



Homes &
Communities
Agency



Where is Rural Housing in the Middle of a Credit Crunch?

Matthew Dodd, Policy and Information Manager, HCA

4 March 2009

My presentation



- ◆ Introduction to the HCA
- ◆ The Credit Crunch
- ◆ Our experience
- ◆ Opportunities

Our vision



To create opportunity:

- For people to live in homes they can afford in places they want to live
- For local authorities and communities to deliver the ambition they have for their own areas
- A national agency that works locally...

What we do



- Growth
- Affordability
- Renewal
- Sustainability



Thriving communities, affordable homes

How we do it



- Investment
- Land
- Research and best practice
- Expertise



Outcomes



- Creating homes & communities
- Achieving local ambitions
- Great design, great places



Thriving communities, affordable homes

Rural Housing – we all know the issues but.....



Land acquisition

Community support (or not)

High house prices – low incomes

‘Difficult’ to develop

High % second home ownership – in some areas

The sustainability problem

Context



Deliver 10,300 homes in settlements with a population fewer than 3,000

Completions

08/11 programme

Housing in the Credit Crunch



- ◆ Drying up of S106 developments
- ◆ Extreme tightening on lending – both to individuals and to developers
- ◆ Shrinking capacity of developers
- ◆ In rural –

LCHO with restricted staircasing seems to be harder to get finance

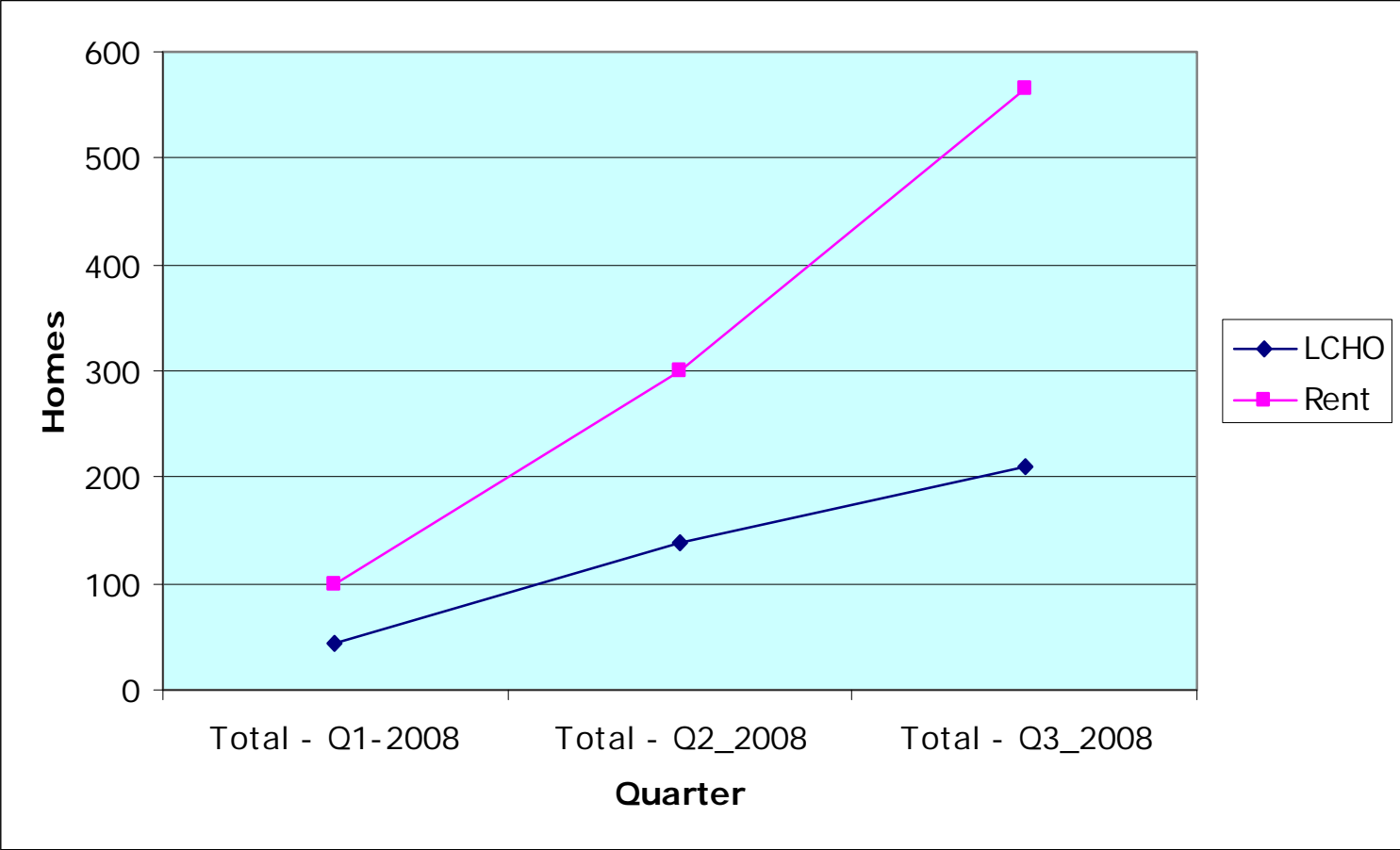
HOWEVER.....

