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To: The Chairman, The Newton and Noss Parish Council.

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References: These are attached at Annex C

COMMUNITY HOUSING – FINAL REPORT.

INTRODUCTION.

Early in 2006 the Newton and Noss Parish Council (NNPC) set up a local “Community Housing Working Group” to advise on how best the Parish could achieve some much needed “Affordable Housing”. Such housing was required; both for those already living and working here but also for those key individuals, nurses, carers, schoolteachers and similar people from outside the village, that were needed to rebalance and regenerate an ageing community, but who could not afford to live here. In the Village Survey, conducted in 2002/3, over 75% of those who lived in the Parish voted in favour of Affordable Housing.

This report aims to describe the realities on the ground, the process, the major decisions reached and the way forward chosen by the NNPC. Every document of any significance was posted on the Parish Website www.newtonandnoss-pc.gov.uk with a dedicated link to “**Community Housing**”. This enabled everyone in the Parish with access to the Internet to follow and contribute to the debate throughout.

This final report will act, therefore, as a starting point of reference for any future work in this field by the NNPC, thus saving the Parish Council the need to constantly repeat their previous arguments and decisions. It is also hoped that this document will be helpful to other small rural communities faced with similar problems and save them from having to search for useful references or to ‘re-invent the wheel’ in their search for ways to try and achieve “Affordable Housing”.

REALITIES ON THE GROUND.

The Parish has some 1800 people with an average age ten years older than the norm. In 2005 there were 5 Baptisms, 7 Marriages (two for over 65’s) and 27 Funerals. This is an ageing community that needs to be rebalanced and regenerated if we are to sustain the local Services of which everyone is justly proud: the Post Office, Chemist, Butcher, Mini-Market and the School whose roll had been dropping consistently over the last few years. Even the list of those thirty households who have applied to be on the South Hams Social Housing Register reflects the demographic balance. 13

households are between 60 and 90 plus, 6 households are over 50 and only 11 are aged below 50.

These difficulties are compounded by local property prices. The national average price for a detached house is £261,067. In this Parish it has risen to £438,695 or 25 times the local average income ! There are further difficulties. We have a higher than average percentage of “Second Homes” (17 - 20%) and this problem is compounded by a profitable “Letting Segment” in the two villages that removes opportunities for private lettings for local workers in the summer when rental prices surge well beyond the ability of local wage earners to contemplate. For many “security of tenure” remains a primary requirement in the search for affordable housing.

In addition to these difficulties the Parish is in an area of “Outstanding Natural Beauty”, has “Areas of Special Scientific Interest” close to the Parish Boundaries and has several “Conservation Areas” within the villages themselves. Both villages sit on the River Yealm, an outstanding tourist, yachting and recreation centre, a combination that makes it a “honey pot” for second and rental homes and brings with it all the difficulties associated with such places; totally inadequate parking, poor local public transport, and a water and sewage system that is now working at full capacity. Any further building will require a substantial investment to upgrade the whole sewage system.

Any approach to the problem of Affordable Housing has to be conducted against the background of local and central Government Planning and Building Regulation. We are fortunate in some ways in that the South Hams District Council (SHDC) is a leading District Council in the UK with “Beacon Status”. It is about to institute a Local Development Framework process (to replace the Local Plan) and this will set out the planning policies and proposals for the district, including site-specific proposals for new development. This will be a document that is open to continuous amendment, thus enabling Town and Parish Councils to bid for improvements as circumstances change. The current LDF Core Strategy allocates only 45 dwellings to Newton Ferrers for Affordable Housing, a figure that the Parish Council feels is quite inadequate to meet the demand. It is also relevant that, when the LDF is established in 2007, the SHDC’s energies will necessarily be concentrated on Sherford New Community. This will be a significant development and contain much “Affordable Housing”. Setting Sherford on one side, the next priority for the SHDC will be to concentrate on the market towns such as Totnes and Kingsbridge where the issues and opportunities are greatest. Though some form of Village Plan is envisaged eventually, it is clear that villages themselves must make as much of the running as possible if they are to get their requirements understood and approved.

THE APPROACH ADOPTED.

