



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
9 November 2021
Agenda Item 7

Key Decision [Yes/No]

Ward(s) Affected:

Transfer of s106 Monies to the Capital Programme for the delivery of Affordable Housing

Report by the Director for the Economy

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Executive Summary

1. Purpose

- 1.1 This report seeks to transfer s106 contributions received from the Bayside development to the Capital Programme specifically to deliver affordable housing in the Borough. This funding has to be used towards the delivery of affordable housing under the terms of the legal agreement but this can include the direct delivery of emergency or temporary accommodation or payment to a Registered Provider to deliver additional affordable housing.
- 1.2 A number of options for the use of this funding are being investigated by your Officers and it is recommended that the drawdown of the funding for specific schemes be delegated to the Executive Member for Housing.

2. Recommendations

2.1 The Joint Strategic Committee is recommended to:

- i) Approve a budget virement of £1,765,800 funded from the s106 monies from the Bayside development to the Worthing Borough Council Capital Programme to increase the budget for the delivery of affordable housing under the portfolios for the Executive Member for Customer Services.

3. Background

3.1 Planning permission was granted for the redevelopment of the former Aquarena site for 140 residential apartments, commercial floorspace and a seafront cafe. The s106 agreement required the provision of 30% affordable housing (42 apartments). Of these 20 social rented apartments have been provided on site and have been transferred to Worthing Homes.

3.2 The remaining 22 apartments for shared ownership were offered to Registered Providers but were not taken up due to concerns about service charges. The s106 agreement requires that if any affordable housing units are not provided on site a commuted sum would need to be paid for the off site provision of the remaining affordable housing units. The Council's Affordable Housing Supplementary Planning Document requires contributions at the following level:

- £29,760 for a studio unit
- £79,560 for a 1 bed unit
- £80,850 for a 2 bed unit

3.3 The shared ownership units were approved as 10 x one bed and 12 x 2 bed apartments resulting in a total contribution of £1,765,800. This was due on the occupation of the 90th apartments and this payment has recently been made to the Council by Roffey Homes.

4.0 Context

4.1 The need for affordable in homes in the South East, including Worthing is well documented and as part of 'Platforms for Our Places - Going Further' and our 'Delivering Pathways to Affordable Homes' strategy, the Council has

committed to innovate to improve levels of affordable housing being delivered.

- 4.2 The number of homeless people in temporary accommodation is increasing month on month with increasing numbers presenting multiple needs and action is needed to address the needs of our most vulnerable members of our community and is an area of work that is identified as a need by DLUCH through our Rough Sleeper Initiative work.
- 4.3 A number of options are being pursued by Officers and the s106 funding can assist a number of emerging projects. These range from the redevelopment and or conversion of existing properties (e.g. Rowlands Road) to provide additional emergency or temporary accommodation or work with partner Registered Providers and organisations to deliver additional affordable accommodation (Clifton Road).
- 4.4 There is also the scope to provide funding to some of the larger development sites owned by the Council such as Teville Gate or Union Place to deliver additional affordable housing over and above what can be secured through the planning process.
- 4.5 Current options include the potential for redevelopment of surplus land owned by Worthing for new emergency and temporary accommodation and the scope for a joint project with Worthing Homes to redevelop the former Feba premises in Ivy Arch Road (Skywaves).

5.0 Issues for consideration

- 5.1 At this stage Members are just requested to transfer the s106 funds to the Capital Programme for the delivery of affordable housing. This will enable work to progress by Officers to identify appropriate schemes for funding.

6.0 Engagement and Communication

- 6.1 The planning application for Bayside Apartments was the subject of public consultation and the s106 Heads of Terms were agreed by Worthing Planning Committee. The requirement for an off site contribution, if the developer was unable to attract a Registered Provider to take on any of the affordable housing units, was clearly identified at the time.
- 6.2 Any use of the funding to deliver additional affordable housing would be through a similar public consultation exercise through the planning process. Similarly any decision to release capital funding would be a key decision

which would be subject to internal consultation and a separate Executive Member decision report as detailed in the Capital Strategy.

