

Note for the Oxfordshire Growth Board



From the Housing Advisory Sub-Group meeting Monday 11 March 2019 at 6.00pm

Six members of the Housing Advisory Sub-Group were present. Cllr Donaldson (Cherwell District Council) and Cllr Haines (West Oxfordshire District Council) sent apologies. Cllr Lokhon (South Oxfordshire District Council) sent apologies and Cllr Walsh attended as substitute.

Attending officers: Aaron Rosser, Paul Staines, Kevin Jacob

The meeting considered the items below.

1. Innovative finance models for affordable housing

The Group considered a presentation on a proposal for an alternative finance model for the provision of housing. The proposal was based upon a public/private funding model designed to support small and medium sized, (SME) developers on housing schemes of typically 1-6 units through the provision of a fully financed construction service for SME developers. The central premise was that efficiencies in construction would enable a cheaper product that would make homes more affordable. The presenter stated that the model had been designed with the objective of making better use of empty homes, derelict sites, infill opportunities and to increase density to modern standards.

The Sub-Group noted the presentation. The Chair stated that individual authorities would consider the approach as appropriate.

2. Affordable housing programme update quarter 3

The Group considered a presentation setting out the progress with this programme to date and next steps for future progress. It was noted that the Year one target for the additional affordable housing of 148 homes would be achieved and that Homes England had agreed that 208 units would be delivered in year one, bringing an additional £6.7 million of affordable housing grant to Oxfordshire. Members noted this achievement and that an annual review meeting would be held with Homes England in April that would concentrate upon both lessons learned from the first year of the Deal and the possibilities for further improvements and innovations moving forward.

Members discussed the potential challenges in bringing sites forward to the stage of delivery in the circumstance of a future slowdown in the wider housing market and the impact on the delivery of predicted completions as well as the impact on delivery of a lack of suitably skilled construction staff. Members agreed that there was potential for a future piece of work with OxLEP around the local skills economy, whether any gaps

existed, and how they might be addressed and asked officers to consider how to take this project forward.

It was noted that the Government was placing increased focus on the commitment to 100,000 homes within the Growth Deal and that it had been recognised that a plan to deliver this would be crucial to securing the pipeline of investment funding. Monitoring of the agreed plan will be important and the group Members discussed at a high level the type of strategic interventions that could potentially be deployed by partners if delivery was under target. It was agreed that future meetings would need to cover this in more depth.

The pressures faced by SME housing developers, particularly with regard to access to finance and the current split in the provision of housing between SME and larger developers, was discussed. Members recognised that the promotion of SME developers was both a focus of the Letwin review and a priority for HE.

Regarding granted but unfulfilled planning permission, Members felt that it would be necessary for local authorities to monitor this to a greater degree than had been traditionally the case in the past. Information on this was requested for the next sub-group meeting.

With regard to housing density, Members discussed the potential opportunity that increasing density on local authority-controlled redevelopment sites might offer to deliver more units, for instance via demolition and rebuilding at a higher rate of density. It was noted that density requirements would be set out within each of the districts' local plans and hence in their remit. It was also suggested that the decline in occupied retail space could potentially also offer opportunities for redevelopment.

With regard to empty properties, whilst it was felt important to bring them back into use it was noted that the proportion of empty homes was estimated to be around 1%. In many cases such properties were empty because of probate proceedings or awaiting demolition. Members noted officer's advice that whilst an important issue it was not considered a priority in Oxfordshire. The impact on housing availability of on-line short-term lettings services such as Airbnb and other similar firms was discussed. It was noted that Cambridge City Council had recently acted on the issue, but that in general the regulatory environment had not kept pace with the growth of this type of letting.

3. Work plan and future meetings

The Housing Advisory Sub Group will meet 21 May and 16 July.

The Group agreed to consider at the next meeting:

- Further information in relation to innovative and alternative finance models for affordable housing.
- What interventions councils could take to increase housing delivery
- Further information on unfulfilled planning applications across the county.
- Information on how OxLEP can assist with addressing the potential skills shortage caused by the growth agenda

Councillor Susan Brown, Chair of the Housing Advisory Sub-Group, (Leader of Oxford City Council)