

Notes of HCPRE AGM talk, Saturday 19th October 2019.

Andy Johnson: Housing in Herefordshire - a personal view

Four parts:

Why I might have been asked to give this talk

Considering some facts and figures relating to housing in Herefordshire

Considering whether some government policies hinder or help

Giving some thoughts as to what could be done

So, why was I asked to give this talk. I think because I know some of you, though most will know me because of running Logaston Press over the years, and only some might know of my involvement in housing! It will be a personal view based on years of working with Housing Associations in the county and more recently Community Land Trusts.

In brief:

Hereford Housing Association: This was set up by Hereford City Council in early 1990s and I was asked to sit on its Board because of my previous housing association experience. We couldn't obtain Housing Corporation registration, so joined with Kemble Housing Association which had developed some schemes in Hereford, mainly for older people, which wasn't seeking to do any more development, but had Housing Corporation registration which meant it could obtain government grants for building social homes. The combined association initially had no staff, so used another association, Harden, to carry out the development of the land in Hereford. Then we took on the management of all the properties of the various associations in Herefordshire, leaving Harden to manage its other properties in Worcestershire and Birmingham. Then Worcestershire Housing Association joined us, then, as we kept meeting all Housing Corporation targets, we were asked to take on development for other associations, which then also joined us. By the time I finally left the Board we had 30,000 homes in management, stretching from Herefordshire across to all the ex-Coventry Council housing stock.

More on that later.

How did I come to Herefordshire? Passing through county when 13, childhood dream ... essentially the county's rural qualities which you seek to preserve.

But what do those rural qualities mean for people who live here and how do we retain those qualities in a time of expanding population with planning authorities having to have a 5-year land supply for new housing?

This is where some facts and figures are useful:

Take housing in rural areas:-

53% of the county's population live in areas classified as 'rural'; 42% in the most rural type ('rural village or dispersed'). 25% live in areas with a density of 50 people per sq km or below ('very sparse' areas) – more than any other English county authority.

In these areas there is:-

a high level self-employment - farmers, writers and artists, small builders (e.g Kington)
but rural poor who need cars to get to low paid jobs

(When I was doing a project for Hereford Health Authority they were arguing with government that because Herefordshire had a high proportion of cars to people, it didn't mean people were well off and so made less call on the NHS — many of the cars were old bangers which people struggled to keep on the roads.)

More recently there has been a loss of demand for rural housing association houses due to costs of getting to work.

So who are you building for in rural areas?

Next consider housing for the elderly (a group defined as over 65)

Those aged 65+ comprise 23% as compared to 18% nationally. In Herefordshire 51% are aged 45 or over compared to 43% nationally.

What type of housing should we be building for this group? Which I'll soon be joining!

The opposite issue is housing for the young:-

You're probably aware of the issue of many youngsters born in the county leaving after their education, in part because there is no university which can act as an anchoring agent for some people. Hence the campaign for a university in Hereford.

More recently there has been an international angle: Before 2004-5 there was negligible international migration into the county but since then there has been a net inflow of about 800/yr, mostly from Eastern Europe, mostly younger males. As a result between 2004-13 the percentage of 16-34 year-olds increased by 15%. And then BREXIT...

And it's not just the young:-

There are 5 'Lower Super Output Areas' (areas of c1,500 people identified by the Office for National Statistics) in Hereford that are amongst the 25% most deprived nationally. (Pay day loans, food banks)

So not surprising that:-

According to the Office for National Statistics, in 2014 houses in Herefordshire cost 10.4 times an average annual salary whilst mortgages are supposed to be capped at 4.5 times annual salary.

BUT WHAT ABOUT RENTED PROPERTIES?

The government decided to reduce grants to housing associations and force rents up from social to 'affordable' levels which were supposed to be 80% of open market rent. Many pointed out that this would serve to reduce government financial input for some 2 to 3 years, but with rising rents these savings would soon be outstripped by the increase in housing benefit. As was the case.