There is much advice on how to tackle the problems of rural affordable housing; references (n), (o.) and (p.) in Annex C being typical examples. In a nutshell; the NNPC set out to follow the route demonstrated in reference (p.) starting in 2002/3 with a **Village Questionnaire** from which a **Parish Plan** was drawn up and published in 2004. These two processes established an agreed need for 110 Affordable Homes to be built by 2016 at a rate of around 10 dwellings per year, preferably in small groups of housing that would fit in with the character of the Parish. It was

immediately clear that the 45 Dwellings, “allocated” in the LDF Site-Allocation Document, of which approximately two thirds might be affordable, fell far short of the actual requirement. It was at this juncture that the Community Housing Working Group (CHWG) was set up to research and come forward by October 2006 with proposals as to how this major miss-match might be rectified. The Terms of Reference for this Group can be found on the Parish Website.

It was readily apparent that we first needed to “**validate the requirement in terms of numbers**” and to “**assess the likely availability of land suitable for Affordable Housing**”. Without this information it would be difficult to suggest a way forward that would carry any conviction with the SHDC Planners and Housing Officials, let alone those who lived here and would be affected.

The Numbers. We decided to ask the question “Were there to be ‘Affordable Housing’ available now – who would be interested ?” An article in the Parish Magazine (circulation 800) produced not a single reply ! However, a poster campaign, pinned to village telegraph poles and distributed through the local pubs, produced an early response. Some 23 people came forward as possible candidates for “Affordable Housing”. The main reasons quoted being; “to leave home” and to get “security of tenure”, a major problem in a village where high holiday rentals can require winter tenants to vacate their winter lets to make way for more profitable business ! It is suspected that very few of these aspiring home owners have entered their names on any Housing Register. **These figures, in one year, more than substantiate the earlier requirement for 110 Dwellings over ten years.**

Available Land. Newton Ferrers already has a Camping Site at Briar Hill Farm and it may be that the present owner might apply for building permission invoking the “Beacon Housing Guidelines”: one third open market; one third part rent/part equity; one third Social Housing for rent. This build, if it comes forward and is approved, might take up some of the “Allocation” in the current LDF but would not meet the overall requirement in terms of numbers. There are also two sites at either end of The Fairway whose landowner might consider an application for housing at some time in the future.

A trawl of local Landowners was, therefore, undertaken and six Landowners expressed an interest in providing land at less than the normal commercial rate for Affordable Housing, provided that there was a reasonable return for them and that local people would benefit in perpetuity from any deal. This last stipulation was a significant requirement put upon the CHWG in the first place. A preliminary scrutiny of the sites was then presented to the NNPC in the form of a simple **Matrix (Annex A)**, rating each site in terms of environmental impact, ease of access, topography etc. **A Map, illustrating the various sites (Annex B), was also provided.** This local map also shows the positions of two possible “Commercial Housing Developments”, mentioned above, and also two sites suitable for use as “Employment Land”.

CONSTRAINTS.

Planning and Building Regulations. Initially; there had been a naïve assumption that a solution, dubbed locally as a “natural justice solution”, might be possible. This would have rewarded the putative Landowner in exchange for offering

land at below market rate by letting him build, say, two or three open market houses for his family, farm workers or for sale. Bearing in mind that Agricultural Land sells for around £8,000 per acre and Building Land can reach £1.2m per acre, there is a clear need for the Landowner to have the prospect of a worthwhile return if he is to offer up Farmland for Affordable Housing at well below the market rate for Building Land.

In practice there are only two routes that can be followed:

* **Offering potential Building Sites for inclusion in the appropriate LDF Site-Allocation Document.** This method would be the best solution in many ways. Once a site was designated as “Allocated Land” then the Beacon Housing Guidelines would apply; one third Open Market Housing, one third part Equity/Part Rent and one third Social (rental) Housing. The SHDC might insist that a higher percentage must be designated as “Affordable” but the Open Market segment would offer the Landowner the prospect of a substantial return on his generosity. There would be a further advantage in that this approach would produce a more “balanced scheme” and could generate a higher site value which would be needed to fund the potentially wide ranging development costs. This would not be a quick process and any application for Planning Permission might well meet local opposition. However, once a site was designated in the LDF Site-Allocation Document then the prospect of being able to build some Affordable Housing in due course would become a reality.

