

HARAH

Hampshire Alliance for Rural Affordable Housing

Frequently Asked Questions



What is affordable housing?

Rural affordable housing is housing provided in rural parishes for people on lower incomes who are unable to meet their housing needs in the general housing market. Affordable rented housing is usually owned by a Registered Social Landlord (RSL), normally a Housing Association, and rented at a weekly rent that is affordable to people on low incomes. Shared Ownership and Shared Equity homes are partly purchased by the resident and partly owned by the RSL. In the case of shared ownership, the resident may pay rent on the part owned by the RSL. The RSL is able to provide the housing at affordable levels as they receive grant funding from the Housing Corporation towards the development costs.

What are the benefits of affordable housing?

An affordable housing scheme can make a huge contribution to the parish. It not only meets the housing needs of local people, but it can help maintain the viability of services and amenities in the parish, such as the local school, a village shop and post office. It may also help maintain the social balance and social networks within the parish.

How can the Parish Council help with affordable housing in the Parish?

The first step towards the creation of affordable housing is to contact a rural housing enabler, from Community Action Hampshire. They are an independent group who act on behalf of rural communities, to facilitate rural housing schemes.

Who are the Rural Housing Enablers?

The RHEs are employed by Community Action Hampshire. They are funded from three separate sources and are therefore independent of the other parties. Their role is to encourage Parish Councils and local communities to help identify housing need and engage with the process of developing affordable housing in their parish and then to support and assist the Parish Council and local community throughout the process. A major part of the role is to liaise with all the parties involved in the process.

Where would the 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. Sites within the settlement boundary may provide affordable housing as part of a market housing development. However these sites are usually too expensive to provide only affordable housing and the housing will not necessarily be for local people.

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 four homes being built at one time. It may be possible to have a scheme split between two sites but the viability of this will depend on the nature of the sites and any required infrastructure works.

How much will be paid for the land?

Exception sites have a unique land value that is between agricultural values and hope value. The price agreed for the land is important to ensure that the housing to be provided is affordable. One of the aims of HARAH is to have a consistent approach to exception site land values, to ensure that rural housing schemes are viable and affordable.

How long before the homes are built?

There are many stages in developing an affordable housing scheme, and the RHEs have written a 10 point guide that helps explain the process. Rural housing schemes are traditionally difficult to develop, but each site is different so a number of factors can influence the time frame, including the number of plots available, how much work is required on the roads, whether the planners are in favour of the site, the funding and how much opposition there is to the site in the parish. One of the aims of HARAH is to try to make this process more efficient through best practice, and thus speed up the delivery of the affordable homes.

What is HARAH?

HARAH is the Hampshire Alliance for Rural Affordable Housing. The members of the Alliance are; the Hampshire Rural Housing Enablers; the 6 mainly rural Local Authorities in Hampshire: Basingstoke and Deane, East Hampshire, Hart, New Forest, Test Valley and Winchester; and the Housing Corporation, which is the body that provides funding for affordable housing and monitors the RSLs that provide affordable housing. The main purpose of the Alliance is to ensure that the rural parts of Hampshire are not overlooked in the development of affordable housing.

In order to create a more strategic and effective approach to the delivery of rural affordable housing on exception sites and to attract more Housing Corporation funding to rural schemes in Hampshire, HARAH invited submissions from local Housing Associations and consortia of Associations to undertake all development of rural affordable housing on exception sites. Hyde Housing Association was chosen and since July 2005 has been undertaking all rural development on exception sites in Hampshire.

Who is Hyde Housing Association?

Hyde Housing Association is a charitable Registered Social Landlord that owns affordable homes across Hampshire and throughout England. Hyde HA has considerable experience of developing rural affordable housing. In Hampshire, Hyde has a dedicated development officer for rural housing. Hyde has a main office base in Southampton and

sub-offices in Alton, Lymington and Blackwater. This means that the majority of schemes will be within twenty miles of a housing management base.

Why does the Parish have to develop the scheme through Hyde?

In 2005, the 6 rural local authorities in Hampshire decided that forming an alliance to provide rural housing would benefit all parties, enabling funding to be more flexible across different schemes. Hyde was chosen from a number of bidders for the contract, and as a result the choice of Housing Association is no longer a worry for the parish council. This process involved meeting a number of criteria such as quality standards, affordability, ability to obtain grant funding and forward fund schemes where necessary. There may be a few cases where, after development is over, another housing association will manage the properties.

What are the benefits of working with Hyde?

Hyde has the support of the six rural Local Authorities in Hampshire and the Housing Corporation. Hyde is able to access the essential funding for rural affordable housing through its preferred partner status, and will forward fund schemes if necessary. Hyde is working with HARAH to provide high quality both in the design and build of new homes, and the ongoing management and community involvement. Hyde has a dedicated development officer specifically for HARAH rural schemes.

Will the parish have to fund the scheme? Who will provide money?

The parish will not be required to make a financial contribution to the scheme, although some choose to donate land or sell it at a reduced rate. There have been examples of a parish wanting a village shop as part of a scheme, and in that instance, the parish may need to bring forward some money to make the scheme viable.

Why is grant funding required?

In order to provide affordable rented housing, funding from the Housing Corporation is necessary. Only certain Housing Associations meet the Housing Corporations criteria to obtain grant for affordable housing development.

HARAH working with Hyde have been very successful in obtaining grant funding from the Housing Corporation. For the 2006-8 National Affordable Housing Programme Hyde received £7.8M for 21 rural schemes which was 20% of the total Regional Housing Board funding allocation for rural housing in the South-East.

