

Appendix 1

Buckinghamshire Council Affordable Housing Position Statement

1.0 Current Conditions in Buckinghamshire

- 1.1 With around 4800 (as of September 2021) households on Bucks Home Choice seeking social housing, yet with only around 1500 lettings made annually, the Council recognises that Buckinghamshire has an acute shortage of housing in terms of socially rented housing, affordable rent and rented key worker accommodation.
- 1.2 This shortage is largely driven by high rents and property values, which put even properties defined as 'affordable' in government guidance (e.g. rented at up to 80% of market rent or sold as shared ownership or discounted purchase price) out of the reach of many residents.
- 1.3 Symptomatic of this is the fact (column 7, table 1 below) that the proportion of Buckinghamshire residents in work and claiming housing benefit is higher than in the South East and significantly more than in England. This demonstrates that lower income working households often need welfare support to afford to rent in both social housing and private rented sectors in Bucks.

	1	2	3	4	5	6	7	8
	Average (mean) house prices in 19/20	Mean annual earnings in 19/20	Ratio house prices/ income 19/20	Income for 80% mortgage 19/20	Mean monthly private sector rent 19/20	Unemployment 2019/20	Housing Benefit claimants total in employment %	HA affordable homes 18/19
England	£309,678	£30,248	10	£70,784	£843	3.9%	17.3%	2,753,583
South E	£388,040	£32,162	12	£88,695	£999	3.1%	19.4%	392,396
Bucks	£480,356	£35,526	14	£109,796	£1,160	3%	23%	31,394

Table 1 - National Housing Federation - Home Truths. The housing crisis in the South East, August 2021

1.4 The challenges faced in the delivery of affordable housing

- 1.5 To effectively tackle the shortage of affordable housing in Buckinghamshire is clearly a significant challenge. High land values mean there is a shortage of suitable modestly priced sites available for building, making the supply of a good number of truly affordable homes near to employment and amenities difficult.
- 1.6 Housing supply has a major influence on economic development and it impacts upon economic performance - a lack of supply can place an area at a competitive disadvantage. Essentially, a good supply of affordable housing is an enabler, bringing access to jobs, education, it underpins economic growth, the ability to recover from the economic effects of the pandemic, and health and wellbeing.

1.7 **The 'cost' of affordable housing**

1.8 However, it must be recognised that the delivery of affordable housing has to be subsidised in order for the rent level or sale price to be truly affordable to those people who cannot afford renting or buying on the open market. This can be through direct subsidy via financial grants or indirect subsidy whereby a landowner (perhaps the Council) or developer has to accept a lesser capital receipt, or lower income from the scheme.

1.9 Table 2 below shows housing need in the former district areas in Buckinghamshire, in terms of bedrooms for households on Bucks Home Choice, as of September 2021.

Bed need	Chiltern Area	Wycombe Area	South Bucks Area	Aylesbury Area	Totals
1 bed	345	736	271	1614	2966
2 bed	113	238	113	334	798
3 bed	161	272	92	349	874
4 bed	16	44	14	76	150
5 bed	1	3	3	4	11
Totals	636	1293	493	2377	4799

Table 2 - Housing need in the former district areas in Buckinghamshire, September 2021

2.0 The Council will be reviewing homelessness in its area and producing Homelessness & Rough Sleeping and Overarching Housing Strategies in 2022. These will set the scene for the next 5 years, examine the issues in Buckinghamshire and set key priorities for how the Council will work with others to tackle homelessness, rough sleeping and strategic housing challenges in Buckinghamshire. The strategies will identify the need for the delivery additional general, specialist and key worker affordable housing across a range of tenures.

Our immediate commitment

2.1 The Council is committed to increasing the delivery of affordable and key worker housing. Therefore, over the next 12 months;

- a) The Council will work closely with house builders, through planning obligations, to maximise delivery of general needs affordable housing. On average, this system has delivered 643 new affordable homes in Buckinghamshire each year. The Local Plans across Buckinghamshire set targets for new developments to deliver affordable housing. These targets range from 25% to 48% (as a proportion of the new dwellings built). Given the high land values in the county and the increasing cost of development it is likely that fully meeting these targets will remain a challenge.
- b) The Council will work closely with Registered Social Landlords to support them to deliver their development plans, and also to encourage them to work in partnership with the Council to use s106 funds and other enabling grants to make nomination rights for affordable rented accommodation available to those on the Bucks Home Choice system.

- c) *The Council will agree a local definition for 'key workers'.*
 - d) *The Council, through its housing company 'Consilio Property Ltd', may engage with private house builders to explore the viability of acquiring homes to accommodate key workers. Provided this is a viable option, and subject to business case and governance requirements, will seek to deliver at least one scheme in 2022.*
 - e) *The Council will identify at least one Council owned asset in Buckinghamshire on which to potentially deliver (subject to planning) affordable and key worker housing, possibly of a specialist nature. The sites identified to be assessed are:*
 - 1. *Stoke Mandeville former Sports and Social Club*
 - 2. *Horns Lane, High Wycombe*
 - 3. *Tatling End, Denham*
 - f) *The Council will agree a position statement on the new national 'First Homes' product for first time buyers and ensure that First Homes delivered in new Buckinghamshire housing developments are prioritised for Buckinghamshire residents and key workers. An interim position statement on First Homes has already been developed.*
 - g) *Empty homes in Buckinghamshire will be reviewed and catalogued and the Council will explore if these can be brought back into use. Council Tax charges for persistently empty homes will be reviewed.*
- 2.2 *Whilst the forthcoming Homelessness & Rough Sleeping and Overarching Housing strategies will emerge in 2022, the approach embodied in this statement will offer an opportunity to deliver tangible benefits in the shorter term whilst not replicating wider general housing market activity. The approaches will also inform strategy and pilot some of the potential future delivery models on Council owned sites i.e. whether the Council is the developer, an RSL, or a combination of the two)*