

Affordable Housing

Scrutiny Review 2024

Scope of Scrutiny

What is affordable housing?

Affordable housing includes homes for sale or rent and is for people whose needs are not met by the private market. Affordable housing is a key element of the Government's plan to end the housing crisis, tackle homelessness and provide aspiring homeowners with a step onto the housing ladder. The Government's [National Planning Policy Framework \(NPPF\)](#) defines the types of affordable housing as Affordable Housing for Rent and Affordable Housing for Sale.

General Needs and Supported Housing.

[Affordable Housing Factsheet](#)
[Context of Affordable Housing / National statistics](#)



Why is Affordable Housing needed?

Local housing statistics

In summary to address the boroughs local housing need: to provide, safe, secure and appropriate accommodation that needs the housing needs of the boroughs residents.

- Homelessness Presentations – 7% (3,030) increase in 2023.24 compared to 2022.23
- Tees Valley Homefinder - applications have increased by 19% (2,566) in 2023.24 compared to 2022.23
- Turnover of existing Registered Provider (RP) housing has reduced – the average number of properties advertised per week down 23% (12) in 2023.24 compared to 2022.23.
- Fewer new build affordable homes being delivered and largely focussed on 2 and 3 bed family homes (see next slide for property analysis)

The Council's current role in addressing local housing needs

Our strategic response

- Communicating local housing need via the [Local Plan](#)
- [S106 Agreements](#)
- Development Partnerships –Registered Providers / Private Developers
- Funding Partnerships – [Homes England](#) / [NHS](#) / and Development partners
- Commissioning approved Care Providers

Service Contextual (Red text indicates "Killer Indicator")	2020.21	2021.22	Baselin 2022.23	2023.24
Number of new affordable homes	48	141	72	146
Size				
o 1 Bedroom				0
o 2 Bedroom				55
o 3 Bedroom				81
o 4 or more bedrooms				10
Tenure				
o Social Rent				13
o Affordable Rent				77
o Discount for Market Sale (First Homes)				0
o Shared Ownership				50
o Rent to Buy				6

Current affordable housing issues

The current challenges

- Unprecedented demand for good quality affordable homes meeting a range of needs
- Challenges and costs of accessing or sustaining home ownership particularly First Time Buyers
- Rising rents in the Privately Rented Sector
- Registered Providers and Developers experiencing increased material costs, reaching capacity, absence of developable land, and sufficient skilled labour
- Increased site viability challenges
- Preference of Private Developers to deliver low-cost home ownership products as part of their affordable housing offer

Looking ahead

Options available to the Council

Remain as we are now

OR

Explore options for how the Council can increase the supply of affordable housing (rented and homeownership)

- Exploring new partnerships and delivery models alongside traditional delivery models
- Potential to reduce costs / avoid costs, and generate new income
- Exploring different hybrid affordable housing models
- Reducing the impact of “cost of living” through quality design

Through this review the potential options available to the Council will be explored and evaluated