

Affordable Rural Housing Project

FEDERATION OF
NORTHUMBERLAND DEVELOPMENT TRUSTS
AFFORDABLE RURAL HOUSING PROJECT

The Problem

In 2007 there are large areas of Northumberland where property prices have risen so dramatically that many people can no longer afford to live near their places of work and family. The average house price in Castle Morpeth in 2005 was 224,267, the majority of banks lending at a standard rate of a multiple of 3.5 times the purchasers income would therefore require a gross annual income of 60,873 for a successful mortgagee application. The actual average income in the district is 24,713. The staggering discrepancy in incomes and house prices means that Castle Morpeth has a House Price Affordability Ratio of 9.1. In Alnwick the House Price Affordability Ratio is even higher at 9.3. The County average is 7.5.

The fact that many people are buying houses as an investment or second home further exacerbates the problem and is leading to a socially divisive situation.

How do house prices affect the social and economic well being of the County?

- demographic imbalance as young people are moving out for a number of reasons and one of those is rising house prices
- simultaneously Northumberland has a growing ageing population which will increasingly require support services and place substantial burdens on the local economy
- businesses will find recruitment and retention difficult affecting both employment opportunities and service provision

Who is doing something about it?

In Northumberland many Development Trusts manage complex businesses and deliver public services that perhaps otherwise would not be achievable but for the vested interest they have in the sustainability of the local communities they serve. Community development trusts have a role to play in achieving affordable housing solutions. Some, such as the Holy Island of Lindisfarne Community Development Trust, have already had successes. The interest in affordable housing from members of the Federation of Northumberland Development Trusts (FONDT) resulted in research looking at the potential role of development trusts in providing affordable housing. It examined in detail schemes undertaken on Holy Island and in Wooler as well as case studies from other areas of the country. The report (published 2005) proposed that trusts could develop their roles as enablers and/or lobby for a rural housing enabler for the county and recommended the establishment of a countywide community land trust to secure land in perpetuity for community use. Finally the report recognised the need for all the housing interests to work together in true partnership with a shared vision and strong leadership. This project is developing the role of development trusts in providing affordable housing.

What are we aiming to achieve?

- Greater understanding of the barriers to affordable housing development and how to overcome them.
- Higher success rate in bringing to fruition community led affordable housing schemes.
- Improved integration between sub regional affordable housing strategy and policy work and community housing delivery.
- Improved communication and partnership working between local authorities, the voluntary sector and community interests in relation to the development of affordable housing schemes.
- Initiate the first steps in redressing the balance between the supply of and demand for affordable housing.

What will people be able to see?

The project will showcase practical demonstrations of how communities can identify their housing priorities and provide solutions to securing the delivery of rural affordable housing. Community based organisations like Community Development Trusts or Community Land Trusts will be the conduit for delivering housing schemes. The project comprises the following activities:

- Identifying and implementing at least three community led housing schemes. The schemes will be developed using a variety of financial models external of Social Housing Grant. The schemes will be documented to provide innovative models and tools for others to successfully deliver community led housing projects.
- Using the Living over the Shop model, undertaking a scoping of three shopping areas in the rural county bringing a total of 5 units back into housing use.
- Researching into specific issues relating to affordable housing development including a community land trust for Northumberland and the use of redundant buildings.
- Fostering dialogue and understanding between the project and local authority housing and planning officers through the development of the management mechanisms for the project.
- Researching into the use of redundant buildings.

How can you get involved?

We need to find out more about housing needs and aspirations, we welcome your ideas and input. We are actively seeking land and other opportunities. Please contact the Affordable Housing Development Officer, Jo Gooding; telephone 01670 518150, mobile 07912 269671 or email j.gooding@dta.org.uk

This Federation of Northumberland Development Trusts project is hosted by the Development Trusts Association.

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