Current rent levels in Hereford are roughly as follows:-

	Social	Affordable	Market circa
1 bed	£76.42	£86.43	£120
2 bed	£88.38	£96.03	£145
3 bed	£96.86	£100.54	£180
4 bed	£111.39	£117.14	£250

And then there's homelessness:-

Herefordshire's own figures show somewhere between just over 100 and just over 400 a people a year are accepted as homeless.

Kemble Housing Association started SHYPP (Supported Housing for Young People Project) with foyers in central Ross (High Street/Copse Cross Street); the old Library in Leominster and the old YMCA building in Whitecross Road in Hereford. Also does outreach work, mediation in families and much besides. Had worked with over 400 young people over a period of 10 years.

SO, WHAT TO DO?

Herefordshire Council's current plan states:-

(for Hereford) Need to provide a greater balance and mix of properties and employment opportunities across the city and at the urban extensions. New communities and neighbourhoods will be successfully integrated with existing communities and the surrounding countryside. Residents will have greener environments and energy efficient homes which contribute to reducing the county's carbon footprint. Education and community facilities will be provided within walking distance of residential areas. Developers will be encouraged to have early engagement and consultation with the community.

Fine words, but ... there are ways round:

New developments 35% affordable homes (often known as Section 106 houses sold on to housing associations, though some developers now establishing their own management companies to manage such homes), but, for schemes under 10 homes there is no such requirement (as has happened in Yarpole, for example where new houses have been built in groups of under 10). Developer viability assessments allow them (often in private discussions with councils) to challenge the level of affordable housing they have to provide. In my view viability assessments encourage over pricing of land.

And do government policies help?

I've already mentioned Affordable rents and the net effect on government funding.

Then there's the size of associations:-

The loss of direct government subsidy has led to associations needing to merge to form larger enterprises to maintain viability and become more commercially orientated. This often means they are less rooted in communities and more distant from local policy makers in local government. This became a struggle in the association I was involved: I chaired Kemble Housing Association (the Herefordshire arm for many years), our larger size certainly helping us achieve more in Herefordshire, whilst also serving on the Board of WM Housing, the parent organisation. Since I've left, the whole structure has been collapsed into just one overall Board, the

association renaming itself Citizen. There is now no local oversight/input to help drive forward answers to Herefordshire's needs.

Right to Buy

Since 1980 the proportion of rural housing stock owned by LAs and Housing Associations fell from 24% to 8% due to right to buy, with only 1 replacement for every 8 sold.

In some areas, over 50% of those sold are now rented out privately at higher rents.

Recently, one Dubai-based firm was offering a tenant £20,000 cash if they bought their home on a 'mortgage' from the Dubai firm, with the tenant to move out shortly afterwards and leave the home available, after an initial period, for the Dubai-based firm to rent out at a vastly higher rent.

Fortunately this was stopped by the council concerned who spotted the outright scam.

The National Planning Policy Framework has increased rural housing development through its 'presumption in favour of sustainable development', but this usually results in executive homes bolted onto villages.

Neighbourhood Planning

Neighbourhood planning was introduced to give communities a bigger say in how their village should grow, but NPPF's housing delivery test and five-year housing land supply means they are at risk of being undermined. Hence largely used as a defensive mechanism: communities are going to get housing whether they want it or not, and simply aim to direct it towards the 'best' site, hopefully getting some infrastructure development in its place.

Bedroom tax (where tenants only get housing benefit help for the number of bedrooms they need) particularly affects rural properties. Housing Associations rarely build 1 bed properties in rural areas, as the effort to build these schemes is much greater and more costly, often only being a handful of houses, with few options for people to move to other houses in the village. Thus most are built with between 2 and 4 bedrooms. Thus, when children leave home, the parent(s) left may be faced with having higher housing costs through having reduced housing benefit (so increasing their possible rural poverty) or having to move away from the area in which they've lived for a long time.

Help to buy

This was brought in to keep the housing market viable for house-builders after the 2008 financial crisis, and to allow first-time buyers to get on the housing ladder. A side effect: developers built larger houses as they knew they could sell them for a higher price. Cost government to date £11 billion. Albeit thresholds will be lowered, but not till 2021. Could the money have been spent more wisely?

Building control: privatisation has caused lots of problems in quality of recent house construction: note Grenfell Tower as just one instance where this may well have contributed.

