

TRAFFORD COUNCIL

Report to: Executive Member for Housing and Neighbourhoods
Date: 8th July 2022
Report for: Delegated Executive Member Decision
Report of: Corporate Director for Place

Report Title

Trafford Affordable Housing Fund Proposed Amendment

Summary

This report proposes an amendment to the Trafford Affordable Housing Fund (TAHF) to allow the Fund to be used to bring empty homes* back into use as affordable social rented properties. This amendment will further increase the provision of social rented accommodation across the borough.

**An empty property is defined as being vacant for 5 or more years and can be either be private, RP or Council owned.*

Recommendation(s)

It is recommended that the Executive Member for Housing and Neighbourhoods approves the amendment to the TAHF to:

- (i) Allow RPs or the Council to bid for grant to assist with bringing empty homes back into use as social rented accommodation.

Contact person for access to background papers and further information:

Name:

Caroline Siddall (Housing Strategy & Growth Manager)
Stephen James (Head of Growth, Communities and Housing)

Background Papers: None

Implications:

Relationship to Policy Framework/Corporate Priorities	<p>The amendment to the Trafford Affordable Housing Fund will meet the following Corporate Objective:</p> <ul style="list-style-type: none"> Supporting people out of poverty <p>In addition, the Trafford Affordable Housing Fund will meet the requirement as detailed within the Trafford Housing Strategy Action Plan 2018-2023.</p>
Relationship to GM Policy or Strategy Framework	<p>The GM Strategy 'Our People, Our Place' commits to the provision of safe, decent and affordable housing across GM. The establishment of the Trafford Affordable Housing Fund enables the Council to co-ordinate the spend of S106 Commuted Sum monies to increase the supply of 'safe, decent and affordable housing' in Trafford, and therefore contributes to the GM commitment.</p> <p>The Fund will also complement the emerging GM Housing Strategy.</p>
Financial	<p>The Trafford Affordable Housing Fund's is financed from S106 commuted sums monies and will therefore adhere to any geographical and other conditions as identified in the S106 agreements.</p>
Legal Implications:	<p>Any grant out of the s106 funds must adhere to any restrictions on the use of those funds as set out in the relevant s106 agreement.</p>
Equality/Diversity Implications	<p>None as a consequence of this report.</p>
Sustainability Implications	<p>None as a consequence of this report.</p>
Climate Change	<p>None as a consequence of this report.</p>
Resource Implications e.g. Staffing / ICT / Assets	<p>The management of the 'Trafford Affordable Housing Fund' will be undertaken within existing resources.</p>
Risk Management Implications	<p>None as a consequence of this report.</p>
Health & Wellbeing Implications	<p>None as a consequence of this report.</p>
Health and Safety Implications	<p>None as a consequence of this report.</p>

1.0 Background

- 1.1 The Trafford Affordable Housing Fund (TAHF) was launched in September 2018 following Executive approval. The Fund brings together Section 106 monies received from developers for the provision of off-site affordable housing. The Council established the TAHF as part of its efforts to address the lack of affordable housing in the borough in partnership with Registered Providers (RPs) who build new homes for social rent.
- 1.2 In 2021 the Fund criteria was amended further to allow RPs and the Council to bid for monies as part of a wider affordable housing scheme that may have other grants secured (i.e. from Homes England). The amendment allows the TAHF monies to be used alongside other grants, however not on the same unit/dwelling.
- 1.3 The Fund is subject to the Council's Nominations Agreement, where 100% of the new build properties, on first let, will be to those applicants on the Council's Housing Register. The priority of the applicants will be determined by the Trafford Housing Allocations Policy.
- 1.4 Since the Fund was launched, the Housing Strategy & Growth Team has been actively engaging with RPs on a regular basis on a 'call for sites'. In December 2022, Trafford Housing Trust delivered a scheme in Timperley providing 30 x 1 and 2 bed social rented apartments which was successfully funded by the TAHF.

2.0 Trafford Affordable Housing Fund Amendment

- 2.1 Currently the TAHF does not allow RPs or the Council to bid for the grant for existing homes that have been empty for over 5 years, and where funding would allow the property to be brought back into use for affordable social rented housing.
- 2.2 The further amendment to the criteria will further increase the provision of social rented accommodation across the borough and enable RPs and Trafford Council to utilise the smaller/area specific Sec 106 monies that are part of the TAHF to bring empty homes back into use.
- 2.3 The table below provides a summary of the current Trafford Affordable Housing Fund and the monies available:

Table 1: Current S106 monies available – Trafford Affordable Housing Fund (May 2022)

Development Address	Area Receiving the S106 Contribution	Amount
Fairburn House, Ashton Lane	Sale	£48,000
Old Laundry Nurseries	Altrincham	£295,500
Yew Tree Farm, Davyhulme Rd, Flixton	Urmston	£22,500
Land at corner of Northenden Road & Gratrix Lane Sale	Boroughwide	£85,000
Meadowside, Torbay Road, Urmston	Boroughwide	£69,912
Sale Sports Club	Sale	£210,000
86 Talbot Road, Stretford	Stretford/Old Trafford	£75,000
Land at Cross Street Sale	Sale	£25,521
Trafford Wharf Rd	Trafford Park	£500,000
Land at Derby Hall, Stretford	Stretford/Old Trafford	£24,561
Equity Loan Repayments*	Altrincham	£557,000
TOTAL		£1,912,994

