

**Affordable Housing Statement for site at Cottage Lane,
Glossop
April 2024**



Introduction

This Affordable Housing Statement has been prepared by Great Places Housing Association, a Registered Provider, to support a full application submitted to High Peak Borough Council for the development of 51 affordable homes on land at Cottage Lane, Glossop. Great Places Housing Association is a joint applicant with its appointed contractor, Westshield Limited.

The statement addresses the provision of affordable housing in light of national and local policy. The development shall meet the definition of affordable housing in Annex 2 of the National Planning Policy Framework (or any future, equivalent guidance that replaces it).

The Statement includes details of:

- i The responsible party for managing the properties on completion – the registered provider – Great Places Housing Association;
- ii the type, tenure and location of the affordable housing provision, which shall consist of not less than 51 units;
- iii the mechanisms to fund the Affordable Housing Units (including grant funding, whether that is for all or part of the Affordable Housing Units to be provided as part of the development);
- iv affordability – the arrangements to ensure that such provision is affordable for both the first and subsequent occupiers of the affordable housing; and
- v the occupancy criteria to be used for determining the identity of occupiers of the affordable housing and the means by which such occupancy criteria shall be enforced.

This statement shall cease to apply (and shall be of no further effect) to any dwelling in respect of which the full equity has been acquired by the individual owner/purchaser and/or their mortgage OR any dwelling in respect of which is a statutory or voluntary right to buy or acquire has been exercised.

The Registered Provider

Great Places Housing Association is a Registered Provider who will procure the services of the contractor, Westshield Limited, to complete the construction of this development. Following handover of the completed units, the Registered Provider will:

- In respect of affordable rent units – own these units and be responsible for their future lettings and maintenance.
- In respect of shared ownership units – market the homes for sale as shared ownership and the homes will be part owned by the Registered Provider unit the point at which any future occupier decides to “staircase” out of the property and own it outright.

- All units will be sold, let, and managed in accordance with Homes England's Capital Funding Guide. Any grant associated with a property that is in future "staircased" out of The Registered Provider's management will be reinvested in affordable housing and efforts will be made to recycle the grant within the remit of High Peak Borough Council.
- In respect of the areas of the development that will require maintenance which sits outside of the housing curtilage (communal spaces, landscaping, unadopted roads and pathways), the Registered Provider will take responsibility for this through the organisations Plumlife Management Facility.

The Type, Tenure and Location of the Affordable Housing Provision

Social Rent			
House Type	GIFA	Quantity	Total
1b2p Apartment (Ground Floor)	50 m ²	8	400 m ²
1b2p Apartment (First Floor)	61 m ²	8	488 m ²
2b4p House	72 m ²	11	792 m ²
3b5p House	84 m ²	7	588 m ²
Total		34	2,268 m²

Shared Ownership			
House Type	GIFA	Quantity	Total
2b4p House	72 m ²	4	288 m ²
3b5p House	84 m ²	13	1,092 m ²
Total		17	1,380 m²

The High Peak Local Development Plan clearly identifies a demand for new affordable housing within the vicinity, stating that:

"Affordable Housing is a key issue in the Local Plan are due in part to the high cost of houses, and the relative low incomes of resident-based employment. Both the Housing Needs Survey and the Housing Market Assessment suggest that there is a significant need to increase the overall level of affordable housing provision. The Housing Needs Survey indicated a need of between 443 and 591 per annum for new affordable housing to meet backlog and emergency needs. The 2014 SHMA indicates that there is a net need of 526 per annum for affordable housing across the Borough."

The scheme meets the requirements of the High Peak Local Plan 2016 Policy H4 which states that residential developments should seek to achieve "30% affordable housing on sites of 25 units or more". The proposal subject to this application seeks the provision of 51 dwellings – all of which are to be affordable.

It should be noted that in June 2022, the Council concluded its assessment of the Local Plan 2016 and determined that several policies were out of date. One of which was Policy H4 regarding affordable housing as it was not considered to reflect the latest National Planning

Policy Framework in terms of the definition of affordable housing as well as the size of development from which contributions can be sought.

