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From: Justin Cartwright <[REDACTED]>
Sent: 18 April 2019 15:45
To: DevelopmentPlan@midulstercouncil.org
Subject: CIH representation
Attachments: 2019-04 CIH Northern Ireland response to MUDC draft plan strategy.pdf

Hi there

Please find attached representation from the Chartered Institute of Housing concerning the council's local development plan – draft plan strategy.

Should you have any queries, please do let me know.

Kind regards,

Justin Cartwright
Policy and engagement manager

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Chartered
Institute of
Housing
Northern Ireland

Response to Mid Ulster District Council

Local development plan 2030 - draft plan strategy

By the Chartered Institute of Housing Northern Ireland

April 2019

Submitted via email to: DevelopmentPlan@midulstercouncil.org

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The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org

How our response is formed

The Chartered Institute of Housing (CIH) is the independent voice for housing with a mission to act in the public interest rather than any one part of the housing industry. CIH has expertise in analysing housing policy and practice and in developing professional standards for housing practitioners. CIH uses evidence and research to develop its views, including by drawing on the experiences of housing professionals. We have a diverse membership of over 500 individuals in Northern Ireland and 18,000 worldwide who work across public, private and voluntary housing sectors.

Consultation response

Q. Do you consider the development plan document (DPD) is:

- Sound
- Unsound

Q. If you consider the DPD to be sound and wish to support the DPD, please set out your comments below.

CIH Northern Ireland welcomes the opportunity to comment on the council's draft plan strategy. We support the inclusion of housing concerns in the plan's vision, namely that "communities will be provided access to a **range of quality** housing to meet **everyone's needs** which is **safe** and offers a real sense of **community**" (3.12, emphasis added). We support the plan's focus on achieving ambitious housing growth in the council's main towns, to avoid urban sprawl and ensure that housing has good links to services, infrastructure and transport.

We support the needs-led approach to social/affordable housing provision outlined in the plan, as well as the recognition of the strategic role of the Housing Executive in determining housing need, whose methodology includes latent demand testing as a proactive tool to identify hidden demand for social housing which is a feature of rural areas.

We note the threshold of 50 units or two hectares in determining a planning obligation for a mixed tenure development, where need has been identified for social housing. This threshold is relatively high compared with those observed in much of Ireland and Britain. However, some evidence suggests such obligations

would be less viable in Mid Ulster, which may support the higher threshold. Furthermore, we acknowledge that the minimum 25 per cent requirement for social housing is a higher amount than is observed in Ireland or has to date been proposed by Belfast and Fermanagh & Omagh councils.

Essentially, the council should satisfy itself that its threshold and percentage requirement will together maximise social housing delivery in areas of need, while maintaining site viability for developers. Thresholds and percentage contributions is the right general approach - research in Britain has shown that standardised approaches are statistically related to achieving more planning agreements and higher value obligations. They also serve to provide a degree of predictability, so developers can to a certain extent calculate the impact of the obligation in advance of the agreement.

In November we published a research report on the future of social housing policy, *Rethinking social housing Northern Ireland*, which was principally sponsored by the Department for Communities. The research involved interviews with over 230 housing and associated stakeholders, 35 per cent of whom were tenants or residents. There was a good a level of participation across geographies with group interviews taking place in Dungannon and Cookstown.

The research participants valued social housing and what it offers, including in rural areas. One typical comment, from a resident in Cookstown, was:

“Rural areas feature a low wage, fluctuating economy. Some people get bouts of work, some are seasonal workers, and some are self-employed with varying levels of income, which erects barriers to these groups accessing housing as a market and sustaining a home. Social housing is a secure and affordable option to address the housing need of these groups.”

At the same time, people do not want to see large, single-tenure social housing estates being built. Instead, mixed-tenure developments are valued as they are seen to support sustainable communities. They can also facilitate a mix of people from different community and income backgrounds.

Our report therefore recommends that local government facilitate mixed-tenure schemes through the planning system and implement systems of planning obligations for social and affordable housing. We are pleased to see that Mid

Ulster District Council's draft plan strategy reflects these recommendations and we will be urging other councils to adopt similar measures.

Stigma is an issue that has been raised as a barrier to mixed-tenure developments, due to a perception that the presence of social housing impacts on the sale prices of private homes. However, the evidence is that mixed-tenure developments do not reduce property prices, provided the housing quality and the design of the development overall are of a high standard.

Tenure blindness serves to remove unnecessary differences between social and private housing – we therefore recommend that the draft plan strategy incorporate an additional policy that **affordable housing not be readily distinguishable in terms of external design** in such mixed-tenure developments. We note that the draft plan strategy addresses external design requirements for housing in the countryside to ensure sensitivity with the landscape – it should be considered just as high a priority to observe a similar sensitivity between houses in mixed-tenure developments.

The social housing policy also needs to be implemented well. The minimum affordable housing requirement, while being as much as possible a robust and standardised approach, must also take stock of the circumstances and contexts of local housing markets.

Viability evidence is important to avoid delays in agreements and to housing supply through unviable requirements. In one case study from England a council had more forms of obligations than bordering councils. Despite this, the adjacent councils' development rates were dropping faster reportedly due to their unrealistic affordable housing requirements – some were still asking for a 40 per cent provision of affordable homes after the market downturn and this meant too much negotiation.

Furthermore, we would recommend additional clarity around the process by which the social housing requirement is secured.

For example, one of the cleaner methods used by some councils in Britain is a requirement for a percentage land contribution by the developer, after which the affordable housing provider purchases the bricks and mortar on the associated land. This approach maximises clarity for developers – they can factor the cost into negotiations with land owners while the relevant homes represent a pre-sale which

can give funders confidence. We recognise that this approach may amount more to a contribution rather than an obligation, and developer contributions for affordable housing do not appear to form part of the current planning policy framework. It nevertheless serves to demonstrate the kind of approach that should be sought.

Finally, we recommend that the council be proactive in its engagement with the housing sector early in the planning process with cognisance of the current ways that social and intermediate housing are delivered. This will help to ensure a smooth experience for all parties involved in the delivery of these sites, in what is a new and welcome opportunity for partnership working between the council and private and social housing providers to deliver the right homes in the right places for the people who need them.