



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and date of Committee	EXECUTIVE MEETING – 15 January 2025
Subject	AFFORDABLE HOUSING DELIVERY UPDATE
Wards affected	All
Accountable member	Cllr Geoff Saul, Executive Member for Housing and Social Care Email: geoff.saul@westoxon.gov.uk
Accountable officer	Phil Martin, Director of Place Email: phil.martin@westoxon.gov.uk
Report author	Michael David, Housing Delivery Programme Manager Email: michael.david@westoxon.gov.uk
Summary/Purpose	This report provides an update on delivery against the corporate priority of delivering more affordable homes across the district, particularly social rented homes. This report sets out key information on the delivery of affordable housing to date and the future plans to intervene in the market in order to boost the supply of social rented accommodation.
Annexes	Annex A – Strategic Overview of Housing Intervention Annex B - Social Rent Performance Dashboard
Recommendation(s)	That the Executive I. Notes the report.
Corporate priorities	<ul style="list-style-type: none">• Putting Residents First• A Good Quality of Life for All• Working Together for West Oxfordshire
Key Decision	<ul style="list-style-type: none">• No
Exempt	<ul style="list-style-type: none">• No
Consultees/ Consultation	<ul style="list-style-type: none">• Director of Place, Executive Member for Housing and Social Care, Finance and Legal

1. EXECUTIVE SUMMARY

- 1.1** This report provides an update to the Executive on the activity taking place to increase affordable housing delivery. Whilst no financial, legal or key decisions are required at this stage, this report sets the strategic backdrop to forthcoming projects.
- 1.2** The Council's waiting list is under considerable pressure currently due to housing demand for a number of reasons such as the high cost of housing across the district.
- 1.3** The continued use of S106 to delivery of social rented accommodation coupled with the development of strong working relationships with Registered Providers (RPs) and more interventionalist measures will help make a positive impact on reducing that pressure.
- 1.4** Officers are utilising Commuted sums, partnerships with RPs, Council assets, and financial investment to make a tangible impact on affordable housing delivery.
- 1.5** The lack of temporary accommodation bedspaces has now reached crisis point, with 78 households requiring temporary accommodation.
- 1.6** A minimum target of 30 additional bedspaces has now been set to help address this, however the aim is to deliver more where possible.
- 1.7** Whilst the planning system will deliver volume in terms of affordable housing, a strategic approach focusing on targeted interventions to deliver temporary accommodation and social rented homes is being adopted which will have a specific impact on the issues that the Council is currently facing.

2. BACKGROUND

- 2.1** The Council is committed to maximising the delivery of truly affordable homes across the district. This is an integral part of the corporate priority, 'enabling a good quality of life for all'. Corporate and Political leadership have reiterated just how important affordable housing delivery is, and this positive culture filters throughout the entire organisation.
- 2.2** This report provides an update on progress on delivery against the corporate priority and explores how we can identify ways to intervene in the housing market to deliver even more social rented homes.
- 2.3** It is important to acknowledge the significant housing pressure that the Council is under and how this challenge relates not only to the sheer number of people on the waiting list, but also the range of complex cases, urgent and multi-faceted issues that are associated with individuals on that list.
- 2.4** There is a body of evidence to demonstrate that social rents are the most affordable rents for households on median and lower quartile incomes. This constitutes truly affordable homes for this cohort and will have a greater impact on the waiting list.
- 2.5** Social rents are calculated by a government formula to keep rents significantly lower than market rents (typically 50% of market rents). This is in contrast to affordable rents, which are set at a maximum of 80% of market rents.

- 2.6 Social rented accommodation is usually secured through Section 106 planning agreements, however the volume of homes provided through this delivery route alone, is not sufficient to meet the demand for this particular tenure.
- 2.7 It is important to note that under the existing Local Plan, there is not a specific policy requirement for social rented accommodation. However, the new Local Plan, which is currently being prepared, will contain a new policy position on social rent, and will be based on a robust evidence base.
- 2.8 Additional social rented homes have been secured outside of the base policy requirement by utilising the evidence base to date, and good negotiation skills by the responsible officer. A new Local Plan policy will strengthen the negotiating position and support the delivery of social rented accommodation.
- 2.9 Historical delivery through the conventional Section 106 route has performed well, with the Council delivery out-performing the Strategic Housing Market Assessment (SHMA) target between 2019/20 and 2022/23.
- 2.10 This is particularly notable, since the introduction of the 2018 adopted Local plan, and was due to a mix of change in policy, market confidence and new Homes England (HE) funding.
- 2.11 Due to previous under-performance, the overall average falls just under the 274 SHMA target at 260 affordable homes.
- 2.12 However, the same delivery mechanisms will only maintain performance. A more interventionist approach is required to significantly enable more affordable homes, particularly social rented homes, over and above existing delivery. This is critical to making an impact on the waiting list.

