

Affordable Housing in Hanley Swan

Hanley Castle Parish Council questions to Peter Newman , Housing enabler
MHDC

Sent 5th. May 2009

Parish Council's points in black

Peter Newman's Responses in red

At our last Parish Council meeting, our members debated the issue of the affordable housing scheme proposed for this Parish. The Housing Needs Survey report prepared by Nigel Potter of Community First has been analysed in some detail and we present our findings and comments below. The Council would appreciate your response to these points before making its final decision as to whether or not to endorse the scheme as proposed. To set the scene, our Council remains broadly in favour of S106-tied affordable housing being provided in our Parish AS LONG AS it is proportionate to the need and truly satisfies our desires to provide affordable housing for those with a genuine local connection.

1. As far as we are able to determine, no account has been taken of the 'displacement' issue. That is to say, when the new affordable housing units (AHU) are ready, it is possible that tenants of other, non-S106, affordable and social housing in our Parish will qualify for a new AHU, whether as an upgrade or downgrade to/from their existing tenancy. While this is totally acceptable to us, it then raises the likelihood that the newly-vacated-non-S106 property will be occupied by a new tenant who is not subject to the S106 agreement, which rather defeats the object and principle of the scheme. Now, whilst we are not averse to this per se, we wonder if the claimed requirement for 16 units is something of overkill.

Clearly, these tenants will have a local connection by residence, and if their housing circumstances justify it, they might be allocated a tenancy on the new development. However, only 2 out of 23 respondents stating a housing need are currently RSL tenants, so the impact is unlikely to be significant.

It's true that any RSL property which they vacated would not be subject to the Rural Lettings Policy, so it would be allocated to the person on the waiting list with the greatest need, regardless of local connection. This is primarily because of the legislation governing what preference should be given to different categories of need when RSLs are offering tenancies.

Personally I would like to see more flexibility in letting to rural vacancies, so that when this happens, the property vacated can be let to someone with a local connection. Equally, should it prove impossible to let a

restricted property to someone with a local connection, the next unrestricted property that becomes available could be offered instead.

This seems like a commonsense approach, but there are a number of obstacles to implementing it. I've already mentioned the legislative and policy constraints; moreover, since the other RSL properties will not be involved in the planning application for new housing, there cannot be a requirement in the s106 agreement governing their letting.

I intend to discuss this issue with the RSLs holding stock in the District at a meeting planned for 3 June.

2. Recently (over the past couple of years) we have seen new housing developments take place in our Parish which – magically- always seem to be four houses or less. We have raised this issue with the planners inasmuch as we see such development – particularly on adjacent sites – as piecemeal and which blatantly disregards the possibility of developers being forced to comply with the mandatory provision of a percentage of affordable homes where a development provides five or more new houses. We would seek your opinion as to whether your department would support the creation of a development brief for such potential sites in our parish such that planning applications would then be sized/mixed according to the whole area, rather than in individual garden in-fill sites, say. We see the lack of such planning co-ordination in rural areas as ludicrous. We believe that we have lost at least 10 AHU's in this way over the last 5 years.

I recommend that the PC feeds these comments into the consultation process for the South Worcestershire Joint Core Strategy which is the new planning framework currently being developed by Malvern, Wychavon and Worcester City councils. It aims to ensure that development has a positive impact on the area. The SWJCS will contain policies for delivering these objectives in a planned and cohesive manner.

3. Our Council is puzzled as to why such importance is placed upon a local housing needs survey (HNS) when, in the final analysis allocations are based upon the local housing waiting list. Surely, if a HNS is used to justify a project, the HNS should be the prime list used to populate the housing which is the output of that project.

National planning guidelines and the Council's Local Plan policy requires that an up-to date Housing Needs Survey is undertaken in order to assess local housing need, in order to determine if an affordable housing scheme can be justified. The Survey is a snapshot of needs, and by the time a scheme is built and ready for allocation, the households registering a need in the Survey may have found alternative secure accommodation, or more households in need may have come forward. So the survey is only one source of data used to decide what type of housing should be provided.

The local housing waiting list is a formal register that maintains household details; it is 'live' in the sense that on an annual basis all applicants are contacted to ensure they wish to remain on the list, or whether their circumstances have changed. The waiting list software cannot currently produce a report on the numbers of registered applicants with a local connection to a particular parish (although that data is captured on application forms) – we hope to resolve this problem within the next few months.

The survey asked those who felt they had a future housing need to register on the list. When new properties are allocated, all applicants with a local connection are taken from the list and their details are given to the managing Housing Association. That Association then undertakes its own checks on the details, including visits to the householders address, and allocations are then made in accordance with the Rural Lettings Policy requirements. These include a PC representative and the local ward Councillor being invited to observe the process.

