

Parish Council	East Huntspill Parish Council
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Topic	East Huntspill Affordable Housing Project 2016
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Affordable Housing Development Team	The Sedgemoor District Council Affordable Housing Development Team (AFHDT) is a small dedicated team with specific responsibility to oversee the delivery of new affordable housing. The team are part of the wider SDC Strategy and Development Service. This service is responsible for developing and implementing many of the Council's key strategies and policies. Building upon a successful track-record of delivering affordable homes in rural communities, the AFHDT provides support and advice to parish councils, landowners, developers and registered providers with the aim of developing new affordable housing. The AFHDT has developed its own housing need assessment processes which provide publically available independent and robust evidence for future housing growth in rural communities
What is 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 & private sectors Affordable housing can be provided by the community (CLT, such as the one in Mark) Affordable Rented Homes Social Rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. <u>Affordable Rented</u> housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). In rural communities, such as East Huntspill, we generally encourage a preference for social rent where possible. Social rent is considered the more affordable form of renting. Affordable Homeownership Options There are different types of affordable homeownership under the global banner of affordable housing. This could include self or custom build housing. This is because locally different types of households have different incomes and housing needs. 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.
The 2016 Housing Environment	At the NATIONAL level, the delivery of, and the deliverability of affordable housing is likely change in the near future. Issues such as a seismic central government policy shift from rented housing towards homeownership could increase pressure on existing affordable housing stock. Other factors such as the reduced public sector investment into traditional affordable rented housing, the extension of the right to buy for housing association tenants and reduced financial capacity from within the social housing providers to maintain

meaningful new build programmes all point to an uncertain future.

At the **LOCAL** level we are faced with the prospect of SDC adopting a new long term local plan which may offer opportunities to build more homes in East Huntspill.

The Housing Picture in East Huntspill

As at 2011, there were 1,146 people living in East Huntspill and 473 dwellings in East Huntspill parish.
(Office of National Statistics, Census 2011)

Owner occupation (homeownership) was the dominant housing tenure in East Huntspill, equating to just over 81% of all properties in the Parish. This is above the national average (63.4%) for England and the Sedgemoor average of 71.3%.
(ONS data, updated April 2011)

Prevailing high cost of buying a home means that East Huntspill properties remain unaffordable and out of reach for a significant number of local people (who are already not on the housing ladder and on local incomes) looking for a home in East Huntspill.

The **Private Rented Sector** (PRS) accounted for approximately a mere 7% of the total East Huntspill housing stock.
(ONS data, Census 2011)

PRS housing is in limited supply, with anecdotal research suggesting exceptional high levels of local demand as and when rare vacancies arise. Whilst this review is only a snapshot in time, there were no PRS vacancies being advertised at the time of this review (June 2016). Rent levels are generally higher than the district average. Larger properties (capable of accommodating larger families) would undoubtedly be much more expensive. Benefits and financial support is available for private tenants renting property or a room from a private landlord. If they are on a low income, they may be able to claim and receive Local Housing Allowance (LHA).

As at March 2011, there were just 33 **Affordable Homes** in East Huntspill, equating to circa 7% of all East Huntspill Homes. (ONS data, updated March 2011)
East Huntspill has seen 19 new affordable homes built since the 2011 census. These were secured at Smithy Farm (TCPA 25/07/00029 and 25/10/00014) and the publically funded Parish Council sponsored project at Hackness Farm (TCPA 25/10/00034).

The impact of the "right-to-buy" has seen the numbers of affordable homes drop since the early 1980's. The existing affordable housing stock is likely to come under pressure as a result of the government introducing the right-to-buy for housing associations and the possible sale of high value local authority stock. It remains to be seen just what effect these initiatives will have in high value areas such as East Huntspill.

In summary, it is noticeable that a growing number of adult children are unable to get on the housing ladder and continue to live with parents or relatives. Many wishing to remain in rural communities, are priced out of the market or forced to leave due to a lack of affordable housing, a situation heightened by an influx of wealthy commuters, second home buyers, holiday lets and retirees moving to the area. Rural house prices tend to be well above the average, while local rural incomes are below. This affordability gap continues to grow and adds to the increasing loss of younger adults and families who often support and contribute to local rural communities; shops, schools and transport services can be affected as young people and families are forced to look for more affordable places to live.