3. INTERVENTIONIST DELIVERY

- 3.1 The Diagram at Annex A illustrates various ways that the Council are actively intervening in the housing market. There are a range of tools at our disposal, and a strategic approach has been adopted in regards their deployment to achieve the best outcomes. This report outlines the specific intervention projects under each sub-heading below.

Commuted Sums

- 3.2 Where the development industry cannot feasibly deliver affordable housing on-site, Payments for off-site contributions towards affordable housing in the district are collected by the infrastructure team as commuted sums. The Council has accumulated significant commuted sums which can be used as an enabling fund to support affordable housing projects within the district.
- 3.3 As of November 2024, the amount of commuted sums available totalled £3.36m, with the earliest spend by date December 2025.
- 3.4 The following table illustrates the detail of funds which are earmarked but not yet formally committed to specific projects. As and when these projects progress, the estimated spend will be confirmed and each project will go through a process to formally allocate the funds. However, at this stage, the information below is only indicative.

Table I – Estimated spend data and timescales

Earmarked Project	Estimated Spend	Estimated Timescales
'Community-led Housing'	£300,000	February 2025
Additional Temporary Accommodation via RP partnership	£258,000	June 2025
Extra Care Scheme	£600,000	October 2026
Housing in partnership with OCC and RPs	£350,000	October 2026
Earmarked Total	£1,508,000	
Total Fund Available	£3, 360,000	
Net funds remaining	£1,852,000	

- 3.5 The remainder of these funds (circa £1.8m) can be earmarked for further projects which may have longer lead-in periods including negotiation and planning phases of delivery.
- 3.6 These projects may include the re-development of the Council's land assets, however, on-going work on options appraisals will be brought to the Executive to dictate how this project will come forward.
- 3.7 To be truly interventionist with these Commuted Sum monies, we will seek efficient uses of those funds to deliver our corporate aims. Further plans include entering into joint venture arrangements with partner RP's to front-fund and support the viability of specific projects. This enables the money to work harder for us in partnership with a local delivery agent who may not be able to divest capital upfront. This mutually beneficial arrangement will be explored with a view to making commuted sums work efficiently to deliver additional affordable & social rented homes.

Registered Provider (RP) Delivery Partnerships

- 3.8 The Council regularly meets with several local housing associations (RP's) to discuss development plans, issues and key, strategic priorities for the Council. Officers work collaboratively with each RP to arrive at the optimum housing mix for each site, along with acting opportunistic to securing additional social rented homes through negotiation and strong professional relationships. These discussions currently happen on an individual basis because the information may be of an organisational or commercially sensitive nature. However, a more thematic conference or summit could potentially be considered in future.
- 3.9 The Council's current RP partners include:
- Cottsway Housing Association
 - Sovereign Network Group (SNG) *

- Orbit
- Green Square Accord (GSA)
- Aster Group
- Platform / New Living
- Stonewater
- South Oxfordshire Housing Association (SOHA)

*(Sovereign have been invited to attend the 8th Jan Overview and Scrutiny Committee to discuss newbuild delivery)

- 3.10** Where RP's successfully bid and receive external Grant from Homes England, the Council works with them to optimise the level of additionality social rented homes delivered. We also, seek opportunities for RP's to utilise their recycled capital grant funding (RCGF) within the Council.
- 3.11** Officers are looking to strengthen these strategic partnerships, and seek opportunities to undertake joint projects in future when they arise.
- 3.12** Partnerships in this context will include a range of arrangements which will be specific to each project. However, the objective of these partnerships will be to protect the Council's interests, realise mutual benefit and ultimately deliver the desired outcomes. WODC will continue to seek to external partnerships, across the public and private sectors, which delivers more affordable and social rented homes within the district.