4. We have researched various AHU schemes around Worcestershire and have encountered a completed scheme which the local Parish Council say – despite the S106 in place - is not inhabited by folk with a true local connection, contrary to the claims of the local District Council. We are of the view that the S106 agreement as worded up to now is insufficient to ensure occupation by locally-connected people. We are aware of the disparity between housing need and housing aspiration but there are young (and not-so-young) people in our community who have a desperate housing *aspiration* which in our view is not to be discounted out of hand in favour of the ubiquitous single parent on housing benefit. Quite often, those who do not qualify in the 'points' system are no less needy and are surviving perhaps in parents' homes in cramped, socially & mentally repressive situations. We would appreciate your comments as to how the S106 agreement can be altered to take into account our Council's appreciation of this situation and so as to ensure greater compliance with the principles we support.

I am not aware of this problem arising within this District, and clearly I cannot comment on the specifics of the case, as you haven't specified the location. Personal details of new tenants are not released to Parish Councils, due to data protection requirements, so it can happen that assumptions are made without proper evidence.

The Council's Rural Lettings Policy was adopted in 2004, following a comprehensive consultation process involving CALC, every Parish Council, and RSL's operating in the district council area. The criteria for local connection were carefully considered by a specific Council sub committee with recommendations to the Council's full Planning Committee. Since then I have not encountered any criticism from Parish Councils in the District concerning lettings to new housing schemes.

5. Regarding the most recent HNS, we present below comments that have been raised by us and/or received from residents, for your consideration:
 - a. Instead of shared ownership, is there some scope for an application for funding to provide Open Market 'Homebuy' Mortgages

Open Market 'Homebuy' is available to buy properties on the open market. This scheme is one of several Government initiatives to support low cost home ownership, promoted through RSLs, but relying on private mortgage arrangements. Unfortunately because of the current issues surrounding private mortgage lending, take-up has been low, both locally and nationally. An alternative being piloted is where new residents pay an intermediate rent (80% of market rent levels) for up to 3 years, and then consider transferring from renting to buying with a mortgage. This may be an option in Hanley Swan.

- b. It seems logical that those people in real housing need will have already registered their details upon the housing list. Therefore, those that responded in part B demonstrate by their lack of current 'listing' that they are not desperate for housing and would, in any event, possibly lack the points required to gain a property.

Evidence from many housing needs surveys suggests that people in housing need living in rural areas often do not register on the waiting list, either because they are unaware of affordable housing opportunities, or more often because they feel that there is no point, due to the lack of affordable housing schemes in rural areas, and the lack of vacancies. Housing needs may not be immediate – many households complete Housing Needs Surveys because they can foresee a future housing need, typically young people living with parents, or rural workers in tied accommodation, or private tenants with 6 month assured tenancies, or older people needing smaller ground floor accommodation. These people may indeed have insufficient points to be considered when vacancies do (rarely) occur, for the reasons mentioned in answer to Question 1. This is why we need to provide new affordable housing which will be let under the Rural Lettings Policy via a s106 agreement.

- c. The scheme seems at odds with the principal of sustainability as voiced by planners. E.g., recently, an application to run a fitness club at Hanley Workshops was refused because of the need for people to have to drive to the site. Yet, building AHU's in the country seems to ignore the need for people to drive to where work is available – usually the large local conurbations.

Planning policy frequently throws up problems like this, and it needs to be reformed. In July 2008 the Taylor Review, 'Living Working Countryside' addressed the rural economy and affordable housing. Its key message was:

'for many villages and hamlets the choice is between becoming ever more exclusive enclaves of the wealthy and retired, or building the affordable homes to enable people who work in these communities to continue to live in them..... and at the same time we need to make sure that there are better opportunities for people who work in these small communities to find quality work, and build successful businesses'.

The Government has produced a formal response to the report embracing the majority of the recommendations. The messages from the report will be influential on local planning authorities in coming years, and there will be opportunities for local communities to respond to emerging rural policies through the Local Development Framework (LDF) system.

- d. Respondee were not asked to list other areas in which they would be prepared to live

There is a programme underway to complete local Housing Needs Surveys surveys in every parish in the District. These surveys seek to identify all those people with a local connection who want to live in a particular parish. There is no point in asking if they would also be willing to live elsewhere, indeed many will already be living elsewhere because they cannot access local housing.

- e. Respondee claiming the need for immediate re-housing could/should have been moved to the Walnuts or Coverfields developments – there seems to have been regular vacancies in these two areas. If they have not, why are their desires being used to justify further building?

