

LINDEN HOMES

**ST MICHAEL'S CONVENT, LONDON ROAD,
WATERLOOVILLE**

AFFORDABLE HOUSING STATEMENT

MAY 2012

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1. Introduction

- 1.1 This statement supports a full planning and listed building consent application for the conversion and refurbishment of the former Convent buildings to 17 apartments and the erection of 65 dwellings within the grounds of St Michael's Convent located off London Road, Waterlooville.
- 1.2 The statement considers issues of relevance to affordable housing and has been produced against the background the adopted Core Strategy Policy CS9: Housing and the Housing Supplementary Planning Document (July 2011)

2. Affordable Housing Statement

- 2.1 The Affordable Housing SPD and the Havant Core Strategy (March 2011) confirm a significant housing need with 4,200 people on the Hampshire HomeChoice Housing Register (the social rented housing register for the Borough) and 299 people on the Homes in Hants Housing Register (the buy and part-buy social register).
- 2.2 The adopted Core Strategy Policy CS9: Housing refers to the delivery of an average 30%-40% affordable housing provision on sites with a capacity of over 15 dwellings. Paragraph 2.06 advises that the Council adopts a flexible negotiated approach to affordable housing delivery as each site is different and the Council will take into account specific site circumstances. Other advice includes:
- A range of housing sizes and/or types will be sought
 - The mix should avoid providing a disproportionately large proportion of one type of housing, such as affordable 1 bedroom (2 person) dwellings on a site
 - Exact proportions of housing size will vary from site to site but generally the aim will be to increase the amount and proportion of dwellings with two or more bedrooms
 - Intermediate affordable housing will normally take the form of shared ownership, shared equity homes and alternative emerging flexible tenures
- 2.3 The proposed level of affordable housing provision (25 representing 30% of the proposed 82 units) has been based upon an analysis of existing and emerging trends in housing needs.
- 2.4 Based on this assessment, the affordable housing provision will be made on the following basis:

Size	No. of units	% Affordable Housing
1 bed apartment (2 person)	4	16%
2 bed apartment (4 person)	13	52%
3 bed house (5 person)	8	32%
Total	25	100%

- 2.5 The provision of 2, 4 and 5 person 1, 2 and 3 bedroom apartments and houses, will assist in meeting demand in a location accessible to Waterlooville Town Centre. The focus on 2 and 3 bedroom dwellings (84%) complies with the SPD guidance

which seeks to increase the amount and proportion of dwellings with two or more bedrooms.

- 2.6 The provision of the affordable housing elements will be on the basis of a tenure split between social rented and shared ownership. The split is likely to be on the basis detailed at paragraph 2.12.1 below.
- 2.7 In design terms, the affordable housing units will be indistinguishable from the open market units, with the same high quality design standards being applied regardless of tenure or form.
- 2.8 The siting selected seeks to split the provision into five pockets commensurate with the desire to maximise management efficiency for a future affordable housing provider and to ensure that there is an appropriate mix of affordable and open market tenures.
- 2.9 The provision of 25 affordable houses represents a significant benefit that will be generated by the proposed development and it will assist in meeting a range of local housing needs that exist in the area.

Delivery

- 2.10 The Affordable Rent and Shared Ownership homes will meet the revised definition of affordable housing in the NPPF.
- 2.11 Ownership and management of the completed homes will be transferred to a Registered Provider.

Affordable Housing

- 2.12 The Owner covenant to the Council as follows:
 - 1. To provide the 30% (25 units) Affordable Housing Units. These Affordable Housing Units should reflect the mix of the site generally. [The precise mix and tenure of the Affordable Housing Units to be approved in writing by the Council prior to Commencement of the Development subject to an assessment by the Council of local housing market conditions.]

2. All Affordable Housing Units on the Land will be highlighted and compatible with the design of the Market Housing Units.
3. That no more than 65% of Residential Units shall be constructed prior to provision of [] Affordable Housing Units and thereafter the remaining Affordable Housing Units shall be constructed contemporaneously with any adjoining Market Housing Units to provide a mixed development
4. That the Affordable Housing Units will be constructed to at least the minimum standard required by the Homes and Communities Agency (or such other successor body's standards) Design and Quality Standards (2007) and the Code for Sustainable Homes Level 3 published by the Government (or such replacement guidance) or other similar standard as may be reasonably required by the Council.
5. Where Affordable Housing Funding has not been secured despite the use of reasonable endeavors so to do the Owner will notify the Council in writing that it has not been successful in securing Affordable Housing Funding The Council will then where it is reasonably satisfied that the Owner has complied with the obligations to use reasonable endeavors in all material aspects issue a written notice to the Owner confirming that in accordance with this Clause # authorising the Owner to adjust the proportion of Affordable Rented Housing Units to a figure to be agreed with the Council subject to:
 - (a) the level of any Affordable Housing Funding available
 - (b) the Homes and Communities Agency's "Economic Assessment Tool" or any such other economic assessment tool submitted by the Owner and agreed by the Council to evaluate the portion of Affordable Rented Housing Units to be provided with the level of Affordable Housing Funding available and
 - (c) the results of any financial viability assessment carried out by the Owner
6. The mortgage rent and service charges to be charged on the Shared Ownership Units shall meet the requirements of an Affordability Test as follows:
 - the total cost to include mortgage rent and service charges payable to the Occupier of the Shared Ownership Unit does not exceed more than thirty five per cent (35%) of the gross median income plus five per

cent (5%) of those persons on the Housing Registers held by the HomeBuy Agent in relation to Havant

