

Garsington Neighbourhood Plan

Annex B - SOHA

SOHA looks for a mix of two and 3-bedroom properties for rental and shared ownership in a proportion of 3:1 and uses flats and bungalows where appropriate. They generally avoid shared ownership apartments because the clientele tends to be young with rapid turnover and for that reason would also avoid placing the elderly in a mixed age apartment building. Four-bedroom properties are only very occasionally provided, and then only for rental. The design of the development, its layout, public spaces and housing detail are left to the developer and planners to agree upon.

SOHA provide up to 25% of their property portfolio under shared-ownership arrangements, but are able to manage the turnover by a combination of legal agreements which may impose an 80% maximum ownership on the client and/or require first refusal to buy back if a property is to be sold.

These agreements are influenced by the path to planning approval and therefore a community seeking to achieve its aim of affordable/social housing provision via SOHA's route should engage with SOHA early in the process. At first glance it would appear to be in the interests of the community initiating the push for affordable housing to seek no possibility of resale into the private housing market, but a property restricted in perpetuity in this way would attract a much lower level of funding from SOHA's lenders (i.e. a much higher cost of capital) therefore the SOHA business model seeks to manage turnover from affordable/social into the private housing market rather than eliminate it altogether.

A Rural Exception Site path to the provision of affordable housing falls foul of this 'restricted in perpetuity' wrinkle. The planning is granted conditionally, a specific site to fulfil a specific need, and is effectively bound in perpetuity, as far as a funder is concerned. That makes it very difficult to raise sufficient capital at a low enough rate, even if the community minded organization was able to obtain land at a discount, to lower overall costs enough to make the units affordable. This is compounded by the very high ~~mix~~% proportion awarded to affordable/social housing as opposed to private market housing in an approved Rural Exception Site, limiting cross subsidy. Another problem with the Rural Exception Site approach is the number of units. A Rural Exception Site is usually granted to very small developments, so the opportunity for cross subsidy of margins is further reduced.

An approach likely to be more successful would be where a community seeks to aid a specific development to achieve permission for change of use from agricultural to residential, coupled with planning permission.

Conclusion

- Funds were available to commission Community First Oxford to guide the development of the Neighborhood Plan toward the affordable housing goal. They would be able to undertake a needs assessment.
- If SOHA (or equivalent) are engaged early in the process with a suitable landowner/developer such as one identified in this Plan then there would be minimal need for the Parish Council to raise further funds, design the buildings, commission the construction or administer the properties.
- The Parish Council will need to review the availability and suitability of housing needs in the village from time to time in the future, whichever approach is taken to identify and meet present need.