Level of Public Subsidy Associated With Completed Schemes



- Most unusually 2016/17 included no completed schemes subsidised through the HCA, although as previously mentioned grant will have been paid over during the build stages for schemes due to complete in the current financial year.

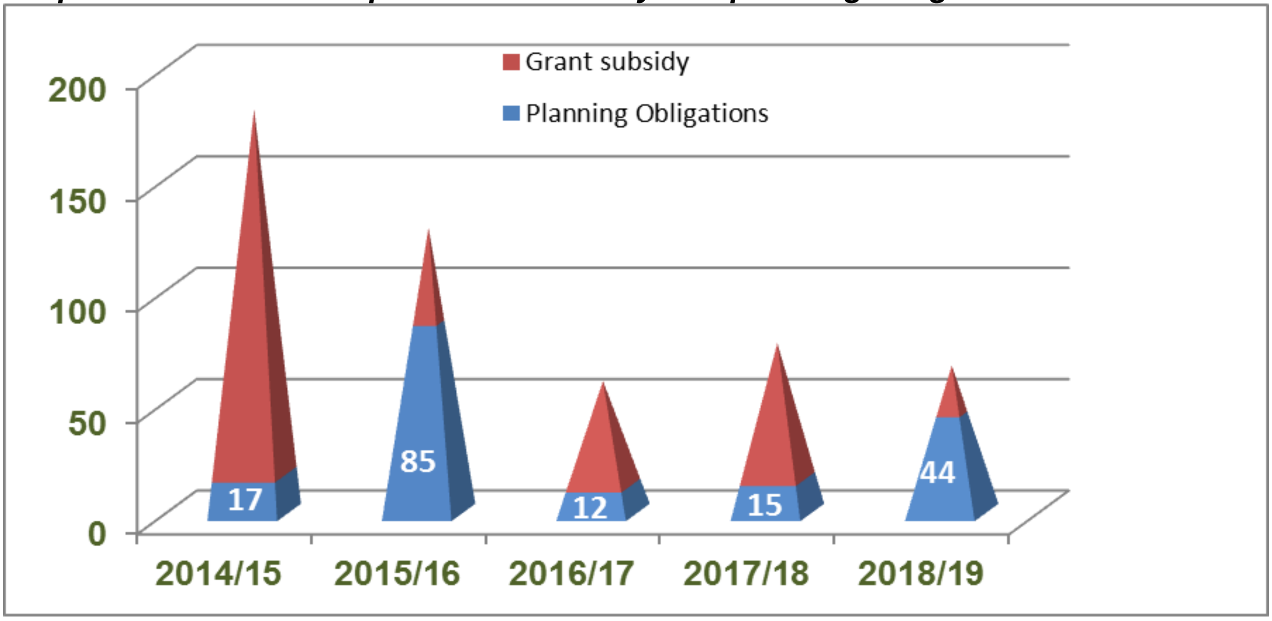
- Graph three does not include the recycled funds used by Housing Associations arising from 'staircasing' in shared ownership (where the leasee purchases a further tranche of the equity) or the outright disposal of a rented property.

- No SSDC land has been 'gifted', representing a subsidy, since 2014/15.

- Because of our 'underwriting' approach it is possible that some funds currently attributed to SSDC for the current and future financial years may be fully or partially substituted by central funding via Homes England.

- Graph four below demonstrates the relationship between that part of the programme sustained by the subsidies shown above and the delivery of affordable housing through planning obligation alone. The apparent peak in 2015/16 is due largely to the completion of the first 59 obligated dwellings on the Lufton key site in Yeovil, acquired by Yarlington.

Graph Four: Relationship between subsidy and planning obligations



6.4. Delivery by Association

- Graph five shows the delivery over the five year period (including the projected delivery for the current financial year) broken down by Housing Association.

- Magna were appointed as a main partner earlier this year and have just restarted their development programme activities having spent several years in self-imposed ‘hibernation’. The six properties attributable to Magna consist of one ‘bought not built’ and five provided under planning obligation which were already on site prior to their appointment as a main partner.

