

Post Project Report for Church Close Bratton Fleming

1. Overview.

Affordable Housing is one of the Council's priority areas. In order to help to address this need the Council has worked in partnership with West Somerset District Council and Exmoor National Park to create a Rural Housing Enabler project. This project is funded by a number of partner organisations (DEFRA, Housing Corporation, partner Registered Social Landlords).

The Rural Housing Enabler (RHE) works with parishes and/or alliances to identify the housing need in the area and then to identify sites. They act as an honest broker between all the parties needed to develop affordable housing in rural villages.

In Bratton Fleming the Parish was part of the Rural Alliance area, who agreed to carry out the survey across all 9 parishes. Bratton Fleming was identified as the most viable village to develop housing (in the first instance) and the Council identified that it could provide land at Church Close for the scheme. This land was previously the village allotments (non statutory).

The Parish were closely involved in the project and were supportive of the scheme, this proved vital to the schemes success.

The survey reported in 2004 identified, within the rural alliance area that at least 20 households needed housing.

North Devon Homes were asked to be involved with the project as the housing provider (as part of NDDC commitment to tenants (on transfer) to assist NDH to provide 200 new homes to rent).

The land was to be leased to NDH on a 125 year term for the sum of £25,000. This money was then given, by way of grant, to the Parish Council to provide an alternative site for the allotments and other community benefit. The Parish had identified that they wanted to purchase land on the other side of the village for community woodland and other community use (including new allotments).

The lease of the land further protects the homes from becoming fully open market housing (by tenants exercising the PRTB or Stair-casing on shared ownership homes) as Councils who lease land to RSLs for housing are exempt (at this time) from the right of Enfranchisement (right to purchase freehold).

A scheme of 15 homes (4 shared ownership and 11 for rent) was designed and build by NDH and was completed in 2007.

2. Achievement of Success Criteria.

Housing Schemes can only be measured as successful on the following criteria.

- Completed on time
- Successfully let/sold
- Occupied by people satisfying the 106 local connection.

Completed on Time – The scheme had hold up in the build time. The contractor was able to complete the scheme more or less on time.

Successfully let or sold – The rented homes on the scheme have been let and the shared ownership all has potential purchasers ready to complete.

Occupied by people satisfying the 106 criteria. – The properties at Church Close had a local occupancy condition as per the Local Planning Conditions to the following parishes: -

Cascade 1 - Bratton Fleming

Cascade 2 - Stoke Rivers, Challacombe, Brayford. Goodleigh, Shirwell, Loxhore, Arlington and Kentisbury

The nominations to the homes were made to the following

Type	Banding	preference groups	Points	Local connection	Cascade
RENTED					
2b4p	A	1	2	4	1
2b4p	A	1	2	1	1
2b4p	A	1	19	1	1
2b4p	E	0	0	4	1
2b4p	A	1	10	1	1
2b4p	E	0	0	4	1
3b5p	A	1	15	4	1
3b5p	E	0	0	1	1
3b5p	E	0	0	1	1
3b5p	E	0	0	3	1
4b6p	A	1	17	3	1
Shared Ownership					
2b4p	C	1	4	1	1
2b4p	A	1	5	1	1
2b4p			Not on HRA	1	2
3b5p			NDH Transfer	4	1

The local connection is defined as: -

- (1) lived in **parish** for a continuous period of at least five years and are in need of separate accommodation (defined as those setting up a new household as a result of co-habitation, marriage, divorce or separation, or those that have, or are about to leave, tied accommodation on retirement);
- (2) lived in **parish** for a continuous period of at least five years and whose present accommodation has become either substandard or unsuited to their circumstances because of, their age, an impairment, medical condition or to meet the needs of a growing family;'
- (3) worked in **parish** for a continuous period of at least five years or someone currently employed in an agricultural related activity, the emergency services, as a professional health, care or social worker or as a qualified primary or secondary school teacher and working within the parish;'
- (4) moved away but have strong established and continuous links with to **parish** by reason of birth or family and still have a parent or guardian living there.'

