

Committee: Scrutiny

Date:

Title: Affordable Housing in the Proposed Garden Communities

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Summary

1. This report describes the work of a Discussion Group that the Scrutiny Committee had set up to consider affordable housing provision in the proposed Garden Communities.

Recommendations

2. That the Scrutiny Committee endorses the work and findings of the Scrutiny Committee Affordable Housing Discussion Group and recommends Cabinet to take full account of these in the forthcoming review of the Uttlesford Housing Strategy.

Financial Implications

3. Any financial implications that arise from changes to the Housing Strategy will be considered at the time that the Council deliberates on the changes.

Background Papers

4. No papers were referred to by the author in the preparation of this report.

Impact

- 5.

Communication/Consultation	No impact to date. Future work programme will address consultation and stakeholder programme.
Community Safety	No impact
Equalities	Positive impact given that the potential changes discussed will support a mixed and balanced community within each

	Garden Community
Health and Safety	No impact
Human Rights/Legal Implications	No impact
Sustainability	Linked directly to the local plan.
Ward-specific impacts	Indirect link to all wards in conjunction with the merging local plan,
Workforce/Workplace	Positive impact given that the potential changes could also apply to new workers that comply with household income criteria.

Situation

6. On 1st May 2018 Scrutiny Committee set up as an “Affordable Housing Discussion Group” to consider ideas arising from a Member Workshop on affordable housing in the proposed Garden Communities. The aim of the discussion group was to identify affordable housing need in the District and to ascertain the aims of the Council in addressing this need in relation to the new communities.
7. The Discussion Group has met three times since the beginning of May (minutes attached as Appendix A) and the appended report (Appendix B) sets out the findings and recommendations of those deliberations.

Key Themes

8. There are a number of key points covered in the appended report as follows:
 - Housing Objectives for the Garden Communities
 - Defining Affordable Housing Need for the Garden Communities
 - Ensuring the Uttlesford Affordable Housing Policy addresses the Defined Need in the Garden Communities
 - Proposed New Policy for the Uttlesford Housing Strategy

Housing Objectives for the Garden Communities

9. A number of objectives are set out below. These objectives are derived from the Regulation 19 Local Plan and the Town and Country Planning Association Principles for Garden Cities and are as follows:
 - to secure mixed and balanced communities from the start of the development linked with the timely delivery of social and physical infrastructure;

- to ensure that affordable housing provision not only addresses people on Uttlesford housing waiting list or those in Council or Housing Association properties but also delivers housing at suitable prices for local workers, their families and older people wanting to stay near their existing community who cannot afford market housing; and
- to bring forward homes that meet the needs of those who will have a long term need for affordable housing including for older people.

Defining Affordable Housing Need in the Garden Communities

10. The Uttlesford Regulation 19 Local Plan proposes three new Garden Communities with 40% of the housing being affordable. The overall amount of housing in the Garden Communities to be delivered within the district over the next 25-30 years is expected to be as follows:

Location	Total Number of Houses in the district at Completion of the Garden Community	Total Number of Affordable Houses in the district at Completion of the Garden Community	Comments
Easton Park Garden Community	10,000	4,000	
North Uttlesford Garden Community	5,000	2,000	
West of Braintree Garden Community	3,500	700	Up to this number in the district as part of a wider settlement totalling up to 13,500 new homes
	18,500	6,700	

11. This level of affordable housing provision, which will be in addition to housing being delivered on other sites in the local plan, represents a significant increase in the amount of affordable housing that has been provided in the district. At the

present time there is a Housing Register of about 850 applicants 1,050 with about 100 affordable new homes being provided every year.

12. The existing Housing Register only addresses one element of housing need. There is also a significant number of households that cannot afford the costs of living within the district (for instance the lowest quartile average house price in March 2018 was £331,666). One result of this is the relatively high level of daily commuting into and out of the district which contributes to traffic congestion and impacts on air quality. The 2011 Census records over 36,000 **daily** commuting movements in the district roughly split equally between inbound and outbound trips. It is estimated that half of these inbound trips are related to individuals in households where Uttlesford housing costs (either renting or owning) would represent more than 35% of their income (this is a Joseph Rowntree Foundation measure of housing affordability). **Put simply the cost of market housing in Uttlesford is too high for many working households with low and medium incomes.**

Ensuring the Uttlesford Affordable Housing Policy addresses the Defined Need in the Garden Communities

13. The quantum and location of new housing in the proposed Garden Communities provides a new opportunity to help address the local housing needs of the district. The concept of the new Garden Communities is to provide residents the choice to live and work locally. The local plan seeks to deliver about one job per household for each new settlement and this will include jobs in the local schools, shops and other businesses. At the present time the Council's eligibility criteria for affordable housing has a household income restriction and a requirement of employment within the district for a minimum of three years. A relaxation of the criteria to omit the three year requirement in favour of a permanent job within the district (and the immediate surroundings) would aid recruitment of workers in lower paid jobs (for instance care workers) and reduce the pressure for more inter district commuting.

Proposed New Policy for the Uttlesford Housing Strategy

14. In the light of the consideration set out in this report it is recommended that the Housing Strategy is revised, in relation to the new Garden Communities, as follows:
 - i. Change the eligibility criteria of the allocations policy and to create a new 'Intermediate' Housing Register, which accepts applications from all existing employees within Uttlesford District on permanent contracts for the Councils' 'Intermediate' Housing Register and associated affordable housing, providing the household can evidence that they cannot afford private rented housing within 35% (gross) of their total weekly household income (with welfare support if they are eligible) but can afford the weekly rental at LHA rates. In the case of the two Garden Communities that adjoin the district boundary, then consideration should be given to enable

permanent employees within the immediate vicinity (still to be defined) access to the affordable housing provision.

- ii. Consider allowing under occupation for families with opposite sex children below the age of 10.¹
- iii. Investigate alternative intermediate home ownership products not delivered by HA partners. For example, models that link housing costs to local median income with a resale covenant in place to permanently be delivered in this way and therefore, affordable in perpetuity.

Conclusions

- 15. There is a strong case for planning over a longer time horizon in garden communities for a mix of homes which will be made available for households “whose needs are not met by the market”.
- 16. Some of these homes can be offered on the ability to pay, and a new form of Intermediate Housing Type Register should be created, whilst some will need to be allocated by the Council on the basis of the existing Allocations Policy and restricted through the Housing Register.
- 17. The issues set out in this report will help address the needs of local workers and their families where the household income is not sufficient to secure market housing. The review of the Housing Strategy may also consider the needs of families or older people who wish to stay near their existing community and who cannot afford market housing.
- 18. The affordable housing needs to be met within the new Garden Communities will continue to change over time, and the strategy for adapting to this will need to be flexible and mesh with the strategy for providing market focussed homes in order to maximise the opportunities present by the delivery of new Garden Communities aiming to achieve the full range of Garden Communities Objectives.

¹ To prevent a needless 2nd move once eldest child reaches 10 years if they are opposite sex. Families would have to meet an affordability check. This provision is subject to current local housing allowance rules changing.

Risk Analysis

19.

Risk	Likelihood	Impact	Mitigating actions
The local housing needs of the district are not met	3	Continued and increasing inward and outbound commuting	Prepare and improve a new policy for the Housing Strategy

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.