

NORTH SOMERSET COUNCIL DECISION

DECISION OF: COUNCILLOR MARK CANNIFORD EXECUTIVE MEMBER FOR PLACEMAKING AND ECONOMY



WITH ADVICE FROM: DIRECTOR OF PLACE AND SENIOR HOUSING DEVELOPMENT OFFICER

DECISION NO: 21/22 DP 363

SUBJECT: ISSUE WAIVERS FOR SHARED OWNERSHIP DWELLINGS IN DESIGNATED PROTECTED AREAS AT LOCKING, HUTTON, CONGRESBURY AND BLEADON HILL, NORTH SOMERSET

Note: As this decision was considered commercially sensitive it is listed on the forward plan as exempt. As this is no longer the case the normal publication procedure will be followed.

KEY DECISION: YES

REASON: The decision will impact on two or more wards.

BACKGROUND:

There are a number of sites delivering affordable housing in North Somerset at Locking, Bleadon, Puxton and Hutton, these locations are all in Designated Protected Areas, DPAs, the individual sites are listed below.

These DPAs were established in 2009 by central government and are administered by Homes England, formerly the Homes and Community Agency.

The purpose of these DPAs is to ensure that any Shared Ownership dwellings delivered using Homes England grant in these locations were secured as Shared Ownership in perpetuity. This was to be achieved by capping the equity available to the buyer at 80%; and if the Shared Ownership leaseholder acquired more than 80%, (i.e., up to 100% full ownership), then there was an obligation on the Registered Provider landlord to buy back the property when the leaseholder wishes to sell.

These DPAs were introduced to protect and preserve the Shared Ownership dwellings in areas identified as rural settlements of less than 3,000 and separated suburban fringes, which were considered at the time would probably not benefit from any future development of affordable housing. The North Somerset DPAs are:

Abbotts Leigh,
Banwell, Barrow Gurney, Blagdon, Bleadon, Brockley, Burrington, Butcombe,
Churchill, Clapton-in-Gordano, Cleeve,
Dundry,
Flax Bourton,
Hutton,
Kenn, Kewstoke, Kingston Seymour,

Locking, Loxton,
Portbury, Puxton,
Tickenham,
Walton-in-Gordano, Weston-in-Gordano, Wick St Lawrence, Winford, Wraxhall,
Wrington.

Homes England has agreed that under certain conditions, it is able to waive the particular conditions of grant relating to designated protected area status. All other conditions of grant would remain. Such an application for waivers on specific sites must be made by a local authority.

The Council has received requests from RPs to waive DPA status for the following specific sites:

- 17/P/1138/O Land At The Junction Of Bleadon Hill And Bridgwater Road Uphill - application for the erection of up to 60 dwellings with associated public open space
- 16/P/2435/O Land To The North Of Woodside Avenue/East Of Lynx Crescent Weston-Super-Mare - application for proposed residential development of up to 45 dwellings
- 18/P/3367/RM Land To The South Of Cadbury Garden Centre Bristol Road Congresbury - application for layout, scale, appearance and landscaping for the erection of up to 21no. dwellings
- 20/P/2144/FUL Land At Smallway Congresbury – application for up to 20no. dwellings with access for approval with appearance, landscaping, layout and scale reserved for subsequent approval.
- 17/P/1800/EIA1 Land West Of Locking Parklands (The 'Moss Land') Locking Moor Road Locking - application for residential development to provide up to 200 new dwellings in total, with a proportion of affordable dwellings to be agreed.

These developments are already on site or are expected to be developed shortly and will deliver Affordable Housing including Shared Ownership dwellings.

The reason for the DPA waiver request from the RPs is due to the charging conditions imposed by their private funders, who will not accept any restrictions on any Shared Ownership dwellings in these developments. The Registered Providers have also raised concerns regarding the condition to buy back these properties in the event that they staircase to 100%.

Our RP partners have all stated that without the waivers being issued for these specific sites they will not be able to deliver any of the affordable housing, the shared ownership dwellings provide a capital receipt which is a positive impact on their viability for these sites.

Applying for the DPA waiver would also align these shared ownership dwellings with the signed Section 106 agreements, which are less restrictive and allow 100% staircasing whilst protecting any receipts for investment in further Affordable Housing elsewhere in the North Somerset area. Introducing a waiver in these specific locations will allow the unincumbered delivery of the shared ownership dwellings, allowing the RPs to fund further affordable opportunities in the district.

Homes England have confirmed their support for the waiver of the DPA in these locations and have confirmed that it will waive the conditions of grant funding relating to DPA status once the council has agreed to the waiver and submitted the application.

DECISION:

Officers are hereby authorised to:

- a) conclude negotiations with the R.P.'s and Homes England; and
- b) submit the required application to Homes England for the necessary waiver to remove the DPA requirement on these designated locations.

REASONS:

The waiver of DPA status at these locations will align with the less restrictive S106 Agreements and enable the RP's to secure private funding for the schemes.

Council is obliged to enable the delivery of low-cost home ownership as part of the overall affordable housing requirement, including shared ownership.

All proceeds and receipts from staircasing of the Shared Ownership dwellings will be used by the RP to deliver affordable housing in North Somerset.

OPTIONS CONSIDERED:

Other opportunities with registered providers have been discussed, however due to the requirements of their private funders, any other option would result in a failure to deliver affordable housing in these locations.

Receipts from the sale of shared ownership dwellings is secured through the Section 106 agreements to the delivery of affordable housing in North Somerset.

FINANCIAL IMPLICATIONS:

Costs and Funding

There are no cost implications to the Council arising from this report.

LEGAL POWERS AND IMPLICATIONS

Designated Protected Areas were introduced under the Housing (Right to Enfranchisement (Designated Protected Areas) (England) Order) 2009. Provisions allow for applications to be made for a waiver of a DPA

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The homes associated with this report will be constructed in sustainable locations to the latest Building Regulations and will therefore be of a good standard of energy efficiency.

CONSULTATION

With the Senior Housing Development Manager and Homes England

RISK MANAGEMENT

None required

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? No, not necessary

CORPORATE IMPLICATIONS

In terms of the council’s Corporate Plan which empowers and cares about people, through

- delivering affordable housing to people in its communities, and
- meet the aspirations of local people to low-cost home ownership

The proposal will also contribute to the Councils’ annual target for the delivery of affordable housing and the aims of the Corporate Plan and Housing Strategy.

A suitable and stable housing environment is known to have multiple well-being benefits, many of which support other Council objectives.

APPENDICES


None

BACKGROUND PAPERS

None

SIGNATORY:

DECISION

Signed:  .Executive Member for Placemaking and Economy

Date: 16 February 2022

With advice from:

Signed:  .Director of Place

Date: 16 February 2022