As part of the HARAH arrangement Hyde have agreed to forward fund additional schemes that are ready to proceed in the event of grant funding not being available at that time. The HARAH partnership may have funding which has been obtained for other schemes, but these have been delayed or cancelled.

Why are housing needs surveys required when there is already a Borough / District Council Housing Register?

A lot of people who live in rural areas believe that affordable housing will never be built in rural areas so do not join the housing register. If the need was solely judged by the register, it would undervalue the number of people in housing need, and schemes would be underprovided. Housing Needs Surveys almost always turn up people who are in need, but have not joined the register. A housing needs survey can also help in consulting with the Parish community and may help in land coming forward.

What is involved in undertaking a village housing needs survey?

The Rural Housing Enablers work with Parish Councils to undertake a survey of the whole Parish to establish the unique needs of each rural community. A standard questionnaire is used that is commissioned by DEFRA and the Housing Corporation, in order to ensure the robust validity of the results. This is important for both obtaining the planning consent and the funding for rural schemes.

The questionnaire will be sent to every household in the parish and to local people who have had to move away to find an affordable home, but are known to want to return. The survey can be used as a register, encouraging people to give their names and contact details. They can then be sent an application for the District/Borough Housing Register to apply for affordable housing

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 example, a scheme of 10 houses in a town may require a contribution to local roads so that increased traffic flow can be supported, or towards nearby open space or play facilities. For rural schemes the s106 will include clauses referring to keeping the houses for local people, and keeping them affordable in perpetuity. HARAH is developing a model s106 agreement for all schemes to help speed up the planning process and get the much needed affordable housing built.

Who will be allocated the new homes?

The homes will be allocated through the local district or borough council and Hyde. 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 understand 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 Hyde, which may include a home visit if necessary. 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 Hyde and will have no right to nomination. If the land is adjacent to land that the landowner is retaining, then Hyde often liaise with them on the design and layout of schemes.

How much and what type of housing will be built?

The village housing needs survey will indicate the amount and type of affordable housing that is required in each village. By asking local people for details of their income and housing preference, a proposal can be drawn up for each village on the amount of affordable rented housing and shared ownership housing that is required to meet local needs.

What will the rent levels be?

The rents charged on affordable rented homes are capped according to the Housing Corporation's rent policy. At the moment (2006), on a typical rural scheme we are estimating £87.86 per week for a two bedroom property, and £106.19 per week for a three bedroom. These will typically be the type of unit provided on a rural scheme, but it depends on the needs figures from the Housing Needs Survey, and the exact location of the scheme. Updated indicative rents can be provided by Hyde on request.

How does shared ownership work?

If the Housing Needs Survey shows that there is significant demand for it, then a small amount of shared ownership may be provided. Shared ownership housing requires the purchaser to obtain a mortgage and requires a minimum income level. Hyde has a specific division known as **Inplace**, which manages its Shared Ownership stock. All shared ownership units will be retained for local people as they will only be allowed to buy up to 80% share of the property.

How much will the shared ownership homes cost?

Inplace ensures that the initial shares and rents are affordable for the target groups in the village. This is usually an initial share of between 25% - 50% with a rent on the retained element fixed at 2.5%.

The cost of shared ownership housing can vary greatly dependant on who is the provider. One of the **HARAH** criteria that Hyde Housing Association has to meet on rural schemes is to ensure that the sale prices and residual rents are affordable to local people, reflecting the information from the village needs survey.

How will Hyde deal with any anti social behaviour in the houses?

Hyde's Regional Office in Southampton is home to the SHAARP team, who deal with Anti Social behaviour for Hyde, and several other housing associations, across Hampshire, Surrey and Dorset. They have several mechanisms in place to deal with people who behave anti-socially, that can lead in severe case to ASBOs, and eviction.

How is it you are being allowed to build on Greenfield sites?

There are planning regulations in place to allow greenfield development under certain circumstances, and providing the following criteria are in place:

- The parish council support the move
- It will be kept affordable for local people
- It is supported by a recent housing needs survey

Even if these criteria are in place, then the planning application will be subject to approval from the planners in a number of other ways, including highways, sustainability, and impact on open countryside. Some green areas may be part of an Area of Outstanding Natural Beauty or part of a National Park, in which cases it may be more difficult to get a planning approval.

How can we be sure they will go to local people?

It is outlined in the section 106 agreement that any exception development must be kept for local people and this is legally binding to Hyde and to the local authority. People will have to qualify as being local to be nominated for a property, and if no-one can be found from the main parish, then there will be a list of neighbouring parishes that can be put forward as reserves. Should a person with a local link with any of these be put forward, then they will be nominated. The list of reserve parishes is agreed with the parish council.

What is meant by local people?

The local connection criteria will be laid out in the Section 106 agreement. A strong local connection is required by virtue of any one or more of the following:

- ordinarily resident in the Parish
- previously ordinarily resident in the Parish
- a need to live in the Parish by reason of current employment or the provision of essential services or a need to move to take up permanent employment
- a need to reside in the Parish either to support or to be supported by another member of their family who ordinarily resides the Parish

Will this development lead to more housing being built in the village?

Due to the development being an "exception" site, it will not set any precedent for building outside of the development boundary. Should the parish council obtain a scheme which does not fully cater for the level of housing need in the village, they can apply for another scheme, but will have to repeat the process (including a new Housing Need Survey) from the beginning.

Who do we contact?

The main points of contact for Parish Councils are the Rural Housing Enablers:

John Lancaster - Test Valley & Basingstoke and Deane
01962 857363 John.Lancaster@action.hants.org.uk

Debbie Rhodes - Winchester & New Forest
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