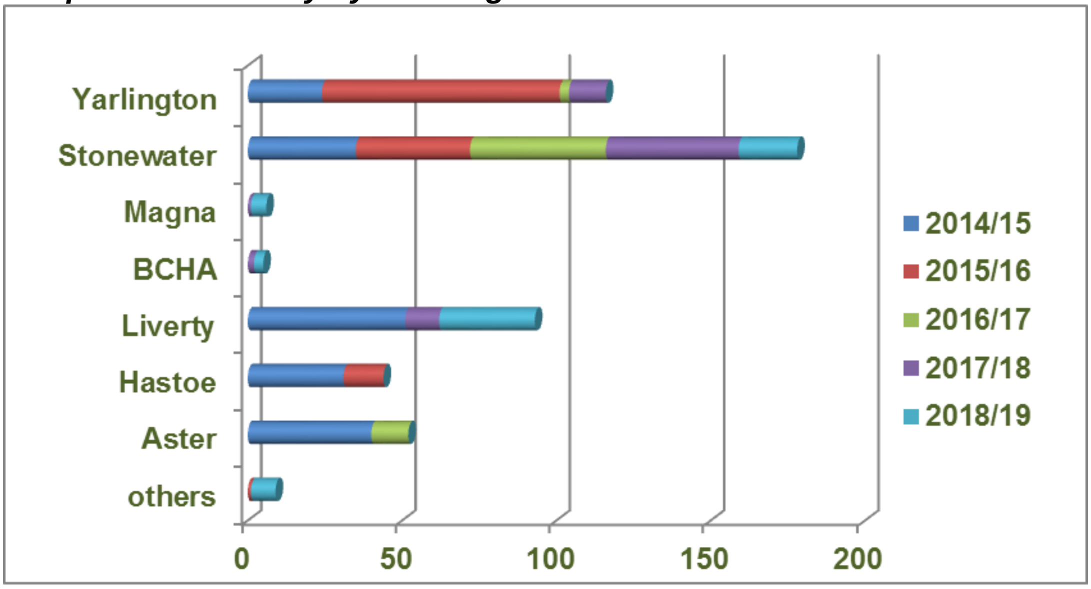
- The figures attributed to Liverty include the homes produced by both Knightstone and DCH up to 2017/18 (prior to their merger to form Liverty). Of the 62 properties delivered by Liverty to date, 4 were attributable to DCH and the remaining 58 were delivered by Knightstone.

- It should be noted that this graph does not include a very small number of affordable dwellings delivered directly by private sector developers or the one previously acquired by the Council.

- The graph confirms that Stonewater have overtaken Yarlington as the biggest provider of new homes in the district over both the past four year period and the entire five year period covered by this report. If this report only covered the past two years and the projection for the current financial year then Liverty would also have overtaken Yarlington as a deliverer of new social housing. Yarlington, of course, remain the biggest provider of existing homes, and thus vacancies arising, with about 84% of all social housing in the district.

- On this graph the 'other' bar includes a small number of properties due to be acquired by an independent CLT with no Housing Association intermediary and a number of discounted market homes delivered directly by a private sector developer.

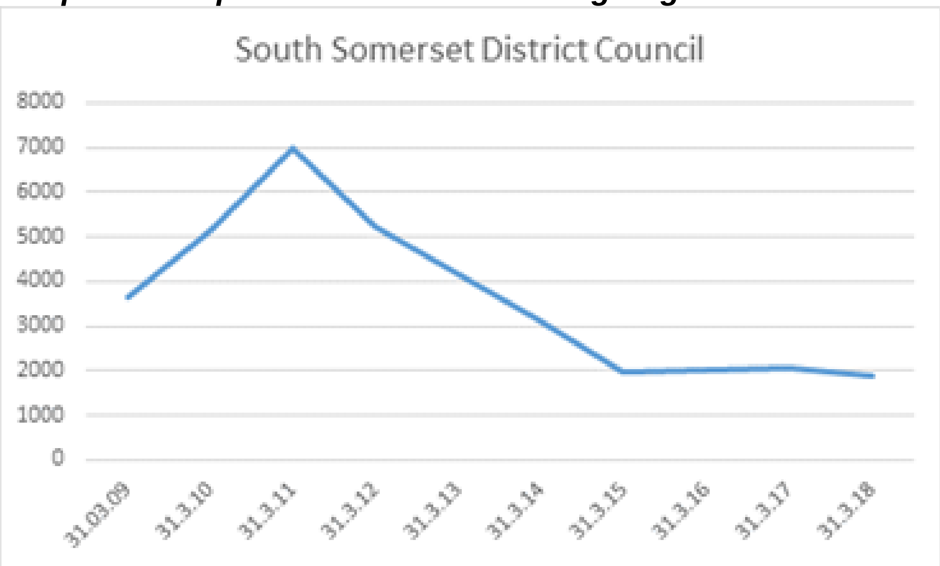
Graph Five: Delivery by Housing Association