• **Offering potential Building Sites as “Rural Exception Sites”(RES)** The main disadvantage of this RES Solution, insofar as the Landowner is concerned, is that such sites HAVE to be “100% Affordable”. There is, therefore, no easy solution to the problem of rewarding the Landowner with houses for himself or his workforce or for sale on the open market. That said; there is a reasonable prospect that such a site, handled by a Housing Association, might give the Landowner between £10K and £11K per plot or around £150,00 - £200,000 per Acre, certainly an advance on the sale of Agricultural Land.

It has to be said, however, that any Landowner, before putting forward parcels of land for Planning Permission, would be well advised to seek professional advice.

Parish Council Control. The original Terms of Reference set out the need for the Parish to have a measure of control in perpetuity over any Affordable Housing that might be built. There is already a mechanism in place for Rural Exception Sites or where planning obligations are attached to other Affordable Housing developments. This is set out in Reference (q.) paragraph 4.5. The primary aim here is to ensure that applicants with strong local connections have first priority for nomination to such properties. There follow a set of criteria setting out the eligibility rules for such applicants. It cannot be over-emphasised that anyone aspiring to be nominated for social housing MUST first be on the Housing Register. For other commercial building operations, such as that potentially at Briar Hill Farm in this Parish where the Beacon Housing Guidelines will apply, there is scope for the

Parish to influence the amount of local control through the S 106 Agreement that the SHDC will issue and which will set out the constraints on the “affordable element” of the site.

There is an alternative approach, generally described as a “Community Land Trust” (CLT) that has been attempted elsewhere and much written up (See Annex C - 1). References (l) and (m) are good examples as to how such a scheme might work. A Community Land Trust (CLT), where the Parish sets up a Trust to finance, build and ultimately control a Development for Affordable Housing, would bring on some onerous responsibilities for the trustees. There are also drawbacks to such a scheme; particularly in the way any part-ownership element in such a scheme is managed. There is a limit of an 80% maximum equity holding by any tenant making the acquisition of a mortgage both expensive and difficult.

The NNPC had reservations about this form of control. In a markedly ageing community it was felt that there would be real difficulties in finding trustees, necessarily in their forties, who would be prepared to accept the risks and the onerous responsibilities of such a trust and there are well known advantages in keeping the allocation of places in local Affordable Housing at arms length !

Local Opinion. All planning applications can generate a NIMBY reaction. However, the village survey not only generated 75% support for Affordable Housing, but substantial support for the view that any such housing should be for those with local connections or for those needed to regenerate the local community, carers, nurses, young professionals, teachers and local workers. These views were reflected in the Parish Plan.

In addition to this groundswell of support, there has been a genuine appreciation that this whole process has been carried out in the open, with every document of any significance being posted on the Parish Website for everyone to see and comment upon. It is, however, somewhat curious that we have not received a single contribution to this debate from those who live here other than from members of the NNPC. When the time comes for real planning applications to come forward, no-one will have the excuse that they were ignorant or not consulted. It is true of course that there are some who are not computer habile or who do not have access to the Internet. However, the Parish Council has published progress on the village notice boards for all to see.

THE WAY FORWARD.

The NNPC has been presented with a series of Work-In-Progress reports from the CHWG at two monthly intervals. Each report has been debated by the Parish Council and further guidance issued to the CHWG at the time. This has enabled the Working Group to refine its findings and advice as well as to seek help in particular areas from officials at the SHDC and the Community Council for Devon (CCD). It cannot be stressed too strongly that this liaison with Local Government Officials has been entirely beneficial for both parties and has enabled the Working Group to come forward with proposals that make the best of local regulation and experience. The support and advice of our District and County Councillors has also been invaluable.

The final Work-In-Progress Report contained two draft letters; one to the SHDC setting out the NNPC's views on the way forward and another to each of the Landowners who had come forward with offers of land originally. Bearing in mind the commercial sensitivities inherent in any planning applications, the NNPC considered these two draft documents in closed session. Once despatched, they will be posted on the Community Housing Website for everyone to see.

This left a further requirement; to inform the aspiring Home Owners of the outcome of all this work. The identities of these aspiring Home Owners have been confined to those members of the CHWG who had a 'need to know'. There are well known sensitivities surrounding the issues of Social Housing and an understandable nervousness by those currently renting privately that their identities should be protected. Furthermore, the Data Protection Act demands that these people's wishes should be respected. It therefore fell to the CHWG to inform these people directly. This letter too, which does not identify the recipient, will also be posted on the Parish Web Site.