This shows that of the homes that were let or sold to people on the Housing List-

- 8 had housing need (as per housing act definition). The rest were in band E which means that they were adequately housed but in need of affordable housing as per planning definition.
- 14 were let or sold to people with a local connection to Bratton Fleming (first cascade area).
- 5 were people/households returning to the village having strong local connections but living elsewhere.
- 7 had lived in Bratton Fleming for 5 years (at least). The household from the second cascade had lived in the neighbouring village for 5 years (at least).
- 2 were working in the parish for 5 years.

3. Costs and Benefits

The Cost of the scheme is outlined below. The amount of public subsidy (Housing Corporation and Local Authority) was an average of £78k for each rented home and £23k for the shared ownership.

	Housing Corporation	LA SHG	RSL funding	Grant Per Unit
Rented x 11	745,000	77,868		78k
Shared Ownership x 4	92,000	0		23k
			439k	

In order to establish the overall value for money of the scheme the following table has been produced.

Economy	Efficiency	Effectiveness
<p>This scheme cost NDDC £77,868 in Local Authority Social Housing Grant. This equates to a cost of £8,079 per home (rented only) and overall for all homes £5,179 per home.</p> <p>NB. It should be noted that under the LASHG rules that existed at this time the Council received £77,868 back from Government.</p> <p>The land was leased to NDH for £25,000 (below an anticipated exception site value of £5k per plot -</p>	<p>By providing the land at a lower than probably market lease price (£25,000 rather than £75,000) the council brought in outside funding to the area of £837,000.</p> <p>Given that the reduction on the land value by £50k was the only non recoverable cost to the council this represents a economic benefit of £16.74 for each £1.</p> <p>There is also the fact that NDH has also raised money (439,000) to</p>	<p>NDH contracted a local builder to develop the housing scheme.</p> <p>The homes achieve eco homes very good standard and also have solar panel water heating.</p> <p>15 local families have been housed, some of whom were in Band A – the highest housing need band on our list.</p> <p>Occupants will have reduced utility bills, and should mean reduced CO2 emissions from these</p>

£75,000).	develop this scheme which if this is included in the above calculation means for each £1 of NDDC expenditure £22.62 of inward investment has been achieved.	homes. The homes were develop using off site manufacturing panellised construction
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As can be seen from the above table, NDDC has achieved a significant economic advantage from this scheme. Making each £1 of expenditure result in approximately £23 of inward investment in the area.

The Scheme also had other benefits outlined in the effectiveness column.

The development of these homes also ensured that local people were housed in their village enabling it to remain a sustainable community.

4. Residual Results

In order to ensure that the conflict between planning policy and Housing law were overcome the Council adopted a 'Local Letting Policy' for homes secured with 106 occupation restrictions.

This scheme should demonstrate to those Parish Council's that are concerned about the letting of Housing Association homes in their villages, that provided the homes have a 106 restricting occupation NDDC new policy enables the homes to be allocated to local people as a priority.

Because these homes are built to high eco standards the residents should see a reduction in their heating and other bills and as such carbon emissions.

5. Lessons Learnt

Funding - This scheme was fortunate in being one of the last to be funded under the old rules that enabled a Local Authority to be repaid any money spend on Local Authority Social Housing Grant (LASHG).

If the scheme were being developed under current rules the calculation would give an inward investment of £9 for each £1 of NDDC funding.

Outcomes - This shows that although affordable housing grants are of high cost the input of grant by NDDC does enable the following positive outcomes to be achieved –

- Good quality design
- Locally managed housing
- Nomination rights by the District Council

Lease - The scheme involved long and difficult negotiations regarding the lease to NDH, who felt that it was not a favourable lease for them. (The lease was substantially the same as NDDC used for Livarot Walk lease to DCHA).

Clearly NDDC will need to consider when it should or should not use a lease agreement. Although it is likely to be most appropriate when providing land at less than market value.

Furthermore, the use of a lease to an RSL protects the freehold of the property from the right of enfranchisement by the occupier of the property (as the law currently stands).

To further safeguard compliance with the Council's affordable housing policy, positive covenants on the title may be used to underpin and support any Section 106 Agreement. Positive covenants, imposed on a freehold disposal are only enforceable against subsequent owners in very limited circumstances. Those circumstances are not always present. Positive covenants imposed on a leasehold disposal, remain contractually enforceable against all subsequent owners of the estate or any lesser estate created out of it.