The **Sedgemoor Core Strategy** is the Local Plan relevant to East Huntspill. Sedgemoor District Council adopted this plan in 2011. This sets out planning policy for the district over the period 2006-2027. This plan is currently being reviewed, with a new plan proposed by 2017. Policy S1 sets out the spatial strategy for Sedgemoor, identifying how much development should go where. At 70% of all new homes (2006 - 2027) are to be built in Bridgwater, with 15% in Burnham-on-Sea and Highbridge. The remaining 15% (1,575 homes) are expected to be provided in smaller towns and villages. (KRS and OSS) The majority of the 15% (12%) going to 17 identified Key Rural Settlements (KRS).

East Huntspill is currently designated a KRS within the adopted Local Plan. The emerging new local plan is likely to be adopted by Sedgemoor District Council in 2017. The emerging status would see East Huntspill would be a Tier 3 Settlement. In terms of housing delivery, this would effectively retain a "as you are now" position (see below).

Existing Core Strategy Approach - Housing

Housing proposals for redevelopment, infill, subdivision and conversion within existing settlement boundaries will be supported where it is appropriate to the scale, design and character of the existing community.

Outside of the settlement boundaries housing proposals will be supported only where it is demonstrated that it meets a range of criteria including meeting an identified need for affordable and market housing and the affordable housing provision is normally at least 40%.

Emerging Sedgemoor District Council Local Plan, due for adoption 2017

Suggested Approach 48

Tier 3 Housing

The Local Priority Housing Sites policy will be slightly updated to fully reflect the locally adopted guidance. Appropriate sites would be expected to be either within the development boundary or well related to it.

PLANNING POLICY D6 - PLANNING GAIN

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

POSSIBLE OPTION UNDER EXISTING AND EMERGING LOCAL PLAN POLICY

PLANNING POLICY D7 - AFFORDABLE HOUSING BY EXCEPTION

This would see affordable homes only built by exception outside the village development boundary ("VDB"). This policy is 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 ("HNA").

This approach is possible in East Huntspill. However, this policy is not considered appropriate or helpful in bringing forward new affordable housing at this time. See comments immediately below.

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 become increasingly more difficult due to reductions in government expenditure. Since winning the May 2015 election, government has embarked on a radical alternative affordable housing policy focussed on home ownership. It is impossible to say when (or if) further central government funds specifically for rented homes will be made available.

POSSIBLE OPTION UNDER EXISTING AND EMERGING LOCAL PLAN POLICY

PLANNING POLICY P4 - AFFORDABLE HOUSING BY EXCEPTION

In some ways, a similar approach as described in D7. This would see new affordable homes built alongside open market homes for sale by exception outside the village development boundary ("VDB"). Again, this policy is 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 evidenced by a local Housing Need Assessment ("HNA").

This approach is possible in East Huntspill and should be considered appropriate and genuinely helpful in bringing forward new affordable housing.

Unlike policy D7, the delivery of the affordable homes is not reliant on the provision of public sector funds (central or local government). The funding required for the affordable homes would come from the sale of the open market homes. Projects using this policy would typically be required to provide a minimum 40% of the new homes to be affordable. This approach has been successfully used at Crockers Hill in Woolavington to deliver 18 new affordable homes.

POSSIBLE OPTION UNDER EXISTING AND EMERGING LOCAL PLAN POLICY

BETTER USE OF EXISTING COUNCIL HOUSING STOCK

This would see the existing stock put to better use. This approach could see the current homes modified or be subject to deregulation from its current use. This would not naturally increase the supply of new affordable homes.

EMPTY HOMES

Sedgemoor District Council operates an Empty Homes Scheme to assist with helping to bring the property back into use, sometimes leased on an affordable basis.

