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Planning Policy
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Date: 2 May 2019

Our Ref: M15/0715-271

By email only:
planningpolicy@eastdevon.gov.uk

Dear Sirs

RE: EAST DEVON DRAFT AFFORDABLE HOUSING SPD

We represent **Rentplus UK Ltd**, an innovative company providing **affordable rent to buy housing** for hard-working people aspiring to home ownership with an accessible route to achieve their dream through the rent - save - own model, renting at an affordable rent and a gifted 10% deposit upon purchase.

Rentplus has two completed schemes in East Devon at present, at Woodbury, delivered by Cavanna in partnership with Cornerstone Housing, and at Axminster, by Bovis Homes with Tamar Housing. Each scheme has been fully built out and occupied, and Rentplus are delighted that the Woodbury scheme was a runner-up in the Devon Affordable Housing Awards in November 2018.

Each scheme delivered by Rentplus offers a unique, affordable route to home ownership through affordable rented housing, with rent set at the lower of 80% market rate (affordable rent) or LHA, including any service charge, with a planned route to ownership at 5, 10, 15 or 20 years after delivery. As demonstrated by the schemes already delivered in East Devon, the affordable rented period provides local families with security of tenure, with management and maintenance by a local partner Housing Association and the opportunity to save towards purchase. Support is offered to help save for the mortgage deposit, and a gifted 10% deposit is provided at the point of sale to assist with purchase.

The Council is well aware of the difficulties local households have in saving for home ownership, and the aspirations of many within existing affordable rented homes to purchase; it is these who benefit from access to affordable rent to buy. The Rentplus model also offers the opportunity for the Council and local Housing Associations to diversify the local housing offer without recourse to public subsidy, as Rentplus is fully privately funded and requires no additional upfront capital expenditure by HAs to deliver. The model helps to reduce the number of families on the local housing waiting list whilst also helping those already in affordable housing but who can afford to move on through rent to buy, freeing up those homes for others in need.

Our comments on the Affordable Housing SPD are aimed at ensuring this will enable housing delivery across East Devon to meet a wide range of housing needs.

Definitions

The reproduction of national policy in paragraph 2.1 is unnecessary and should be removed.

Who delivers new affordable housing?

Footnote 5 to paragraph 2.3 states that Registered Providers are not-for-profit companies funded and regulated by Homes England. This statement is only partly true, as some for-profit providers of affordable housing are also registered with the regulator. The footnote should be amended for accuracy, removing the reference to not-for-profit.

The inclusion of specific references to rent to buy and Rentplus within paragraph 2.4 are welcomed, as this places the SPD firmly in accord with the new definitions set out in the NPPF, and mark East Devon District Council out as an authority that wishes to encourage delivery of affordable homes for local people aspiring to purchase.

What mix of affordable homes should be provided?

We support the reference within paragraph 4.4 to affordable rent to buy being accepted as forming part of the 'intermediate or other affordable housing' tenure expectation as set out in adopted Strategy 34. This is useful in providing certainty to developers in understanding how the Council will determine applications proposing those tenures now set out within the NPPF.

The text at paragraph 4.5 is however significantly unhelpful in genuinely enabling the full range of affordable housing tenures to be delivered where these would help local people into homes that they can afford. The Council should not wait until the production of new strategic-level evidence to accept a wider mix being delivered; developers may still provide other sources of evidence setting out how each product will meet housing need in an area to support individual proposals.

The Council should amend paragraph 4.5, as below, to allow a pragmatic and flexible approach to be taken to development proposals, and which will maximise the delivery of affordable housing:

The inclusion of some of these products within the definition of affordable housing (namely low cost market housing, starter homes, rent to buy) post-dates the Strategic Housing Market Assessment, so there is currently a lack of strategic district-wide evidence regarding the need for these types of affordable housing in East Devon. ~~Therefore, the councils' priority is to deliver shared ownership, relevant equity loans, and other low cost homes for sale.~~ Given the range of potential products, an applicant should provide evidence to justify the mix being proposed within the 30% 'intermediate or other housing'.

This amendment is important to ensure the Council does not restrict the tenures which can be delivered in East Devon, and so limit the opportunities for local people who can instead afford, for example, to rent at an affordable rent and save for purchase within a rent to buy home. As set out above, the Council should be prioritising the production of a new SHMA to enable a better appreciation of affordable housing need across the district. This will significantly assist the Council in undertaking a Local Plan review and in assessing development proposals.

We look forward to working alongside East Devon District Council to deliver more affordable rent to buy homes across the district to meet local needs. We would like to be notified when the SPD is adopted; please notify **Tetlow King Planning** as agents of **Rentplus** by email only to consultation@tetlow-king.co.uk.

Yours sincerely



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For and On Behalf Of
TETLOW KING PLANNING

