

ALTERNATIVE FORMS OF HOUSING

Introduction

Most local authorities in the UK are having to struggle with a shortage of affordable homes and councils across the country are looking at less conventional ways to both ease the pressure on waiting lists and minimise the number of families or individuals housed in temporary accommodation, which is often unsuitable (such as travel hotels) and frequently out of the authority's area, disconnecting people from their local communities.

Although the phrase "alternative housing" may suggest a hippy / eco-warrior lifestyle with little relevance to modern living, it is much more than this and there are many options to fit different circumstances, which is why local authorities are developing an interest in exploring different types of accommodation as opposed to more traditional "bricks and mortar" housing provision.

Set out below are some possible options for the Committee to consider, although the list is by no means exhaustive and there may be other possibilities that individual members are aware of that they would like to bring to the attention of the Committee.

Y:Cube

YMCA London South West has developed a new housing solution called Y:Cube that provides self-contained and affordable starter accommodation for people who are unable to either gain a first step on the housing ladder or pay the high costs of private rent.

Y:Cube provides high quality accommodation which can be built faster, and crucially cheaper than using traditional methods of construction. This saving is possible due to the off-site method of construction, which in turn leads to a far quicker build programme. The construction methodology and speed of installation means that each unit costs significantly less than a conventionally built equivalent.

YMCA London South West believes Y:Cube is a genuinely affordable housing solution to the UK housing crisis. The 36-apartment Y:Cube development in Mitcham is designed as move-on accommodation for people leaving homelessness hostels and supported housing schemes. The apartments are being rented out at 65 per cent of the market rate in the area.



YMCA Y:cube development, Mitcham, Surrey

In January 2016, members of the Council's Homelessness Task and Finish Group, Council officers and a representative of the Milton Keynes YMCA visited the Mitcham development to see for themselves how the project was working and were favourably impressed with what they saw.

Although this development was designed to accommodate either individuals, or couples without children, the group from MK learnt that there were plans to develop the concept to 2 bedroom apartments suitable for small families.

The London Borough of Lewisham, in conjunction with the YMCA SWL and its architects, has also developed a community based on the Y:cube modules as one of its strands to tackle homelessness in the borough. The Lewisham project was called the *Rapid Build Family Housing Scheme*. Built on a brown-field site in the borough, the project delivered 24 units for homeless families in just 12 weeks, on time and on budget.

The Rapid Build Housing approach using the Y:Cube model has also been adopted in Dublin, with the first 22 units being constructed within a 16-week time frame. The 4 local authorities that make up the Greater Dublin area have committed to the development of 500 Rapid Build Housing Units across the region in 2016-17.

Converted Containers / Portacabins / Pods / Terrapins

There are several different companies which now convert what are basically utilitarian boxes, site huts, industrial pods etc into modular housing units which provide comfortable, family accommodation at a fraction of the cost of bricks and mortar. Although individual companies might provide slightly different features to give their product a unique selling point, they all work on the same basic principles, and offer similar benefits:

- Predominantly surface site preparation only, with minimal impact on site condition;
- Flexible internal specifications;
- Insulation design meets part 'L' of UK building regulations;
- Relocatable between sites;
- High density occupation, but providing individual living space;
- Flexible site layouts;
- Short lead times from order to deployment (subject to site developments);
- Temporary site utilisation up to circa 20 years;
- Location sensitive with easy cost-effective cladding.



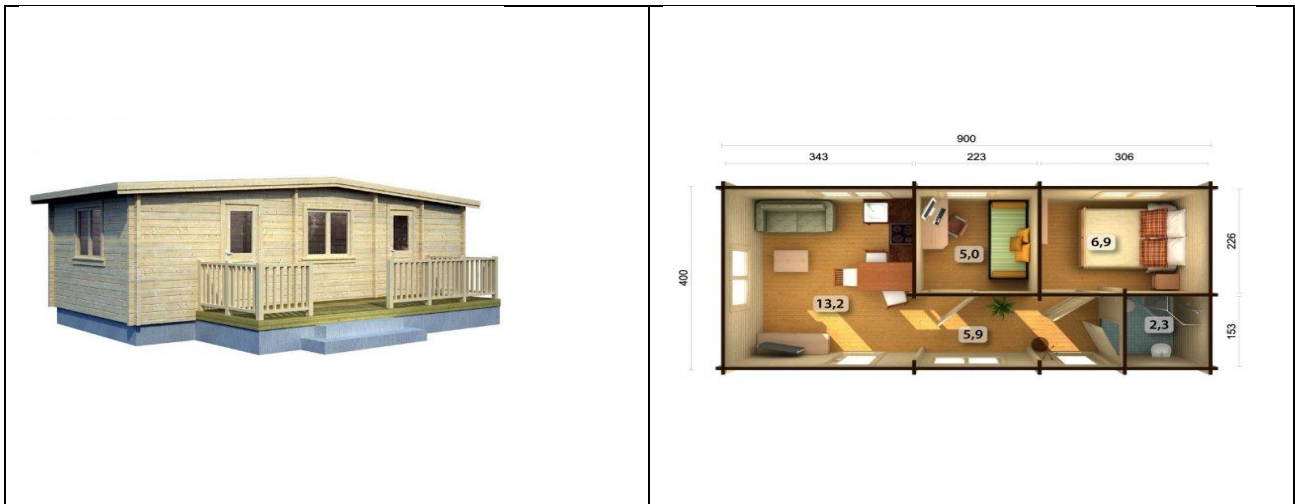
However, the inclusion of bathrooms and kitchens within each unit means that these are designated as dwellings, flats or apartments and therefore normal rules for planning

applications apply and must be granted before a site can be developed for this type of accommodation.

