



Homes &  
Communities  
Agency

# Rural and Community led Development

Matthew Dodd

Rural and Communities Manager

HCA

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# Government priorities

- Ambition to deliver 1 million homes by 2020 and support people to buy own home
- Spending Review set out 5-point plan for housing, focused on low-cost home ownership and reforms to planning system to free up more land
- £20 billion of capital investment over 5 years – most ambitious housing plan in a generation with doubling of budget

# The HCA role

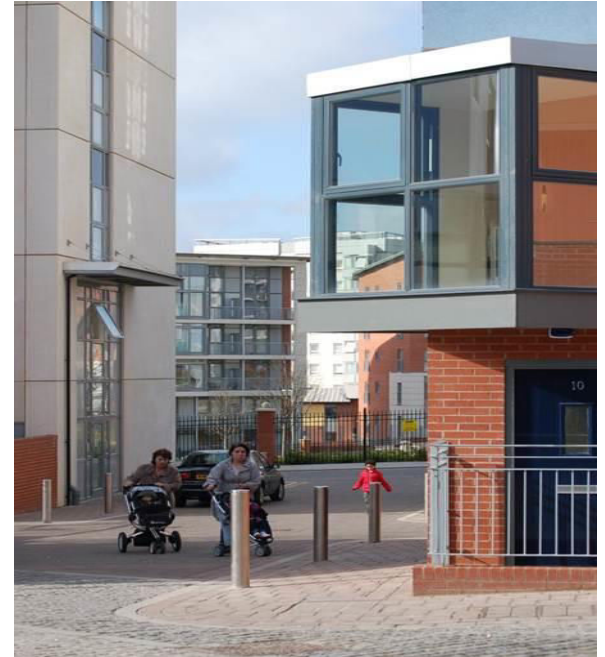
- Working with people and places to help them to deliver homes, economic growth and jobs
- Delivering programmes of **investment** and **market interventions**
- Making best use of public **land** and developing **economic assets**
- Undertaking robust economic **regulation** of social housing providers



We help drive local economic growth by supporting communities to realise their aspirations for prosperity, creating successful places with homes and jobs.

# What does that mean?

- Shared Ownership  
Affordable Homes  
Programme
- Single Land Programme
- Starter Homes
- Home Builders Fund
- Accelerated Construction



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# Building stronger local economies



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Our impact in the south and south west\*, 2011-15



**47% of all  
homes built in  
the South and  
South West  
have been  
supported by  
the HCA**

HCA supported homes

Total homes built

Homes built with HCA support



## Between 2011 and 2015, we have:



Invested more  
than £1bn across  
the region



Delivered more  
than 36,500 new  
and affordable  
homes



Helped more than  
9,000 families own  
their own home  
through Help to Buy



Helped to create  
around 2,150 jobs  
and 69,720 sq m  
of employment  
space

\* The HCA's south and south west operating area covers the south west of England, Berkshire, Hampshire, the Isle of Wight and Oxfordshire

[www.gov.uk/hca](http://www.gov.uk/hca)

**Including Help to Buy, 47% of new homes in the South and South West are supported by the HCA**





# Housing and Planning Act

- Act introduced in October 2015 and received Royal Assent on 12 May 2016
- Wide-ranging Act, legislating on housing, planning, compulsory purchase and land use
- In some areas, detailed implementation will be through secondary legislation





# Starter Homes

- Act provides statutory framework for the delivery of Starter Homes
- Detail of what will be in secondary legislation – including the duty on local authorities to require a proportion of Starter Homes on reasonably sized sites – is currently out for consultation



# Starter Homes

- 200,000 Starter Homes by 2020 – sold at 20% discount to market value to first time buyers aged under 40
- HCA managing £2.3 billion fund to support delivery of up to 60,000 homes, in addition to those delivered through reform of the planning system
- Funding split to be agreed with new Mayor of London



# Self build and custom build

- Requires local authorities to meet demand by granting permissions for suitable sites
- Detail of the duty – and exemptions – to be set out in secondary legislation
- Potential to increase demand for self build and custom build through new HCA housebuilding fund



# Home Building Fund

- Flexible loan funding for development and infrastructure
- £250,000 - £250 million (smaller for innovative housing solutions and serviced plots for custom builders)
- Minimum of 5 homes
- Interest transparent and pre-agreed



# Voluntary Right to Buy

- Implementing Right to Buy on a voluntary basis
- Enables Government to pay for the cost of Right to Buy discounts for housing association tenants
- Extends pilot the HCA is currently administering
- Regulator to set criteria for home ownership against which private registered providers may be monitored





# Higher value housing assets

- Places duty on councils to consider selling their higher value housing assets when they fall vacant
- Will help to fund Right to Buy discounts and at least one additional home for every one sold
- Payments will be defined in determinations based on data provided by the local authorities