SELF-BUILD OR CUSTOM BUILD OR COMMUNITY LED HOUSING

The Government wants to enable more people to build or commission their own home and make this a more mainstream housing option. Still requires land on which any new homes could be built.

STAGE 1:

UNDERSTANDING LOCAL HOUSING NEED FOR AFFORDABLE HOUSING

This would typically see the AFHDT conduct a parish wide housing survey ("HNA") of local people and their future housing requirements.

It is important to note that any East Huntspill HNA will offer a snap shot of the housing requirements for local people with a strong connection with the parish. A strong 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.

The AFHDT have developed a new HNA system since the previous East Huntspill HNA was published (October 2008). Any HNA older than 3-years should be updated to capture the scale and nature of current local housing need. The 2008 2HNA is therefore of no relevance to any future East Huntspill Affordable Housing project.

The AFHDT is committed to carrying out a new HNA exercise in East Huntspill starting in October 2016, culminating in the publication of a new East Huntspill HNA in November 2016.

The HNA will follow an analytical assessment of each and every individual respondent's housing need. As far as has been practical, the assessment will evaluate fact and avoid it being a local "opinion poll" on housing. In reality, the assessment will seek to answer a simple yet fundamental question, "is there any unmet local housing need from local people in East Huntspill?" rather than "I think there is a need for housing".

Assuming some form of housing need has been identified, the following sequential steps represent a typical step-by-step by housing development process.

STAGE 2:

FINDING & SECURING A SUITABLE SITE FOR THE NEW AFFORDABLE HOUSING

Sedgemoor District Council's preference is to identify any parcels of land within the development boundary. However in the absence of these sites, other available sites can be considered outside the development boundary. Sedgemoor District Council's current planning rules (set out in the adopted Core-Strategy) do allow for the development of housing outside the development boundary where affordable-housing is needed and there is support from the local community. Parcels of land outside the development boundary are known as 'exception sites'.

When potential developable sites have been identified each site will have to go through an assessment criteria, there are three stages which include **availability, suitability and achievability**

Assessment Criteria 1: Site Availability for Housing

A site is considered available for development, when, on the best information available, there is confidence that there are no legal or ownership problems, such as multiple ownerships, ransom strips, tenancies or operational requirements of landowners. The key question asked under this assessment is a simple one. Does the land owner wish to dispose of their land to support the provision of affordable housing?

Assessment Criteria 2: Site Suitability for Housing

Factors such as planning policy restrictions and limitations (designations, protected areas, existing planning policy and corporate, or community strategy policy), any physical problems or limitations (access, infrastructure, ground conditions, flood risk, hazardous risks, pollution or contamination), any potential Impacts (upon landscape features and conservation) and any environmental conditions

Assessment Criteria 3: Site Achievability for Housing

A site is considered achievable for development where there is a reasonable prospect that housing will be developed on the site at a particular point in time. This is essentially a judgement about the economic viability of a site, and the financial capacity of the affordable housing provider to actually build the new homes.

The assessment process will also include each of the chosen sites being interrogated by Sedgemoor's Internal Development Group team. This is a fortnightly meeting with Planners, Landscape Officer, Planning Policy and Conservation Officer to provide without prejudice opinion on each site.

Development of land that sits outside the current (and proposed) East Huntspill development boundary would not ordinarily be permitted. However there are two exception Policies within the current SDC Core Strategy (described above) which could be used to support the delivery of new affordable housing.

STAGE 3: DESIGNING AND AGREEING A HOUSING PROJECT

STAGE 4: IDENTIFY DEVELOPMENT PARTNERS

STAGE 5: IDENTIFY FUNDING OPTIONS, FOLLOWED BY

STAGE 6: SECURING FUNDING AND PLANNING PERMISSION

STAGE 7: CONSTRUCTION PHASE

STAGE 8: OCCUPATION STAGE

Can Make Sure Local People Move In

If new affordable homes are eventually built, and they secure planning permission under policies D7 or P4 (or their subsequent replacement policies in a new local plan), a local allocation plan can be agreed

Assuming the new affordable homes are rented in nature, they will be allocated to eligible people who are registered on the waiting list, now called **Homefindersomerset Choice Based Letting ("CBL")** system. This register covers the whole of Somerset. A similar process exists for an affordable housing for sale.