Vacancies in the village are rare. Elgar Housing Association own the two remaining houses in Coverfields – one tenancy has remained since 1995, the year of transfer from MHDC, and there have been three tenancy changes in the other property since 1995. Nexus own the 15 dwellings at The Walnuts (one of which is a shared ownership property). I hope to have details of their turnover before our meeting next week.

Respondents are encouraged to put their names on the Housing Register, so that if vacancies do arise they may be considered along with other applicants. Since turnover is very low, a person may have to be on the list for some years before they can be allocated accommodation. This further discourages people to register onto a waiting list as they do not see the point. Both surveys and waiting lists therefore tend to underestimate the level of need within a parish.

- f. It is perceived that a local connection takes precedence over a local need – surely the two terms are not interchangeable and in their current usage would result in someone outside the Parish taking precedence over someone within it.

No, this is why we have a Rural Lettings Policy, which will be referenced in the s106 Agreement linked to the Planning permission for any new homes. It specifically sets out the criteria for local connection.

Local connection takes precedence when drawing up a shortlist, but no-one is allocated a property unless they have a housing need. Relative needs of applicants will be assessed when selecting from those shortlisted, using the banding system (which reflects their housing need points).

Typically this means that applicants designated Bronze Plus can take precedence over applicants designated in the Silver and Gold bands, but who have no local connection, and will therefore not be shortlisted unless there is no applicant with a local connection for that type of accommodation.

- g. Only 3 respondees claimed a need to be closer to a job, or a needy relative, or require independent accommodation. It would seem that these criteria are the 'true' needs which fit within the principle of the scheme

Parish Councils were consulted on the criteria in the Rural Lettings Policy, and these particular criteria are ranked lower than the current or former residence criteria. It is open to you to make representations to the Council if you think the order of priority should be changed, but all the criteria are valid.

- h. There appears to be a discrepancy between the top table on P8 of the report and the bottom table on P14. Surely these tables should contain the same data? If this is so, then confidence in the report is likely to be shaken.

I have asked Community First to make some minor amendments to the report to ensure that the data is presented more clearly. However, there is no discrepancy. The tables on page 8 all total to 26 (the total number of respondents to Part B). At the top of Page12 you will see this qualification:

*'The following tables summarise the assessed housing accommodation requirements of 23 of the 26 respondents to Part B. **3 respondents are excluded** because of non qualification in respect of the Malvern Hills Rural Lettings Policy local connection criteria, see Appendix A to this report.'*

The subsequent tables (pages 12-14) total to 23.

- i. There is to be no provision for accommodation for elderly people so they should not be included in the calculations.

West Mercia have previously offered to meet with the Parish Council but were told that you wanted to meet me first. Hopefully you will be able to discuss their proposals in the near future.

West Mercia's current proposal is tailored to meet the need identified in the survey. It will seek to provide 11 homes, including two bungalows (see below): these proposals are to be the subject of public consultation, and can be revised if necessary.

For Rent

2 x 3 bed houses
2 x 2 bed bungalows
2 x 2 bed flats

For Shared Ownership

2 x 3 bed houses
1 x 2 bed house
2 x 2 bed flats

One bedroom flats are not considered sustainable, so two bedroom units will be provided instead. They can be underlet as necessary to meet the need identified for 1 bed units.

- j. On P9 of the report, there is a reference to the number of people registered on the Common Housing Register. How many of the 10 households providing contact data in Part C of the survey are already listed on the housing register as applicants? How many of those NOT listed at the time of the survey have been since admitted to the list as exhibiting true housing need?

The housing register (Choice Plus) is an open waiting list, so any household can register, whether in housing need or not (as required by statute).

One respondent was already registered. I don't have access to the names of individual respondents to check whether the others have registered.

The questionnaire offers respondents the option for Elgar to send them registration forms, and also asks if they want to be contacted in the future. Clearly they cannot be offered housing unless they register, so it is in their interest to do so.

- k. On Page 17 of the report, there is a statement: "The survey shows that 20 respondents state that they require alternative accommodation within the next 5 years and of that number 16 need affordable housing.". Stating a need is NOT the same as possessing true need as defined by MHDC/HA housing policy. How many of these 16 respondees actually do/will fulfil ALL of the criteria necessary for allocation of an AHU? For the purposes of the HNS report's conclusions, were they assessed according to the points system used by the Housing Associations? Has any assessment been made regarding the disparity between *aspiration* and the true, applied definition of housing *need* as used by the housing associations when allocating tenants to properties? If no such correlation has been

attempted, how can the data be used to justify the building of new properties?

The survey does not seek to assess the specific housing needs of the respondents, but the details supplied do give an indication of housing need (e.g. why they need to move, their current housing status, what can they afford to buy, family makeup), and the nature of their local connection.

Peter Newman
16 May 2009