Community-Led Partnerships

- 3.13** Good working relationships have been built with community-led organisations and community groups who have similar ambitions to deliver housing projects, as well as other valuable community assets. This is important local work within the community and the Council actively supports this sector.
- 3.14** A new steering group to oversee community-led and rural housing in Oxfordshire has now being established. The Future Oxfordshire Partnership has agreed to fund some staffing hours for the community- led housing service until March 2026.
- 3.15** There is continued engagement with the Department for Environment Food and Rural Affairs (DEFRA) at a national level on future provision of a rural housing enabling service across the country, but it is unlikely that we will know the outcome of this until the end of the initial pilot in March 2025.
- 3.16** As part of our intervention into this sector, it is recognised the importance of continuing to support community-led work and engage directly with community groups across the district. An example of this is how the Council have been engaging with the Chipping Norton Community Land Trust (CLT) which has been recently incorporated to help identify a potential site.

Bringing Empty Homes back into use

- 3.17** A potential source of new housing is bringing empty / disused houses back into use either by working closely with owners of the properties or actually buying the properties and carrying out the necessary renovations to then bring them back into use.
- 3.18** The Council's powers to make the owners of properties that are kept empty for various reasons is limited, however when opportunities do arise to work with local RPs such as in the case of properties on the Smith's Estate in Witney Officers act swiftly. On this occasion despite carrying out a financial appraisal to acquire the properties from a local RP and regular dialogue they did not wish to sell, however, the approach and interest from the Council accelerated the RP in repairing the vacant homes & bringing the properties back into use.
- 3.19** Whilst this was not the desired outcome, it still constituted a 'win' for the community in terms of reducing the blight of the unkept properties on that estate along with bringing the properties back into circulation to be let to people from our housing register.
- 3.20** Officers will continue to seek opportunities to acquire or lease vacant properties in strategic locations for temporary accommodation use.

District Council Land Assets

- 3.21** The District Council own's land holdings across the district and options regarding how this could be used in innovative ways to provide housing will be presented to the Executive in due course.

Knights Court, Oxford

- 3.22** A paper specifically on Knights Court will be presented to the Committee outlining various options and their associated feasibility in light of discussions with Oxford City Council and OX-Place.

Woodford Way, Witney

- 3.23** Work had been undertaken to review the car parking capacity of the Woodford Way car park and other car parks in Witney. Following a detailed study, the car park is well used and is approximately at 80% capacity.
- 3.24** The review identified that there is some capacity at the multi-storey Marriotts car park, which is at approximately 43% capacity currently, with the majority of the available spaces being on the top two floors.
- 3.25** Capacity could potentially be utilised on the top floors of Marriotts multi-storey car park however, this may not be deemed as convenient as single-level car parking so we cannot accurately model the true level of take-up due to driver preference.
- 3.26** Whilst work continues on exploring other parking options, a paper was brought to the Executive to explore the potential for re-development of part or all the car park as a housing site.
- 3.27** Three housing options were appraised, Market sale, Social rented and mixed tenure schemes. All of which took account of a reduced parking requirement, development values achievable on the site and the potential for affordable/social rented accommodation.

- 3.28** Further work is being carried out to model commuted sum contributions into the next iteration of development appraisals to illustrate how we can increase the number of social rented houses. Work will also be undertaken to model the impact of additional funding being made available to maximise the number of socially rented houses on the site.

Rockhill, Chipping Norton

- 3.29** Engagement with the newly incorporated Chipping Norton CLT explored the potential re-development of Rockhill site. Officers are currently looking into the planning implications of developing this site.

Langford Rural Exception Scheme

- 3.30** Rural Exception schemes (RES) are an important intervention into the local housing mix as they provide affordable homes for local people, enabling them to remain in the communities, they often grew-up in. For this reason, we are actively reviewing options for a RES on our own landholding in Langford.
- 3.31** RES schemes notoriously have longer-lead-in time and take a long time to deliver, we will therefore maintain activity on these schemes to ensure we are delivering for our rural communities.

WODC investment / enabling finance

- 3.32** Other examples of interventionist approaches that are being adopted include working with finance colleagues and housing/resident services to financially appraise the purchase of properties on the market for temporary accommodation.
- 3.33** To date Officers have identified a number of potentially suitable properties that were either on the open market or about to be marketed and have undertaken outline business cases to assess the viability of them. Although the condition of the properties has not made these business cases viable to date, we continue to learn and refine how we directly invest in local properties as we see this as a key tool to support our interventionist approach.
- 3.34** We will act on creative and opportunistic initiatives like these to be truly interventionist in the housing market and to increase our stock of affordable homes and emergency accommodation. From a financial perspective, this approach offers a number of benefits and will help the Council to avoid the increasing costs of placing people in B&B or hostels.

