

Mark said that housing associations can often share a scheme and work together. For example, WKHA took on the rental part of the Gibbs Field scheme in Leigh, and English Rural Housing Association took on the shared ownership part. This does work well.

Mark said that the Government shift around grant funding has been difficult for housing associations. The 2015-18 programme was going to be extended to 2020, but this has now been closed and a new programme is being introduced this summer which will allow no grant funding towards rental affordable housing units. There will be grant funding towards shared ownership and a new starter home initiative. Additional funding will be required, therefore, if rental units are required. Landowners will want some receipt for the land, this is likely to be four or five times agricultural value. By comparison open market value could be above £75,000 per plot depending on location.

Richard declared an interest as he owns a site that he will put forward for consideration for affordable housing. He said that if the Parish Council is able to identify three sites in three villages, and is able to split their housing need of 11 units into, say two developments of 4 units each and one development of 3 units, then the impact on each village is not high and new residents integrate into the community easily. It would be hoped that the sites chosen would offer the potential to increase the number of affordable housing units in future years, allowing the villages to grow in a sustainable and sympathetic way.

Mark suggested that the Parish Council ask Gavin Missons for the assessment criteria for affordable housing sites, this will include the impact on the surrounding area, existing amenities and bus routes etc. Mark also suggested that the Parish Council considers every possible site in the parish, whether it may be available or not. The approach of multiple sites is not impossible but is more costly to the developer. The Charcott scheme of four units was parcelled with two other jobs to make it acceptable to the developer. WKHA did a scheme of just two units but it was a long time ago and nowadays he would hesitate to agree to a scheme of less than ten units, but five or six is probably the lowest number he will consider. If the scheme could be parcelled up with one or two other sites it should be possible. Project management of the scheme(s) needs to be considered.

Mark said that the Housing Needs Survey is valuable as it identifies the need. He added that it is admirable that the Parish Council is looking to the future, and considering expansion of the chosen schemes in future years. At a small development in Strood, the housing association were negotiating for an adjoining site and decided to oversize the capacity of the drainage attenuation to allow for future growth. Outline permission may be possible for a scheme larger than initially intended, this will give the developer and the housing association peace of mind about future development and providing greater capacity for that growth might be a good approach. Detailed thinking will be required. There is the question of who would retain the ownership of the spare land on the site, as it would be too expensive for the housing association to buy if they are not going to immediately develop it.

Mark said that rural schemes are a huge commitment and are quite resource intensive and WKHA tries not to do too many at any one time. Mark has two or three schemes at the current time and would not be able to start another scheme until they are finished. It depends upon Chiddingstone Parish Council's timescale. WKHA and Chiddingstone Parish Council have a proven track record of successfully working in partnership. The key issue at the moment is the Government grant, but there is a lot that the Parish Council can be getting on with in the meantime. Once a site(s) has been identified, the housing association would then begin the due diligence in assessing all planning requirements such as ecological surveys and the like.

Richard said that there is constructive tension with SDC at the moment. The Parish Council has identified the need and wish to push on and create a scheme to satisfy this need. Gavin wants to wait before we proceed further until the impact of the Housing & Planning Bill is known. Mark said that he thinks a second survey will make the results firmer, and Richard said that Gavin has offered to fund a second survey once the sites have been identified. Mark said that he felt it would be prudent to wait for the results of the Housing & Planning Bill before proceeding much further. He added that the Parish Council could ask our MP to lobby Government about the protection of rural exception sites and the Government grant for rental units, which is so important in rural areas. Cross subsidy from open market housing on a rural exception site is very difficult to achieve.

Paddy asked whether there is an end point of in perpetuity? Mark said that this is usually 80 years, although WKHA does take on 125 year leases on shared ownership properties. It depends upon the legal wording in the S.106. Paddy also asked about property value for affordable units. Mark advised that for WKHA he uses the District Valuer to value the property. The value of shared ownership homes are linked to full market value, but as stated above there is the limitation in the sale lease that only 80% of a rural shared ownership property can be purchased and therefore it does not ever come fully onto the market. Mark said that for the WKHA model a shared owner would have a mortgage for a minimum 35% of the property value, and then pay a monthly rental charge for the remainder unsold equity at a rate of 2.75%. Shared ownership residents will have full responsibility for house maintenance and management. If the scheme is purely shared ownership, consideration will need to be given to how the development is maintained.

Mark said that an affordable home usually requires about £30,000 of grant per home to build. He questioned if there was a possibility to acquire some such grant from SDC's commuted sums funding which arises from other private housing developer contributions. He also noted that the benefit cap is being reduced to £20,000. This has implications on what housing benefit may be payable towards the rent charged. For a rental property, rent is charged at 80% of open market rental value, or capped by LHA rates.

Mark said that working with Parish Councils in their own district is a strong part of WKHA's business, but it is important that they are careful about resource management. He added that WKHA has worked with Moat and English Rural Housing Association on different schemes and they work well in partnership. However, for such small schemes as the Parish Council is considering, he considers it would probably be better to work with just one housing association.

Richard thanked Mark for coming along to talk to the Parish Council, and undertook to be in touch again in due course.

The meeting closed at 3.00pm

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