Opportunities..



- ◆ Small exception site schemes seem to be holding up..
- ◆ Less effected by S106

NAHP allocations Quarter by Quarter



Thriving communities, affordable homes

Forecast Completions in <3,000 settlements

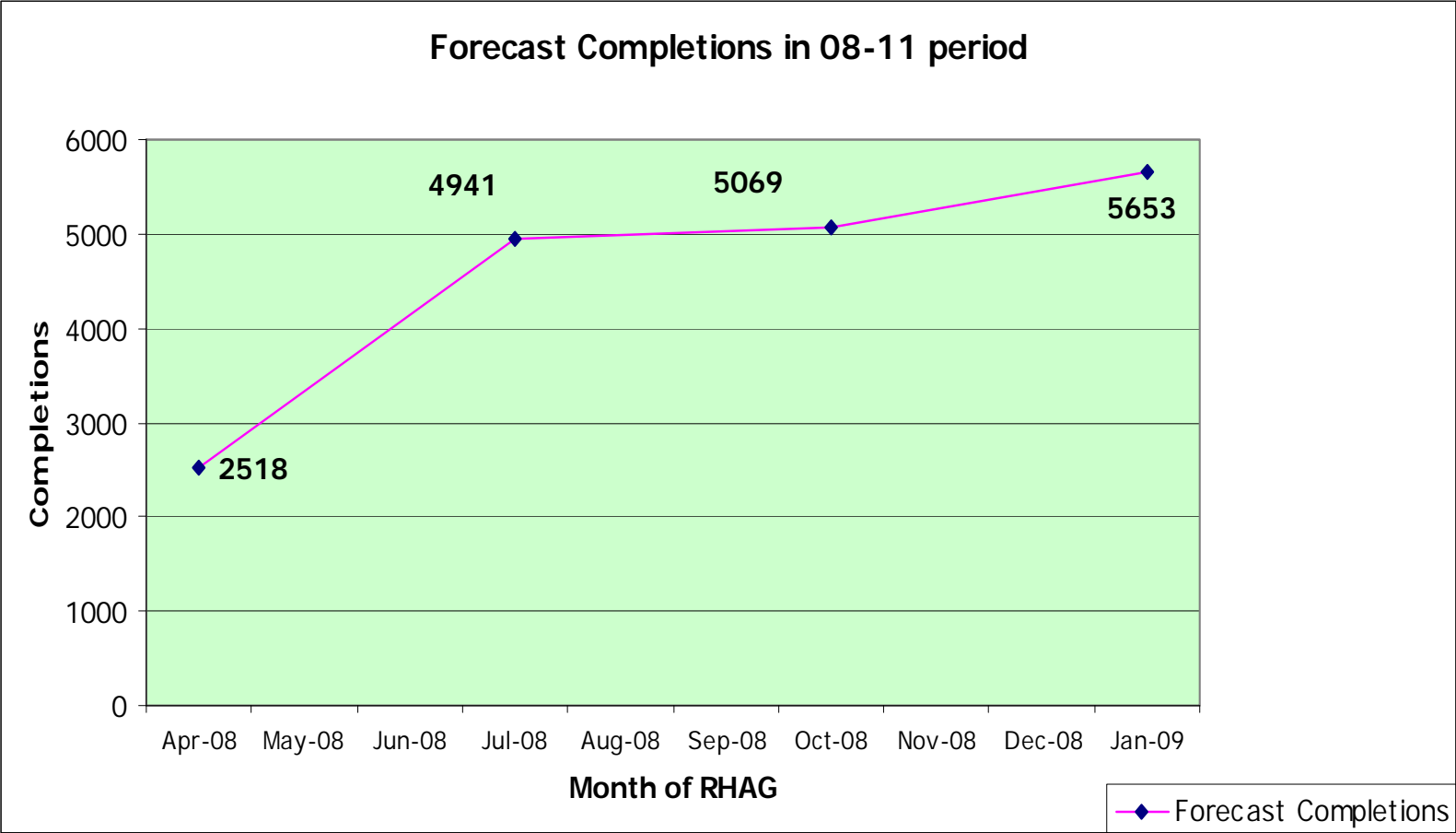


| | 2008/2009 | 2009/2010 | 2010/2011 | Total |
|-------|-----------|-----------|-----------|-------|
| Rent | 1719 | 1596 | 665 | 3980 |
| LCHO | 800 | 626 | 247 | 1673 |
| Total | 2519 | 2322 | 912 | 5653 |

