

### **SCHEDULE 3**

#### **Affordable Housing**

##### **1. Definitions for Affordable Housing**

- 1.1 **"Advertising"** means the advertising for disposal or rent of any interest in an Affordable Dwelling on the Council's website and in Council marketing media and
  - 1.1.1 on the website of South West Homes and/or Devon Home Choice or any other similar organisation promoting intermediate market housing; and
  - 1.1.2 notification to the Hatherleigh Town Council
- 1.2 **"Affordable Dwelling"** means a Dwelling let as an Affordable Rented Home or sold as a Shared Ownership Home to Qualifying Persons in Housing Need and the "Affordable Dwellings" shall be construed accordingly
- 1.3 **"Affordable Housing Provider"** means either:
  - 1.3.1 a body registered as a provider of social housing with the Social Housing Regulator under Part 2 of the Housing and Regeneration Act 2008 or such other class of body approved by the Council as may be constituted under any legislation replacing that provision; or
  - 1.3.4 such other body eligible to receive grant monies from the Council or the Homes and Communities Agency and able to lawfully own or manage housing for Qualifying Persons in Housing Need and approved by the Council
- 1.4 **"Affordable Housing Scheme"** means a scheme for the provision of the Affordable Dwellings to Qualifying Persons in Housing Need which shall include (unless otherwise agreed in writing with the Council):
  - 1.4.1 Arrangements for the provision of 11 Affordable Dwellings in the first phase of development as described in the Phasing Scheme and if appropriate, in accordance with paragraph 1.2.2 of Schedule 1 10 further Affordable Dwellings in the second phase of development
  - 1.4.2 Location, plot, size and number of bedrooms of the Affordable Dwellings
  - 1.4.3 The tenure of the Affordable Dwellings which in the first phase shall be 9 Affordable Rented Homes and 2 Shared Ownership Homes and if appropriate, in the second phase shall be 8 Affordable Rented Homes and 2 Shared Ownership Homes

- 1.4.4 The numbers of bedrooms per Dwelling which shall be provided in the ratio of 25% one-bedroom dwellings 50% two-bedroom dwellings and 25% three-bedroom dwellings
- 1.4.5 The name of the Affordable Housing Provider(s) (if appropriate)
- 1.4.6 Details of the price or rent of the Affordable Dwellings
- 1.4.7 Arrangements for the transfer of the Affordable Dwellings
- 1.4.8 Details of the design and quality standards to be applied to the Affordable Dwellings
- 1.5 **"Affordable Rent"** means a rent which is at eighty percent (80%) local market rent (including service charge)
- 1.6 **"Affordable Rented Home"** means an Affordable Dwelling let by an Affordable Housing Provider pursuant to prevailing guidance from the Department for Communities and Local Government and/or the Homes and Communities Agency at a rent (including any service charge) not to exceed an Affordable Rent
- 1.7 **"Borough"** means the administrative area of the Council
- 1.8 **"Chargee"** means any mortgagee or chargee of the Affordable Housing Provider or any Receiver or Manager (including an Administrative Receiver) appointed pursuant to the Law of Property Act 1925 or otherwise
- 1.9 **"Chargee's Duty"** means the tasks and duties set out in Paragraph 5 of this Schedule
- 1.10 **"Exempt Person"** means any person who:
  - 1.10.1 has exercised the right to acquire pursuant to the Housing Act 1996 or any statutory provision for the time being in force (or any equivalent contractual right) in respect of a particular Affordable Dwelling
  - 1.10.2 has exercised any statutory right to buy (or any equivalent contractual right) in respect of a particular Affordable Dwelling
  - 1.10.3 has been granted a Shared Ownership Lease by an Affordable Housing Provider in respect of a particular Affordable Dwelling and the person has subsequently purchased one hundred percent (100%) of the equity in the said Affordable Dwelling on final staircasing
- 1.11 **"Homes and Communities Agency"** means the body of that name or the body for the time being having or being responsible for providing financial assistance to bodies

including Affordable Housing Providers under the Housing and Regeneration Act 2008 or any legislation replacing or amending the same

1.12 **"Housing Need"** means being homeless or threatened with homelessness or living in accommodation which in the opinion of the council is insecure or unsuitable and/or being unable to purchase or rent reasonably suitable accommodation in the open market for property in the locality where the affordable dwelling is situated taking into account the person's income and capital and other financial circumstances. Accommodation may be unsuitable on the grounds of cost overcrowding unfitness lack of basic amenities or because of a person's infirmity physical or mental disability or specific social or care needs

