



Policy and Resources Committee - 19 April 2010

Partnership Working Protocol 'Delivering Affordable Rural Housing on Exception Sites'.

Summary

This report seeks final Member approval to endorse the Northamptonshire partnership working protocol 'Delivering Affordable Rural Housing on Exception Sites'.

Attachment(s)

Appendix 1 - Partnership Working Protocol

1.0 Introduction

- 1.1 At the meeting of the Committee on 15 March 2010, Members considered the partnership working protocol 'Delivering Affordable Rural Housing on Exception Sites' (minute 406 refers).
- 1.2 It was agreed that some amendments were required before the protocol could be endorsed, and Councillors Hardcastle and Harwood were nominated to work with Officers to make the changes.

2.0 Final Document

- 2.1 A number of amendments have been made, and the final document is attached at Appendix 1.
- 2.2 Changes have been made to Section 3 'Scheme Progression' to reflect the comments made at the Committee meeting, that the role of District/Borough Councillors as set out was too prescriptive.
- 2.3 The Protocol has been left with the 'track changes' shown; so that the amendments can be easily seen.
- 3.4 Councillors Hardcastle and Harwood have both confirmed that they are happy with the revised Protocol.

3.0 Recommendation

- 3.1 Members are recommended to endorse the Northamptonshire Partnership Working Protocol 'Delivering Affordable Rural Housing on Exception Sites'.

Implications:		
Corporate Outcomes or Other Policy/Priority/Strategy		
Good Quality of Life	<input type="checkbox"/>	Good Reputation <input type="checkbox"/>
Good Value for Money	<input type="checkbox"/>	High Quality Service Delivery <input type="checkbox"/>
Effective Partnership Working	<input checked="" type="checkbox"/>	Strong Community Leadership <input checked="" type="checkbox"/>
Effective Management	<input type="checkbox"/>	Knowledge of our Customers and Communities <input type="checkbox"/>
Employees and Members with the Right Knowledge, Skills and Behaviours		<input type="checkbox"/>
Other:		
Decision(s) would be outside the budget or policy framework and require full Council approval		<input type="checkbox"/>

Financial	There are no financial implications at this stage	<input checked="" type="checkbox"/>			
	There will be financial implications – see paragraph	<input type="checkbox"/>			
	There is provision within existing budget	<input type="checkbox"/>			
	Decisions may give rise to additional expenditure at a later date	<input type="checkbox"/>			
	Decisions may have potential for income generation	<input type="checkbox"/>			
Risk Management	An assessment has been carried out and there are no material risks	<input checked="" type="checkbox"/>			
	Material risks exist and these are recorded at Risk Register Reference - inherent risk score - residual risk score -	<input type="checkbox"/>			
Staff	There are no additional staffing implications	<input checked="" type="checkbox"/>			
	Additional staff will be required – see paragraph	<input type="checkbox"/>			
Equalities and Human Rights	There will be no impact on equality (race, age, gender, disability, religion/belief, sexual orientation) or human rights implications	<input checked="" type="checkbox"/>			
	There will be an impact on equality (see categories above) or human rights implications – see paragraph	<input type="checkbox"/>			
Legal	Power: Housing Act 2004				
	Other considerations:				
Background Papers: Policy and Resources Committee Minutes 15 March 2010					
Person Originating Report: Cat Hartley, Housing Strategy Manager chartley@east-northamptonshire.gov.uk, 01832 742078					
Date: 24 March 2010					
CFO		MO		CX	

(Committee Report Normal Rev. 21)

DELIVERING AFFORDABLE RURAL HOUSING ON EXCEPTION SITES

NORTHAMPTONSHIRE PARTNERSHIP WORKING PROTOCOL

The Local Authorities of Northamptonshire have a statutory duty to investigate housing needs and examine ways of meeting these needs. In rural areas it is recommended by the Audit Commission and the National Housing Federation that Housing Needs Surveys are carried out in all villages as part of a rolling programme over a 3-5 year period according to resources. This survey work may be undertaken in house or by using a rural housing specialist. The Local Authority then has a responsibility to engage partners to help meet the identified need.

In rural areas this is most commonly achieved through providing affordable housing on an exception site. This is not the only way of delivering affordable rural housing; larger open market schemes can provide an element of affordable housing and land in public ownership can also be used for affordable housing development, but usually exception site schemes are the only viable way to deliver homes and ensure local occupancy.

The Purpose of this Guidance

This document has been produced to explain the role of all partners required to deliver affordable rural housing on exception sites. The key partners in this process are the Parish Council (PC), Local Authority (District or Borough Council) (LA), District/Borough Councillors and Housing Association (HA).

The Local Authority believes that the best way to develop affordable housing in rural areas is in partnership with key stakeholders, especially local communities and Parish Councils.