All CBL applicants are assessed in terms of their HOUSING NEED and categorised in the following manner:

High Housing Need ("Gold Band")

Medium Housing Need ("Silver Band")

Low Housing Need ("Bronze Band")

All things being equal, priority for any housing vacancy will be given to the applicant considered to be greatest housing need. Therefore, a gold band applicant would be more likely to be housed than a silver band applicant **irrespective of what connection an applicant has with the village.**

However, where housing has been secured TCPA approval to tackle a housing issue within a specific location (such as the Load lane), the **strength of the applicant's local connection** with East Huntspill can also be a **major factor** when allocating the property. This is known as a **LOCAL CONNECTION POLICY ("LCP")**. In order to secure a LCP (and ensure it is implemented) a bespoke Local Letting Plan will need to be included in the s106 Agreement.

When available for occupation, the affordable housing provider will advertise the East Huntspill properties on the CBL system.

The advert will make it clear that priority for the new homes will be given to CBL applicants with a connection with the parish of East Huntspill. However, any CBL applicant can bid even if they do not have an obvious connection with the parish.

Local people MUST FORMALLY BID to be considered for the new homes. Members may wish the affordable housing provider to run some form of promotional event locally prior to them advertising the units to make sure local people are aware that bidding is essential.

A local connection could be through residency, employment or family.

The LCP could award equal weight to all three or could give greater weight to one over the others.

Residency

Being resident in the parish for xxxx years out of the last xxxx years

Employment

Being in permanent employment, with a minimum of a 16 hour contract per week which has been in place for the previous 2 years without a break in the period of employment for more than 3 months.

Family

Having family connections in the parish. These family connections can be defined as immediate family members to the main or joint applicant (parents, siblings and non-dependent children) who themselves lived in the parish for the last 10 years and whom there has been frequent contact, commitment or dependency.

Connections have equal priority	Connections are prioritised
<p>People with local connections are prioritised by housing need:</p> <p>a) Gold Band b) Silver Band c) Bronze Band</p> <p>Example, with three applicants:</p> <p>a) Gold Band: Employment b) Silver Band: Residency c) Bronze Band: Family</p>	<p>People in housing need prioritised by local connection:</p> <p>a) Residency b) Employment c) Family</p> <p>Example, with three applicants:</p> <p>a) Residency : Silver Band b) Employment: Bronze Band c) Family: Gold Band</p>

The priority categories in the typical Local Letting Pan allocation plan will look something like below. However, these things tend to vary slightly from parish to parish to reflect the PC's specific wishes:

- Priority Group 1 Households who live or have lived in the parish for xxxx years.
- Priority Group 2 Households who live and have lived in the parish for less than xxxx years, or with another connection such as full time employment, family connection or past residence with the parish.

Categories 1 & 2 typically the local connection applies to East Huntspill Parish.

- Priority Group 3 Households who live and have lived in a neighbouring parish
- Priority Group 4 Households who have live and have lived in a neighbouring parish or with another connection with the neighbouring parish such as full time employment, family connection or past residence with the neighbouring parish.

Categories 3 & 4 typically see the local connections applied to adjacent parishes

- Priority Group 5 Other eligible households from the homefindersomerset system

They could look very different of course. For Example, PG1 could prioritise people who have left the village over people living there.

The affordable housing provider would be required to select people from PG1 in the first instance. When looking at PG1 candidates, priority would initially go to Gold Band people, then Silver and finally Bronze.

Only after exhausting households from PG1 will they look at households from PG2 and the process is repeated through the PG's.

Parish Council Role

Our experience tells us that successful affordable rural housing developments are initiated and supported by active and committed Parish and Town councils.

Keep affordable housing on the local agenda and local people in the loop and champion the affordable housing project.

Provide local knowledge and leadership.

Help identify sites, Initiate projects and comment on the design-layout.

Facilitate local communication, promote community consultation and participation.

Help measure and understand local housing need