

Increasing Rural Housing Supply

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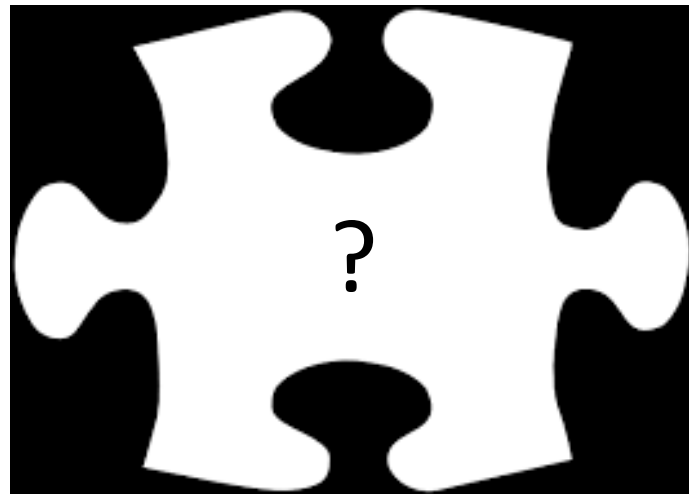
&

Yourselves!

Workshop Aims

1. Consider some of the impacts of recent legislative changes on rural supply esp. the Housing & Planning Act
2. Discuss how we can respond to these changes and challenges locally
3. Agree some practical and implementable approaches and solutions to deliver in North & East Yorkshire

What are WE going to do?



Challenge 1: Sites & Planning



H&P Act allows:

- Exclusion of Starter Homes from RES
- Local setting of thresholds in NPs & AONBs
(? Other rural areas?)
- Planning permission in principle (PiP)

Do we exclude from RES?

What happens if SH uses up affordable homes quota?

**Do we set our own 'threshold'
Have we the evidence to support it?**

PiP

**Opportunity? criteria based policy
for rural sites , including RES**



Possible Responses to Challenge 1

- Housing Needs Surveys and other evidence
- Cross subsidy
 - What do we gain/lose? Will it boost supply?
- Affordable at 20% discount or need more? Evidence?
- Local opposition to Starter Homes without a local connection + not in perpetuity?
- Landowner willingness if Starter Homes included? Impact on value and expectation and viability of providing affordable rented homes?
- Local support for PIP?
- Allocate more smaller sites?
- Flexibility coming – secondary legislation?

What do you think?

Challenge 2: Custom & Self Build

H&P Act

Provisions are tenure neutral

LAs to run register

AND

Provide sites with PP to
meet demand



How will we manage:

- demand & supply of sites
- Dream v reality
- Affordable need v market demand
- Impact on sites for affordable housing

Possible solutions to Challenge 2

- Current situation
- Bring registers together – 1 list or in 1 place
- Events to match those on register with SME builders, architects, landowners, other self builders, financiers etc?
- Custom build as an opportunity for SME builders
- Community led & Co Ops
- Allocations for self & custom build?
- Affordable v. Aspirational but less expensive
- Part of a more diverse solution to (rural) housing supply – be creative, involve RPs, SMEs, LAs

What do you think?

Challenge 3: Community Led Housing

Likely definition

The community:

- Are integrally involved 'where, what and for whom'
- Take a formal long term role in the ownership, management or stewardship

The benefits to the local area/specified community are clearly defined and legally protected in perpetuity



Challenge 3: Community Led Housing

Possibly £60m pa
for 3 years

Targeted at coast
and rural areas
with high % 2nd
Homes

Yr 1 –
administered by
LAs



**Use the money for
'enabling' or capital?**

**Revolve the funds
e.g land bank?**

**Pool across LAs or
location specific?**

Possible solutions to Challenge 3

- Identifying pilots now with Rural Action Yorkshire and with Nationwide and other funding
- Building capacity of RHEs and Las to respond to communities
- Understanding support mechanisms
- Need more policy focus?

- Rural, Coastal Fund(?)
 - ✓ Use the funds as both capital and revenue – as allowed
 - ✓ Pooling of (some) funding
 - ✓ Through the RHE Network structure/governance
 - ✓ Revolving Land Bank? Acquire, de-risk and dispose of sites (with planning) for community led housing, Rural Exception Sites, Rented?, self & custom build, SME builders
 - ✓ Devil is in the detail and in 1st year spend/commitment

What do you think?

Challenge 4:

Very Ltd funding for truly affordable housing



No govt. funding for
affordable rented homes
– 2016 -21

1% cut in rents reducing
borrowing capacity of RPs

Switch to Shared
ownership housing

**How do we meet the need for
rented homes?**

**Should we be looking at different
tenures?**

**How do we protect perpetuity but
access mortgage?**

**HOW DO WE KEEP THE RPS & LAs
BUILDING RURAL SCHEMES?**



Possible solutions to Challenge 4

- Flexibility coming? Be ready for CME?
- Community Led will probably include rented – need for diversity of supply routes
- Engage with lenders & mortgage brokers re: shared ownership – It should work in rural N&E Yorks
- Cross subsidy from market to provide rent
- S106 rented homes
- Rural protection to 80% shared ownership?

What do you think?

- What three practical things could we do to make a difference in increasing rural, affordable housing supply?
- Work for the RHE Network & Housing Board?