4. TEMPORARY ACCOMMODATION

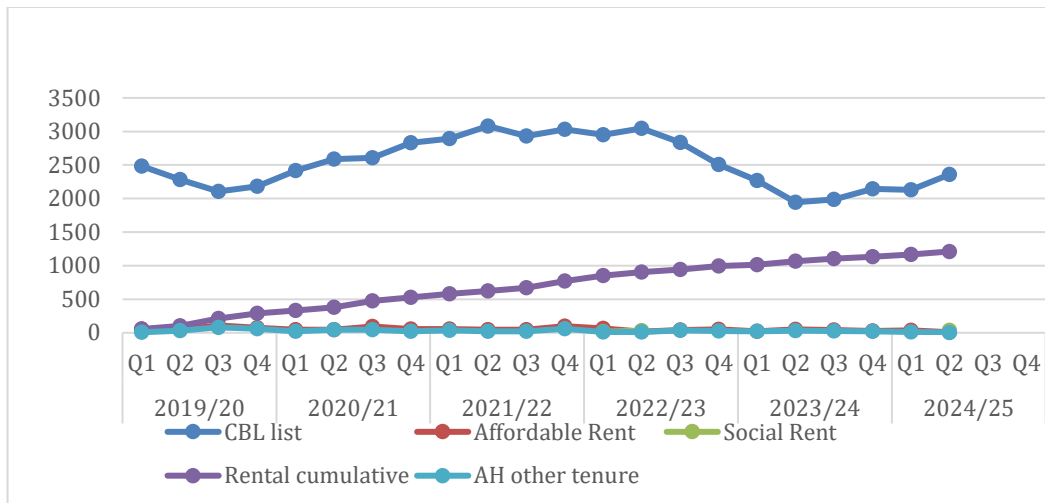
- 4.1** Analysing long-term trends in temporary accommodation use, it has been noted that there are usually around 50 – 60 households in some form of emergency accommodation on average at one time. This predominately comprises of single men, with a smaller number of single females.
- 4.2** Currently the Council has 22 bedspaces available for emergency and temporary accommodation use. These are the Old Courthouse, in Witney and Horse Fair House, in Chipping Norton.

- 4.3 Over the past 12 months demand has risen to approx. 80 households requiring temporary accommodation, however it has spiked to a high of 100 households at times with additional pressure coming from families needing housing support.
- 4.4 The lack of temporary accommodation bedspaces in relation to demand has now reached crisis point and we need to intervene to address this.
- 4.5 To meet the consistent level of baseline demand from single persons, The Council is actively seeking to purchase and convert existing properties that can meet the longer-term need for single people / 1 bed use.
- 4.6 A minimum target has been set to deliver 30 additional bedspaces to meet the minimum requirement over the long-term.
- 4.7 The Council will also be considering the benefits of commissioning new build, and / or purpose-built accommodation within sustainable town centre locations. This would ensure high quality standards and strategic location of the new build property. We will simultaneously employ both the acquisition and newbuild/purpose-built approaches to increase long-term housing stock options.
- 4.8 The delivery of the target of 30 additional bedspaces should predominantly be provided within the district to ensure that the locations are accessible, easily managed/maintained and sustainable in terms of transport links and travel options. This is a particularly important consideration for families with young children who need to access to schools, clubs and local amenities.
- 4.9 However, bedspaces may be considered outside of the district for single individuals with no children, providing that the project has access to suitable amenities and transport links.

5. AFFORDABLE HOUSING DELIVERY

- 5.1 A review of affordable housing delivery over the past 5 years has been undertaken to see what effect this has had on the waiting list. The following chart illustrates the various forms of Affordable Housing Delivery individually, but it also plots the supply of rented homes cumulatively across the 5-year period.

