

Why landbanking is the key to rural housing

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My focus is on the land a rural community requires to secure the locally affordable housing it needs to survive and thrive. I first started to think about it back in the 1970s when, newly married with a babe in arms, we went to live on the Island of Colonsay, population 125, three ferries a week, weather permitting. Our new home was a cosy cottage rented against the run of play from the local estate which owned every last inch of the island and every house save the Doctor's and the schoolteacher's. There was zero Council housing and nowhere else to go to except the Estate.

Eleven years later – including three in the Uists where, unlike Colonsay, new houses were springing up everywhere thanks, I came to understand, to the much more encouraging pattern of land tenure (crofting) –, our family was growing, we lived in rural Lochaber and I worked for Shelter Scotland's Rural Housing Initiative. Rural needs were acute but “hidden” i.e. largely unrecorded and overlooked by those in authority. Locals well understood the damaging household and community consequences so a group of us decided to try and set up a Lochaber Housing Association and 38 years later it's going strong with nearly 800 good, secure and locally affordable homes delivered in most but not quite all of its rural communities as well as in Fort William.

The unmet needs, however, remain as great as ever, not least in the landward communities, most of which have experienced big declines in their school rolls – underlining the inextricable link between the availability of good, locally affordable housing and a rural community's well-being and capacity for renewal. Though these days more widely appreciated, the affordable housing supply gap remains. Why though and where does land reform policy come in?

As my experience grew, I became convinced that the key to increasing affordable rural housing provision lay in strategic landbanking so that, ideally, each needy rural community had a well-located, affordable-to-purchase and equally affordable-to-develop site ready and waiting to provide the housing mix their local needs dictated – and it should be owned by a body which unequivocally guaranteed that the community could rest assured that the site's onward development purpose was secure. To this end, The Highlands Small Communities Housing Trust (now CHT) was established in 1998 – and it worked. It was backed by a revolving landbanking fund which replenished itself when, with the agreement of the community concerned, the landbanked site was sold on to a bona fide affordable housing provider, either a local housing association for rented new build or a local who wanted to build a modest home but couldn't afford to unless they could buy the plot at a significant discount.

That presented another problem: how to ensure that neither the local landowner selling the site nor the local community wouldn't then feel "ripped off" by a plot purchaser building their house but then selling it on at full market value and pocketing the profit derived from the much lower valuation the landowner had generously sold it to the Trust at i.e. on the understanding that it was for the best long term interests of the whole community and not the short-term financial one of any subsequent plot owner.

So, when the Scottish Government (SG) introduced its 2003 Titles Conditions (Scotland) Bill, the Rural Housing Burden (RHB) was included to give the Trust and other such 'SG-designated' affordable housing providers a pre-emption right in perpetuity on any affordable house plot they sold, thus ensuring that the percentage discount/subsidy provided by the original landowner would also benefit all subsequent plot/house purchasers and not just the first one.

RHBs have since proved their effectiveness in reassuring many landowners and communities, though they could do with greater backing from SG, as could the critically important 'rural housing enabler' services which most rural communities turn to for the free but trustworthy advice and support they need for their learning curve journeys towards securing the affordable sites and houses they - and other key stakeholders - know they need.

I believe, every rural community - having completed a thorough and inclusive place-planning process - should then have the inalienable legal right to not just identify but ensure that the key site/s they have located for the future provision of key community infrastructure, particularly affordable homes, cannot then be sold on for any other purpose. Moreover, such sales must only be to community-approved developers at not more than DV's valuation and within a strict timescale for the conveyancing so that delays and squabbles over the transaction and purchase price are outlawed.

Back in Colonsay the Community Development Trust, with tireless support from CHT's tireless housing enablers plus public and other funders, bought a prime site for a mix of locally affordable housing provision - both rented and house plots protected by RHBs. It all took an exhausting amount of time and angst but they got there in the end and the first phase of this development now provides a mix of 12 secure and affordable homes for permanent residents with room left for another 12 to come. This is what long-term community development is about but also why it still needs improvements to public policy legalities and financial support programmes.