

## Brent Knoll Affordable Housing Project

This project is trying to increase the supply of affordable-housing for people with a strong local connection with the parish of Brent Knoll.

**Date** February 2017

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### **Affordable Housing** Affordable Housing

Affordable housing allows local people to access a **suitable home**, at a **price they can afford**, where they were **born/grew-up/have support and social networks or work in**

Affordable housing is best described as housing provided at prices below the prevailing market value to people who are unable to find a suitable home on the open market (primarily due to its price).

Affordable housing can be provided on **rental basis**

Affordable housing **homeownership basis**.

Affordable housing can be provided by the **public sector** (the Council and-or housing associations)

Affordable housing can be provided by the **private sector** (volume house builders and private landlords)

Affordable housing can be provided by the **community** (CLT etc etc)

A household is considered to be in **housing need** if one or more of the following criteria apply and where they are incapable of resolving their housing problem in the prevailing local housing market:

People with a particular social need, which cannot be resolved except through a move.

Who cannot afford market properties and have a need to move.

Homeless people, who those living in insecure housing (this will include housing that is too expensive compared to the household's disposal income).

Where there is a mismatch between the housing need the current home (overcrowding or under occupation).

Someone with a physical (or other medical) impairment living in unsuitable housing.

Where the property lacks basic facilities and places which are subject to major repair.

A **strong local connection** can include factors such

- (1) Currently living in parish for a reasonable period of time;
- (2) Previously lived in the parish, but moved away due to problems finding a home;
- (3) Permanent employment in the parish;
- (4) Strong family connections;
- (5) Other non-specified reasons considered important to the parish. ,

The results of the HNA will alter with increasing/decreasing values of housing, policies of lenders, and the economic climate, demographic changes in the community and as individuals situations change.

## Brent Knoll Affordable Housing Project Review

### Understanding Local Housing Need in Brent Knoll

Brent Knoll 2016 HNA

### Brent Knoll 2013 HNA

The Brent Knoll 2013 Housing Need Assessment (“HNA”) was published in December 2013. It is important to note that the Brent Knoll HNA offers a snap shot of the housing situation in the parish at the time of the survey. These will alter with increasing/decreasing values of housing, policies of lenders, the economic climate, and demographic changes in the community and as individual’s situations change.

Affordable Need	2bedB (rent)	2bedH (rent)	2bedF (SO)	3bedH (rent)	TOTAL
TOTAL	1	3	1	3	8

There is no specific length of time associated with the relevance and robustness of a HNA. However, it is advisable that any HNA older than 3-years should be updated to capture the scale and nature of current local housing need. The Brent Knoll 2013 HNA is therefore reaching the end of its natural shelf life and requires updating.

### Brent Knoll 2016 HNA

Since speaking with the Parish Council the Affordable Housing Development Team has carried a Brent Knoll HNA refresher exercise. The Brent Knoll 2016 HNA has been circulated separately to this briefing paper.

Affordable Need	1 Bed Rent	2 Bed Rent	2 Bed SO	3 Bed Rent	4 Bed Rent	TOTAL
TOTAL	3	3	3	1	3	14

### Development Site

Initial sequential site search carried out – refer to earlier briefing notes

February 2017 Update

Subsequent desk top assessment of potential sites looked at each individual parcel of land to clarify whether it was available, potentially achievable and potentially suitable.

Brent Knoll Parish Council has confirmed that they do not anticipate the provision of any affordable housing on the Land Adjacent to the A38.

As reported previous, no other potential development sites have been come forward. The status of the land at Musk Farm was discussed in the December PC briefing paper.

At the time of drafting this paper, we must assume that the Station Road land continues to be the only site in Brent Knoll which can be said to be available, potentially suitable and achievable. A progress report relating to this parcel of land forward is set out below.

### Station Road

Initial public consultation took place at the drop in session on 28<sup>th</sup> June 2016.

February 2017 Progress Update

The original 18 unit proposal – the tenure mix to be agreed

Property Type	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	TOTAL
TOTAL	0	6	11	1	0	18

As a direct response to the feedback from the community event, a revised project proposal was reported to the Parish Council in December 2016.

The revised 15 unit proposal is emerging, with the following property mix.

Property Type	1 Bed Flat	2 Bed Flat	2 Bed House	3 Bed House	4 Bed House	TOTAL
TOTAL	2	2	4	4	3	15

A traditional P4 cross-subsidy developer led project would see 40% affordable housing provided, equating to 6 affordable homes being built. An indicative tenure mix is below:

Property Type	1 Bed Flat	2 Bed Flat	2 Bed House	3 Bed House	4 Bed House	TOTAL
Market Unit	0	0	3	4	2	9
Affordable	2	2	1	0	1	6

This mix is not firm, but provides an insight into a possible developer-led tenure mix

More and more housing associations are looking into building market homes to help fund their affordable housing build programmes. This approach brings obvious risk to the housing association. At the time of drafting this briefing paper, the SDC Affordable Housing Development Team ("AFHDT") are looking into the possibility of a housing association led project, with the potential to increase the overall % of affordable housing on the site.

