

AFFORDABLE HOUSING IN RURAL COMMUNITIES: A GUIDE FOR RESIDENTS



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A guide for residents

Rushcliffe Borough Council recognises the importance of local residents support in developing affordable housing to meet local housing need. This guide has been prepared to help residents understand how affordable housing schemes for local people in housing need, work in rural villages.

What is affordable housing?

The term 'affordable housing' refers to low cost housing that has been developed for people who have incomes that generally deny them the opportunity to purchase or rent properties on the open market.



An affordable housing scheme in East Bridgford built for local residents use

There is currently not enough affordable housing being built across the UK and this has historically impacted heavily on the rise of house and rental prices in the Borough and the country as a whole. This increase in house and rental prices has priced many people out of the housing and rental market, particularly those on lower incomes.

Through partnership working with developers and Registered Providers (RPs, otherwise known as Housing Associations) the Strategic Housing Service at the Borough Council aims to meet the diverse housing needs of all Rushcliffe residents by enabling more affordable housing.

Housing need takes various forms, examples include: older people in unsuitable housing and young people and families struggling to afford to get on to the property ladder. Rushcliffe Borough Council has a responsibility to ensure that affordable housing is available to meet the general housing needs of the Borough. This general need housing is available to all on the waiting list

wherever they live in the Borough.

In addition the Borough Council supports the development of affordable housing for residents within its rural villages who are in housing need. These homes can be developed on land where open market residential development would not normally be permitted (e.g. within the Green Belt or open countryside). These are called exception sites and are restricted to residents who have a local connection to the parish or neighbouring parish (see the local connection test as outlined below).

In Rushcliffe there are generally three types of affordable housing which can be delivered on exception sites. They are either properties for Social Rent, Affordable Rent or a variety of Intermediate products.

Social rented housing is owned by local authorities and private registered providers, for which rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented 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).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Shared ownership is a way of buying a stake in a property which, to pay outright, would be otherwise unaffordable. Shared ownership properties are usually offered for sale by registered providers. The occupier buys a share of a property, and pays rent to the housing association for the remainder.

In addition to the three forms of affordable homes, the Housing and Planning Act (2016) has also classified Starter Homes as affordable housing. Starter Homes are properties sold at a discount of no less than 20% to first time buyers who are under 40 years of age. Unlike the other forms of affordable homes, Starter Homes do not however qualify as a rural exception site.

What is local needs housing?

In recent years concern has grown over the future of village life, where communities have been threatened because, amongst other things, local families and younger households have been unable to compete for increasingly scarce and expensive housing. A number of Parish and Neighbourhood Plans in the Borough have also highlighted the lack of affordable housing as a cause for concern in their villages.

The Borough Council is committed to increasing the levels of affordable housing in Rushcliffe and currently seeks an affordable housing requirement of up to 30% on developments of more than 10 dwellings and a gross floor area of more than 0.1 hectares. As the majority of this development is within urban areas of the Borough, there is still an acute shortage of affordable homes in rural villages for local residents.

This has led to the creation of local needs housing schemes (otherwise known as the Rural Exception Site Programme). Such schemes are developed specifically for the local housing needs of the village, identified through a Rural Housing Needs Survey and comply with national planning and Core Strategy policy 8 (Housing Size, Mix and Choice). A legal agreement made under Section 106 of the Town and Country Planning Act 1990, or a nomination agreement between the Borough Council and the RP will ensure that the properties will only be available for applicants with local connections. However, to ensure that the properties will never be empty for long periods of time a cascade mechanism is in place offering the properties to other households in need if no-one from the local village comes forward.



A local needs housing scheme in Aslockton

In accordance with paragraph 54 of the NPPF and with agreement of the Parish Council, the subsidising of an affordable housing exception site through a proportion of open market housing may be acceptable. The proportion of open market dwellings should not exceed the minimum number required to make a scheme viable and provide an adequate financial return whilst ensuring affordable units are delivered.

Rural exception sites are usually located on agricultural land just outside of the village boundary and where other forms of development would be refused. Exception sites are allowed provided an exceptional need for affordable housing exists within the village, as demonstrated in the Rural Housing Needs Survey and all relevant planning policies are complied with. Brownfield land or infill sites are also utilised where possible, however, these may be unviable due to the costs associated with providing an all affordable housing scheme.

What is a local connection?

