



Briefing Note

Subject: Affordable Housing Commission: Call for evidence

Prepared by: The Almshouse Association

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Submitted to: The Affordable Housing Commission

Issue

Due to the problems caused by the shortages and cost of housing the Affordable Housing Commission wishes to achieve policy changes that would make a lasting difference. The Almshouse Association believes that almshouse charities can make an important and positive contribution towards these policy changes.

Background

Almshouse charities are the oldest form of charitable institution in the United Kingdom and have successfully provided their unique model of affordable housing for over a thousand years.

Today there are around 1700 almshouse charities across the United Kingdom, with the overwhelming majority situated in England. Almshouse charities provide homes for 35,000 residents making them collectively one of the largest specialist providers of affordable community housing. Despite the large numbers housed, 80% of almshouse charities provide fewer than 20 homes for those in need in their community.

Almshouse charities are regulated by the Charity Commission with approximately 25% being additionally regulated by the Regulator of Social Housing, and defined as registered providers of social housing.

Therefore almshouses are charities that provide housing rather than housing providers that happen to be charities.

Current status

The Commission's work will focus on the following four groups: struggling renters: frustrated homeowners, those reliant on state support, and those who face affordability issues in older age.

In addition the research over the coming months will cover: understanding the affordability challenge; towards a new affordable housing offer - increasing supply and managing demand; and, what else needs to change?

Whilst the Almshouse Association believes that almshouse charities can make positive contributions to all of the Commission's work, there are two areas where almshouse charities can offer the most benefit;

- a. Helping those who face affordability issues in older age
- b. Towards a new affordable housing offer – increasing supply

Key Consideration

Helping those who face affordability issues in older age.

Quite rightly the focus is on those whose incomes drop suddenly in retirement but whose rents remain the same as well as older owners in unsatisfactory homes who cannot afford to upgrade their property.

Almshouse charities provide a sustainable and community led solution to those facing affordability issues in older age, as encouraged in the [Rural HAPPI4 Inquiry](#)

The Commission should also consider the importance of health and wellbeing when looking at affordability issues in older age and there is growing evidence that the almshouse model contributes to:

- a. improved wellbeing



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- b. decreased loneliness
- c. improved mental health

This conclusion has been initially supported by the [Whitely Foundation for Ageing Well](#) and the Almshouse Association has commissioned further research that we would be happy to share when available.

Towards a new affordable housing offer – increasing supply

Whilst almshouse charities may not be the only answer to meeting large-scale housing demand it can provide an exemplar model of community led affordable housing, either through individual almshouse charities or in conjunction with other partners. However the planning system currently hinders almshouse charities developing affordable housing.

Some planning authorities interpret the National Planning Policy Framework (NPPF) definition of 'affordable housing' to mean that an almshouse charity which is not a Registered Provider, should be treated as if it were not a provider of 'affordable housing' for s.106 Town and Country Planning Act 1990 purposes.

In these instances, the planning authority:

- Requires an almshouse charity to carry out s.106 obligations where the charity itself is developing new almshouse dwellings that are by their very nature "affordable". For example, the charity might be required to make a financial contribution to a housing association to provide 'affordable housing'. This approach is paradoxical, since the dwellings which the charity itself is developing are themselves within the statutory definition of 'social housing' in the Housing and Regeneration Act, and furthermore are being built with charitable funds.
- Maintains that a private developer cannot fulfil an s.106 obligation to provide 'affordable housing' by building almshouses or providing land for an almshouse charity.

This inconsistent practice leads to fewer almshouses being built than might otherwise be the case and, even when a planning authority does finally concede that an almshouse charity is a recognised form of affordable housing, typically the planning process can take an extended length of time and add cost to the project. These factors are counter-productive and work against the desire of the Government to boost, not only housing supply, but the speed that housing is delivered.

In order to encourage more almshouse charities to build more affordable homes and encourage investment in housing from non-government funds almshouse charities should be regarded as affordable housing for planning purposes.

Conclusion

Almshouse charities are an important part of the policy solution for tackling the problems caused by shortages and cost of housing, and we would welcome the opportunity to contribute further.

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