Figure 1 - Affordable housing delivery trends over time



- 5.2** The graph above clearly shows an increasing level of rented accommodation which is denoted by the purple line. However, this has not had a correspondingly linear reduction of people on the waiting list. There may be several reasons for this including the increasing gap between local rents and income/earnings, hidden households, increased relationship breakdowns and the aftermath of the pandemic. Further analysis may be able to break this down further.
- 5.3** A period between Q2 2022/23 and Q2 2023/24 shows a more direct relationship between an increase in rented accommodation and reduction in people on the waiting list. A more detailed breakdown of that period will provide some further explanation for this.
- 5.4** It is important to note that the delivery of 17 social rented homes in Q1 and 34 social rented homes in Q2 2022/23 had a direct impact on the number of people on the Choice Based Lettings (CBL) waiting list in the following quarters. On that basis, the delivery of additional social rented homes is critical to reducing the increasing pressure on the waiting list.
- 5.5** Good partnership working with individual Registered Providers (RP's) and Homes England (HE) has enabled grant funding to be directed to additional social rented homes on existing sites or further phases of planned developments. This process of securing grant-funded, additional social rented homes is referred to as 'additionality'.
- 5.6** Some schemes have been enabled through detailed negotiations with developers and RP's to bring forward additional social rented units. This demonstrates partnership working alongside RP's without additional grant
- 5.7** The following table illustrates the current pipeline of additionality (secured either through grant or negotiation) over a 2-year period.

Table 2 - Property pipeline

RP Partner	Scheme	Social rented homes Forecasted	Delivery Timescales
Cottsway	Swinbrook Road, Carterton	2	Jun'24
Platform	Milestone Rd, Carterton	99	Sep'24 - Mar '25
Cottsway	St Marys, Witney	30	Sep'24
Orbit	Oxford Rd, Enstone	15	Oct-Nov'24
Stonewat	Cote Rd, Aston	24	Mar - May'25
Cottsway	Brize Meadows, Carterton (additional units)	23	Mar'25 - Jun'26
Cottsway	Bliss Brassey & Wilkins, Hailey Av, Chipping Ntn	10	Jun'25
Cottsway	Ryegrass, Woodstock	37	Dec'25
	Grand Total	240	Jun'24 to Dec'25

5.8 The current delivery to date totals 76 social rented homes, and the table below outlines where these are located -

Table 3 – Breakdown of social rented homes across the district to date.

RP Partner	Scheme	Social rented homes Delivered
Cottsway	Swinbrook Road, Carterton	2
Platform	Milestone Rd, Carterton	34
Cottsway	St Marys, Witney	30
Orbit	Oxford Rd, Enstone	10
TOTAL		76

6. ALTERNATIVE OPTIONS

6.1 None

7. CONCLUSIONS

7.1 More social rented homes are needed in West Oxfordshire to have a positive impact on the waiting list. The Council has is using a wide range of 'tools' to deliver more social rented homes, including RP partnerships, direct investment, our property & assets coupled with the playing a more interventionist role in the housing market.

7.2 Temporary Accommodation is also urgently needed to reduce the pressure on the homeless service. A minimum baseline target of 30 bedspaces has been set and key acquisitions are being pursued to address this.

8. FINANCIAL IMPLICATIONS

8.1 There are no direct financial implications associated with the report, however future reports on schemes such as Knights Court will provide detailed cost information.

9. LEGAL IMPLICATIONS

9.1 There are no direct legal implications associated with the report, however the legal implications of potential future schemes along with the acquisition of properties directly or indirectly will be considered and presented in future reports.

10. RISK ASSESSMENT

10.1 The data in the report highlights that insufficient housing, whether that be social rented, affordable housing or temporary accommodation presents a significant risk to the Council from both a financial and reputational perspective, therefore the activities outlined in the body of the report are crucial to mitigate these. The strong pipeline of social rented homes and introduction of the target for temporary accommodation reinforces the Council's commitment to supporting individuals and families who have housing needs.

10.2 Clearly if progress on affordable housing delivery were to cease or drastically reduce, there would be an increased risk of escalating housing demand, higher rates of homelessness and an overall lower quality of life.

10.3 The Council recognises the risks associated with housing delivery and potential impact on many households in the district and will be closely monitoring / managing associated activities and will provide regular updates on the direction of travel regarding affordable housing and continued drive to deliver more affordable homes through productive partnerships.

11. EQUALITIES IMPACT

11.1 An Equalities Impact Assessment is not required

12. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

12.1 None

13. BACKGROUND PAPERS

13.1 None