

OVERVIEW & SCRUTINY BOARD 26th March 2012

STATEMENT OF PRINCIPLES REGARDING THE PROVISION OF AFFORDABLE HOUSING ON SITES AT LONGBRIDGE

Relevant Portfolio Holder	Cllr Kit Taylor
Portfolio Holder Consulted	Yes
Relevant Head of Service	Head of Community Services
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Key Decision - Yes	

1. SUMMARY OF PROPOSALS

- 1.1 The report proposes the adoption of a jointly agreed Statement of Principles regarding the provision of affordable housing at Longbridge.
- 1.2 The Statement is designed to guide the approach of Birmingham City Council and Bromsgrove District Council throughout the regeneration of Longbridge sites in respect of the provision of affordable housing. The guide covers issues including the proportion of affordable housing to be provided, the expected size, type and tenure and the way in which it will be allocated under nomination arrangements.
- 1.3 Members will be aware that our Strategic Planning Officers in partnership with Birmingham CC officers have for some time been negotiating with St Modwens to achieve a number of objectives for the Longbridge development sites including the 'on site' provision of affordable housing. Negotiation is ongoing with the viability of the site currently being considered, and appropriate planning contributions which includes affordable housing being sought.
- 1.4 Whilst Planning Officers have been undertaking this negotiation process, Strategic Housing officers have been working in liaison with Birmingham Housing Officers to identify what type, size and tenure the affordable housing should ideally form. The needs of Birmingham CC are for larger family houses whilst the needs of Bromsgrove are for a wider mix of all types of units with a strong need for 2 bed dwellings as identified by our recent housing needs and market assessments.
- 1.5 It was originally envisaged that BDC would have 100% nomination rights to any affordable housing developed on Longbridge sites within the Bromsgrove District Boundary (East Works) and Birmingham CC would have 100% nomination rights to any affordable housing developed within the Birmingham side of the boundary.
- 1.5 However, at this stage, there is no certainty as to what levels of affordable housing may ultimately be delivered within either sector as the density may vary depending upon location, and the type and size of affordable housing provided by developers may be governed by the

OVERVIEW & SCRUTINY BOARD 26th March 2012

surrounding development. Therefore the number of affordable units finally delivered each side of the boundary may not prove to be equally balanced and there is no guarantee that the type and size of affordable housing units provided, for example on the East Works will fully reflect the identified needs of Bromsgrove District.

- 1.6 To overcome any potential imbalance that may occur, a jointly developed Statement of Principles has been formulated to guide the approach of both local authorities throughout the regeneration of Longbridge in respect of the provision of affordable housing.
- 1.7 In short, the statement is proposing that instead of Bromsgrove having 100% nomination rights to whatever affordable housing is delivered on the East works (which could ultimately be less or more than 35% or of a type and size that does not match Bromsgrove District's housing needs), BDC would have 50% nomination rights to all of the affordable housing delivered on all of the Longbridge sites whether they be in Bromsgrove District or Birmingham. Likewise, Birmingham CC would also have 50% nomination rights to all affordable units irrespective of where they fall.
- 1.8 The Statement of Principles which is attached to this report at Appendix 1 comes forward for Member approval.
- 1.9 Whilst the delivery of affordable dwellings on Bromsgrove sites is possibly some way off, the first phase of affordable units on a Birmingham site to which BDC could have nomination rights is due for delivery this year. Birmingham CC are in the process of offering Bromsgrove DC 50% nomination rights to dwellings being delivered by Waterloo Housing on the Lickey Road / Lowhill Lane site which are due to be completed from April onwards. Nomination rights to 5 x 2 bed houses, 1 x 3 bed house and one 4 bed house are being made available to BDC.
- 1.10 To summarise, the key elements of the Statement are:
 - That 35% of housing across all housing sites is to be affordable.
 - The proportion of affordable housing may vary from site to site so long as the overall agreed level and mix of affordable housing is delivered for the development as a whole.
 - Affordable housing should not be concentrated together in excessive numbers.
 - The preference is for Birmingham City Council's requirements for affordable housing to be provided on the North and West Works and Bromsgrove District Council's requirements for affordable housing to be provided on the East Works.
 - However, the actual provision of affordable housing tenures, types and sizes may result in the two local authorities affordable housing requirements being built within the administrative boundaries of the other local authority. In this instance, the priority is to deliver the required total mix of affordable housing in preference to delivering specific tenures, types and sizes on particular sites.