For the purpose of local needs housing on rural exception sites a local connection is defined below. This is in addition to the local connection criteria set out in the Council's Allocation's Policy:

- The applicant has lived in the parish for 6 out of the last 12 months or 3 out of 5 years
- The applicant has close family currently residing in the parish for at least 5 years*
- The applicant has full or part time work (not voluntary, seasonal or casual) in the village and has been employed for at least 6 months.

To satisfy the local connection criteria an applicant only has to meet one of the above points, although some may have more than this.

**A close family connection is defined as mother, father, sister, brother or adult children. If none of the above exists other extended family members will be considered on condition that they are providing support to the applicant at the discretion of the Housing Solutions Team Leader.*

What is the role of the Borough Council?

Although the Borough Council no longer owns or manages housing, the Council has retained its strategic housing function to ensure that the housing needs of the Borough are understood and met.

As part of this role the Council acts as an enabler, working closely with a number of RPs to provide much needed affordable housing.

To understand the housing needs of the Borough as a whole the Council relies on the Nottingham Core Strategic Housing Market Assessment Update 2012. This suggests that the net annual need for affordable housing in the Borough as a whole is 464 homes, which equates to 60% of all housing planned.

For the smaller villages in the Borough with populations below 3000 (and where sustainable) the Council has developed a Rural Exception Site Programme in partnership with Midlands Rural Housing and Waterloo Housing (Trent Valley Partnership) to identify and meet local housing needs. This guide is specifically designed to provide advice on how these types of developments work.

What is the role of the Trent Valley Partnership?

The Trent Valley Partnership (TVP), comprising Rushcliffe Borough Council, Midlands Rural Housing and Waterloo Housing Group, was formed in 2005. Following a competitive tendering process the Borough Council selected Waterloo Housing Group (RP) and Midlands Rural Housing (Rural Housing Enabler) to work in partnership to develop rural exception site schemes.

Since then, the group has launched a Rural Exception Site Programme and undertakes rural housing needs surveys in a number of villages across the Borough. Up to August 2016 these have led to the completion of 53 affordable homes all for local people in housing need.

What is the role of the Parish Council?

The Trent Valley Partnership will only pursue a Rural Housing Needs Survey and Rural Exception Scheme with the support of the Parish Council. If this support is obtained the Parish Council has an important part to play in the following ways:

- Evaluating whether local housing needs is required in the village
- Supporting the Rural Housing Enabler (Midlands Rural Housing) to carry out a Rural Housing Needs Survey
- Taking part in a village walk to identify suitable sites for affordable housing in the village
- Encouraging local people to register an interest for the affordable housing.



Delivering affordable housing requires a strong partnership approach

Community Land Trust

Community Land Trusts (CLT) are non-profit, community based organisations run by volunteers that develop housing, community facilities or other assets that meet the needs of the community. The community own the affordable home(s) and these are made available at permanently affordable levels to local residents.

CLTs are run by a voluntary board which is elected by a membership which is open to all who live and work in the community.

CLTs offer an alternative delivery method of affordable units to those provided by registered providers. However some of the most successful CLTs have benefited from partnering with RPs who develop and manage the homes.

Funding can be accessed from the Homes and Communities Agency and some charitable organisations.

More information and support is available from the National CLT Network.

The rural exception site scheme process

The following steps provide a brief overview of how the rural exception site scheme process works:



Step 1 - Establishing need

The TVP has selected villages with populations below 3000 in Rushcliffe where they consider them to be sustainable and a need is perceived to exist. Since the TVP was formed rural exceptions schemes have come forward in Aslockton, Cropwell Bishop, East Bridgford, Kinoulton and Tollerton.

As a need for affordable housing across rural areas of the Borough remains, the TVP will continue to contact Parish Councils and, where invited, attend Parish Council meetings to ascertain whether an affordable housing need exists. The local Ward Member is also invited to these meetings. They will give a brief overview of the process and provide examples of rural housing needs survey.

If the Parish Council support the survey and an affordable housing need is identified the TVP will move on to try and identify suitable sites in the village, providing the Parish Council are willing to proceed.