**S106 monies received from the repayment of equity loans on the resale of the properties that were purchased with assistance from the Council*

2.3 The table below provides a summary of the S106s that have been agreed and monies to be received, subject to meeting certain trigger points:

Table 3: Future S106 monies to be received (S106 in place awaiting trigger points to receive monies due (May 2022))

Development Address	Area Receiving the S106 Contribution	Amount
Dane Lodge Hotel	Sale	£76,948.00
1A Britannia Road, Sale	Sale	£81,011.00
Maddison Apartments, Seymour Grove	Stretford/Old Trafford	£110,318.00
Empress Mill, Haven Reach Ltd O/T	Stretford/Old Trafford	£359,835.33
Altrincham Bus Depot	Altrincham	£86,547.00
Northumberland Rd/East Union St/Blackley St	Stretford/Old Trafford	£114,819.60
Lowry Props- Warwick Road	Stretford/Old Trafford	£214,317.00
JWPC - Northumberland Rd/Manchester St/Chorlton St	Stretford/Old Trafford	£278,226.00
Oakfield Road/Moss Lane - Altair - Altrincham	Altrincham	£224,231.00
Pomona Docks - Ship Canal Properties Ltd	Trafford Park	£1,770, 573.00
TOTAL		£2,631,882.00

2.4 The proposed amendment will enable RPs and Trafford Council to access monies that have to be spent in specific areas (i.e. Sale) to bring long term empty homes back into use as affordable housing, to increase the overall provision of social rented accommodation.

3.0 Allocating the Revised Trafford Affordable Housing Fund

3.1 RP's and the Council will be required to submit a formal application to access the Fund which will be based on the Homes England grant application form and a business plan/business case identifying the following:

- Number of units being delivered.
- Programme and certainty of delivery
- Type, size and tenure of units being delivered.
- Costs
- Funding required from the Trafford Affordable Housing Fund.
- Any financial contribution towards the scheme.

- Other funding secured for the scheme (other grant allocations such as Homes England grant).
- Details and evidence to support the delivery of Trafford’s Housing Strategy 2018-2023.
- Evidence of meeting local housing need.
- Wider socio-economic benefits / social value (i.e. jobs, apprenticeship, training, work experience opportunities etc.).

3.2 Where the Council is making an application, there would be a requirement that this is only on Council led developments where the socially rented accommodation provided is in excess of the planning requirement; and that the social rented units developed are then sold to an RP, who will have to enter into the Council’s Nominations Agreement.

3.3 Awarded monies from the Fund will continue to be subject to the Council’s Nominations Agreement, where 100% of the new build properties, on first let, will be to those applicants on the Council’s Housing Register. The priority of the applicants will be determined by the Trafford Housing Allocations Policy.

3.4 In terms of the approval process, the internal project group comprising the Head of Growth, Communities and Housing; The Housing Strategy & Growth Manager; The Strategic Planning & Growth Manager and a representative from Finance and Legal will continue to meet as and when bids are required to carry out an initial review and shortlisting of applications to ensure compliance with S106 conditions. These will then be sent to the Corporate Director for Place for sign-off and submitted to CLT for consideration.

5.0 Strategic Context

5.1 The Fund meets the Corporate Objective of ‘Supporting people out of poverty’, complements the Greater Manchester Strategy and Greater Manchester Housing Strategy. The Fund is also a key initiative as identified within the Trafford Housing Strategy 2018-2023.

6.0 Other Options

6.1 An option would be not to review the Trafford Affordable Housing Fund and keep the criteria as it was before. This would result in RPs and the Council not being able to utilise the monies to bring long term empty homes back into use, therefore limiting the number of socially rented accommodation in the borough.

7.0 Consultation

7.1 A meeting was held with the Strategic Housing Partnership in January 2022 to inform them of the proposed amendment to the TAHF to allow for the grant to be used to bring empty homes back into use.

8.0 Reasons for Recommendation

8.1 It is recommended that the Executive Member for Housing & Neighbourhoods approves the proposed amendment to the Trafford Affordable Housing Fund to increase the supply of social rented accommodation which is needed in the borough. The Fund will now enable the Council to take a proactive role in increasing the provision of affordable housing, bring long term empty homes back into use and meet Corporate Priorities to tackle the severe affordability issues that Trafford is facing to benefit local residents.

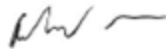
Key Decision: No

If Key Decision, has 28-day notice been given? n/a

Finance Officer Clearance PC

Legal Officer Clearance TR

[CORPORATE] DIRECTOR'S SIGNATURE



To confirm that the Financial and Legal Implications have been considered and the Corporate Director has cleared the report prior to issuing to the Executive Member for decision.