

## Planning Application HPK/2016/0476 – Development of land to the rear of The Old Vicarage, Marsh Lane, New Mills, Derbyshire

This submission is made in relation to Condition 19 of the Planning Permission dated 18/01/2017 requiring a scheme for the provision of affordable housing to be submitted to and approved in writing by the Local Planning Authority.

The Guinness Partnership Limited (TGPL) has secured funding from the Homes and Communities Agency (HCA) to provide 23 affordable homes at Marsh lane. These 23 properties comprise 62% of the overall site provision. The HCA funding includes restrictions and obligations to ensure the affordable homes remain affordable.

The affordable housing can be summarised as follows;

- 16 homes for affordable rent through the 2015-18 AHP.
- 3 homes for intermediate housing (shared ownership) through the 2015-18 AHP.
- 4 homes for intermediate housing (shared ownership) in the 16-21 AHP.

The affordable properties will comply with the definition of Affordable Housing within the National Planning Policy Framework (NPPF) as follows:

## Annex 2: Glossary

**Affordable housing:** Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.

The location and tenure of each new affordable home is shown on the approved site plan number 101 revision G (attached to this document).

Plot No.	Type	Floor Area	Tenure
1	2b4p House	76.8	Affordable Rent
2	2b4p House	76.8	Affordable Rent
3	2b4pHouse	76.1	Shared Ownership
4	2b4p House	76.1	Shared Ownership
5	3b5p House	83.1	Shared Ownership
6	3b5p House	83.1	Shared Ownership
7	2b4p House	76.1	Shared Ownership
8	2b4p House	76.1	Shared Ownership
9	3b5p House	91.4	Affordable Rent
10	3b5p House	91.4	Affordable Rent
11	2b4p House	77.7	Affordable Rent
12	2b4p House	77.7	Affordable Rent
13	2b4p House	77.7	Affordable Rent
14	3b5p House	91.4	Affordable Rent
15	3b5p House	91.4	Affordable Rent
16	2b4p House	76.1	Affordable Rent
17	2b4p House	76.1	Affordable Rent
18	2b4p House	76.1	Affordable Rent
19	2b4p House	76.1	Affordable Rent
20	2b4p House	76.1	Affordable Rent
21	2b4p House	76.1	Affordable Rent
22	2b4p House	76.1	Affordable Rent
23	2b4p House	76.1	Shared Ownership

## II. Timing and Phasing of the affordable housing

The build programme will ensure all 37 new homes are completed within 5 months of the first completion. All affordable housing will be ready for occupation by no later than 31<sup>st</sup> August 2018.

No more than 50% (equivalent 7) of the open market homes will be occupied until 12 affordable homes are complete, transferred to TGPL and ready for occupation. All 23 affordable homes will be complete, transferred to TGPL and ready for occupation before 75% (equivalent 10) of the open market homes are occupied.

## III. Management of the affordable housing

TGPL is a Registered Provider (RP) of affordable housing and is registered with the Homes and Communities Agency pursuant to the Housing and Regeneration Act 2008.

TGPL will acquire the land on which the affordable homes are located before works commence on site.

TGPL will continue to own and manage the affordable rent homes in perpetuity for a minimum period of 125 years (unless a change in relevant legislation prevents this), and provide them to people who are not able to buy their own properties or who can't afford to rent on the open market.



The Shared Ownership properties will be administered by TGPL, and will retain an equity share of the properties unless the purchaser opts to staircase to full (100%) ownership.

#### **IV. Affordability for initial and subsequent occupiers**

##### **Affordable Rent:**

Rents will be calculated at 80% of market rent (inclusive of service charges) in accordance with the HCA funding requirements. A lower rent to be charged if the 80% figure is higher than Local Housing Allowance.

TGPL reserves the right to change the rent criteria in order to ensure compliance with the HCA requirements.

##### **Intermediate Housing:**

These 7 homes will be provided as Shared Ownership in accordance the HCA definition.

The properties will be managed by the Registered Provider in accordance with its usual and normal leasehold terms and conditions of the type and style recommended by the Homes and Communities Agency in such form of lease, or long lease in accord with the Shared Ownership Terms.

