

EVENT RECORD FEEDBACK SHEET

AFFORDABLE HOUSING – 28th April 2006.

Discussion focused on two issues 1) SCDC's new affordable housing policy and 2) How to improve provision.

Affordable Housing Policy

1. The policy is very new and untried and likely to be challenged on appeal so difficult to comment at present. Can't say whether it is workable or not.
2. There is concern that by lowering the thresholds sites will not come forward for development, particularly windfall sites.
3. There is concern over the potential impact on economic viability, particularly of those sites at the middle to lower end of the market.
4. It was questioned whether or not it was possible to standardise affordable housing requirements between the different council's, all of whom operate different threshold figures.

Providing affordable housing.

1. Developers are keen to provide affordable housing as soon as possible so that they are occupied early on as development proceeds to avoid the social stigma that some people associate with it. One suggestion was that almshouse provision might prove more acceptable.
2. For affordable housing to be secured it requires land to be provided at the right price. A number of suggestions were put forward to ensure this:
 - The LA CPO the land and hand it to developers thereby circumventing the land vendor.
 - The LA when allocating land should set out exactly what their requirements are from the site.
3. It may prove counterproductive to apply the affordable housing policy to all sites. For some sites a financial payment might be preferable.
4. Consideration could also be given to allowing the affordable housing requirement on one site to be off-set against additional provision on another site, where that site is in the same ownership or developer control.

HOUSING MARKETS

Discussion centred on two main issues 1) How do developers define their housing market/what determines the mix of units on a site and 2) the rolling 5 year land supply and where development should be located.

Defining the market

A variety of factors were identified as follows:

1. Defining the housing market will vary from very local to very wide dependent on the site. Larger sites may be influenced by employment and education opportunities.
2. Providing housing numbers was the driver rather than people or the site itself
3. It involves looking at what will sell in the area and what other properties are about.
4. Viability – i.e. maximising profit and spreading the risk. 3-bed family houses are the most difficult type of development to make work financially. Large units and terraces work better, but expensive housing and affordable housing don't mix. The mix of units must complement one another. Need to be careful of the range of spread in values between the bottom and top end values.
5. Also in relation to viability vendors have heightened expectations as to what their land is worth and will take it off the market rather than sell it for a lower price. This can affect supply. It was thought that they (the vendors) are not generally aware of issues such as the affordable housing requirement provision that will lower the value of their land. There is a careful balance to be achieved between matching the vendor expectations and the Council's requirements. In this regard vendors are not generally interested in lowering prices to accommodate affordable housing units. It was queried as to why it should be thought that the planners have any better idea of the housing market than developers and agents.
6. One person suggested that tripling land availability would improve affordability.
7. There was an acknowledgement that what you build can influence demographics. Allocating small areas/sites for affordable housing may help overcome this.
8. With regard to key worker accommodation it was confirmed that earlier research showed that there was no identified need for this area. Even in London they are proving difficult to provide/sell.
9. There needs to be greater co-operation, communication and engagement between the LA and developers and agents on this issue. All parties are interested in and crucial to providing new housing in the district. Consideration should be given to the possibility of jointly commissioning a housing market assessment.

Mix of units

10. General agreement that it was important to provide a mix of styles within larger developments – smaller blocks or allocations tend to better reflect the local rural environment. Concern was expressed that volume housebuilders were less inclined to provide a variety of units eg bungalows and flats. It was acknowledged that on larger blocks it was easier to control the provision of new and improved infrastructure as necessary.
11. General agreement that it was important to provide variety and choice both for the builders and the population. Good design can help to integrate existing and new communities.
12. General agreement that it was important for the LA to have a role in specifying what the mix of units should be on individual sites (“hand on the tiller”) but not dictate. Striking the right balance would be a challenge.

Rolling 5yr housing land supply

1. Generally agreed as a good idea, provided it includes for a range of size and location of sites. A mix of larger strategic sites and smaller sites offers opportunities for the national housebuilders as well as local firms. Not everyone wants to live on large sites on the edge of Ipswich.
2. It was felt that there should be a geographic spread of sites across the district to support the villages and market towns. There was some discussion as to whether new development should be restricted to the larger more sustainable settlements. In particular it was noted that most people have a car and in reality use it to go to Tesco’s etc. The question was raised as to whether affordable housing should be restricted to the more sustainable settlements the same as for general market housing.
3. The bulk of the 5 yr supply will be provided for on the larger strategic sites which are generally in the control of large volume house builders therefore there was more opportunity to be flexible on sites at the smaller settlements. Smaller builders cannot compete to develop the larger allocated sites. Only a consortium of smaller builders could perhaps challenge this monopoly but achieving such a consortium was thought to be unlikely.
4. In relation to villages in particular, it was thought that the physical limits boundaries are at present too tightly drawn. More intensive use could be made of those bungalows and houses on the edges of settlements with large gardens when they become vacant.

Action Points

1. Various people requested that the Council organise a workshop for small builders and agents to work through the financial mechanics of providing affordable housing of a range of size and type of site.
2. Opportunity needs to be made to continue discussions around this subject as work on the LDF progresses.

List of organisations represented at the workshop

- David Houchell Ltd
- Tiger Tops Development
- David Trower Ltd
- Mullins Dowse & Partners
- Chater Homes
- Persimmon Homes
- NWA Planning
- Brooks Architects
- Park Properties (Anglia)
- Ashby Lawrence Homes
- Suffolk Coastal District Council