

Step by Step Guide to the Delivery of Affordable Homes

1. Consider the idea carefully Decide who needs to be involved in the Project. Most affordable housing projects are initiated by the local (Parish or Town) Council and the backing of the local District/Borough councillor and County councillor is useful.

If there is anyone within the community with relevant skills and experience, e.g. architects and builders, consider asking these people to be involved in the Project Team.

If a Parish or Town Plan is being undertaken, establish links to the Steering Group at an early stage. This may help later on when formal public consultation is needed.

On the basis that most rural affordable housing projects take several years to come to fruition, the people involved with the Project Team will need energy, determination and patience.

2. Assess the need for affordable housing The Project Team will need to commission a Housing Needs Survey to find out exactly what the local need for affordable housing is. When it comes to the planning application stage the District/Borough Council will look at the results of the Survey carefully.

Warwickshire Rural Community Council has worked with over 50 rural communities in the last 5 years to carry out Housing Needs Surveys. We offer a Housing Needs Survey Service to communities, whereby we arrange the printing of all Survey materials, cover all postage costs, analyse the data collected from Survey returns and produce a written report of the Survey results. In fact, the only thing we ask communities to do is arrange for a Survey form to be delivered to every home. **There is usually no cost for this Service.**

Many Housing Needs Surveys are carried out alongside a community's Parish or Town Plan. In fact this is ideal, because the response rate to Surveys carried out as part of a Parish or Town Plan tends to be much higher than for Surveys carried out as a 'stand alone' exercise.

3. Identify a potential site This is the most critical part of the process and usually the most contentious!

In most villages development will take place on 'Rural Exception' sites. These are pieces of land, usually located on the edge of the village that have no established development potential and therefore no significant development value. Rural Exception sites can only be used for affordable homes for local people.

In selecting a site the Project Team will need to work with many different organisations, including:

- The local community itself will have a big say in where new homes are located. A number of different techniques can be used to ask local people where they think new homes should go.
- The Planners will also have a big say, as will the Highways Authority. The chosen site will need to fit in with all relevant planning and highways policies.
- Local landowners will have a big say. After all, they will need to agree to sell the land!
- The service companies (water, electric, gas), County Archaeologists and County Ecologists are just a few others who will need to have their say.

Warwickshire Rural Community Council offers a Brokerage Service to communities to help guide them through the process of selecting a suitable 'Rural Exception' site. **There is usually no cost to communities for this Service.**

4. Consult widely Although consultation is important to the whole process of developing new affordable homes, there will come a time when formal consultation is required.

This may take the form of a survey or perhaps a public exhibition. The need to engage with all sectors of the local population should be considered carefully. This is especially true of the people who are actually in need of an affordable home themselves.

Local media sources including newspapers and radio should be involved to publicise the consultation process

The consultation stage is the community's key opportunity to have its say in all aspects of the proposal for affordable homes. Aspects such as:

Location, Design, Layout, Building materials, Car parking, Traffic, Footpaths, Open spaces, Ecology, Archaeology

5. Consider your working partners In the majority of the cases this will mean the Project Team choosing a Housing Association to work with. There are several Associations operating in Warwickshire with strong experience of working with rural communities to deliver affordable homes. Details of these Associations can be seen in the 'Links' sub folder under the 'Housing' section of this website.

Choosing the right Association is critical. Although the Housing Needs Survey will indicate what types, sizes, tenures and the numbers of new homes that are needed, and the site identification will indicate where new homes should be located, the Housing Association will have a key role in determining the layout and design of the new homes. Ultimately the Association will build and manage the final homes, so establishing a good relationship and trust at an early stage is important.

For this reason you may like to see other developments that the various Associations have previously been involved with. See examples of their work and talk to the rural communities concerned.

In a few cases a rural community may choose not to involve a Housing Association for a particular reason. In this case, the community will need to look at other means of delivery, for example a **Community Land Trust**. Warwickshire Rural Community Council can give advice and guidance on the alternative delivery options available.

6. Secure funding The majority of affordable homes are now funded, at least in part, by the Government body 'The Housing Corporation'. The chosen Housing Association will need to bid for funding to the Housing Corporation and maybe take out a loan or use its capital reserves to top-up any shortfall in funding.

The District/Borough Council may also have a small amount of funding that it can contribute to affordable homes, although usually this type of funding is very limited.

The process of securing funding can be long and frustrating. Once funding is secured though, there is usually a deadline by which construction of the new homes must start.

In the few cases where the Project Team or community decides not to use a Housing Association, it is likely that funding will be acquired from a bank or building society by way of a mortgage. This is the route that most Community Land Trusts take.

