

# Making rural amendments to the Housing and Planning Bill

An exercise in rural proofing – if a bit  
belated

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# Housing and Planning Bill 2016

4 Elements particularly relevant to rural areas:

- **Starter Homes** – Proposed requirement for delivery on all sites
- **Right to Buy** – grant to compensate housing association for sales – NOT extension of statutory RTB
- **Sale of High Value Vacant Council housing** – to pay for Voluntary RTB
- **Site size for trigger delivery of affordable housing** - determined by Secretary of State

# Understanding the rural context – the need

- % of HA and LA housing stock
  - Rural areas = 8%
  - Urban areas = 19%
- Rural Lower quartile affordability ratio = 8:1
- **Need** for affordable housing in settlements <3k population = **7,500** per annum
- **Delivery** 2014/15 = **3,368** new affordable homes

# Understanding the rural context - delivery

- Two principle routes:
  - ✓ S106/quota – market sites with % of affordable housing
  - ✓ Rural Exception Sites – affordable housing to meet local housing needs
- Most development is on small sites
- Costs of development are higher in rural areas
- Rural Exception Sites are dependent on “in perpetuity” arrangements so:
  - ✓ Landowners are willing to sell at significantly less than omv (£100k - £120k per acre)
  - ✓ Community support the scheme
- Low local wages mean principal need is for affordable rented homes

# Purpose of the Proposed Rural amendments

To safeguard the existing and a future supply of affordable housing in rural areas



Because a range of affordable housing is a key component of a sustainable rural community



20% OMV  
not  
affordable

Land prices will  
rise = unviable to  
build truly  
affordable  
homes

Landowners  
will not  
release Rural  
Exception Site

**STARTER  
HOMES**



**RESULT!**  
LA's have discretion to  
exclude Starter Homes  
from RES

Loss of  
existing  
stock

Perpetuity pre-requisite  
of community  
/planning support

VOLUNTARY  
RIGHT TO  
BUY

Perpetuity pre-  
requisite of Landowner  
releasing site at viable  
price



**NO RESULT!**  
Reliance on 'discretion' to  
exclude rural from VRTB

**BUT very weak/uncertain**

Loss of  
affordable  
homes

Disproportionate  
impact because  
high rural house  
prices

SALE OF  
HIGH VALUE  
VACANT  
COUNCIL  
HOUSING

Double whammy – no 1:1  
replacement in  
community



**RESULT!**

Exemption for council homes in  
National Parks & AONBs (in  
Act)  
+ ‘other rural areas’ (Regs)

# Local Plan Policies - Site size trigger for affordable housing contributions

## Housing & Planning Bill

SoS can dictate size of site on which an affordable housing contribution can be sought

Nov.2014  
WMS  
No AH on sites of <10 units

Quashed by JR  
Aug 2015

May 2016  
Court of Appeal upheld WMS  
BUT not a blanket policy

Most rural development on sites <10 units

High build costs  
Cut in grants

No Affordable Housing contribution =

No on-site mixed tenure schemes

No £ contribution for RES schemes

Push up land price making RES unviable

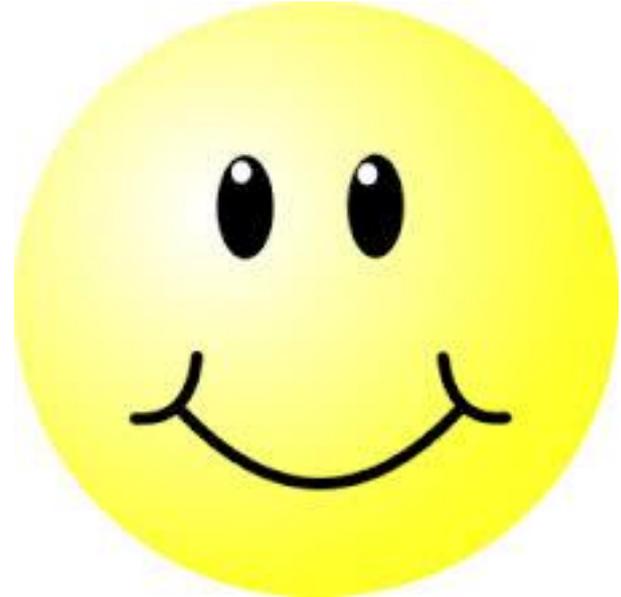
Cuts all routes to providing rural affordable housing

# RESULT



## **Clause 159 (3)**

SoS powers to dictate site thresholds for affordable housing **do not apply** in  
**National Parks**  
**AONBs**



## **Regulations**

**AND**

**‘other rural areas’**

# Is the Housing and Planning Act rural proofed?

Qualified 'Yes' –thanks to:

- Cross party support in House of Lords
- Lord Best, Lord Cameron and Baroness Royall and Baroness Williams
- All the LAs, RPs and RHEs that provided evidence

“Pressure on housing in some rural areas is exceptionally high and it is right that we should sometimes take a different approach to reflect that.”

Baroness Williams – Housing and Planning Bill - 3<sup>rd</sup> Reading

Still much to play for:

- Definition of 'other rural areas'?
- What will happen to VRTB?

**AND WORTH ALL THE EFFORT**



**THANK YOU!**