Step 2 - Identifying a site

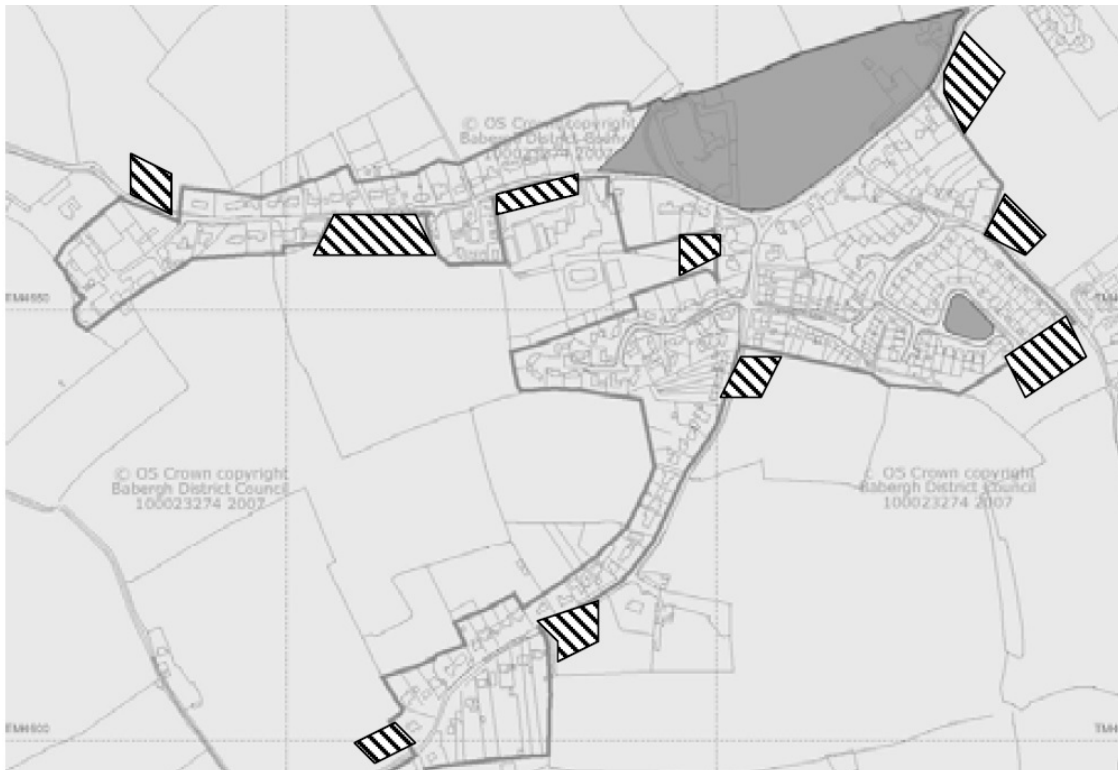
A village walk will be undertaken with representatives from the TVP, Parish Council and Rushcliffe Borough Council to identify any potential sites in the village.

Consideration must be given to:

- Accessibility
- Cost of the land
- Highway requirements
- Planning constraints
- Size of the plot
- The number of dwellings required to meet local need

Landowners of the potential sites identified are then contacted to see whether they are willing to sell. For the affordable housing scheme to be financially viable for Waterloo Housing Group to develop land costs are a critical consideration and a willing vendor must be found who is willing to sell at agricultural land values below full market value for the site.

Once a suitable site has been identified, the landowner is willing to sell and the Development Control Team are satisfied that there are robust reasons for discounting other potential sites, plans for the scheme will be drawn up by Waterloo Housing Group's architects. These plans must meet the need identified in the survey and the affordable homes will need to meet the Department for Communities and Local Government's Nationally Described Space Standard (March 2015).



The map indicates potential exception sites for affordable housing

Step 3 - Consultation

Once a need has been identified and a suitable site found the TVP in partnership with the Parish Council arranges a consultation event in the village to give local residents the opportunity to find out more about the proposed scheme, view proposed plans, talk to the relevant officers and express an interest in the scheme.

Consultation events held so far in the Borough have been well received by local residents, although there are occasions where some members of the local communities will oppose the development. All residents' views will be taken into consideration in deciding whether to proceed with any development.

After the consultation event, providing the Parish Council are still in support, a planning application will be submitted by Waterloo Housing Group.

Step 4- Planning and financing the scheme

Once, and if, planning is obtained from Rushcliffe Borough Council, the RP will explore opportunities to secure grant funding with the Homes and Communities Agency.



