

Affordability and the Bristol Housing Festival

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Affordability and the Bristol Housing Festival

'Do what you can, with what you have, where you are'

- Theodore Roosevelt

'Affordable Housing' is a specific term with specific meanings in specific contexts related to both national and local policy for housing. It is important to understand the meaning and how it relates to the delivery of housing nationally and in Bristol specifically.

The below information has been pulled together to supplement [our blog on](#) affordable housing. The following information is meant as a guide to understanding the policy context and point towards where more information can be found. If you have any further questions related to this, please do get in touch with us at hello@bristolhousingfestival.org.uk

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1. Why do we need 'Affordable Homes'?

In Bristol there are 13,000 people currently on the social housing waiting list, more than 500 in emergency accommodation and at least 600 homeless. Of course, across the whole housing supply of new homes in Bristol it's not economically possible (or desirable) to only build for that acute need. This is why it's important to understand what 'affordability' means, what part 'Affordable Homes' has to play in Bristol to make more social housing available, and why it's Bristol City Council's priority that all new developments have a percentage of 'Affordable Housing.'

2. What does the term 'Affordable Homes' mean?

'Affordability' is a technical term that is defined in National Policy as

"(i) social rented, (ii) affordable rented and (iii) intermediate housing, provided to eligible households whose needs are not met by the market."

Who is eligible for these homes is determined by local incomes and local house prices.

'Affordable Housing' is broken up into specific categories nationally:

- **Social Rented Housing** (let by local authorities or social housing providers to those eligible for social rented housing). Social rent is prescribed under section 80 of the Housing and Regeneration Act 2008 within guideline target rents determined through the national rent regime. They are the lowest form of rent and tend to be lower than Local Housing Allowance – essentially sub-market rents set by the national rent regime.
- **Affordable Rented Housing** (let by local authorities or social housing providers to those eligible for social rented housing). Affordable rent can be set up to 80% of the local market rent.

- **Intermediate Housing** is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria of the affordable housing definition. These can include shared ownership (shared ownership is a product that lets buyers purchase a share of a property (25% to 75%) and pay rent on the remaining share. It is intended as an intermediate tenancy for households which would not otherwise be able to afford home ownership) or equity loans, other low-cost homes for sale and intermediate rent, but not affordable rented housing or social rent.

From the [House of Commons: Housing, Communities and Local Government Committee. Building More Social Housing](#) report:

“Shelter, the housing charity, lamented the Government’s decision to expand the definition of affordable housing to include low-cost homeownership and intermediate tenures designed for first-time buyers, as well as prioritising these tenures over social rent homes. The charity also criticised affordable rented homes as not being truly affordable compared to social rent, given the former relates only to market rents, whereas the latter is tied to local incomes (as well as property size and market values). Shelter recommended that affordability ‘must be defined in terms of local people’s ability to afford their housing costs.’”

3. Bristol City Council's Local Policy

The Council’s ‘Affordable Housing’ policies are set out in the Bristol Local Plan and have to be consistent with National Planning Policy.

These policies require that all new developments are required to have a percentage of ‘Affordable Housing’ according to the definition above. Specifically, development schemes of 15 dwellings and over are required to have 30% or 40% Affordable Housing (depending on their location) and development schemes of 10 – 14 dwellings are required to have 10% or 20% Affordable Housing.

In Bristol, two types of ‘Affordable Housing’ are prioritised: Social Rented Housing and shared ownership as defined within Intermediate Housing. These priorities are based on evidence of the local need.

4. Who Builds and Funds Affordable Homes?

Affordable Homes are built by commercial house builders but then tend to be owned (purchased) and operated (rented) by social housing providers. In Bristol this includes Bristol City Council through its Housing Revenue Account. National and local market interventions are intended to influence and control what commercial house builders can build and to try to increase the supply of Affordable Homes, but still ensuring sites are commercially viable so homes continue to be built. Affordable Homes tend to be provided/ funded through 4 main routes:

- **Section 106 Agreements.** (s106) is the system by which councils extract contributions from developers via the planning system to pay for local infrastructure and affordable housing that mitigates the impact of the scheme on existing residents of an area. Traditionally any new housing scheme will have delivered a number of Affordable Homes on the site or paid for to be delivered elsewhere by virtue of a s106 contribution.

- **Local Policy** in addition to s106 agreements, councils can set local policy to require a number of Affordable Homes delivered by a developer on any given site.
- **HRA Delivery** – Bristol City Council owns some developable land and a significant number of social houses within its Housing Revenue Account (HRA). As with other Local Authorities the abolishment of the HRA borrowing cap has meant that HRAs are starting to build homes again – delivering mixed and balance communities but with a focus on delivering more Affordable Homes. The recent ZED PODS and scheme is an HRA as was Ashton Rise and there is an ambition to increase that supply.
- **Social Housing Providers** the majority of Affordable Homes are contracted by Social Housing providers. To compete with commercial developers to gain viable housing sites many schemes are supported with grants from the national homes agency Homes England. Locally, Bristol City Council has its own additional grants policy to help social housing providers deliver more Affordable Homes. As land is the scarce resource and social housing providers have to compete in the open market to secure land many sites are only commercially viable when a number of homes for sale are built and sold to cross-subsidise the Affordable Homes delivery.

5. 'Affordable Homes' and the Bristol Housing Festival

We're proud of our contributions to help enable more 'Affordable Housing' to be built in Bristol. From our roundtable discussion held with experts in the field as part of our 2019 expo, to the build projects we have been part of, Affordable Housing has been and continues to remain high on our agenda.

Hope Rise:

100% Affordable Homes

The Hope Rise scheme consists of 11 council homes above a car park in St. George. It was developed through a partnership between Bristol City Council, ZED PODS, YMCA and Bristol Housing Festival, providing highly sustainable homes for young people.

[Click here for more information](#)

BoKlok by the Brook

47% Affordable Homes

The new development in Bristol - referred to as *BoKlok on the Brook* - is situated on Airport Road and will provide 173 much needed homes. These homes will be available for market sale as well as social housing for Bristol City Council as part of the Bristol Housing Festival trialling innovative offsite housing solutions across the city.

[Click here for more information](#)

Bonnington Walk

51% Affordable Homes

Legal & General Modular Homes will deliver 185 new modular homes in Lockleaze on Bonnington Walk. The development will consist of 51% affordable homes with a mixture of both council housing and shared ownership.

The site - called Bonnington Walk - has been allocated for housing in Bristol's Local Plan for over 20 years. It is one of 43 sites the council has made available for new housing since 2016. The Council - in partnership with the Housing Festival - seek to use the land to pioneer modern methods of construction (MMC) as an innovative solution to help address the shortage of housing in Bristol.

[Click here for more information](#)

We look forward to continuing to work with Bristol City Council to do what we can, with what we have, where we are – and getting ‘Affordable Homes’ built in Bristol for those who need it most.

6. Resources and Links

[Housing Revenue Account – Gov.uk](#)

Further information from the Government about Housing Revenue Accounts.

[What do we mean by affordable housing – discussion paper, 2019.](#)

A roundtable conversation hosted by Bristol Housing Festival in 2019 discussing affordable housing with experts in the sector.

[Affordable and Social Housing YouTube Playlist](#)

A few helpful YouTube videos on the topic