



## Options Appraisal Report Georgeham and Croyde

### **Aims and Purpose of Report**

This Options Appraisal has been prepared for the consideration of Georgeham Parish Council and is to be read in conjunction with the Housing Needs Survey Report which was produced by Devon Rural Housing Partnership on behalf of Georgeham Parish Council in May 2019.

This appraisal aims to provide the Parish Council with information and advice on options for future action following the housing needs survey and to explain the next steps in the affordable housing process.

### **Affordable Housing Need**

The housing need survey identified the need for 18 affordable homes in Georgeham parish over the next 5 years. 13 of the households in need would require affordable housing for rent, and 5 may be able to afford some form of affordable home ownership.

The level of need identified should make it possible to attract a development partner. The Parish Council could consider a slightly larger scheme with some modest homes for sale to meet the need identified locally for older people wanting housing more suited to their needs.

### **Local Plan and Planning Policies**

Georgeham and Croyde are both identified as Villages in policy ST07 of the Local Plan, and Policies for Georgeham include two allocated housing sites.

**(a) provision of a minimum of 37 dwellings in Croyde to meet the range of needs in the community. The supply of housing will be delivered through extant planning permissions and a single site allocation totalling approximately 15 dwellings on land off Croyde Road;**

**(b) provision of approximately 17 dwellings in Georgeham, to meet the range of needs in the community. The supply of housing will be delivered through extant planning permissions and a single site allocation for approximately 10 dwellings at Frogstreet Hill and a non-strategic housing site;**

Allocated sites are expected to provide 70% open market housing, 30% affordable. North Devon Council provides further guidance which says that the affordable housing is expected to be provided on site rather than by a commuted sum to fund development elsewhere.

The allocated site "Land Off Croyde Road" has already delivered 4 Social Rented and 1 Shared Ownership in 2018, prior to the Housing Needs Survey, providing useful affordable

housing for local people, but not impacting on the level of housing need identified by the survey. The second, smaller part of the allocated site “Land Off Croyde Road” has planning permission for 3 open market homes, and an off-site contribution to help affordable homes to be built elsewhere.

The Frogstreet Hill allocated site could provide around 3 affordable homes. This will not meet all the identified need, and may not be brought forward in a timely manner. Some or all of the identified need could be met by using rural Exception sites. These are normally outside the development boundary, but “well related” to the existing settlement. They would not normally be permitted for development, but can be considered for \*affordable housing for local people.

### **Development Options**

Development options will depend on the site which is selected.

- a. allocated sites are most often brought forward by speculative house builders, who will sell the affordable homes to a housing association. If the land is still with the original landowner it may be possible for the Parish Council or Community Land Trust to work with them to develop a more community-led approach.
- b. On an Exception site the traditional approach would be for the Parish Council to work with a Housing Association (otherwise known as a Registered Provider). Planning policy would require this to deliver primarily affordable housing for people meeting local connection criteria-subsidy - this would have to be evidenced by a viability assessment provided by the developer and tested by the District Valuer or similar. A Housing Association is usually a not-for-profit organisation which exists to develop and manage affordable housing. There are a number of Housing Associations that operate in the North Devon area who are members of the DRHP.
- c. The Parish Council could consider leading the development itself or could promote the formation of a Community Land Trust (CLT) in the parish with the aim of providing affordable housing on a site of their choosing. A CLT is a form of community led housing, where affordable homes are developed and managed by local people for the benefit of their community into the long term.

### **Community Land Trusts (CLTs)**

There are two main types of CLT.

- The CLT works in partnership with a Housing Association. The CLT owns the land, with a long-term lease to a Housing Association. The Housing Association takes the responsibility for funding, for the development process and for the long-term maintenance and management of the homes, while the CLT works to inform the wider community about the issues and has input into site selection, design and allocations policies. The level of community involvement required for this option is significant but technical and professional help is provided by the Housing Association, the Rural Housing Enabler, and Wessex CLT Project. There are a

number of local examples which can be visited. The CLT would receive a modest ground rent.

- The CLT takes control of the whole process. This includes raising funds, managing the predevelopment and development process and undertaking the long-term management and maintenance of the homes. The level of community involvement in this option is high and individuals with experience in this field who are prepared to work on the CLT would be an advantage. Examples of this model are High Bickington CLT and Holsworthy CLT. The CLT would own the affordable homes, with the development loan financed from rental income. An advantage of this approach is that the CLT owns an asset against which it will be able to borrow for subsequent development.

The advantage of both CLT options is that the community can be fully involved from the start of the process and can have more control over the preferred site, the number, size and tenure of homes as well as the design of the scheme, and the allocations policy. The freehold of the homes would also be owned by the CLT which protects them as a community asset in perpetuity. Experience shows that this approach tends to make the wider community more accepting of the process and far less likely to object to a development. There is also the possibility of attracting funding from Homes England which has funds available for community led housing. This money can be used to pay for feasibility studies, consultants, architects and other professionals, through to full planning application. Separate funds are available towards the building of the homes themselves.

The disadvantages of this option are that it involves a high level of input initially from the Parish Council and then by the CLT to get a scheme up and running. The success of any CLT scheme depends on the commitment of the people involved and a strong, enthusiastic leader or members is necessary to take the scheme forward.

### **Other considerations**

Cross-subsidy - some open market homes may be required to assist with the financial viability of the project. The level of cross subsidy permitted must be compliant with North Devon's affordable housing policy. Cross subsidy may not be required on a CLT scheme or a housing association led exception site as there are grants available for community-led schemes and for housing association led schemes which would help to fund the development. The Parish Council may want to consider whether they would support the inclusion of open market homes in any potential housing scheme.

Self-build or Custom Build. 5 of the households in affordable housing need appear to be in a position to afford some form of low cost home ownership. The Parish Council or CLT could provide a site with outline planning permission, and sell on individual plots to local people to have their own home built as affordable home ownership, with a value controlled by a Section 106 planning agreement at a level discounted below open market value. Custom build would involve the main developer in providing some homes for sale off plan, with some opportunity to tailor designs to individual requirements. These could be affordable or open market homes.

Older persons' accommodation - 10 households said they would like to move home within the next 5 years and remain in Georgeham parish. 2 of these would require affordable housing, but 8 stated that they would need a "home better suited to their needs but not specifically designed for older people". Consideration could be given to providing modest one or two storey homes for sale, to address the needs of this group

### **Next Steps**

The first step is for the Parish Council to decide if it is supportive of a small rural housing development in the parish. If so they need to decide on their preferred development model from those identified above. Should the Parish Council opt for a CLT approach, then it would need to call a public meeting to promote this approach and to recruit a Steering Group to oversee the formation of the CLT, identify preferred sites, and choose whether to proceed as a stand-alone CLT or to work with a housing association partner. Wessex CLT Project may be available to provide ongoing support and guidance to the Steering Group, and to the CLT once it is formed - this is dependent on funding that should be announced in the next few weeks.

If the Parish Council chooses one of the other options, then the Rural Housing Enabler will provide ongoing support with site appraisal, and identifying potential development partners.

### **Conclusion**

There are various options to be considered if Georgeham Parish Council wants to support a development of affordable homes for local people. All have their advantages and disadvantages and it is recommended that the Parish Council considers these options closely. The skills and experience of local people, local enthusiasm for affordable housing and the level of control over a housing development that is desired are all factors that will influence the final decision. The DRHP Rural Housing Enabler is available for ongoing support to help deliver the affordable homes for local people.