

COPYTHORNE PARISH COUNCIL MEETING

TUESDAY 27TH JUNE 2017

ITEM NO: 10 – AFFORDABLE HOUSING

Report from the Copythorne Parish Council Affordable Housing Working Party (AHWP)

Result of consideration of the current position for the investigation programme into Affordable Housing in Copythorne Parish, current options and recommended way forward.

Introduction

Following discussions held at the Annual Parish Meeting on 14th March 2017 and the subsequent Parish Council meetings on 28th March and 25th April 2017, the Affordable Housing Working Party, (AHWP), was tasked with investigating options in respect of:

- 1) The implications on any programme of funding support for any development – i.e. the need to use ‘cross-funding’, and
- 2) The current position with respect to the New Forest National Park, (NFNPA), consultation leading to the production of its Local Plan and the crossover between its developmental investigations and those of the Parish Council.

This report sets out the result of those discussions / investigations. It then makes recommendations as to the most appropriate way forward for the Parish Council in respect of its own work on Affordable Housing.

Investigations and Discussions

Members of the AHWP have been involved in a variety of meetings in respect of the two identified requirements:

- Three meetings have been held with the NFNPA Planners to discuss its programme of consultation for the Local Plan Review, its content and any issues which they have identified in respect of development within the Copythorne Parish area. This included significant discussion regarding the work undertaken by the Parish Council within the broader remit of the NFNPA review and its likely recommendations
- Two meetings have taken place with the New Forest District Council, (NFDC), Housing Development & Strategy Officer regarding the current position with regard to the recently announced Community Housing Fund where NFDC has been awarded just under £1m the fund by the Department for Local Government and Communities, what it can be used for and how it is accessed. These meetings also confirmed the position of ‘cross-funding’ in the light of withdrawal of Government grants to Housing Associations for ‘leverage’ funds, requiring a certain amount of market housing has to be built within any Affordable Housing Scheme to provide the leverage for the loans to build the housing for rent.
- Two discussions have been held with Cllr. Diane Andrews, NFDC, who has assisted the group in facilitating meetings with the above. Cllr. Andrews also kindly accompanied us to the initial meeting with the National Park Office.

Demand for Affordable Housing

As of the October 2016 NFDC Housing Needs Survey data update, the recorded demand for local affordable housing for rent has risen over the previous figures used by the Parish Council in discussions from 2014 onward.

The Housing Need Survey is categorised against very clear criteria which indicate the connection of those included to the immediate locality, in terms of family residence, work and extended familial residence over specified periods of time.

The October 2016 data is set out below:

Copythorne/Bartley	A	B	C
1 bed	10	6	2
2 bed	15	5	2
3 bed+	3	1	2
<u>SUB TOTALS</u>	<u>28</u>	<u>12</u>	<u>6</u>
<u>TOTAL</u>	<u>46 *</u>		

*The survey data from 2014 indicated a total across the three bands of 37 families / individuals

Funding for Projects

The Central Government grants system used by local Housing Associations to provide the 'leverage' funding for the raising of debt to build affordable homes for rent has been wound down since 2012, when the grant was terminated. Residual reserves held by Housing Associations have helped them to continue with schemes through to 2015/16 but now those funds are completely withdrawn.

Therefore, the only mainstream mechanism for providing that 'leverage' is to cross-fund schemes – i.e. for the Housing Association to develop as a part of any scheme, homes for market sale to provide those funds. In the case of the English Rural Housing Association, we are advised that this might be in the region of 1 house for sale per 7 for rent – albeit this depends on local market conditions.

As a result of this, the AHWP were tasked at the 14th March Annual Parish Meeting to look at any other funding routes with a specific focus on the recently announced **Community Housing Fund**, for which the NFDC had been allocated just under £1m.

From our investigations, there are no substantive alternatives to the public sector operated grant mechanism available which means that any leverage would have to come via a private sector route or as a part of a scheme developed by an Housing Association, using cross-funding.

In respect of the **Community Housing Fund**, this is a revenue scheme for feasibility studies – i.e. for the fees involved in the investigation of potential schemes. It is not capital which can be used to build homes. It is therefore not appropriate for use in any way to fund leverage for the raising of debt for schemes.

NFNPA Local Plan Review

The position with the NFNPA Local Plan Review was the second area requested for examination.

The NFNPA is currently in the process of reviewing the Local Plan for the whole of the National Park. Following earlier public consultation in 2015 and 2016, it is due to be publishing the Submission draft

version of the Local Plan in October 2017 for a final 6-week period of public consultation. The Local Plan will then be submitted for the Secretary of State in Spring 2018 for independent examination.

Given the statutory framework for the review of the NFNPA Plan in terms of the consultation and feedback processes required, it makes it the most appropriate route for the identification of suitable sites for housing development in communities across the National Park. The National Park Authority has run its own 'Call for Sites' processes in both 2015 and 2017 and a number of the sites considered by the Parish Council have also come forward through the NFNPA Local Plan work.

The NFNPA has reviewed the site submissions it has received and has recently launched a targeted local consultation on potential alternative housing sites between 14 June and 26 July. The NFNPA is very keen to create a coordinated approach to the development of the Plan Review and recognises the important role of Parish Councils as one of the principal consultee groups in any locality.

In discussion with the NFNPA Planning Officers, it became clear that this coordinated approach was very desirable from all points of view and most notably in terms of the fact that the NFNPA had dedicated resources and officer time devoted to this important aspect of its work, whereas the Parish Council has none, other than the work of the Parish Councillors themselves.

Copythorne Parish Council Criteria: The NFNPA is well aware of the criteria set out by the Parish Council in October 2014 and acknowledges their importance, albeit we were reminded that they have no force in law. Specifically, the issue of cross-funding would apply to any site / scheme it puts forward as a matter of expediency. In addition, it cannot guarantee that a further scheme approach might not be made within a ten year period of any initial scheme proceeding. However, The Parish Council would still have our review of any Planning Applications through which to raise comments.