6.5. Housing Register

- Since the creation of a single county wide system in December 2008 the number of applicants expressing a need through the register has initially increased and then steadily fallen. The fall in applications can be attributed to better maintenance of the register (removing redundant applications) and, in part, the policy changes previously introduced which restricted applicants to those who have a local connection with the County. However for just over four years those on the register assigned to South Somerset District Council has remained pretty steady at around 2,000, close to the level we had prior to creating the county-wide system.

Graph Six: Expressed Need on Housing Register

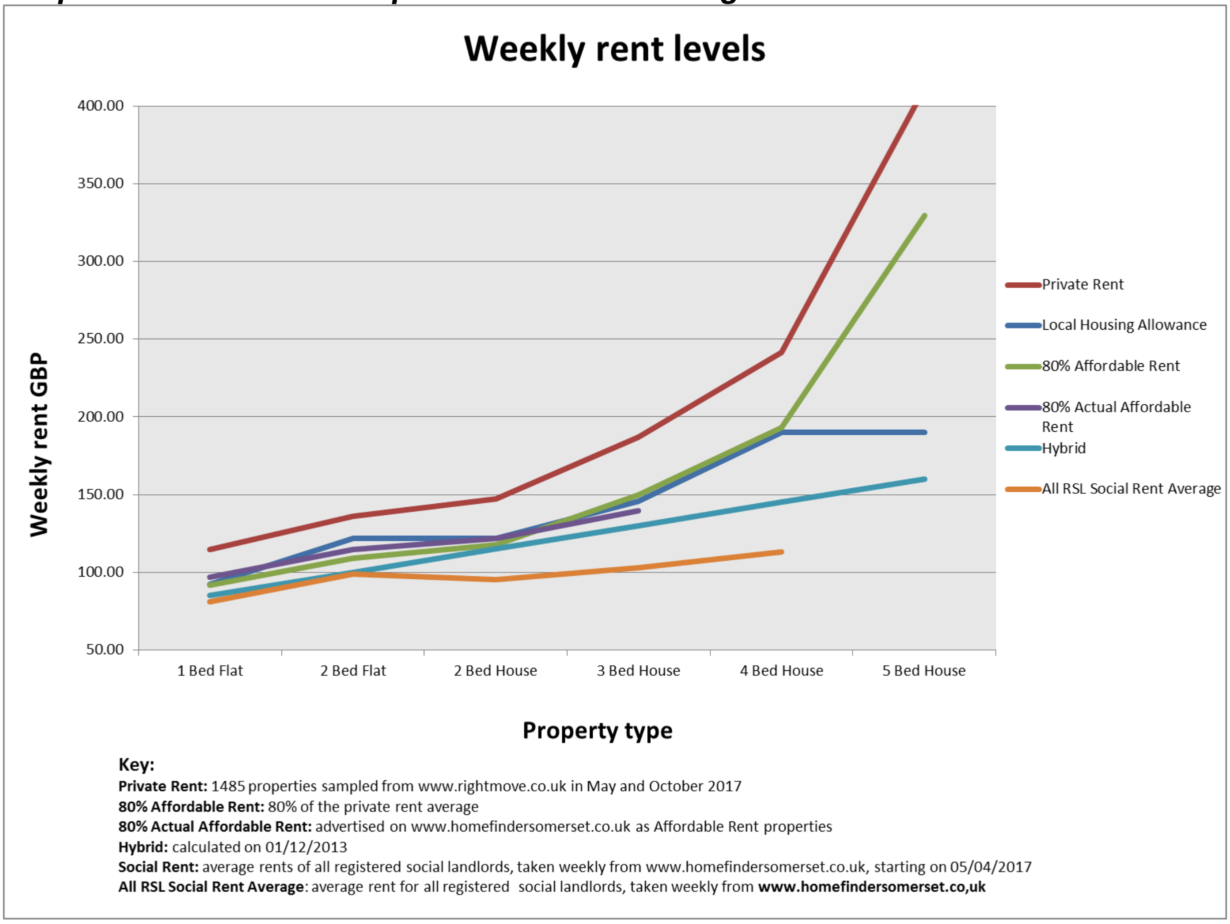


This suggests that we have reached an equilibrium where the supply of new housing (together with the casual vacancies arising from within the existing stock) is just about keeping pace with the newly arising expressed need.