# Public land

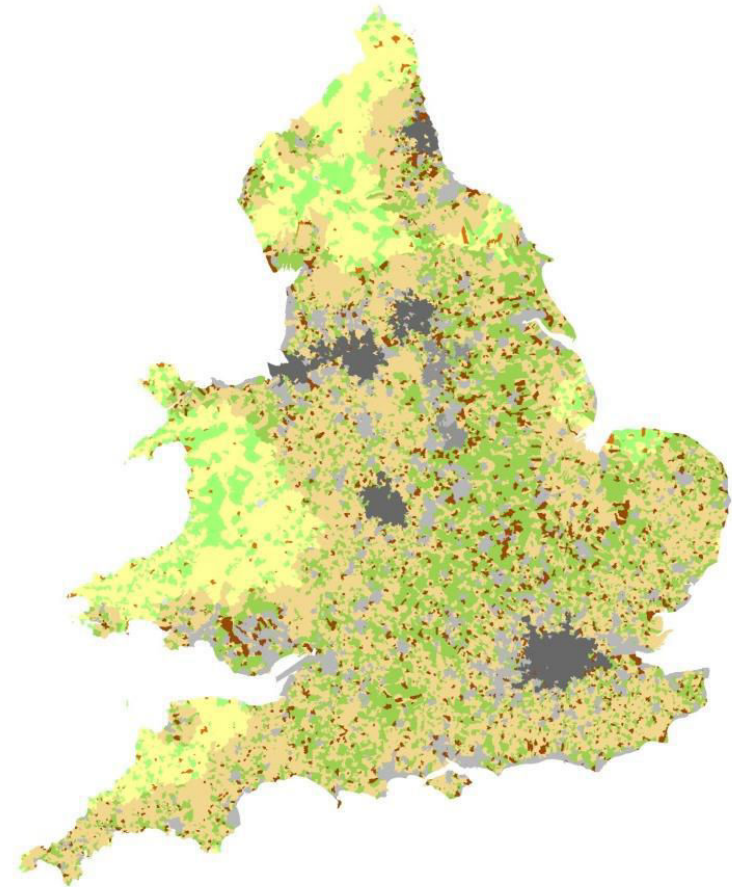
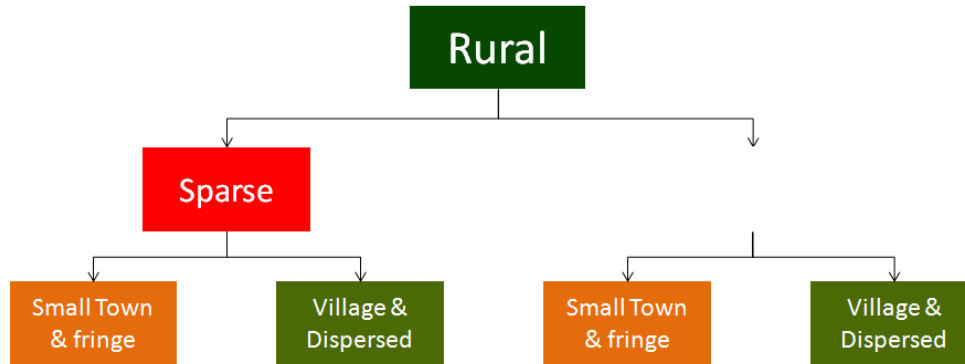
- HCA is leading Govt's programme to release public land for 160,000 homes by 2020/21, acting as the main disposal agent for surplus government land
- Working with public bodies, HCA's aggregate public sector land role will provide capacity for 36,000 new homes of which 13,000 will be directly commissioned
- Also purchasing and selling brownfield private sector land to facilitate at least 30,000 Starter Homes



# Accelerated Construction

- Direct action to fix the housing market
- Encouraging new developers
- 15,000 homes in this Parliament
- Public sector land, offsite construction, diversify the market

# Map of rural England and Wales using the Defra definition







# Why affordable rural housing?

Average Rural House Price - £266,500

Average Urban House Price - £252,100

Excluding London, private rents and registered provider rents are on average higher in rural areas than urban areas.

Around 18% of households in rural areas are in fuel poverty compared with 16% in urban areas

21% of people living in rural areas are over 65

15% of people in urban areas are over 65

# The Rural Contribution to the Economy and why the HCA cares

18% of the population of England live in rural areas, and in the SSW we delivered 35% of our homes in predominantly rural areas

28% of businesses in England are in rural areas

£211 billion a year GVA from predominantly rural areas.

19% of England's GVA.

£137bn (12%) of this from the *significantly rural areas*.

From 2000-2010, smallest settlements achieved the highest rates of economic growth in England of any settlement type

**BARRIERS: AFFORDABLE HOUSING AND BROADBAND**

Our investment and expertise support local aspirations and deliver economic growth.

Availability of grant

Design

Fuel Poverty

Welfare Reform

Attitudes to affordable housing

Community Engagement

Economic Growth



Localism

Lending

Availability of land

Planning

Vulnerable and Older People

**Cost**

# Delivering Ambitions in Rural Areas

- Community Led Development
- Custom Build
- Land
- AHP
- Help to Buy (43% in rural local authorities)
- Empty Homes
- Starter Homes

# 10,498 rural homes delivered nationally

Product	Sponsor LA Operating Area	Total - 2011	Total - 2012	Total - 2013	Total - 2014	Total 1115
RENT	East and South East	694	548	533	728	2503
	Midlands	412	182	418	406	1418
	North East, Yorkshire and The Humber	332	94	185	333	944
	North West	99	159	101	167	526
	South and South West	852	536	534	1,046	2968
	Total	2,389	1,519	1,771	2,680	8,359
LCHO	East and South East	200	104	93	186	583
	Midlands	104	59	125	139	427
	North East, Yorkshire and The Humber	43	12	34	4	93
	North West	30	22	65	46	163
	South and South West	283	191	191	208	873
	Total	660	388	508	583	2139





# Blakes Hill, Wychavon





# Community Led Development

- HCA supportive through SOAHP
- Partnership or 'go it alone' models
- Can be very successful in hard to reach communities
- Watch this space for further community led funding announcements



# Beer CLT, East Devon

- 7 homes in a very desirable and expensive coastal village
- ‘Going it alone’
- Registration
- Dynamic and driven group
- Public Works Loan Board capital as well as AHP