Log Cabins

As with the container type housing, there are a number of firms who now produce log cabins as a low cost accommodation option. However, these are generally marketed as additional living space, such as a Granny Annexe, garden rooms or overflow accommodation for families with grown-up children who want their own space, but do not have the wherewithal to move on independently, and are therefore marketed as being an adjunct to an established property.

However, with proper insulation and facilities there is no reason why they could not be used as short-term, temporary accommodation.



Again, as these are designed as dwellings, local planning / development control regulations would apply.

Cohousing / Low Impact Living Projects

Cohousing communities are created and run by their residents. Each household has a self-contained, private home but residents come together to manage their community and share activities.

LILAC (Low Impact Living affordable Community) is an innovative and pioneering cohousing project in Bramley, Leeds. It features 20 homes, together with a shared common house, all built from straw bales and timber, and is a member-led not-for-profit co-operative. It is the UK's first Mutual Home Ownership Society which delivers 100% permanently affordable housing¹.

Full details of how the Leeds LILAC project works are included as Appendix 2

Other similar projects are being developed in Bristol, Lancaster and Cambridge. The Cohousing model of development is particularly suitable for rural areas and there is a range of smaller scale projects in villages and small towns across the country.

¹ For definitions of Affordable Housing, Social Housing etc see Appendix 1

Appendix 1

Definitions²

Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:

- meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices; and
- include provisions for:
 - (i) the home to be retained for future eligible households; *or*
 - (ii) if these restrictions are lifted, for any subsidy to be recycled for alternative affordable housing provision.

The Government has adopted this definition of affordable housing because it wishes to ensure that developer contributions are used to help provide genuinely affordable housing for households in need over the long term. The definition includes homes owned or managed by private sector bodies and provided without Government grant, and new models of affordable housing. It is not essential that all affordable homes are offered under identical conditions.

Social rented housing is rented housing owned and managed by local authorities and Registered Social Landlords (RSL), for which guideline target rents are determined through the national rent regime. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant.

Normally, only households on local authority and RSL registers are eligible for social rented housing. Target rents are set under a national rent regime, are well below market levels and, are normally based on relative property values, local earning levels and property size. When a household ceases to occupy a social rented home, it is normally made available to other households eligible for social rented housing. Social rented homes are normally owned and/or managed by a RSL and will be required by regulation or contract to meet the criteria.

Intermediate affordable housing is housing at prices and rents above those of social rent but below market price or rents, and which meet the criteria set out above. These can include shared equity (eg HomeBuy) and other low cost homes for sale, and intermediate rent.

Types of housing between market and social rented housing include:

- **Intermediate rented** homes are provided at rent levels above those of social rented but below private rented. The Government offers these to some key workers who do not wish to buy.
- **Discounted sale** homes have a simple discount for the purchaser on its market price, so the purchaser buys the whole home at a reduced rate.

² From "Delivering Affordable Housing" – Communities and Local Government Publication 2006

- **Shared equity** is where more than one party has an interest in the value of the home eg an equity loan arrangement or a shared ownership lease. There may be a charge on the loan, and restrictions on price, access and resale.
- **Shared ownership** is a form of shared equity under which the purchaser buys an initial share in a home from a housing provider, who retains the remainder and may charge a rent. The purchaser may buy additional shares ('staircasing'), and this payment should be 'recycled' for more affordable housing. In most cases, a purchaser may buy the final share ('staircase out') and own the whole home, though this may be restricted in some rural areas.

Right to Buy: Some tenants have the legal right to purchase at a discount the social rented home in which they live. Where these rights are exercised the home itself ceases to be affordable, but procedures are in place to reuse receipts. Receipts from Right to Buy are partly (25 per cent) retained by the local authority for use however the authority chooses; the remaining 75 per cent is kept by Government to be reinvested in new supply.

Local authority homes which are let in connection with the tenant's employment, or are particularly suitable for occupation by disabled or elderly persons are exempted from Right to Buy. Landlords will also usually have a right of first refusal to buy back any homes sold under the Right to Buy, if they are resold within ten years.

Registered Social Landlords (RSLs) are housing associations which are registered with and regulated by the Housing Corporation. Since the early 1990s, RSLs have been the main providers of new affordable housing. They can deliver more units for a given amount of public expenditure because they may access private finance. They also own and manage the affordable homes they provide, and others transferred to them by local authorities.