6.6. Outcome rents

- The graph below is a very rough guide to the relationship between the different rent regimes. It is important to note that the figures are all district wide averages which masks the variation, particularly in market and affordable rents, between locations. There is no local housing allowance (Housing Benefit limit) for a five bedroom property – hence the red line flattens once it reaches four bedrooms. Generally all forms of rent tend to 'kink' at the higher end – i.e. the additional rent charged per extra bedroom increases at a greater rate – except for the hybrid rent (which was deliberately modelled as a straight line).

Graph Seven: Relationship of Different Rent Regimes



- The green line shows modelled average affordable rents at 80% of the average prevailing private sector values. The purple line shows actual average affordable rents, i.e. on real properties, and tends to be slightly higher than the green line, probably because on average the Housing Association properties are newer and of better quality than the 'average' available on the private rented sector.

- Since July 2015 both social rents and affordable rents have been decreasing by 1% per annum. Overall this reduction in income led to a significant reduction in the borrowing power of the Housing Association sector and subsequently additional viability issues on sites subject to planning obligations.

7. 2017/18 outturn

7.1. During 2017/18 a total of 69 new affordable homes were completed, of which 15 were produced without direct public subsidy but through obligations imposed on developers under section 106 of the Town and Country Planning Act 1990. The full details are shown at Appendix A.

7.2. Six different Housing Associations delivered nine schemes in six different settlements, although two of these Housing Associations have since merged.

7.3. In the report provided to the District Executive on 1st July 2017, it was anticipated that there would be 81 new affordable homes delivered during 2017/18. This actual outturn varies due to slippage on two schemes:

- The Stonewater site at the former Dikes Nurseries (behind the Co-op) at Stoke Sub Hamdon consisting of fourteen dwellings
- Bournemouth Churches acquisition of existing properties ('bought not built') for 'move-on' where two purchases were completed during 2017/18 but the remaining three will fall into the current year.

Conversely five homes for rent were completed at the Northfields Farm site in Somerton and handed over to Liverty in March when these were originally expected to complete this financial year.

7.4. The two most significant schemes were both developed by Stonewater in Yeovil - the final nineteen properties of the scheme at West Hendford and the new flats on the former swimming pool site, now known as Ben Jacobs Court. The first phase of the West Hendford scheme was completed in the previous financial year (2016/17) but as the subsidy has not been disaggregated into different delivery phases the full subsidy is shown on Appendix A and should not be taken as the cost of just nineteen dwellings.

7.5. Together with the four other properties acquired – two by Liverty and two by Bournemouth Churches – this totals 47 dwellings in Yeovil, or about 68% of the programme as delivered.

7.6. Despite the slippage of their scheme at Stoke Sub Hamdon, Stonewater completed more affordable dwellings last year than all of the other Housing Associations combined.

7.7. There were a total of five individual acquisitions or 'bought not builts' were existing properties were purchased from the market, so this did not add to the overall housing stock but did marginally change the tenure mix.

- Prior to their merger with DCH to form Liverty, Knightstone accessed health service funding to acquire a number of bungalows across the County for specialist LD provision, including relatively high physical needs. Two such properties were acquired in Yeovil in April 2017 with a total of £630,588 funding coming from NHS England.
- There was also a single acquisition completed by Magna in April 2017 to assist a family with special circumstances; Magna claimed £ 34,700 in grant, allowing £2,300 to be returned to the general reserve, as previously reported.
- BCHA have been funded roughly two thirds from central sources (Homes England) and roughly one third from the Council to acquire five two-bedroomed

properties in Yeovil to provide move-on accommodation. The first two purchases were completed last year.

7.8. Yarlington completed two rural schemes – both of six dwellings. One was a site they owned and developed independently at South Cadbury. The other was the planning obligation element of a larger site developed by Higdon at Broadway.

