

North Yorkshire Council

27 March 2026

Community Housing Fund – Giggleswick

Report of the Corporate Director of Community Development

This report contains a confidential Appendix A and B which contains information of the type defined in paragraph 3 of Part 1 of Schedule 12A Local Government Act 1972 (as amended) as it contains information relating to the financial and business affairs of the Council and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information

1.0 PURPOSE OF REPORT

1.1 This report has been written to provide more information on an application from Craven Community Land Trust to the Community Housing Fund. It sets out what was considered by the Affordable Homes Funding Panel and its decision to award a grant of £94,835 for the acquisition and associated costs of 2 x 1-bedroom new build properties in Giggleswick.

2.0 BACKGROUND

2.1 There is a shortage of affordable homes in North Yorkshire and particularly in the Yorkshire Dales National Park. To help address this issue, on 24 January 2024 the Council agreed to introduce a 100% premium on Council Tax for second homes and to invest the income this created into a range of housing initiatives including the provision of new affordable housing.

2.2 The Second Homes Council Tax Housing Fund Framework was presented to the Executive on 18 March 2025, setting out the programme of initiatives that would be funded through this new revenue. Central to this framework was the creation of three new funds:

- Affordable Housing Delivery Fund (AHDF) – £12m over 4 years, up to £29k per home
- Rural Housing Delivery Fund (RHDF) - £4m over 4 years, up to £40k per home
- Community Housing Fund (CHF) - £4m over 4 years, up to £100k per home

2.3 The AHDF and RHDF are aimed at Registered Providers with the experience and track-record of delivering and managing affordable homes. Both are designed to accelerate delivery and address viability constraints to developments. AHDF can be used on any affordable housing scheme whilst RHDF is specifically ringfenced to support the development of rural exception sites. The CHF will support constituted community groups to deliver homes in particular in areas where more standard delivery models have failed. All funds are now live, with the AHDF / RHDF prospectus shared with all members of the York and North Yorkshire Housing Partnership on the 4 September 2025 and the CHF prospectus available via the website.

2.4 The Affordable Homes Funding Panel (“the Panel”) is chaired by the Corporate Director for Community Development and has been established to consider applications to these new funds. Applications will only be put forward to the Panel following satisfactory discussions between the RPs / Community groups applying and members of the Housing Strategy and Partnerships Team.

3.0 PROGRESS SO FAR

- 3.1 All community led housing groups working with the Council have been informed of the Community Housing Fund Framework and the funding is advertised on North Yorkshire Council Website. It has also been shared with partners, such as the National Parks and Community First Yorkshire, so they can share amongst their networks. Initial discussions have been held with several Community Groups about possible schemes which may need support from the CHF. Support is being given to these groups so they are able to provide the necessary information in order to make funding applications. As a result it is envisaged that over the next few months several applications will come forward for the Panel to consider.
- 3.2 An application has been submitted from Craven CLT in respect of a development on land at Stackhouse Lane, Giggleswick

4.0 Land at Stack House Lane, Giggleswick

- 4.1 Here is a summary of the scheme.

Key elements	Response
Funding Lot	Community Housing Fund
No of affordable Homes	2
Tenure split	2x social rent/affordable rent capped at Local Housing Allowance
Total Grant requested	£94,835
Grant requested per home	£47,418 (below maximum intervention rate of £100,000 for CHF)
Will the homes meet an identified need	Yes – HNS completed showing need of 52 across 4 parishes
Planning permission	Planning permission granted via Yorkshire Dales National Park planning Authority
Start on site	January 2026
Practical Completion	September 2026

- 4.2 The properties will be let to those with a local connection at Local Housing Allowance rates. The developer has previously tried to transfer the homes to a Registered Provider, however there are a limited number of landlords willing to take properties on small developments in the National Park and as such, Community Land Trusts are perfectly placed to fill this gap, providing much needed affordable homes for their own community. If the homes are not transferred to the Trust, they risk being sold on the open market.
- 4.3 The group have secured a donation of £80,000, the cost of one of the properties, leaving a gap in funding of a further £94,835. (£80,000 for the transfer of the home and £14,835 for capital works, insurances and fees). There are a limited number of mortgage lenders who will provide finance to a CLT who are trying to deliver a small number of homes. Those who will provide finance do so at an interest rate that makes projects unviable, particularly with their first projects. Craven CLT plan to deliver a pipeline of homes across the lower dales and securing these properties will provide them with assets which they can borrow against in future. This reduces the need for grant funding long term and provides a sustainable income stream for the charity.
- 4.4 This proposal was presented to the Affordable Housing Funding Panel on 23 February 2026. Following a discussion at the meeting the Panel agreed to support the proposal.

5.0 CONSULTATION UNDERTAKEN AND RESPONSES

- 5.1 **Housing delivery** – Information from the funding appraisals was shared with our delivery team, to support the group in identifying all ongoing costs and to assess the reasonableness of assumed costs by the group. Furthermore, a valuation of the property will be sought, to ensure value for money. A breakdown of the appraisals can be found at in the confidential Appendices A and B.
- 5.2 **North Yorkshire Home Choice** – Whilst the CLT are unable to sign up to Home Choice, conversations took place with Head of Housing management to look at potential options regarding nominations for the properties and to ensure that the homes are let in a transparent and equitable way. In conclusion, whilst the CLT cannot use Home Choice directly, they will be modelling the allocation policy on that of North Yorkshire Home Choice and using a third party organisation to allocate the properties. Additionally the homes will be let to those with a local connection and in line with the section 106 agreement restrictions.
- 5.3 **Yorkshire Dales National Park.** As the local planning authority, YDNP are very supportive of community led housing projects within the National Park and have agreed in principle to a Deed of Variation on the current 106 agreement, allowing the Trust to purchase and manage the properties.
- 5.4 **Executive Member for Culture, Arts and Housing** – the Executive Member has been briefed on the application received and will be kept updated on further progress and next steps.