- the provisions of the Affordability Test may be varied by agreement in writing by the Owner and the Council
7. No Market Housing Units within the Development will be occupied until either:
- (a) the Owner has entered into a binding contract or an agreement for lease with a Registered Provider or an Alternative Affordable Housing Provider for the transfer of the freehold or a long lease of no less than 125 years of the Affordable Housing Land to include the construction of the Affordable Housing Units (and has informed the Council to whom the Affordable Housing Land has been transferred) or
 - (b) the Affordable Housing Land has been transferred fully provided with services to a Registered Provider or an Alternative Affordable Housing Provider and written evidence of compliance in respect of the above has been supplied to the Council to its satisfaction
8. The transfer to the Registered Provider or Alternative Affordable Housing Provider of the Affordable Housing Land shall contain the following:
- (a) a covenant not to use the Affordable Housing Units otherwise than for the provision of Affordable Housing, and
 - (b) a covenant not to dispose of any of the Affordable Housing Units other than by sale by way of Shared Ownership or Affordable Rent to the intent that all Affordable Rented Housing Units shall be used for the purpose of providing Affordable Housing to Eligible Persons, and
 - (c) a covenant to manage all Staircasing Receipts of Affordable Housing Units which are grant funded in accordance with Housing Corporation or Homes and Communities Agency regulations
9. The covenants set out in Clause # shall not be binding or enforceable against any purchaser who purchases from the Registered Provider or Alternative Affordable Housing Provider the entire freehold to an Affordable Housing Unit or a long leasehold interest pursuant to an equity share arrangement nor shall such covenants be binding or enforceable against such a purchaser's successors in title

10. Where the Owner intends to provide management services for the Affordable Housing Units in association with a Registered Provider or an Alternative Affordable Housing Provider they shall only be used if the provider can demonstrate to the Council that they are approved and regulated for such activities by the Tenant Services Authority or any successory body.
11. In the event only that there is a default under any legal charge or mortgage of an Affordable Housing Unit or any default under any legal charge or mortgage held by a Registered Provider or an Alternative Affordable Housing Provider in relation to the Affordable Housing Units then a mortgagee charge receiver or manager (including an administrative receiver) appointed pursuant to the Law of Property Act 1925 ("the Mortgagee") shall be entitled to exercise its power of sale in respect of an Affordable Housing Unit or Affordable Housing Units free from the obligation PROVIDED THAT the Mortgagee shall first follow the procedures set forth below:
 - (a) the Mortgagee shall give 'written notice' ("the Notice") to the Council of its intention to exercise its powers of the sale and shall at the time offer to sell ("the Offer") the Affordable Housing Unit or Affordable Housing Units to the Council for an amount ("the Purchase Price") to be agreed or determined in accordance with Clause ##
 - (b) the Council shall notify the Mortgagee in writing within one (1) month of the date of the Offer whether or not it wishes to accept the Offer (in the case of acceptance such acceptance to be expressed to be conditional upon the Purchase Price being agreed) and if it does not wish to accept the Offer the Council may at the time of notifying the Mortgagee of its decision nominate a nominee ("the Nominee") in its place
 - (c) if pursuant to Clause ## the Council shall accept the Offer or shall nominate a Nominee so to do then the Mortgagee and the Council (or the Nominee as the case may be) shall endeavor to agree the Purchase Price which shall represent the open market value of the Affordable Housing Unit or Affordable Housing Units subject to tenancies subsisting at the date of the Notice but disregarding the provisions of this Deed which restrict Occupation to persons on the Council's Housing Register and in default of agreement on the Purchase Price within two months of the Council's notification under Clause ## the Purchase Price shall be determined by an Expert pursuant to the provisions of Clause ##

- (d) any transfer to the Council or to be the Nominee shall be completed within two (2) months of the date the Purchase Price is agreed or determined by an Expert in accordance with the provisions of Clause ## ("the Completion Period")
- (e) either party may at any time give to the other written notice of its intention to discontinue in any of the following circumstances namely:
- if the council shall fail to give notice of intention to accept the offer within one month of the date of the offer or
 - if the council shall decline the offer and fail to nominate a nominee within one month of the date of the offer or
 - if either the council or the nominee shall at any time serve notice of intention to discontinue or
 - if the transfer of affordable housing unit or affordable housing units shall not be completed within the completion period notwithstanding the readiness willingness and ability of the mortgagee to complete the transfer
- (f) Then in any of the above circumstances the Mortgagee shall be entitled (subject to compliance with Sections 39 to 50 of the Housing Act 1996 so far as is applicable) to exercise its power of sale unfettered by the restrictions in this Clause ## which shall not be binding upon any purchaser from the Mortgagee or any subsequent successor in title of the Affordable Housing Unit or Affordable Housing Units and at the written request of the Mortgagee the Council shall expeditiously issue written confirmation that the restrictions in this Clause ## have been discharged and rendered of no effect in respect of the Affordable Housing Unit or Affordable Housing Units and the Council shall take steps to cancel any entry in the Local Land Charges Register insofar as it may be recorded against the Affordable Housing Unit or Affordable Housing Units.

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