Step 5 - Managing the development process

Once planning is granted and any funding obtained, building work can commence on site. Waterloo Housing Group employ contractors who are sympathetic to life in rural villages and who will be closely monitored throughout the build process to ensure the works are to a high standard, within budget and meet agreed timescales.



Affordable housing under construction in East Bridgford

Step 6 - Completion and nominations

When the properties are nearing completion, all parties who identified a need in the initial survey and consultation event will be contacted and housing application forms sent out. Adverts will also be placed in relevant village and Borough wide publications and websites.

The Borough Council will be responsible for nominating households in need with local connections requiring social or affordable rented units to Waterloo Housing. Waterloo Housing, in conjunction with the Government locally appointed 'Help to Buy Agent' responsible for administering the home ownership scheme, will be responsible for assessing and nominating applicants to the intermediate units.

If there are insufficient applicants meeting these criteria, applicants from neighbouring rural villages meeting the local connection criteria will be considered as part of the nominations cascade agreement. If there are insufficient applicants meeting these criteria applicants with local connections to the Borough as a whole or anyone deemed in need by Waterloo Housing will be considered.

The Parish Council will not be involved in the nominations process as this would breach Housing Allocation Legislation and Data Protection laws. This also enables Parish Councillors to remain independent.

What about future vacancies?

Local connection criteria will always be adhered to where the scheme has a Section 106 Agreement in place or a nomination agreement with the RP.

If a vacancy arose, the property would be let to the applicant with the highest level of housing need with a local connection to the village. A cascade mechanism in the Section 106 agreement will ensure properties are not left empty for long periods of time. If there are insufficient applicants meeting the local connection criteria from the parish, applicants from neighbouring rural villages will be considered, finally cascading through to the Borough as a whole or anyone deemed in need by Waterloo Housing. However, it is worth noting that to date all of the completed schemes have been occupied by applicants with local connections to the village.

How can I be considered for one of the properties?

If you were identified as being in need in the Rural Housing Needs Survey you will be contacted prior to the completion of the new homes and sent the relevant application forms. If you register an interest at the consultation event you will also be contacted prior to the completion and sent a housing application form.

Adverts and regular updates will also be placed in relevant publications and websites allowing local people to apply for the new homes.

If you want to be considered for one of the new homes you must register an interest with the Borough Council and Waterloo Housing. If you wait until the properties are completed you may be too late.



East Leake: affordable housing in a rural setting

Further information

A list of frequently asked questions is included on the next page. If after reading this and the glossary, you require further information on affordable housing in rural communities please contact Strategic Housing in the first instance on 0115 981 9911 or email strategichousing@rushcliffe.gov.uk.



A celebration of new affordable homes for the benefit of the local community

Frequently Asked Questions

Q How can we be sure that any new houses on a rural exception site are not given to people without a local connection?

There must be evidence of a housing need from local people before a scheme is approved. There will be a Section 106 legal agreement in the planning permission limiting the homes for local people.

Q How do you ensure that intermediate homes remain available for local people?

When an intermediate owner wishes to sell, they must sell their home either to the RP which owns the rented share who will then sell to another intermediate applicant with a local connection, or they can sell directly to another intermediate applicant who has a local connection.

Q This is a visually appealing village and an affordable housing scheme would be an eyesore. Why should we have our village spoilt?

RPs are required to design new homes sympathetically and to high energy efficiency standards. As they have to comply with these standards the affordable homes are often to higher standards than market housing. RPs work closely with the Borough Council to achieve this so that the new homes blend in with the local character of the village. There are several examples of very well designed affordable housing schemes across the Borough which can be visited.

Q Why can't the Parish Council decide who gets the new homes? They know local people better than the Borough Council and the RP.

In order to comply with Housing Allocation Legislation and to protect the privacy of housing applicants all lettings are carried out by the Borough Council and Waterloo Housing. This also enables Parish Councillors to remain impartial throughout the process.

The Parish Council has an important role in helping with the survey and in advising and encouraging local people to apply for the properties.

Q I know a lot of people in my village who need affordable housing but the Parish Council doesn't want more homes here. What can we do?

When there is disagreement about whether new affordable is needed a rural housing needs survey will help resolve this. An impartial and independent survey is carried out which will show whether there is a need for affordable housing.

Q I know someone who has lived in the village all their life. They wanted one of the new affordable homes, but when they applied they had all been allocated. Some of the people who have moved in have only lived in the village for half the time, why do they get priority over someone who has lived here longer?

