

Note of NDP Housing meeting, 23 Feb 2018

10 am – 12 pm, the Corner House

Present:

Peter Kenrick

Juliet West

Jeff West

Reg James

Rod Evans

Mick Kent

Tony Merry

Claire Wilding

1. Intermediate housing

Claire summarized the section of the Housing Needs Assessment on intermediate housing. Four options were described, and expected prices of houses provided under each scheme were calculated based on recent market prices in Charlbury. The report showed that while any intermediate housing provided in Charlbury would be lower cost than market housing, it would not be expected to be affordable to households in the lowest income quartile.

The following points were made in discussion.

- Starter homes only provide a one-off benefit. Shared ownership looks to be the only intermediate housing option suitable for our NDP because we wish to retain the facility in perpetuity.
- If occupants of intermediate housing were able to purchase it outright, or purchase a greater share than they had initially purchased, this risked diluting the facility. The challenge for us is how to maintain intermediate housing in perpetuity.
- Mick noted that the rules of shared ownership schemes varied, but most schemes nowadays are flexible and once someone has purchased all of their house they can sell it to whoever they want on the open market.
- It is possible for local authorities within an AONB to disapply right to buy. This is also being done for new affordable housing being constructed in Hanborough on Blenheim land.

- In Shropshire there is a precedent for use of 106 agreements stating that properties have to be sold back to someone with a local connection.
- Imposing restrictions on shared ownership housing could create difficulties. There are a limited number of Building Societies willing to provide mortgages for shared ownership. They will not wish to lend on homes if they will be excessively restricted in a situation where they had to repossess the property and sell on. Also, having restrictions on resale will slacken demand for houses.
- A shared ownership scheme in Charlbury would not necessarily need to be restricted to local people, it could be for anyone on a lower income (which could help meet the NDP's objectives of maintaining the age balance generally and enable key workers to live in the community).
- Land prices are driven up by "hope value", i.e. the belief of landowners that they may at some point be able to get permission for market housing. This means landowners are not willing to sell at a lower rate to a social housing provider. Therefore there needs to be very clear policy against market housing in order to remove this "hope value".
- If land could be purchased below market rate, as a "rural exception site", it might be possible to deliver intermediate housing at lower prices than estimated in the HNA report, which is based on recent market prices.

The following conclusions were drawn:

- The group is very interested in pursuing the idea of an intermediate housing scheme.
- There is potential for removal of right to buy and this is important for us to maintain the supply of affordable housing in perpetuity.
- Shared ownership would be the preferred intermediate housing option because other options are "one off".
- It may be possible to deliver shared ownership housing at lower prices than suggested in the HNA if there is a strong policy on no market housing development beyond the existing built up area of the town. This wider policy is an important part of the picture as it will affect the "hope value" of land.
- It is accepted that shared ownership housing may still not be affordable to those on the lowest incomes, but nevertheless the group believes it could be of value to the community in terms of maintaining a balanced age structure and retaining key workers.

2. Development Sites

Claire introduced the note on development sites, which set out four options and provided a summary assessment of the three sites currently under consideration. There was debate over the options put forward. Some felt there was no clear need for development sites. Others felt it would be appropriate to put forward one or two sites that were very clearly aimed at meeting local need (i.e. affordable and shared equity housing). The following points were made in discussion.

- The options put forward all included zero market housing, this could raise deliverability issues.
- On the other hand, the new approach taken by the emerging Local Plan could be consistent with no further market housing. If this could remove the “hope value” of land it could mean that affordable housing schemes were affordable without market housing.
- If there is no market housing, it would not be a case of involving developers. We need to speak to the social housing providers and see what the issues would be for them.
- Given the conclusions of the HNA, is there any need for development sites in Charlbury?
- What is the value of market housing to Charlbury. Do we want to increase the size of the town or not?
- The Peter Brett Associates report concludes that building market housing will increase the number of older people with only a very small increase in the working age population. Therefore there is not much advantage to the community in having market housing, as this will not help achieve our aims of a sustainable community and more balanced age structure. There would still be some windfall sites that gain permission for market housing.
- The evidence points to no need for market housing, but a need for development sites for purely affordable and shared ownership.
- The NDP should give an account of how Charlbury has developed post war and in the last 10 years, to show that the town has grown considerably. This is needed to put our policy proposals in context.
- Land price will be the key issue in determining whether affordable or shared equity schemes are viable.
- A policy against market housing but providing social rented and/or shared equity in perpetuity would be consistent with the AONB position paper. We need to get the most robust evidence that we can for the demand for these types of housing. The key thing is to speak to the providers.
- We would need to carry out assessments of impact on AONB, heritage etc before a site can be part of the NDP.

- The AONB checklist should be considered as part of the site selection process.
- Making progress on the development sites question is urgent as it has potential to seriously delay the NDP.

While there was not consensus in the group on the way forward, there was support for continuing to develop the idea of one or more development sites aimed solely at meeting local need, i.e. affordable and/or shared ownership housing.

Housing policies

The meeting did not get as far as discussing the Housing Policies note, but the following general points were made in discussion of the other issues:

- The new section 5.34 of the Local Plan is important for the town regarding windfall, and should be referred to in our work.
- The question was raised as to whether the NDP could place controls on extension of properties or preventing 2 small houses being knocked together into one large house, in order to maintain the stock of smaller, more affordable properties. It was felt that preventing extensions was unlikely to be practical, and knocking together of two houses already adjoined may not require planning permission.
- At the other end of the scale, planning permission was required for people wishing to break a larger house into separate units, and this is something that NDP policies could facilitate.
- It might be necessary for any new housing to be skewed towards smaller size housing, to account for the drift towards larger properties that occurs as people adapt and extend their properties.
- If we are interested in providing more social housing for the elderly/frail e.g. sheltered housing or a care home we would need to speak to OCC.

Next steps and Actions

For the next steering group meeting (2 March) it was agreed that the development sites note should be updated to reflect the Cotswold AONB checklist. The fourth site cannot be properly assessed at this stage because we have not formally approached the owner. It was agreed we should be clear what the site is being put forward for prior to approaching the owner. However an initial assessment based on what we already know of the site could be carried out.

Action: **Claire** to update development sites paper as described above. Tony to share AONB checklist with Claire.

We now need to approach some social housing providers to explore further whether a shared equity scheme might be viable.

Action: Claire to make contact with relevant organizations (Cottsway, Sohar, Greensquare, Oxford Citizens, Sovereign, Stoneway) with a view to arranging meetings.

Claire to also update the development sites and housing policy notes to reflect other points made in the meeting. **Claire** to produce a summary note suitable for sharing with WODC based on the development sites note.