7.9. There were nine other affordable dwellings delivered by planning obligation without recourse to grant (making a total of fifteen) and these were all handed over to Liverty, albeit on two different sites one that was being developed by DCH (Martock) and the other being the first batch of houses handed over to Knightstone by Bovis on their larger scheme at Northfield Farm, Somerton. Knightstone & DCH have since merged to form Liverty.

8. Current Year (2018/19) Programme

8.1. During 2018/19 we expect a total of 66 new affordable homes to be delivered; the full details are shown at Appendix B. The figure is subject to some fluctuation as sites progress, for example delays due to adverse weather, but it is also possible that other dwellings will come forward.

8.2. Currently we expect four Associations and two other organisations to deliver five schemes in five different settlements and a fifth Association to acquire three existing dwellings in a sixth settlement, Yeovil. In a marked contrast to the previous year just 5% of the programme is expected to be delivered in Yeovil with the majority (67%) this time in Area North.

8.3. For the first time in three years the majority of these homes will be delivered through planning obligations rather than through grant subsidy – exactly two thirds (44). The majority of these (31, just under half [47%] the entire expected programme) are the next few batches of properties due to be delivered to Liverty on the Bovis site at Northfield Farm, with the final ten obligated dwellings due to be delivered in 2019/20. Of course at this stage it is difficult to accurately predict whether the final ten might be brought forward, boosting next years projected delivery, or whether some of this years remaining 24 (the 7 that slipped from last year having already been delivered) might slip into next year.

8.4. The other thirteen obligated dwellings are split between two sites – one being developed at Curry Rivel by Summerfield and the other being developed at Seavington St Michael, but only five will be handed over to a Housing Association (Magna at Curry Rivel). Of the remaining eight five are being delivered directly by Summerfield as a discounted market product and the other three are being gifted to the Seavington CLT without the need for an intermediary Housing Association.

8.5. The Stonewater scheme in Wincanton, where they have taken on a site which previously had planning permission to provide private sector homes, is grant funded by Homes England to produce ‘Rent to Buy’ properties whereby tenants initially pay a sub-market rent with the option to purchase at a later date in a similar but not identical way to the Rentplus model.

8.6. The other Stonewater scheme is the long awaited construction of modular dwellings at the rear of the former Working Men’s Club in Chard. Difficulties with the site conditions have, ironically, delayed the start of this site but it remains the case that we shall be able to monitor the effectiveness of the expected shortened construction phase.

8.7. The actual outcome for this financial year could be augmented with some additional individual properties such as mortgage rescues or further Bought not Built properties.

9. Next Year (2019/20) Programme

9.1. During 2019/20 we currently expect a further 57 new affordable homes with good prospects that this may be augmented by other, currently pipeline, schemes. The current projection is shown as appendix C.

9.2. We expect the majority, almost three quarters, of the current projected programme to be delivered by Liverty – nine dwellings on the land we have sold to them at Dolling Close/Jarman Way, Chard and the remaining thirty two being obligated dwellings achieved without recourse to grant on three different sites, including the last ten dwellings expected at Northfield Farm, Somerton.

9.3. We expect the first seven new dwellings for over four years to be delivered in Crewkerne. The portfolio holder has recently confirmed £350,000 in our grant funding for Magna to produce seven dwellings on the former St Peters Church site in South Street, Crewkerne. There are three important caveats to this funding

- That Magna obtain appropriate reserved matters planning permission (the site currently has outline planning permission);
- That this includes one larger property of at least four bedrooms;
- That Magna seek funding from Homes England to subsidise the scheme

Magna consider that Homes England are likely to subsidise the scheme but they estimate that central funding will stretch no further than £280,000 which would release all but £70,000 of council funding.

9.4. The Yarlington scheme at Misterton was originally allocated funds by the District Executive in October 2015 for the first phase of 17 dwellings – 11 for social rent and 6 for shared ownership – in anticipation that suitable planning permission will be obtained and a bid will be made to Homes England for grant funding towards a larger site overall.. It should be noted that should Homes England be willing to fund the entire site then the rented properties will, in all probability, have to be realigned under the affordable rent regime. It has been placed on this appendix as most likely to complete in 2019/20 but that is by no means certain

9.5. At the Area West Committee which considered an annual update on the affordable housing programme on 18th April 2018 Councillor Sue Osborne asked why no time limit had been set for Yarlington to take up this funding. Council funding has never traditionally had a time limit set, indeed the 'underwriting' approach is intended to give Housing Associations the space, time and confidence to bring a scheme forward and, once 'shovel-ready' make an appropriate bid for central funding without artificial deadlines causing any corners to be cut at crucial stages. However, on this occasion, we are fast approaching three years between funding being agreed by the District executive and the relevant planning application being submitted, tying the funds up for that long being an opportunity cost in terms of other schemes that could have been underwritten instead. It is therefore recommended that the District Executive determine to withdraw the award of grant if suitable planning permission is not in place within the next twelve months.