7.0 Financial Implications

7.1 Worthing Borough Council already has several budgets to support the development and delivery of affordable housing either directly or via providing grants to local Registered Social Landlords.

	Prior to 2021/22	2021/22	2022/23	Total
	£	£	£	£
Temporary and Emergency Accommodation Programme (Invest to Save)				
Rowlands Road	2,936,000	1,340,580		4,276,580
Downview Site	3,488,280	911,720		4,400,000
Unallocated budget	0	1,210,630	2,000,000	3,210,630
Grants to Registered Social Landlords	0	1,831,900	906,000	2,737,900
Total affordable homes programme	6,424,280	5,294,830	2,906,000	14,625,110

However, the receipt of the S106 funding will allow the Council to increase the number of projects to be delivered over the next few years.

7.2 Once approved, the budget will sit in the Customer Service portfolio. Under the capital strategy, all schemes costing £250,000 or more require an approval report to be prepared for the Joint Strategic Committee or Executive Member outlining details of the scheme, the method of procurement and the capital and revenue implications prior to any spend.

7.3 The use of s106 funding to deliver additional emergency and temporary accommodation would help to reduce the current revenue financial impact of delivering nightly booked emergency and temporary accommodation for those in urgent housing need as well as provide local fit for purpose accommodation. The funding can also be used to help lever additional affordable housing grant funding from Homes England.

7.4 The use of s106 funding to deliver additional affordable accommodation on development sites either directly or in partnership with local providers will

support move on from temporary accommodation and providing homes to those on the housing register, reducing financial impact of provisioning temporary accommodation and provisioning suitable housing to those in housing need.

8.0 Legal Implications

8.1 Section 124 Local Government Act 1972 provides the Council with the power to acquire land or property.

8.2 Section 8 Housing Act 1985 places a duty of every local Housing Authority to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation.

8.2 The terms of the legal agreement requires these monies to be utilised towards the delivery of affordable housing.

Background Papers

Planning Application Reference - AWDM/1633/16 and accompanying s106 legal agreement.

Platform for Our Places - Going Further

Pathways to Affordable Homes

Housing Strategy

Community Homeless Strategy

Sustainability & Risk Assessment

1. Economic

- 1.1.1 Will contribute towards the councils work to reduce the use of temporary Accommodation which is costly.
- 1.1.2 Delivery of good standard affordable housing will support its residents to be more economically resilient and reduce fuel poverty.

2. Social

2.1 Social Value

- 2.1.1 Thriving People and Communities is one of five Platforms for development in "*Platforms for our Places : Going Further*". Work with key partners to deliver strategic response to our shared agenda to improve housing supply and reduce homelessness.
- 2.1.2 Homelessness exacts a personal cost to those who endure it. In addition to the trauma and the emotional duress that can accompany the precipitating events of one's loss of housing, it can mark the beginning of a steep downward spiral. The unique distress of lacking a settled home can cause or intensify social isolation, create barriers to education, training and paid work and undermine mental and physical health. The impact on children can more profound and long lasting.

2.2 Equality Issues

- 2.2.1 The Council is subject to the general equality duty set out in section 149 of the Equality Act 2010.
- 2.2.2 This proposal does not have an effect on those with protected characteristics.

2.3 Community Safety Issues (Section 17)

- 2.3.1 There are specific commitments in "*Platforms for our Places : Going Further*" which relate to the promotion of communities as safe places. Delivering good quality, affordable, local homes support this work.
- 2.3.2 The Community Homelessness Strategy aims to promote sustainable communities and to prevent and address homelessness. It also aims to reduce the number of those sleeping on the streets and reduce the number of vulnerable residents losing their homes.

2.4 Human Rights Issues

2.4.1 The delivery of affordable housing assist the Councils' to support its citizens to avoid social exclusion, discrimination and loss of dignity.

2.4.2 Proposal supports our residents to achieve quiet enjoyment of their property and possessions through provision of good standard affordable homes.

3. Environmental

3.1.1 Developments will adhere to modern current standards under the building Regulations which includes standards of insulation and fire safety with a bi-product of reducing fuel poverty for their residents.

4. Governance

4.1.1 Delivery of sites will be overseen by Executive Member for Housing via Housing Liaison Board