There are a number of reasons they might have missed out. Other applicants might have lived in the village long enough to qualify under the local connection criteria but might have had a higher level of housing need.

Also if they waited until they were finished until they applied, they might have been too late. It is therefore important to register with the Borough Council and the RP as soon as possible if you wish to be considered.

Q I know someone who grew up in the village, but has bought a house elsewhere because the homes here are too expensive. They would prefer to move back to be near their family. Can they have one of the homes?

In certain circumstances this would be possible, particularly if they were renting their home or sharing accommodation. It depends on how long they previously lived in the village and how long their family has been there. If they had been able to buy a property that is large enough for their family size it is unlikely they would qualify, unless they need to move back to give or receive support, or there is another reason they need to live locally.

Q What is the point of building new affordable homes for local people when they will be bought by wealthy residents and sold on at a profit?

There are restrictions that prevent this from happening as the homes will have to be available as affordable housing in perpetuity.

Q Some people in the village oppose having affordable housing being built because they think it will affect the value of their homes. Is this true?

No. People often think that affordable housing will reduce the value of nearby private homes. Tenants are expected to maintain their homes and behave in a neighbourly manner. RPs will take action if their tenants break their tenancy agreement.

Q Will an affordable housing development open the floodgates for further development?

No. People often think that new development will open the floodgates for further development but the rural exception site process is an exception where a pressing need for affordable housing exists from local people and the homes will remain in perpetuity. Strict planning policies protecting the countryside ensure that it is extremely hard to develop unless this exceptional local need exists.

Glossary

Affordable Housing refers to low cost housing that has been developed for people who have incomes that generally deny them the opportunity to purchase or rent properties on the open market.

Affordable Rent 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).

Brownfield Land refers to previously developed land which is or was occupied by a permanent structure.

Greenfield Land is land which has never been built on before or where the remains of any structure or activity have blended into the landscape over time.

Homes and Communities Agency is the national housing and regeneration delivery agency for England. Their role is to create thriving communities and affordable homes.

Housing Allocation refers to how the Borough Council and/or RP allocates available affordable housing.

Housing Associations also known as Registered Providers are non-profit making voluntary organisations that exist to provide good quality affordable homes for people in housing need.

Infill Site is the development of a relatively small gap between existing buildings.

Intermediate housing refers to housing at prices and rents above those of social rent, but below market price or rents. These can include shared ownership products (e.g. New Build HomeBuy and Rent to HomeBuy).

Local Connection this is a criterion used by Local Authorities to decide priority for social housing. It ensures that applicants with connections to the area are nominated above those not from the area.

Local Needs Housing refers to schemes that are developed specifically for the local housing needs of the parish, identified through a Rural Housing Needs Survey.

New Build HomeBuy an intermediate affordable housing product whereby you share ownership of your home with a RSL, paying a mortgage on the part you own plus an affordable rent on the portion you don't own.

Nomination Agreement refers to an agreement between the Borough Council and the RSL to decide how the properties will be allocated.

Registered Provider also known as Housing Associations are non profit making voluntary organisations that exist to provide good quality affordable homes for people in housing need.

Rent to HomeBuy an intermediate affordable housing product whereby you pay a reduced rent on a new build home for up to three (or in some cases five) years, to help you save for a deposit and purchase the property on a shared basis with an affordable housing provider.

Rural Exception Site refers to schemes built on greenfield land that are developed specifically for the local housing needs of the village where there is an exceptional need for affordable identified through a Rural Housing Needs Survey.

Rural Housing Enablers act as facilitators to meet the needs of people living in the countryside, liaising with Borough and Parish Councils and RPs.

Rural Housing Needs Survey an assessment of housing needs in the village to ascertain whether a need for affordable housing exists locally.

Section 106 agreements are legal agreements between a planning authority and a developer to ensure that certain extra works related to the development, for example affordable housing, local connections etc, are undertaken .

Social Rent is rented housing owned and managed by local authorities and RPs, for which guideline target rents are determined by the Government to ensure that they are lower than market rents and are available to those most in need.

Trent Valley Partnership refers to the Midlands Rural Housing initiative launched in 2005. It has brought together three local authorities and three RPs to encourage the provision of affordable housing for local people in villages across the East Midlands. In Rushcliffe the members are Strategic Housing, Rushcliffe Borough Council, Midlands Rural Housing and Waterloo Housing Group.



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