9.6. Finally the fourteen dwellings previously referred to at the former Dikes Nursery in Stoke sub Hamdon are now expected to be delivered in April 2019 following recommencement of the site by Stonewater. However it remains possible that progress on the site will go well and the scheme could possibly be completed this financial year after all.

10. Pipeline schemes

10.1. There are always a number of other schemes 'bubbling under' which the strategic housing team regard as 'pipeline' and rarely report directly on. At the time of drafting this report there is a potential further 329 dwellings on sites being considered by our four main developing Housing Association partners – Liverty, Magna, Stonewater and Yarlington.

10.2. In addition it is possible, but by no means certain, that during the current and next financial years we may see the next 'peak' in delivery of affordable housing through planning obligations on one or more of the larger sites. In particular it is expected that Persimmon will progress development on the Lufton key site in Yeovil to the point where provision of more affordable housing is triggered within the terms of the existing s106 Agreement. There is also the possibility of the delivery of the first tranche of affordable housing within the Brimsmore key site in Yeovil.

10.3. The Stonewater scheme at North Street Crewkerne was allocated £ 1,040,000 by the District Executive in September 2016, on the assumption suitable planning permission would be sought and that substitute funding would release this underwriting. Planning permission was refused by the Area West Committee but Stonewater have won their appeal against this decision. The scheme no longer appears in any of the appendices as the most recent estimate of completion based on the planning permission won at appeal is now April 2020 (which takes completion into a different financial year) hence it is currently being seen as 'pipeline'. However Stonewater are still working on alternative options for this scheme and may yet be able submit a revised planning application which betters addresses the concerns raised when the current permission was originally dismissed by the Area West Committee.

10.4. More recently the Portfolio Holder allocated a total of £995,000 to Stonewater to enable the development of a 34 dwelling site in South Petherton subject to appropriate planning permission. This includes an understanding that Stonewater will worth with the South Petherton CLT in seeking alternative funding for a portion of the site to meet very local needs, with the potential for funds from the Community Led Housing pot now administered by Homes England potentially favouring social rents in such locations. At the time of drafting this report the scheme remains 'pipeline' as we have no defined timescales, but it is likely to start to deliver new homes within the next eighteen months and may well augment the 2019/20 programme.

10.5. Homes England have allocated £ 951,700 to Stonewater for the delivery of a mixed tenure scheme in Merriott on a site which had the benefit of outline planning permission. At the time of drafting this report the scheme remains 'pipeline' as, again, we have no defined timescales, but it is likely to start to deliver new homes within the next two years and so could possibly augment the 2019/20 programme.

11. Voluntary Disposals by Yarlington

11.1. In the last such report to the District Executive a full list of the 54 voluntary disposals made by Yarlington up until that time was provided**.** The Portfolio Holder requested that further disposals were regularly reported.

11.2. Since the last such report, Yarlington have proposed a further eight voluntary disposals. The first seven of these were during the last financial year (bringing the total for that year to 8) and the last one was first reported to us in June 2018. Six of these properties are in rural locations, with one each in Ilminster and Crewkerne

1 Hicknoll Cottages, Compton Pauncefoot	informed 7th July 2017
8 Pilgrims Way, Lovington	informed 7th July 2017
5 Dunsham Lane, Wayford	informed 24th July 2017
1 Vale View, Cucklington	informed 6th Sept 2017
54 High Street, Ilminster	informed 25th Oct 2017
10 Kingstone Cross, Dowlish Wake	informed 25th Oct 2017
2 Southview, Cucklington	informed 25th Oct 2017
3 Cowen Close, Crewkerne	informed 20th June 2018

12. Financial Implications

The table below is a summary of the movements in the reserve since the last report:

Affordable Housing Reserve	**£1,000 (rounded)**
Balance b/f (per DX report July 17)	506
Allocation to Mendip YMCA: Christopher House (Portfolio Holder October 2017)	(15)
Allocation to Stonewater: South Petherton (Portfolio Holder October 2017)	(995)
New capital bid approved (District Executive March 2018)	1,500
Allocation to Magna: Crewkerne (Portfolio Holder June 2018)	(350)
Total Remaining Balance of Reserve	646

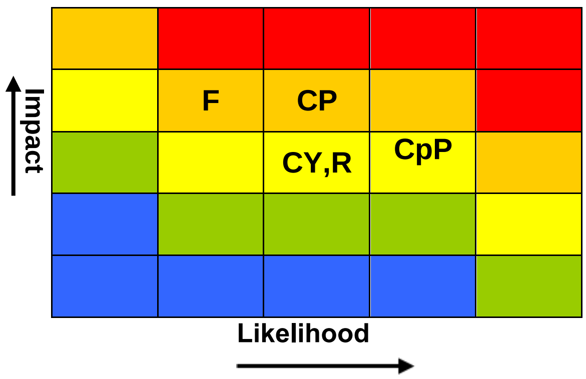
12.1 Of the above there is a reserve set aside for Yeovil only (arising from monies returned by Spectrum) of £71,500

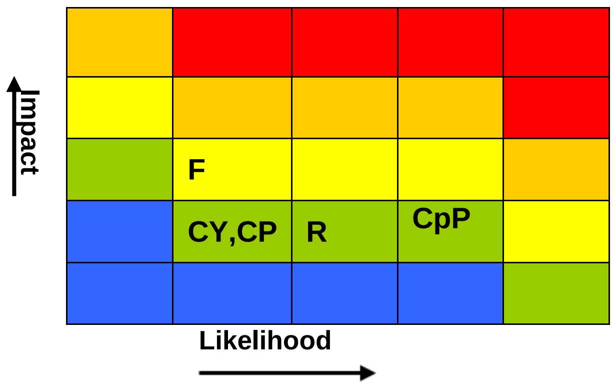
12.2 In addition there is a rural contingency fund of £ 500,000

12.3 The general contingency funding has traditionally been held back to meet operational requirements, such as “Bought not Builts” for larger families; mortgage rescue and disabled adaptations specifically designed for clients where opportunities do not exist in the current stock.

17. Risk Matrices

Risk Profile before officer recommendations **Risk Profile after officer recommendations**





Key

Categories			Colours *(for further detail please refer to Risk management strategy)*		
R	=	Reputation	Red	=	High impact and high probability
CpP	=	Corporate Plan Priorities	Orange	=	Major impact and major probability
CP	=	Community Priorities	Yellow	=	Moderate impact and moderate probability
CY	=	Capacity	Green	=	Minor impact and minor probability
F	=	Financial	Blue	=	Insignificant impact and insignificant probability

18. Carbon Emissions and Climate Change Implications

Previously all affordable housing in receipt of public subsidy, whether through the Home England or from the Council, had to achieve the minimum code three rating within the Code for Sustainable Homes. Homes England has dropped this requirement and work has been undertaken to understand the precise differences between code three and current building regulations (which have improved). Whilst the Council may be able to seek slightly higher standards than those achieved through building regulations where it is the sole funder of schemes, this is rarely the case as usually there is some central grant sought at some stage.

19. Equality and Diversity Implications

All affordable housing let by Housing Association partners in South Somerset is allocated through Homefinder Somerset, the county-wide Choice Based Lettings system. Homefinder Somerset has been adopted by all five local housing authorities in the County and is fully compliant with the relevant legislation, chiefly the Housing Act 1996, which sets out the prescribed groups to whom ‘reasonable preference’ must be shown.

20. Implications for Corporate Priorities

The Affordable Housing development programme clearly provides a major plank under “Homes” and in particular meets the stated aim:

> *“To work with partners to enable the provision of housing that meets the future and existing needs of residents and employers.”*

21. Privacy Impact Assessment

This report does not directly impact on any data held of a personal nature.