6.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 6.1 The latest Housing and Economic Needs Assessment show there is a significant shortage of affordable housing to meet the needs across the whole of North Yorkshire. Growing the supply of affordable homes is seen as a key priority in the North Yorkshire Housing Strategy and is also a key objective in the York and North Yorkshire Strategic Place Partnership.
- 6.2 Delivery of Community Led Housing contributes to North Yorkshire Council's adopted Housing Strategy priorities by:
- Preventing and tackling homelessness;
 - Meeting supported housing needs and the needs of specific groups;
 - Growing the supply of affordable and available housing;
 - Addressing the rural housing crisis; and
 - Ensuring new housing supply of all tenures contributes to our net zero ambitions.

Furthermore, the Housing Strategy committed the council to: *'supporting the Rural Housing Enabler partnership and Community Led Housing groups, to ensure a supply of housing is maintained of the right quality, type and tenure in rural areas;'* and *'working with key partners to support communities, through projects that will improve their local environment.'*

7.0 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 The properties could be transferred to a Registered Provider, however no Registered Providers came forward when they were advertised.
- 7.2 As per the 106 agreement, if no Registered Provider comes forward to take on the properties they can be sold on the open market, however this does not help address the identified need for affordable homes in the area.

8.0 FINANCIAL IMPLICATIONS

8.1 Using the income generated from the 2nd Homes Council Tax Premium a four year budget has been set for each of the funds. They are:

- Affordable Housing Delivery Fund (AHDF) – £12m over 4 years, up to £29k per home
- Rural Housing Delivery Fund (RHDF) - £4m over 4 years, up to £40k per home
- Community Housing Fund (CHF) - £4m over 4 years, up to £100k per home

8.2 The report is in relation to the award of a grant of £94,835 for the acquisition and associated costs of 2 x 1-bedroom new build properties in Giggleswick. Funding for this scheme equates to a 2.2% commitment from the CHF, whilst delivering 5% of the total number of homes the CHF is anticipated to deliver over 4 years. The intervention rate of £47,500 per home is well below the maximum intervention rate of £100k for the CHF.

9.0 LEGAL IMPLICATIONS

9.1 Any funding award will be subject to compliance with the Subsidy Control Act 2022 and secured through a grant agreement.

9.2 A Subsidy Scheme has been established in respect of the Second Homes Council Tax Housing Fund Framework. Each award under the Framework will be reviewed against the provisions of the Subsidy Scheme to ensure compliance with the Subsidy Control Act 2022.

9.3 The Grant Recipients will be required to enter into a Grant agreement with the Council which will include monitoring and claw-back provisions to ensure the grant is used towards the development of affordable housing.

10.0 VALUE FOR MONEY

10.1 This scheme delivers good Value for Money. Investing c£95,000 of the revenue secured through the 2nd homes council tax premium to secure 2 affordable homes for an identified local need, in an area with high second home ownership.

10.2 Research published in 2024 by Sheffield Hallam University outlined that investing public money in social housing offers significant value for money. It concluded the average value of a social tenancy for each household living in a general needs social housing tenancy is at least £18,051 per year. This value includes:

- Savings to the NHS due to improve mental and physical health, with fewer GP and A&E visits
- Savings to DWP and increased tax income, as people with a stable home is more likely to be able to gain and sustain employment
- Savings to local councils by keeping residents out of temporary accommodation and helping people staying independent and less likely to be on the Child Protection Register
- Improved education outcomes to boost the economy, as children in stable homes are more likely to attend school

10.3 Furthermore, Research by Capital Economics found that community led housing represents high value for money for public investment, generating £2.70 of public benefit for every £1 of public money spent¹. Using this calculation on an allocation for this scheme translates to a figure of c£256,500 in public benefit.

11.0 EQUALITIES IMPLICATIONS

- 11.1 An equities impact assessment screening form has been completed and can be found at Appendix C
- 11.2 Building affordable housing has a positive impact on several protected characteristics. Social housing waiting lists have a high proportion of people on low incomes and people with a disability. Providing good quality affordable housing can provide a foundation for someone to thrive and gain a stake in their community. In rural locations the new people living in the homes can help sustain services and support local charitable endeavours.

12.0 CLIMATE CHANGE IMPLICATIONS

- 12.1 A climate change impact assessment screening has been completed and can be found at Appendix D.
- 12.2 The new homes will be built to a good environmental standard with energy efficiency features and have air source heat pumps

13.0 CONCLUSIONS

- 13.1 The AHDF, RHDF and CHF were developed to help RPs and community groups to address viability gaps and accelerate the delivery of much needed affordable homes in North Yorkshire. The bid from Craven CLT will be the first application to the development fund, and provide the Trust with the funds to acquire assets which can provide a sustainable income stream, allowing them to go on and develop their future pipeline. Without the funding the homes will not be secured by a Registered Provider and will be lost to the open market.

14.0 REASONS FOR RECOMMENDATION

- 14.1 The reasons for the recommendations are set out in sections 4 & 5. Fundamentally, the recommendations are made with the intention of making the best use of the funding,

15.0 RECOMMENDATION

- 15.1 Following support from the Panel that the Corporate Director for Community Development in consultation with the Assistant Director for Resources approves:
- i) That £94,835 be awarded to Craven CLT from the Community Housing Fund to procure 2 x 1 bed properties on Stackhouse Lane in Giggleswick.

APPENDICES:

- Appendix A : Confidential Appendix A
Appendix B: Confidential Appendix B
Appendix C: EIA assessment
Appendix D: Climate Impact assessment

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