7. Obtain planning permission The Housing Association will generally take the lead on this, although it may ask the local council (Parish or Town Council) to act as 'co-applicant' on the planning application.

Planning permission is another opportunity for interested parties to be consulted on the proposals. There are channels for making representations to the District/Borough Council, as the Local Planning Authority, on any aspect of the proposals.

The Project Team should pay particularly close attention to the contents of the 'Section 106 Planning Agreement' that will accompany the planning application. This will deal with important matters such as who will be able to occupy the new homes. Making sure that the Agreement includes 'local occupancy criteria' is critical. Warwickshire Rural Community Council can give advice on what to look out for in Section 106 Agreements, to ensure the interests of the community are put first.

8. Build the new homes Although the Housing Association will again generally take the lead on this, the Project Team has a role to play in ensuring construction doesn't cause unnecessary nuisance or inconvenience to local residents.

9. Allocation of the new homes The community has a key role here, in making sure that the terms of the Section 106 Agreement are adhered to. Most affordable homes will be allocated by the District/Borough Council from its Housing Register, or through its 'Choice Based Lettings' system where applicable. The Project Team is in a key position to spot if any mistakes are made and to encourage local people to go onto the Housing Register.

F.A.Q's

What is a Section 106 Agreement ? A Section 106 Agreement is a list of planning conditions that must be fulfilled by a company wishing to build a scheme anywhere. For rural schemes, for example, the Section 106 Agreement will include clauses referring to keeping the houses for local people, and keeping them affordable in perpetuity.

Where would the Affordable Housing be located ? Much of the Affordable Housing developed in rural parishes is located on Exception Sites. These are sites beyond the settlement boundary of the village or within villages with no settlement boundary. Residential development is permitted on such sites as an exception to planning policy. The housing must be Affordable Housing for local people and remain so in perpetuity. The site itself must meet the criteria set out by the planning authority. Usually, all potential sites around the settlement will be considered in order to find the best site.

Is there a minimum size of Affordable Housing scheme that can be built ? An Affordable Housing scheme needs to be affordable to the occupiers, therefore the build costs must be reasonable. This can usually only be achieved through the economies of scale of at least three homes being built at one time. It may be possible to have a larger scheme split between two sites but the viability of this will depend on the nature of the sites and any required infrastructure works.

Who will be allocated the new homes ? The homes will be allocated through the local Borough / District Council. They will decide who is in the greatest need out of those who have a local connection.

Will the Parish Council or landowner have a say in who the houses will go to ? It is important that the Parish Council understands the process to advise local people but it is not appropriate for the Parish Council to be involved in the detail of the selection process as this would compromise both their position and the confidentiality of applicants' details. Verification of an applicant's local connection will be undertaken by the Housing Association. The Parish Council will be sent a list of the local connections of the selected applicants, but not the applicant's details due to Data Protection requirements. Unless the landowner has a specific reason otherwise, the land will be sold freehold to the Housing Association and they will have no right to nomination. If the land is adjacent to land that the landowner is retaining, then the Housing Association will often liaise with them on the design and layout of schemes

Why is grant funding required ? In order to provide affordable rented housing, funding from the Housing Corporation is usually necessary. Only certain Housing Associations meet the Housing Corporation's criteria to obtain grant for Affordable Housing development.

Community Land Trusts **What is a CLT?** A Community Land Trust is a mechanism for the democratic ownership of land by the local community. Land is taken out of the market and separated from its productive use so that the impact of land appreciation is removed, therefore enabling long-term affordable and sustainable local development. The value of public investment, philanthropic gifts, charitable endowments, legacies or development gain is thus captured in perpetuity, underpinning the sustainable development of a defined locality or community. Through CLTs, local residents and businesses participate in and take responsibility for planning and delivering redevelopment schemes.

What do CLTs do? Activities include: -

- (i) Developing affordable housing to rent or buy for members of the community;
- (ii) Enabling residents on lower incomes to acquire an economic interest in the success of their community;
- (iii) Developing land for affordable workspace and retail units;
- (iv) Providing and maintaining community facilities for social and public services;
- (v) Managing green spaces, conservation areas and providing access for new entrants to farming;
- (vi) Promoting resident involvement, local democracy and active citizenship.

CLTs allow for local people to democratically 'manage the commons'. Compared to private and public ownership of land, 'commons land' and 'waste land' in the UK is under 8 per cent. Its extension and prudent management is possible through CLTs

<http://www.communitylandtrust.org.uk/documents/The%20CLT%20Model.pdf>