1.13 **"Housing Standards"** means homes built to the standards relating to but not limited to space, design, quality and sustainability approved in writing by the Council (such approval not to be unreasonably withheld or delayed) and for schemes provided with subsidy to the Homes and Communities Agency's "Design and Quality Standards" in force at the Commencement of Development including the need to achieve:

1.13.1 the minimum Housing Quality Indicator (HQI) scores specified by the Homes and Communities Agency for the relevant tenure

1.13.2 the appropriate level of the Code for Sustainable Homes the attainment of which is to be certified by the Owners

1.13.3 a minimum specified score against the Building for Life criteria

1.14 **"Letting Notice"** means a notice which contains details of the property to let and which shall include (unless otherwise agreed with the Council):

1.14.1 the name and address of the landlord

1.14.2 address of the property

1.14.3 weekly or monthly rent

1.14.4 amount and breakdown of any service charge per week month or annum

1.14.5 details of any additional charges

1.14.6 any age or other occupancy restrictions

1.14.7 property type

1.14.8 property size

1.14.9 heating type

- 1.14.10 details of mains services in the property
- 1.14.11 availability of parking space/garage
- 1.14.12 any disabled adaptations
- 1.14.13 provision of any support services
- 1.14.14 and which is delivered to the Council, addressed and marked for the urgent attention of the Head of Housing Services
- 1.15 **"Local Area Connection"** means a connection with Hatherleigh or the Borough (as appropriate (see "Qualifying Person" definition below)) demonstrated by a person to the reasonable satisfaction of the Council that he:
  - 1.15.1 has lived in Hatherleigh for at least three out of the preceding five years immediately prior to the offer of the relevant Affordable Dwelling; or
  - 1.15.2 has been permanently resident therein for six out of the twelve months immediately preceding the allocation; or
  - 1.15.3 has permanent employment in Hatherleigh with a minimum contract for 16 hours per week which has continued for the six months preceding the allocation without a break in employment of more than three months prior to the offer of the relevant Affordable Dwelling; or
  - 1.15.4 having a connection through a member of the person's immediate family (parents siblings and non-dependent children) who has been permanently resident for a period of five years immediately preceding the offer; or
  - 1.15.5 such other special circumstances which the Council considers requires the Applicant to reside in the County and is consistent with the Council's Devon Homechoice Policy as amended from time to time
- 1.16 **"Mortgagee"** means the mortgagee of an individual Affordable Dwelling where the mortgagor has defaulted on his mortgage on that Dwelling
- 1.17 **"Mortgagee's Duty"** means the tasks and duties set out in Paragraph 4 of this Schedule
- 1.18 **"Open Market Value"** means the price which the freehold interest in an Affordable Dwelling affected would be expected to achieve if sold on the open market by a willing vendor and disregarding the obligations and restrictions contained in this Deed

- 1.19 **"Qualifying Person(s)"** means person(s) who (unless otherwise agreed with the Council) has/have a Local Area Connection with Hatherleigh or

if no such person has been identified by the Affordable Housing Provider in consultation with the Council within a period of 20 Working Days of Advertising an Affordable Dwelling then a person who has a Local Area Connection with the Borough;

**PROVIDED THAT** the Council reserves the right not to allow the sale or letting of an Affordable Dwelling to a Qualifying Person should the sale or letting result in an under occupancy of the Affordable Dwelling by more than one bedroom OR result in a Dwelling which has been constructed or adapted to meet the needs of a disabled person being occupied by persons without disabilities unless no appropriate Qualifying Person becomes available within two (2) months of Advertising the Affordable Dwelling.

- 1.20 **"Shared Ownership Homes"** means Affordable Dwellings which are owned and managed by or in partnership with an Affordable Housing Provider and sold subject to a Shared Ownership Lease and a "Shared Ownership Home" shall mean any of the said Affordable Dwellings

- 1.21 **"Shared Ownership Lease"** means a lease substantially in the form approved or published by the Homes and Communities Agency whereby the tenant having paid a premium calculated by reference to a maximum of seventy-five percent (75%) of the Open Market Value of the particular unit pays a rent in respect of the remaining equity held by the landlord and whereby the tenant (after a period of twelve (12) months has expired from the date of the entering into the lease) may in successive tranches purchase a proportion of the remaining equity held by the landlord

## **2. COVENANTS**

The Owners covenant as follows:

- 2.1 Not to permit or otherwise allow the Commencement of Development until the Affordable Housing Scheme has been submitted to and approved by the Council (such approval not to be unreasonably withheld or delayed by the Council) and thereafter to comply with the terms of such approved Affordable Housing Scheme
- 2.2 To provide the Affordable Dwellings in accordance with the Affordable Housing Scheme
- 2.3 The Affordable Houses shall be built to the Housing Standards