The emerging affordable housing proposals for the Station Road will have the following characteristics:

- Developer-led project would see 6 affordable-homes - 40% of the overall development.
- Or
- Housing association led project could potentially see 9 affordable homes (60%)
- The affordable housing units will be on-site.
- The affordable-housing will be well integrated with the open market homes.
- The affordable-housing units will be provided free from public sector investment.
- The affordable housing tenure split would need to be broadly in line with the HNA.
- The affordable-housing units will be undistinguishable in appearance and specification from the open market units on the site.
- The housing will achieve the highest standards of energy efficiency and sustainability.
- The TCPA s106 agreement will include a local letting (sale) plan for the allocation (sale) of the affordable housing units. This LLP will prioritise local people seeking an affordable home will have first refusal for new and future vacancies.

#### **Recent Activity**

A revised indicative 15 unit residential development layout is being refined.

Investigations into technical issues (including Highway's, Drainage amongst others) continue.

Scrutiny of the financial modelling of the revised proposals is on-going.

Discussions with possible housing provider end-users are on-going.

#### **Funding the Delivery of New Affordable Housing**

##### **Existing Sedgemoor Local Plan – Affordable Housing via TCPA Planning Gain**

In places such as Brent Knoll, the Council encourages housing provision to come forward with infill, subdivision or conversion within the settlement boundary in the first instance.

This approach would see affordable housing provided through the TCPA planning system as part of private sector lead larger open market housing project and secured by s106 agreement. The precise level of affordable housing would vary from site-to-site. This approach would typically be on land within the village development envelope and can only be used on new-build developments of 6 or more residential units.

There is no intelligence to suggest that a suitable site fitting this description will come forward in the foreseeable future.

The Council's Emerging New Local Plan (due for adoption late 2017) will retain a very similar requirement for a % of affordable-housing on sites of 6 or more. There are no plans to allocate a parcel of land for new residential development in Brent Knoll under the emerging LP.

TCPA Planning Gain is therefore not a realistic option in the foreseeable future to secure affordable housing.

There are no sites within the development envelope capable of delivering between 1 and 5 new homes. The opportunity for an affordable-housing provider to develop a small Windfall Project using grant is therefore not likely in the foreseeable future.

##### **Existing Sedgemoor Local Plan – Affordable Housing by Exception**

Brent Knoll is currently designated a KRS ("Key Rural Settlement"). The existing local plan includes specific housing policies which will allow the building of new affordable housing outside the village development envelope.

Both policies are applicable. However, where a quantifiable need for affordable housing can be demonstrated, these new homes could be built by exception outside the village development envelope. These policies are designed to tackle an evidenced based shortage of affordable housing at the local level. The starting point for any project seeking to use this policy would typically be evidence from a local Housing Need Assessment.

Polices P5 and D7 would only allow the construction of affordable housing only.

By its very nature, the building of affordable housing requires some form of subsidy support in order to make the homes affordable. Gap funding has in the past almost always been provided by the public sector (central or local government). Securing sufficient levels of public funds in

support of new affordable housing has proved increasingly more difficult due to reductions in government expenditure.

Funds are available to bid for but this fund is likely to be over-subscribed nationally.

A P5 / D7 type policy will be retained in the emerging LP. The complete reliance on public sector funding support (and the oversubscribed demand on such funds) might significantly delay or even hinder a project in Brent Knoll.

Policy P4 would allow for the construction of both affordable housing and market housing outside the village development envelope.

Unlike the earlier D7 policy, the building of these affordable housing does not require external public sector subsidy support. The gap funding is comes from the construction and sale of the open-market homes.

This approach has been the preferred option to deliver affordable homes in Brent Knoll.

Projects of this nature require that at least 40% of the overall new homes are affordable. So, a

Brent Knoll is likely to be classed as a tier 3 settlement under the emerging LP, with a P4 type policy being retained in the emerging LP for places such as Brent Knoll.

This cross subsidy approach is still considered the best option to bring forward new affordable housing in Brent Knoll.

Formal briefing to Brent Knoll Parish Council (February – March 2017)

Community Consultation Event to showcase 15 unit residential proposal (March 2017)

Presentation of Project Proposals to Brent Knoll Annual Meeting (April 2017)

**Community  
Engagement**

**Next Steps**