OVERVIEW & SCRUTINY BOARD 26th March 2012

- Bromsgrove District Council and Birmingham City Council is to therefore each have 50% nomination rights to the total affordable housing provision irrespective of where its is provided.
 - The respective local authorities are to have first call upon the type and tenure of affordable units that they have individually identified as meeting their requirements.
- 1.11 The Statement of Principles is not intended to have any long term binding commitment on either authority if it is found to inappropriate to continue to operate. However, in such a case, the Statement does agree to a reciprocal number of nominations being made available where the one authority has already made available nominations to the other on existing sites.

2. RECOMMENDATIONS

- 2.1 **That the Members of the Overview and Scrutiny Board note the report and the following Recommendation that is to be made to Cabinet on the 4th April 2012:**
- 2.2 ***That Members resolve to approve the 'Statement of Principles Regarding the Provision of Affordable Housing at Longbridge', set out at Appendix 1 of the Report.***

3. KEY ISSUES

3.1. Financial Implications

- 3.2 There would be no significant financial implications upon the District Council associated with the approval of the 'Statement of Principles Regarding the Provision of Affordable Housing at Longbridge',

4. Legal Implications

The principles set out in the statement would be used to form the basis of the 'affordable housing requirement' sections of any Section 106 agreements imposed on developers upon the granting of planning permission. Consideration would also need to be given to the inclusion of any relevant planning conditions relating to the affordable housing elements of the scheme. In principle the arrangements for affordable housing provision would be no different to other developments in the District save for the added factor that some of the Bromsgrove nominations would relate to dwellings built within the Birmingham boundary. On this point there would need to be careful drafting of the agreement and processes for future monitoring put in place to ensure that the identity of the authority holding the nomination rights for the

OVERVIEW & SCRUTINY BOARD 26th March 2012

cross-boundary properties is clearly defined and maintained going forward.

5. Service/Operational Implications

- 5.1 The role of monitoring and managing the proposed agreement falls within the existing remit of the Strategic Housing Enabling Role of using planning policy and developing partnership working with providers from the social, charitable and private sectors to achieve the best outcomes for the District.

6. Customer / Equalities and Diversity Implications

- 6.1 The proposed 'Statement of Principles' will potentially provide housing customers with a greater choice of dwelling and location and the local authority with an increased ability to match housing needs with the dwellings delivered. By enabling access to the potentially broader range of size, type and tenure of affordable dwellings that will be developed across the whole of the Longbridge sites will ultimately improve the Council's ability to respond to the diversity of applicants seeking housing.

7. RISK MANAGEMENT

- 7.1 The risks associated with not embracing the proposed Statement of Principles may include:
- The possibility of a lower proportion or density of affordable housing being developed on Bromsgrove sites may lead to nomination rights being limited to a lower number of affordable units.
 - The possibility of the type, size and tenure of affordable units developed on Bromsgrove sites not fully reflecting the range of needs of Bromsgrove residents.
 - Not having access to the full range of dwelling type, size and tenure could lead to a reduced ability to meet the Council's homelessness duty and could ultimately contribute to increased temporary accommodation costs.

8. APPENDICES

Appendix 1 – Statement of Principles Regarding the Provision of Affordable Housing on Sites at Longbridge.

OVERVIEW & SCRUTINY BOARD 26th March 2012

9. BACKGROUND PAPERS

None.

10. AUTHOR OF REPORT

Name: A. Coel – Strategic Housing Manager
E Mail: a.coel@bromsgrove.gov.uk
Tel: 01527 881270