Proportion of target



55%



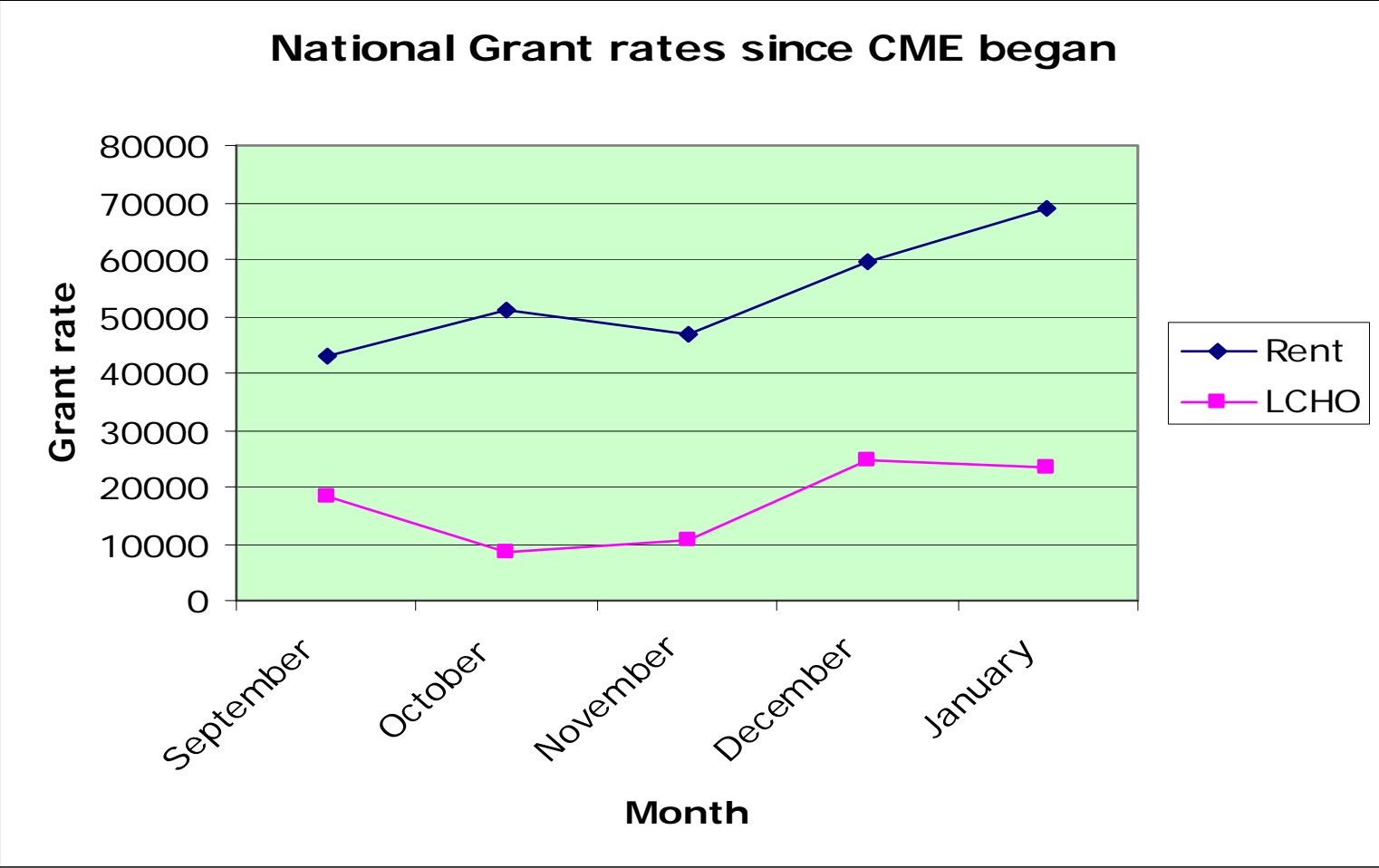
Thriving communities, affordable homes

Opportunities

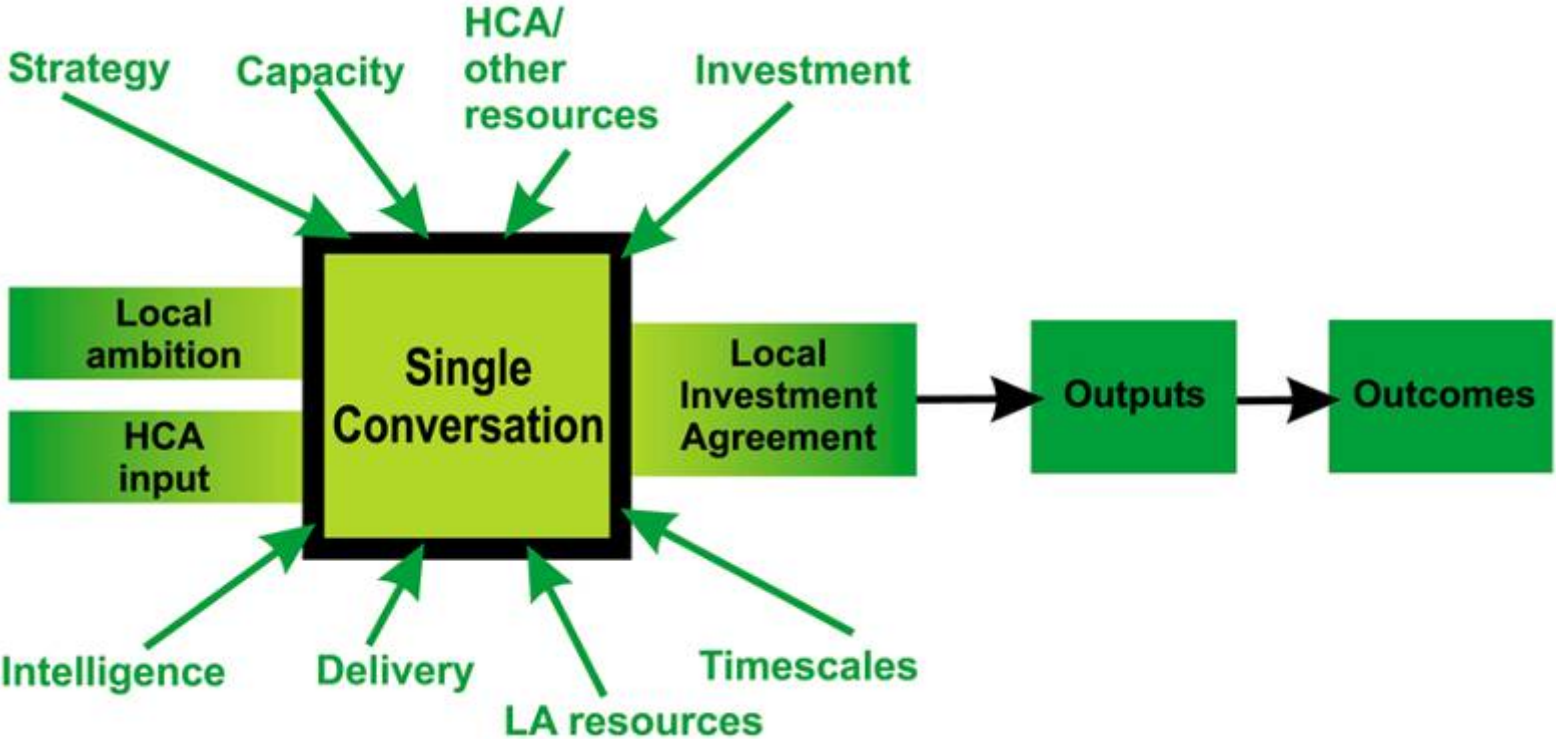


- ◆ Flexibility in our grant rates nationally
- ◆ Filtered through where development looked like faltering...

Grant rate flexibility in rural areas



Opportunities..



Thriving communities, affordable homes

HCA Rural Solutions



- ◆ Developing a programme approach
- ◆ Clusters of settlements
- ◆ Affordable Housing workshops
- ◆ Regional Rural Champions
- ◆ Rural Housing Advisory Group
- ◆ Rural Affordable Housing Project

Messages



- ◆ Don't sit back..
- ◆ Opportunities are there
- ◆ Come to the HCA with your ideas.



Homes & Communities Agency

homesandcommunities.co.uk