LESSONS LEARNED.

The CHWG brought together a variety of experience and had one representative nominated by the Parish Council.

Inevitably there have been some disappointments along the way; the inability to apply our "Natural Justice Solution", which was seen to be both fair and sensible by a large majority of those who live here, being one of them. However; it might be helpful to list a few points that might benefit others:-

* **The importance of establishing the "Need" for "Affordable Housing"**. The Village Questionnaire (2003/4) produced a very high turnout - over 72%; with over 75% voting in support of Affordable Housing and over 50% being prepared to see the village boundary expanded to achieve it. This convincing result was part of the Parish Plan but was already three years out of date and needed to be updated if the Authorities were to take us seriously.

Conventional methods of sampling opinion in the Parish Magazine produce no results at all. It was found, however, that "Flyers" pinned to telegraph poles and stuck up in pubs generated responses within a fortnight of their appearance. Roughly half the aspiring Home Owners alerted the CHWG of their requirements by e.mail, with the remainder arriving in the mail or by personal contact.

This trawl revealed that there was, indeed, a genuine need and that the numbers supported, almost exactly, the NNPC Requirement stated previously: 110 dwellings by 2016.

* **The identification of potential sites for "Affordable Housing"** This proved easier than expected with six potential Landowners coming forward with land that might prove suitable. Ranking these sites in terms of suitability

was necessarily a very subjective business and was delivered as a simple Matrix for the NNPC to debate. (Annexes A and B)

There are clearly considerable commercial sensitivities in any selection but the CHWG took the view that, since any Landowner was free at any time to offer land for development, it was more sensible to look at the environmental issues, access to services, topography and so on in selecting those most likely to achieve success.

* **Parish Control.** The CHWG was under remit to try and achieve a high level of Parish Control, particularly in the selection of “Local Applicants” for any Affordable housing that might be built. We looked in detail at Community Land Trusts but the NNPC eventually decided in favour of a conventional approach where the Landowner would, on obtaining Planning Permission, deal directly with a Housing Association from the selected list of such firms approved by the SHDC. There were a number of reasons for this:

- This was an approach strongly supported by the SHDC.
- There was doubt that, in an ageing community, it would be possible to find enough Trustees, necessarily in their Forties, to take on the onerous responsibilities.
- Any search for such Trustees would introduce a considerable delay and so reduce our chances of amending the LDF in our favour in the short term.
- All outside advice warned against taking on the invidious responsibilities of deciding which local Applicant should be allocated housing in such a scheme.

TAILPIECE.

The demand for and the difficulties in satisfying the requirement for “Affordable Housing” should not be underestimated. It is central to sustaining rural life, particularly in the South West of England. The CHWG has necessarily concentrated on the practicalities in this Parish; how many would actually take up such housing, what sites could be made available for development, what approach would be most likely to get results from the Planners and so on ?

This Parish is not unique but suffers particularly from the phenomena of the “Second Home”, the “Buy-To-Let” investment business and the parallel ageing of the Resident Community. Market forces can often trump any well-meaning effort by the local community to engineer fundamental change in the demographic balance of where they live.

This Parish has fought to retain its local Post Office, has a brand new school and many other Services central to a village community. Bursting at the seams in the summer months, the Parish lies a third empty in the winter. Few businesses find it easy to survive such swings in usage. Rebalancing and regenerating this community is the single most important task we face if this Parish is to regain a more normal demographic profile. The one thing that could help to achieve this and produce a

sustainable community for the future, in spite of all the commercial pressures inherent in such a beautiful place, is “Affordable Housing” for those we need to live here but who cannot afford to do so.

Like many Parishes we complain about totally inadequate parking facilities, lousy public transport, Wheelie Bins that clutter up an otherwise pretty environment and so on. These are important issues but trivial in comparison with the need to build and sustain “Affordable Housing”. Every effort should now be made to drive through and support the NNPC’s recommendations at every level.

The CHWG will now be wound up since all action has now transferred to the NNPC, local Landowners and those aspiring to get on the housing ladder in one way or another. It has been an interesting exercise !

- ANNEX A. The community Housing Site matrix**
- ANNEX B Local Map of Possible Affordable Housing Sites.**
- ANNEX C List of References.**
- ANNEX C 1 Land Trust References.**

Robin Hogg, Chairman Community Housing Working Group.