Prior to the marketing and initial and any subsequent disposal of a Shared Ownership property the Registered Provider shall submit in writing to the Council for approval its assessment of the Open Market Value of the Shared Ownership property at that time. The Council will confirm in writing to the Registered Provider within 4 weeks of receipt of the valuation information that they agree with the open market values proposed or if they do not agree the value will be assessed by an independent chartered surveyor and alternative values provided to the Registered Provider within no longer than a further 2 weeks.

Marketing details to be provided to the Council

The Registered Provider to allocate the first sale of any Shared Ownership property to any person able to make a Suitable Offer and in Housing Need or if none any person able to make a Satisfactory Offer and in Housing Need. If none such makes an offer within a further 12 weeks of advertising and marketing in the High Peak Borough Council area then the Registered Provider may dispose of the Shared Ownership Unit to a person in Housing Need.

'Housing Need' is defined as an individual who is living in unsuitable housing conditions and is unable to buy or rent suitable housing at open market prices.

'Suitable Offer' and 'Satisfactory Offer' defined below s.V.

The Shared Ownership housing will be sold for no more than 75% of the market value. Staircasing to 100% of the equity of the dwelling is allowed.

The shared ownership rent payable to be calculated as a percentage of the unsold equity for shared ownership housing on the open market such percentage being the inverse percentage from 100% relative to the percentage purchased, with the rent payable calculated at no more than 2.75% of the value of the unsold equity in the shared ownership housing

#### **V. Occupancy criteria**

##### **Affordable Rent:**

100% of the first occupation of the 16 affordable rented units will be to persons nominated by the Council and who are able to make a suitable offer, or if none, then to persons making a satisfactory offer within 6 weeks of notification to the Council to enable the Council to advertise the availability of the relevant unit through the Council's Choice Based Lettings Scheme 'Home Options' (or any such allocation scheme which is in place with the Council at the time).

In the event of the Council not making any nomination or a nomination of a person able to make a Suitable Offer or a Satisfactory Offer within the period specified or a person nominated and able to make a Suitable Offer or a Satisfactory Offer not accepting an offer made by the Registered Provider, the Registered Provider shall be entitled to allocate occupation of any available unit to any person who is in Housing Need and able to make a Suitable Offer and, if none to any person who is in Housing Need and able to make a Satisfactory Offer and if none such after 4 weeks of marketing in the High Peak Borough Council area to such person as the Registered Provider deems fit provided they are in Housing Need.

A 'Suitable Offer' is defined as - offers for the affordable rented housing shall only be suitable if they are made by (i) a person ordinarily resident within the Central Area (the towns, villages and immediately surrounding areas in the High Peak Borough comprising Hayfield, Birch Vale, Thornsett, New Mills, Furness Vale, Buxworth, Chinley, Chapel Milton, Whaley Bridge, Tunstead Milton, Chapel-en-le-Frith, Combs and Dove Holes) for a minimum of 5 years, (ii) a person who can demonstrate a local connection or who has a family association with the central area or (iii) person with employment in the High Peak Borough. In the event that more than one suitable offer is made priority will be given to persons who can demonstrate compliance with (i) over (ii) or (ii) over (iii).

A 'Satisfactory Offer' is defined as – offers for the affordable rented housing shall only be suitable if they are made by (i) a person ordinarily resident within the High Peak Borough Council area for a minimum of 5 years, (ii) a person who can demonstrate a local connection or who has a family association within the High Peak Borough Council area or (iii) person with employment in the High Peak Borough Council area. In the event that more than one suitable offer is made priority is given to persons who can demonstrate compliance with (i) over (ii) or (ii) over (iii).

50% of subsequent occupations for the 16 affordable rented units will be to persons nominated by the Council.

## **VI. General**

The affordable homes will be built in accordance with the planning permission and building regulations.

In the event of any purchaser of a Shared Ownership Housing Unit exercising his right to Staircase under the Shared Ownership Terms and to acquire a greater equitable share of the Shared Ownership Housing Unit then any sale proceeds received by the Registered Provider (after deduction of mortgage redemption and legal and administrative costs) the Registered Provider will use reasonable endeavours to use in accordance with Homes and Communities Agency Regulations for the provision of Affordable Units within the administrative area of the Council giving preference to the Central Area but in any event in agreement with the Council

### **7.3.17**