As a result of this, a review of the local plan was carried out in January 2023. However, in this review, there was no suggested requirement to increase the percentage of affordable housing on sites of 25 units or more. As such, the proposal is considered to not only meet, but surpass the Local Plans objectives to maximise the delivery of affordable housing across the plan area.

Paragraph 5.152 in the Local Plan states *“it is suggested that the split between tenure types is 30% social rented, 50% affordable rented and 20% intermediate”*. Whilst the proposed development does not include any social rented units, the level of intermediate (Shared Ownership) units is over the suggested 20%. It should be noted, however, that the January 2023 review suggests 35% Shared Ownership. The level of Shared Ownership on the proposed development is 31% so just below the recommended amount.

The tenure mix may be varied from time to time throughout the lifetime of the development, subject to the submission of a revised affordable housing statement to the Council for written approval.

Funding

The Affordable Housing will be provided as partially grant funded Affordable Housing through the Homes England Strategic Partnership Programme 2022 – 2026, together with the Registered Provider’s own funds secured through its long-term borrowing facilities.

Affordability

The required affordability criteria are as follows:

- Rent levels for the social rented dwellings will be set based on a social rent calculation based on the current open market value of the property. The disposal of the affordable rent units to a Registered Provider will ensure that those units remain affordable for both first and subsequent occupiers, unless disposed of under an obligation in respect of Right to Buy or Right to Acquire legislation or to any tenants who exercise
- Shared Ownership dwellings will be disposed of to purchasers who meet the Homes England eligibility criteria as set out in the Capital Funding Guide. Purchasers will be able to purchase between 10% and 75% of the full market value of the property. The properties will be sold at current market value. A relevant Independent Financial Advisor will then use the approved Homes England Shared Ownership Affordability calculator to ascertain that any applicant is maximising their contribution and that any mortgage and rental costs are affordable and sustainable.
- The lease will give the buyer the right to purchase the remaining share of additional shares in their home and therefore move from an initial share to full ownership in a number of stages as and when they can afford them. For the avoidance of doubt, this can be increments of 1% and the shared owner is entitled to a 990-year lease.
- The affordable housing provisions under this criterion shall not be binding on a mortgagee or charge (or any receiver including an administrative receiver) appointed by such mortgagee or chargee or any other person appointed under any security

documentation to enable such mortgagee or chargee to realise its security or any administrator (howsoever appointed) including a housing administrator (each a Receiver) of the whole or any part of the affordable dwellings or any persons or bodies deriving title through such mortgagee or chargee or Receiver provided that:

- Such mortgagee or chargee or Receiver shall first give written notice to the Council of its intention to dispose of the affordable dwellings and shall have used reasonable endeavours over a period of three months from the date of the written notice to complete a disposal of the affordable dwellings to another registered provider or to the Council for a consideration not less than the amount due and outstanding under the terms of the relevant security documentation including all accrued principal monies, interest and costs and expenses; and
- If such disposal has not completed within the three-month period, the mortgagee, chargee or Receiver shall be entitled to dispose of the affordable dwellings to free from the affordable housing provisions in this Agreement which provisions shall determine absolutely.

Occupancy

The required occupancy criteria for each affordable tenure will be as follows:

- Lettings will be through High Peak's choice-based system and allocated as per the agreed common allocations framework; as amended by a Local Letting Policy agreed between the Council and Great Places Housing Association. This is likely to focus on achieving a mix of residents in the scheme to create a balanced and sustainable community. Tenancy sustainment actions will be undertaken by the Registered Provider. Negotiations in regard to nominations are to be concluded prior to occupation of the homes.
- The shared ownership dwellings will be disposed of to purchasers who meet the Homes England's Capital Funding Guide. In line with Homes England's requirements, nationally or locally defined prioritisation criteria will not apply to the Shared Ownership homes other than a prioritisation for current and former members of the British Armed Forces. Eligible purchasers will have a household income less than £80,000 per annum and will not own another property.

GREAT PLACES HOUSING ASSOCIATION – APRIL 2024