22. Background Papers:

Affordable Housing Development Programme
District Executive – 6th July 2017

Affordable Housing Development Programme: Christopher House, Yeovil
Portfolio Holder decision October 2017

Affordable Housing Development Programme: West End Close, South Petherton
Portfolio Holder decision October 2017

Review of the Affordable Housing Development Partnership
Portfolio Holder decision January 2018

Affordable Housing Development Programme: South Street, Crewkerne
Portfolio Holder decision June 2018

Appendix A:	**Combined HE & SSDC Programme Completions 2017/18**												
	Housing Association	**Scheme Name**	**Social Rent**	**Affordable Rent**	**Shared Ownership/ Intermediate**	**Net Gain New Homes**	**Total Homes**	**Total Grant**	**Level of grant from SSDC**	**Level of grant from HE**	**Planning Obligation**	**completion**
Yeovil	Stonewater	West Hendford	0	2	17	19	19	£1,125,345	£375,000	£750,345		Jun-17
	BCHA	Move-on acquisitions (bought not built)	0	2	0	2	2	£112,000	£37,000	£75,000		Feb-18
	Liverty (Knightstone)	Bungalows (NHS funded)	0	0	2	2	2	£0	£0	£0		Oct -17
	Stonewater	Queensway	0	24	0	24	24	£619,607	£162,000	£457,607		Aug-17
Somerton	Liverty (Knightstone)	Northfield Farm	5	0	0	5	5	£0	£0	£0	✓	Mar-18
Martock	Liverty (DCH)	Water Street, Martock	0	0	4	4	4	£0	£0	£0	✓	Oct-17
Chard	Magna	Individual acquisition	1	0	0	1	1	£37,000	£37,000	£0		25th April 2017
Rural *(pop. below 3,000)*	Yarlington	Tanyards, Broadway	4	0	2	6	6	£0	£0	£0	✓	Nov-17
	Yarlington	South Cadbury	0	4	2	6	6	£108,000	£0	£108,000		Jul-17
		Totals	**10**	**32**	**27**	**69**	**69**	**£2,001,952**	**£611,000**	**£1,390,952**	**15**	

Appendix B: Combined HE & SSDC Programme Projected 2018/19

	Housing Association	Scheme Name	Social Rent	Affordable Rent	Shared Ownership/ Intermediate	Net Gain New Homes	Total Homes	Total Grant	Level of grant from SSDC	Level of grant from HE	Planning Obligation	anticipated completion
Yeovil	BCHA	Move-on acquisitions (bought not built)	0	3	0	3	3	£168,000	£55,500	**£112,500**		
Chard	Stonewater	R/o Chard Workings Men's Club	0	4	0	4	4	£216,000	£216,000	**£0**		Nov-18
Somerton	Liverty	Northfield Farm	17	0	14	31	31	£0	£0	**£0**	✓	
Wincanton	Stonewater	Balsalm Park	0	0	15	15	15	£315,875		**£315,875**		Mar-19
Rural	Magna	Maple Drive - Curry Rivel	5	0	0	5	5	£0	£0	**£0**	✓	Jul-18
	Summerfield*	Maple Drive - Curry Rivel	0	0	5	5	5	£0	£0	**£0**	✓	Jun-18
	Seavington CLT*	Seavington St Michael	0	3	0	3	3	£0	£0	**£0**	✓	
		Totals	**22**	**10**	**34**	**66**	**66**	**£699,875.00**	**£271,500.00**	**£428,375.00**	**44**	

Appendix C: Combined HE & SSDC Programme Projected 2019/20

	Housing Association	Scheme Name	Social Rent	Affordable Rent	Shared Ownership/ Intermediate	Net Gain New Homes	Total Homes	Total Grant	Level of grant from SSDC	Level of grant from HE	Planning Obligation	anticipated completion
Crewkerne	Magna	St Peters Church	0	7	0	7	7	£350,000	£70,000	£280,000		Dec-19
Chard	Liverty	Dolling Close (Jarman Way) Plot 5	0	9	0	9	9	£468,334	£200,000	£268,334		Jun-19
Somerton	Liverty	Northfield Farm	10	0	0	10	10				✓	Sep-19
Rural	Stonewater	Dikes Nursery, Stoke-sub-Hamdon	0	10	4	14	14	£290,000	£0	£290,000	□	Apr-19
	Yarlington	Misterton	11	0	6	17	17	£396,661	£396,661	£0		
	Liverty	Norton Sub Hamdon	5	0	2	7	7				✓	Mar-20
	Liverty	Keinton Mandeville	10	0	5	15	15				✓	Mar-20
		Totals	**21**	**26**	**10**	**57**	**57**	**£1,504,995**	**£666,661**	**£838,334**	**32**	