This guidance explains the stages and key partners required to deliver affordable homes for local people. It also contains a flow chart which summarises the process.

The document sets out the roles of the key partners and focuses on investigating housing needs with a view to providing exception site developments in villages to satisfy the needs of those with a local connection. The homes provided can include social rented housing, new build HomeBuy (formerly 'shared ownership' - properties that are part rent/part owned), intermediate housing and other home ownership options.

It should be noted that not all Housing Needs Surveys will lead to a scheme of affordable homes being delivered. It is necessary to gather housing needs information so that the Local Authority has a sound evidence base on which to base strategy and policy.

1 - Strategic Direction

The LA has a strategic housing responsibility and a duty to meet local housing needs, including affordable housing needs. The partnership approach through which the housing is enabled is guided by the LA.

LOCAL AUTHORITY * (* = lead partner for this stage)

- Strategic direction
- Promote partnership working approach
- Approach PC to propose investigation of local housing need

PARISH COUNCIL

- Provide LA with a platform to discuss affordable housing at a PC meeting

DISTRICT/BOROUGH COUNCILLOR

- Advocate affordable housing
- Adopt fit for purpose rural housing policies

HOUSING ASSOCIATION

- Share potential development opportunities with LA
- Input into Housing Strategies
- Where appropriate, approach PC to propose investigation of local housing need

2 - Assessing the Need for Affordable Housing

A local Housing Needs Survey (HNS) should be conducted to determine the level of affordable housing need that exists in the Parish. A HNS is required to ensure that the criteria in the exception site policy regarding evidence of local affordable housing needs can be met.

LOCAL AUTHORITY *

- Provide PC with LA perspective on affordable housing
- Conduct the HNS alone or in partnership with HA

PARISH COUNCIL

- Be involved in discussions regarding the investigation of local housing need
- Where possible, be involved with publicising, distributing and promoting the HNS
- Comment on content and findings of HNS questionnaire and analysis report
- Minute decision on support for a scheme to meet identified affordable housing needs
- Recognise the LA's strategic housing responsibility and work in partnership with them to investigate the housing needs of the Parish.

DISTRICT/BOROUGH COUNCILLOR

- Advocate affordable housing
- Advise and support the PC and community

HOUSING ASSOCIATION *

- Assist LA with approach to PC
- Offer experience and advice to PC and community
- Conduct the HNS where requested
- Discuss outputs of HNS with PC and community

The LA has a statutory duty to identify and meet housing need and, in certain circumstances, can proceed without the support of the PC. However, it is the intention of the LA and HA to have the support of the PC and community where ever possible.

The LA or the HA will ensure that the responses to the survey are kept confidential.

If a need were to be established the HNS analysis report will detail the number, type and tenure of affordable homes which the survey has indicated are needed by people with an immediate connection to the Parish. This will be considered together with other evidence of local housing need held by the LA in ultimately establishing the level and type of housing provision that is required.

If an affordable housing need is identified it is the LA's responsibility to, where appropriate, explore options to meet the need. If no need is identified then no scheme will be investigated.

3 - Scheme Progression

The LA and HA aim to work with the PC on the development of the scheme in the stages that are set out below:-

Selection of Development Partner - a Housing Association (or Registered Social Landlord) is selected by LA to progress the scheme and deliver the homes.

Finding a Suitable Site - this is usually an exception site which provides the location for the homes for those with a local connection. Exception sites are usually identified by a village walkabout (with LA, HA, PC and District/Borough Councillor) and by land being brought forward by landowners following the HNS.

Layout and Design - HA will instruct an architect to plan the layout and design of the site.

Parish Information Event - an open event is held in the Parish to showcase the plans for the scheme. This is an ideal opportunity to share information, answer questions and listen to the views of the whole community.

Funding the development - affordable housing schemes are funded in part by the Homes & Communities Agency (HCA - who allocate the public funding element to enable development) and in part by the HA. Accessing HCA funding requires a bidding process which is led by the HA with support from the LA.

Planning Application - formal planning application for the scheme is made by the HA to the Local Planning Authority.

Legal Agreement and Local Lettings Agreement - exception site developments are subject to a legal agreement which ensures that the properties will always be for people in housing need with a strong local connection to the Parish.

