

DELIVERING AFFORDABLE HOMES:

The role of communities

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What is affordable housing?

IN 2017, IT'S NOT...





It is...

- High quality, energy efficient housing;
- Located throughout Cornwall, in areas of need;
- That helps sustain our communities; and,
- Allows families to create a 'home'.







Tenure

- Historically, provided by LAs as 'council housing'
 - Social rent - Typically 40-50% of OMRV
- Most LAs have reduced direct delivery; instead now mainly provided by Registered Providers. Two main forms:
 - Affordable rent
 - Intermediate housing for sale

Why the change?

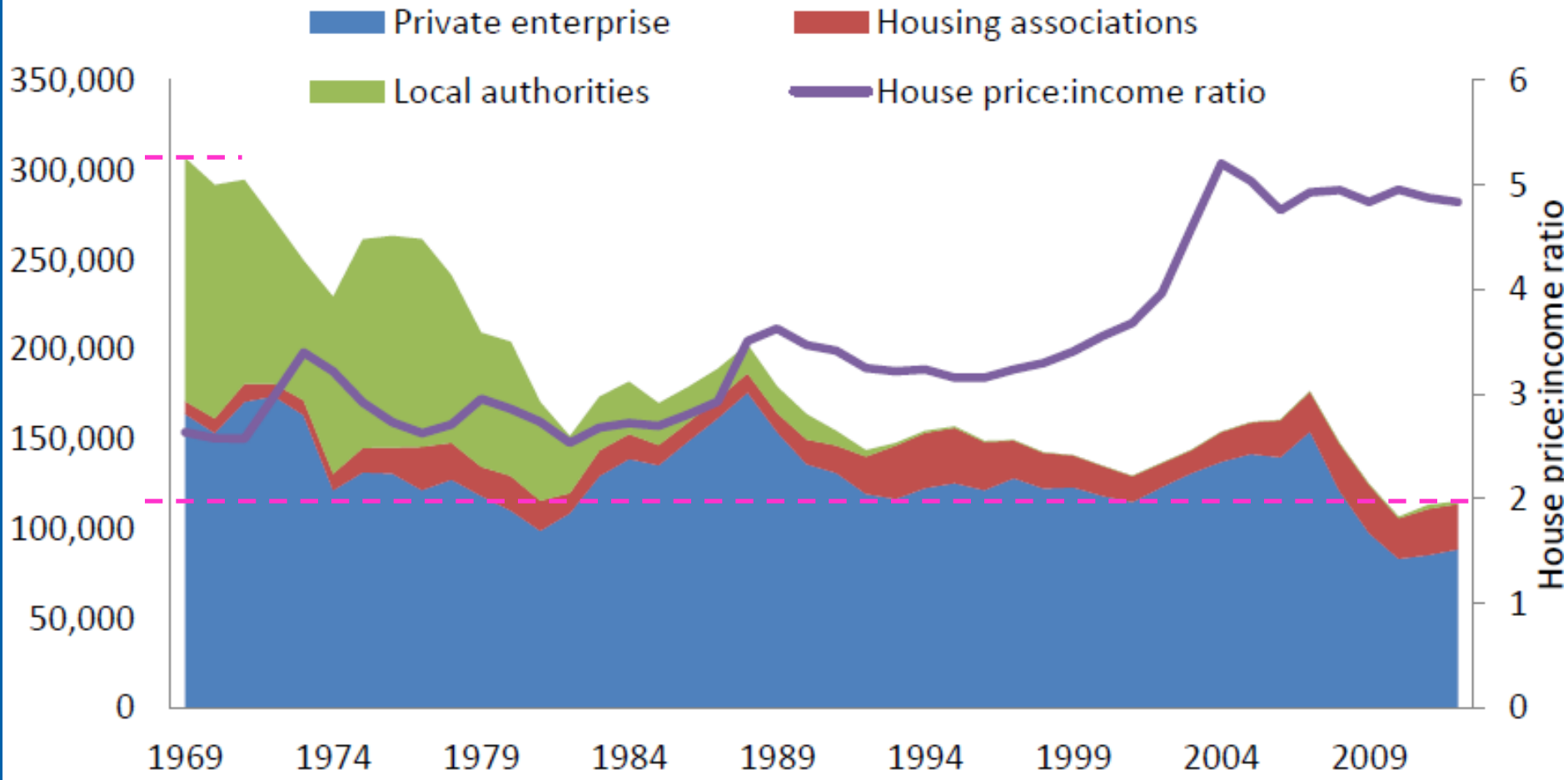
- Generally, move towards homeownership
 - Principle is reasonable – large demand
 - Helps families get a 'foot on the ladder'
 - Other financial support packages...
- For rented, Government decision in response to economy and rising benefit bill
 - Rent increase allows higher capital value and removes need for grant.
 - Controversial initially – but now 'the norm'

