

NOTE OF AFFORDABLE HOUSING MEETING HELD ON 14 JUNE 2018

Present:

Chairman: Councillor Dean

Councillors Gerard and Redfern

Stephanie Baxter, Ben Ferguson, Lee Heley, Simon Payne, Judith Snares.

1. Notes of Meeting on 23 May 2018

Members approved the note of the meeting held on 23 May 2018.

The Chairman said 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 proposed Garden Communities.

Simon Payne said a report informed by the discussion group would go to the Scrutiny meeting on 25 September.

2. Supporting Evidence

The Chairman asked Stephanie Baxter to highlight the key evidence in her report to assist Members in identifying housing need in Uttlesford. The following points were discussed:

- **High property prices** – the cheapest homes in Uttlesford had risen by 41% between January 2014 – March 2018. This has particularly affected first time buyers/low earners in the District. Average house prices in Uttlesford are £157,900 higher than the regional average.
- **Income** – the median range of income is £26,374 pa in Uttlesford, with 60% of employees earning £31,740 pa or less. This would make an average priced 2 bed property in Uttlesford (£305,750) out of reach for the majority of residents (a joint household income of £74,241 would be required for a mortgage).
- **Location of residence and employment** - employees who work in the District but live outside of Uttlesford earn £14,918 pa less than employees who live in the District. Employees who work but cannot afford to live in Uttlesford may face longer commutes and spend a disproportionate amount of their wages and time travelling to/from work. The group agreed that the housing need of workers, as well as existing residents, should be taken into account.

- **Key workers** - Members were informed that there was an affordable housing need for key workers, although the term 'key worker' required further definition (e.g. NHS administrative support staff, as well as nurses). Stansted Airport had many employees travelling from outside of the District and members discussed whether there was a need to establish an affordable housing provision for airport staff on low salaries.
- **Definition of affordable** – Members agreed that there had to be more clarity with regards to the definition of 'affordable'. Councillor Redfern said the definition and perception of affordable housing was part of the problem.
- **Percentage of affordable homes** – The current target for affordable homes was 40% for larger developments and there was a consensus that this should continue in the proposed garden communities, although there was some discussion regarding the potential of 'gifting'. If homes were 'gifted' by developers, the number of affordable homes would be reduced but there would be potential to reduce the cost of rent for tenants.
- **Strategies for each site** – Members discussed the potential for directing specific affordable housing strategies to each of the three garden communities e.g. North Uttlesford, provision for workers employed at the science parks; Eastons, provision for workers employed at Stansted Airport.
- **Affordable Housing models** – Various affordable housing models were discussed (shared ownership, help to buy deposit schemes, shared equity models, where no rent is paid on the unsold equity). There was agreement that affordable housing in the proposed garden communities should be transferred to a community land trust/co-operative to ensure homes remained affordable in perpetuity. Right to Buy would not be applicable to these homes.
- **Drivers of the rental market** – There were various drivers of the rental market in the District (Stansted Airport, corporations in Cambridge/London moving employees into the London-Stansted-Cambridge corridor) as well wider causes on a national level (low level interest rates, attractive buy-to-let mortgages). Whilst largely out of the Council's control, such drivers would need to be factored in to the affordable housing policy.
- **Qualification for affordable housing tenants/buyers** – Members were informed that the Council could set the qualification criteria for affordable housing tenants/buyers.
- **New communities** – Members agreed that the demographics of the proposed garden communities needed to be mixed and balanced; the

developments should be 'pepper potted' and homes should be 'tenure blind'.

3. Proposed Framework for Report to Scrutiny Committee

Simon Payne said he would prepare a short report outlining the affordable housing issues discussed, as well as presenting one or two case studies of existing garden communities. He said this would identify affordable housing need in the District, and provide a number of solutions as demonstrated by the case studies.

In response from a Member request, Simon Payne said he would include a summary of current affordable housing practice at UDC and map such information with the issues discussed.

4. AOB

The Chairman requested that the next meeting was held before the end of July.