LOCAL AUTHORITY

- Select a Registered Social Landlord (RSL - Housing Association) to develop, own and manage the affordable housing
- Help to identify and appraise potential sites from a strategic and planning perspective
- Work with PC through the consultation, planning and development process, especially if local opposition to the development arises
- Work with HA to support a bid to HCA for Social Housing Grant (SHG) which will partly fund the scheme's development
- Host local event to allow community to view and comment on the proposed development
- Ensure that the planning application is given appropriate consideration and that the planning committee are fully briefed as to its circumstance
- Agree local lettings policy and a legal agreement with HA to ensure properties remain affordable in perpetuity
- Nominate applicants from Housing Register to HA for the completed properties

PARISH COUNCIL

- Use local knowledge to play a key role in site identification and choice
- Bring all possible sites to the attention of LA, RSL and HA as soon as possible (considering sites at a later stage may prove difficult)
- Indicate general support for the development of site/s
- Consult with HA and planners to achieve acceptable, viable design
- Give full consideration to planning application based on material planning considerations
- Receive clear explanation of the legal agreement from LA and HA
- Input into local lettings agreement with regard to local connection criteria

DISTRICT/BOROUGH COUNCILLOR

- Advocate LA's commitment to affordable housing
- Use local knowledge to play a key role in site identification and choice
- Input into discussions with HA and planners to achieve acceptable, viable design
- Attend a local event to allow community to view and comment on the proposed development

HOUSING ASSOCIATION *

- Input rural development expertise to site identification process
- Negotiate site purchase with landowner
- Consult with planners to achieve an acceptable, viable design
- Agree local lettings policy and a legal agreement with LA to ensure that the properties remain affordable in perpetuity
- Receive nominations for completed properties from LA Housing Register and allocate tenancies according to LA allocation policy/Choice Based Lettings scheme and in line with local lettings policy in the S106 Agreement
- Attend local information event offering experiences of affordable rural housing
- Listen to community comments arising from local information event and modify scheme if appropriate
- Work with LA and PC if local opposition arises
- Work with LA on bid to HCA for Social Housing Grant (SHG) which will partly fund the scheme's development
- Access remainder of funding to ensure that scheme is viable and deliverable

4 - Long Term Responsibilities

Once a scheme is completed there are responsibilities that partners must undertake to ensure that the scheme is a long term asset to the Parish.

LOCAL AUTHORITY

- Nominate applicants from Housing Register to HA for any subsequent re-let of properties in line with the LA allocation policy and the S106 agreement

PARISH COUNCIL

- May be consulted by the HA on the issue of local connection confirmation; the PC will not be responsible for the management or letting of properties

DISTRICT/BOROUGH COUNCILLOR

- Communicate any housing management issues to the HA where known

HOUSING ASSOCIATION *

- Let properties to nominees from LA Housing Register who satisfy local lettings criteria set out in the S106 agreement.
- Manage and maintain properties in line with adopted policies to ensure the homes are an asset to the community
- Consider any comments from PC, Councillors or LA in relation to the management of properties

EXCEPTION SITE DEVELOPMENT PARTNERSHIP WORKING PROTOCOL - PARTNERS' ROLES THROUGHOUT THE PROCESS

PROJECT STAGE	LOCAL AUTHORITY	PARISH COUNCIL	COUNCILLOR	HA
STRATEGIC DIRECTION	<ul style="list-style-type: none"> ▪ Strategic housing function ▪ Initial approach to PC 	<ul style="list-style-type: none"> ▪ Provide platform for LA to discuss affordable housing at PC meeting 	<ul style="list-style-type: none"> ▪ Advocate affordable rural housing and policies 	<ul style="list-style-type: none"> ▪ Input into housing strategies ▪ Inform LA of opportunities
ASSESSMENT OF AFFORDABLE HOUSING NEED	<ul style="list-style-type: none"> ▪ Provide PC with LA info on affordable housing ▪ Conduct HNS (with partner if appropriate) ▪ Utilise LA's local eligibility criteria to establish need 	<ul style="list-style-type: none"> ▪ Discuss HNS and assist with its publicity and delivery ▪ Review HNS report and minute decision to support ▪ Recognise LA's strategic housing responsibility 	<ul style="list-style-type: none"> ▪ Advocate affordable housing ▪ Advise and support the PC and community 	<ul style="list-style-type: none"> ▪ Assist LA in approach to PC ▪ Offer experience and advice to PC and community ▪ Conduct HNS if requested ▪ Discuss HNS outputs with PC
SCHEME PROGRESSION AND DEVELOPMENT	<ul style="list-style-type: none"> ▪ Select HA to deliver scheme ▪ Identify and appraise sites ▪ Work with PC ▪ Support RSL funding bid ▪ Appraise planning application ▪ Produce local lettings agreement ▪ Nominate applicants from LA housing register/CBL 	<ul style="list-style-type: none"> ▪ Identify and bring forward sites ▪ Comment on sites ▪ Consult partners over design ▪ Support for planning application ▪ Input into local lettings agreement 	<ul style="list-style-type: none"> ▪ Help identify and bring forward sites ▪ Advocate LA's commitment to affordable housing ▪ Advise and support the PC and community ▪ Consult partners over design 	<ul style="list-style-type: none"> ▪ Negotiate site purchase ▪ Consult partners over design ▪ Access funding from HCA and developing HA ▪ Input into local lettings agreement ▪ Support PC and community ▪ Nominate in line with policy
LONG TERM MANAGEMENT	<ul style="list-style-type: none"> ▪ Nominate applicants from LA housing register /CBL 	<ul style="list-style-type: none"> ▪ Consulted on issue of local connection confirmation ▪ Communicate issues to HA 	<ul style="list-style-type: none"> ▪ Communicate any housing management issues to LA/HA 	<ul style="list-style-type: none"> ▪ Let homes in line with local lettings agreement ▪ Manage and maintain homes