The problem:

- Cornwall is one of the least affordable places to live in the UK.
 - Low avg. wages – the rural economy?
 - Comparatively high avg. house prices
 - Second home ownership
- Local households cannot afford to live in Cornwall – 1:10.8 affordability ratio?
- Impact:
 - Mass migration?
 - Collapse of local economy/skills?
 - 'Ghost towns'?

The solution?

INCREASE SUPPLY



Source: DCLG



How do we do it?

- 1) Encourage good quality development from the private sector;
- 2) Local Authority intervention in the housing market;
- 3) Ambitious RP delivery programmes; and,
- 4) Community-led development

1) The private sector

- Now that Cornwall has a Local Plan, there is a *framework* for development;
- CC should encourage schemes that meet the Plan's objectives – *sustainable growth*;
- Communities should encourage schemes that meet a genuinely *local need*;
- It is right to expect *high quality* development – design and build quality; and,
- Development should provide *community benefit*

2) Local Authority intervention?

- Cornwall Housing development programme
- RP funding - £14.640m (2016/17-2018/19) – 732 homes
- The Cornwall Land Initiative – release of Council land for development – 430 homes (4 years) with >40% affordable housing
- Contemporary Cornish Living – 500 homes (5 years) with policy AH %
- CLT Revolving Loan fund
- General land disposals

3) RP Delivery

- Links with CC intervention – funding to deliver homes across Cornwall
- Long-term delivery – numerous sites; ability to attract HCA investment
- Huge investment capacity – can borrow cheaply to finance development
- Commercial approach – RPs providing market housing – all proceeds reinvested
- Stock regeneration – increase density and deliver better quality homes

4) Community-led development

- Big opportunity for growth
- Links with Neighbourhood Plans – what do communities want, and where?
- Several models: Work with an RP; provide plots for self/custom build; form a CLT; identify land specifically for affordable housing through NDP
- Historically, not always easy to deliver growth as funding has been difficult

Funding available

- Seed-corn funding from Locality (or similar) for early work;
- If working with an RP, they will fund all up front work;
- The Community Housing Fund – provided to LAs, to provide ‘community-led’ housing.
 - Not necessarily delivered by communities
 - BUT: must be *‘integrally involved through the process in key decisions’*

- Opportunity for the Council to fund more affordable homes than ever:
 - RPs/CLTs/community groups can apply for funding to deliver locally supported growth
- Allocation for 2016/17 is £5.1m – early interest has been staggering!!
- Process for allocating underway – to be considered by the Council in March
- 2017/18 allocation not confirmed yet – hopeful it will be similar!

The future?

- Enormous housing need – affordable and open market housing
- Greater range of tenure options to meet wider needs
- For Cornwall, commitment to deliver **at least** 52,500 homes by 2030
- Worsening affordability for young families. They need homes. We also need to support our economy.

The Council's view...

Provision of affordable housing is top priority for the Council – has been for many years

The majority of affordable housing will continue to be through via the planning system (from developers)

Council intervention is increasing – CLI has proved to be a success; HDP is just starting, but should be equally as successful

The Council's view...

- RPs will continue to be the main provider of affordable housing. What opportunities are there for your communities?
- However – also on the cusp of a community revolution!
 - Consider site identification through an NDP;
 - Create a local CLT – deliver your own development.
 - Create a local CLT and work with a development partner: CCLT, CRHA, Coastline and Hastoe etc. all local examples

And finally...

- First thing to understand...what does your community want to achieve? Where?? How quickly?
- Get advice from those organisations that are best placed to help
- Development should be *for* communities – you know what is needed better than anyone else.

Now is your opportunity! We are here to help you achieve your aspirations.

Questions??

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