MY SUGGESTIONS

We need a combination of national working together and local communities functioning better.

National Development Land Tax

Control of rogue private landlords

Revisit right to buy and help to buy policies in a wider context

Use space above shops

Greater density in cities: Georgian squares (these are often aesthetically well liked and are also one of the denser forms of house construction); compare Poundbury (on the edge of Dorchester, built on Duchy of Cornwall lands) with adjacent Council estate.

Design standards; should we be building Lifetime homes [sockets up walls, wider doorways; no steps within ground floor/access to house], but more expensive in terms of space [downstairs shower; lift])

Then link from National to Local

Council House Building; Housing Associations. Remember what I said above about the size of Hereford HA growing through Kemble to what became WM Housing Association, since collapsed into a single Board and the whole renamed Citizen. Richard Gabb (the senior responsible officer for housing in Herefordshire) regrets the passing of the Kemble Board which would take risks so as to meet local needs.

And this is where Community land Trusts (CLTs) come in. The land is owned by the CLT in perpetuity (or be passed to an organisation with similar objectives), itself managed by its members, which should be local to the eventual project. Now over 200 CLTs in the UK, most providing truly affordable housing of one type or another, though some do other activities such as a community bakery. Some combine housing with allotments, wildlife conservation etc.

Hereford:

The current Core Strategy (now due for review) specifies that at least 6,500 homes will be provided in Hereford, 2,500 of these being on three urban extensions - one of these being at 3 Elms where 1,000 or more homes are planned.

Plan drawn up with consultation, but land will be sold in blocks (possibility of land banking) and developed piece meal, viability assessments etc, etc.

Hence the formation of Hereford CLT which could seek to do some of the development should outline planning permission be granted, keeping the needs of Hereford's citizens firmly in its sights. Also formed has been HCCLH (Herefordshire Centre for Community-Led Housing) which seeks to support CLT groups across the county.

Local projects:

Mordiford. Not a CLT, but a Kemble scheme working closely with the parish council and residents, leading to a heavily revised scheme from the initial thoughts that added an element of stone construction so as to 'blend' the homes in more with the locality, the provision and siting of a children's play area etc .

Risbury: parish interested in building some bungalows for retiring farmers, but to retain them in the community for the next generation of retiring farmers.

Yarpole; keen to develop some truly affordable housing for local people, but currently focussed on repairing and supporting the local pub which they have bought. Land at the back of pub might be used to build holiday lets to help support the pub, or for affordable housing.

Kington: looking at working with young workers in the building trade.

Mandorla: a co-ownership housing scheme (where a co-house provides some central facilities (laundry room, communal meeting space, spare rooms for visitors etc.) and possible facilities for the wider community, is looking for a site. They were to have been part of the Kingstone project (see below).

Other local projects:

George Bew Close, Hereford: A Kemble train and build scheme for young folk who worked with a local builder to receive training and then also also moved into the homes they had built.

Kingstone: This was a scheme approved by Herefordshire planners that would have seen a development of houses built to Passivhaus standards from a factory commenced in Hereford. Roads would have been country lane in style (no pavements) with natural hedgerows, wild flower verges, elements of Herefordshire vernacular in the house style and materials, rainwater disposed of by swales etc. It could have been the start of something new and modern yet using some of the best from the past, but unfortunately a key component of Government funding was not forthcoming even though essentially promised early on in the process.

It would be great if CPRE could link with CLTs to improve and aim for the right type and style of housing provision. But so much of preserving the countryside and rural housing is about landscape and structures, and I want to end by reading you something I read just recently in *The Villages of England* by Richard Muir. This saw the passing of villages as we have known them, because although conservation areas, tree preservation orders and the like might protect the buildings, the old country folk are passing with ever increasing farm mechanisation — and we can't preserve people.

I slightly beg to differ: we don't want to preserve rural poverty (which Richard Muir also says complains is disappearing as wealthy folk retire and buy up country properties) but Community Land Trusts can seek both to preserve and maintain the best in terms of structures, using that knowledge to also build new, but can also help reinvigorate country communities, the villages of the past.

CLTs and CPRE are natural bedfellows.