As a result of this, it was proposed and accepted that the work done by the Parish Council could be ceased, subject to Parish Council approval, and the NFNPA's Local Plan Review work to be the primary route through which sites are considered. The Parish Council would continue to have an important role as a 'statutory consultee' in this process and will have the opportunity to respond to the Authority's targeted consultation at our July 2017 Parish Council meeting.

As part of the Review, therefore, the NFNPA will be holding a public drop-in event in Copythorne Parish Hall on July 20th 2017 between 2.00 pm and 6.00 pm, providing an opportunity for people to find out more.

The NFNPA Local Plan Review documentation is now published and can be accessed at:

http://www.newforestnpa.gov.uk/info/20040/planning_policy/361/local_plan

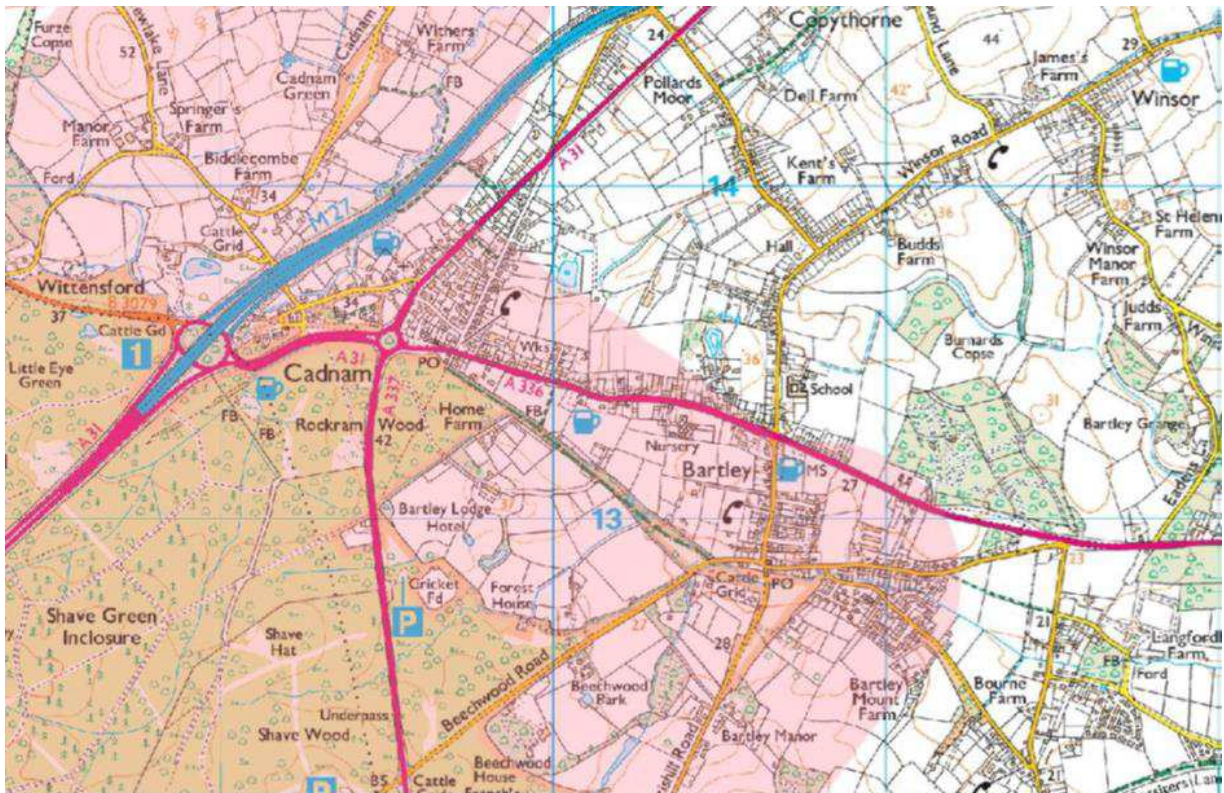
Matters Affecting Development Investigations in Copythorne Parish

In the process of discussion with the NFNPA, a significant and recently consolidated issue was raised.

Given the range of landscape and nature conservation designations covering the New Forest National Park, the NFNPA has been liaising closely with Natural England - the Government's advisor on landscape and nature conservation - throughout the Local Plan review process. The NFNPA has recently received updated advice from Natural England on the issue of new residential development close to the internationally protected habitats of the New Forest.

Natural England has advised both the NFNPA and NFDC (the planning authority for the majority of the area surrounding the National Park) that we should not be looking to allocate new, greenfield

sites for development within 400 metres of the internationally protected habitats as any sites which were within that area would be likely to objection from Natural England and other conservation bodies. As illustrated on the map below, significant parts of the Copythorne area is covered by this zone, as illustrated by the pink shading.



It is therefore clear that the scope for site allocation within the Local Plan Review is far more limited in Copythorne Parish than originally understood and immediately limits the potential number of sites for consideration. This would, of course, also apply to private developer proposals.

Recommendation

In the light of the above information and analysis of the current status of our own work as a Parish Council, the AHWP recommends that:

- the Parish Council cease its own leadership of a programme of investigations into any Affordable Housing development within Copythorne Parish;
- the development work for Copythorne Parish is now absorbed into the broader Local Plan Review being undertaken by the NFNPA, to include the work already done by the Parish Council, and
- the Parish Council now becomes a 'Principal Consultee' for the NFNPA Local Plan Review (while this is the case anyway, in respect of the immediate Parish, this is reasserted here to stress the joint working that we would expect in partnership with the NFNPA and to which it has agreed).