AFFORDABLE RURAL HOUSING - THE NORTHAMPTONSHIRE PICTURE

It is widely acknowledged that affordable housing in rural areas is one of the greatest problems facing rural communities. The Regional Housing Strategy has identified that the scale of need for affordable rural housing is much greater than anticipated. There is also a significant shortfall in provision compared with the level of need emerging. Strategic Housing Market Assessments as well as local and sub regional reports and research have shown that affordable housing is of critical importance in the rural areas of Northamptonshire.

Scarce availability of suitable land, planning obstacles and local opposition often mean that the necessary homes to meet local housing needs are never built, contributing further to lower income earners and younger people being priced out of their home villages.

It is also likely that the already alarming waiting list figures vastly underestimate true housing need in rural communities. Local Housing Needs Surveys, when undertaken by the Local Authorities and their partners, tend to reveal that many more households are struggling to live in their village but have not officially registered their need. Sometimes this is because they simply do not believe the affordable homes needed in their community will ever be built.

Local Authority strategic housing role

The Local Government White Paper, *'Strong and Prosperous Communities'* identified the need for Local Authorities to take a more strategic approach to housing as part of their place shaping role.

By ensuring that housing is of the highest quality, located in the right place with the necessary infrastructure and support, Local Authorities can create vibrant, mixed and sustainable communities.

The Housing Green Paper, *'Homes for the future: more affordable, more sustainable'* called on all Local Authorities to play a stronger role in addressing the housing needs of all residents.

It encouraged authorities to develop their strategic housing role by using the full range of housing and land use planning powers. They should be working with partners to meet needs of residents by ensuring the delivery of new and affordable housing whilst making the best use of existing stock.

The strategic housing role requires vision, leadership, planning and delivery to:

- assess and plan for current and future housing needs of the local population
- make the best use of existing housing stock
- plan and facilitate new supply
- plan and commission housing support services which link homes to support and other services that people need to live in them
- have working partnerships that secure effective housing and neighborhood management.

By contributing to place shaping, strategic housing activity can help to deliver improved services (including health, education, social services); a safe environment; accessible transport; a strong sense of community; and a decent home for all at a price people can afford.

GLOSSARY

Affordable housing

Affordable housing is defined according to Planning Policy Statement No. 3: Housing as either social rented housing or low cost home ownership.

Exception Site Policy

The Exception Site Policy was introduced in 1989. It has been the most successful planning tool in increasing the supply of affordable housing in small villages. Exception sites are land outside the designated village boundary that cannot be used for housing but exceptional planning permission may be granted to meet local needs for affordable housing in perpetuity.

Housing Association

Common term for the 2000 or so independent, not for-profit organisations registered with and regulated by the Homes & Communities Agency. Housing Associations are able to bid for funding from the Homes & Communities Agency. Housing Associations are also referred to as Registered Social Landlords or RSLs.

Housing register

A register of people waiting for affordable housing which may include current tenants who wish to move to another affordable home within the same district.

Intermediate Housing

Housing at prices and rents above those of social rent, but below market prices or rents, and which remain at an affordable price for future eligible households, or if these restrictions are lifted for the subsidy to be recycled for alternative affordable housing provision. These can include shared ownership products, such as New Build HomeBuy, Open Market HomeBuy and HomeBuy Direct.

New Build HomeBuy (formerly Shared Ownership)

The buyer purchases a share of their home, with the remaining share being held by another party, for example a Housing Association. Often a rent is paid on the non-purchased share. Upon leaving the property any increase in property value is shared according to the proportion owned. Often an occupier can increase their share during the period of occupation. Restrictions exist in rural settlements with populations below 3,000 which limit the equity residents can buy to 80%.

Re-let

Local Authority or RSL rented accommodation that becomes vacant due to the departure or death of a previous tenant; therefore the accommodation can be re-let to another tenant or new applicant on the Housing Register.

Section 106 Agreement

Agreement under section 106 of the Town and Country Planning Act 1990 on development of land. Often used as a legally binding agreement between a local authority and developer to ensure a percentage of affordable social housing in a larger housing development, or to secure other planning gain. Always attached to an exception site planning consent to enforce the long-term local occupancy requirement.

Social Housing Grant

Capital grant provided by the Homes & Communities Agency to part-fund Registered Social Landlords investment in social housing.