

Beer Community Land Trust

The Old Social Club Development of Affordable Rental and Shared Equity houses provided by Beer CLT.

The development comprises six 2-bedroom units arranged as 4 semi-detached 3-floor houses and 2 one-floor flats in a detached block. The flats have level off-road access.

The houses will be known as 1-4 The Old Club House, Berry Hill, Beer, EX12 3JP.

The flats will be known as 1 -2 Burrough House, Berry Hill, Beer, EX12 3JP.

All units will be available for occupancy by 31st March 2023 at the latest. Allocation must be finalised before this date.

Details of all units and the full S106 agreement are attached. The units will be made available unfurnished and un-carpeted. The bathrooms and a small area of the kitchens will have vinyl flooring. All units will include an electric oven and hob: the kitchens allow space for an integrated washer and a free-standing fridge. All units have air-source heat pump heating.

Rental units

The CLT will be renting two houses (actual units to be confirmed) at a maximum of 80% market rents. The proposed rent is £700/month

The lower flat (no.2) will also be rented at a maximum of 80% market rent. The proposed rent is £660/month.

market rentals	Est. Market per month				Agreed rental rate	Act Discount to market
houses	£ 900.00	80%	£	720.00	£ 700.00	78%
gf flat	£ 825.00	80%	£	660.00	£ 660.00	80%

The tenancies will follow the model used for the Little Hemphay houses and as advised by the EDDC housing officer, ie an initial 12-month introductory tenancy followed by a 5-year flexible tenancy.

The allocation will follow the Local Allocation policy taking local connection and housing need into consideration. Houses to be advertised by Devon Home Choice, EDDC housing to undertake initial assessment of applications against local contact and housing need criteria. All applicants complying with criteria will be passed to the Beer CLT allocation committee to confirm offer.

The CLT does not charge a service charge but reserves the right to levy one if the common spaces are not maintained to an acceptable standard.

The CLT will require a refundable deposit of 1 month’s rent

Full allocation details in the S106 agreement

Local Connection	means a connection to the Parish of Beer demonstrated by one or more of the following in priority order: (1) being permanently resident therein for a continuous period of at least three (3) years out of the last five (5) years immediately prior to being offered the Affordable Housing Unit; or
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	<p>(2) being formerly permanently resident therein for a continuous period of five (5) years; or</p> <p>(3) having his or her place of permanent work (normally regarded as 16 hours or more a week); or</p> <p>(4) having a connection through a close family member (normally mother, father, brother, sister, son or daughter) where the family member is currently resident therein and has been so for a continuous period of at least five (5) years immediately prior to being offered the Affordable Housing Unit; or</p> <p>(5) such person as is prescribed by the Allocation of Housing (Qualification Criteria for Right to Move) (England) Regulations 2015</p> <p>and in the event that no-one satisfying the above requirements can be found within the Parish of Beer then the process shall be repeated considering persons from the following areas in the following priority order;¹</p> <p>(1) the Neighbouring Parishes,</p> <p>(2) persons from the District.</p>
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Local Allocations Plan

1. Background

- 1.1 **Beer Community Land Trust Ltd** (hereinafter referred to as the "Affordable Housing Provider") is established under the Industrial and Provident Societies Act of 1965.
- 1.2 The Affordable Housing Provider entered into a S106 Agreement with the District Council on 8 September 2020 in respect of affordable housing to be provided at land Beer Social Club, Berry Hill, Beer, Seaton, Devon ("the Section 106 Agreement").
- 1.3 The definitions of the S106 Agreement shall apply to the interpretation of this the Local Allocations Plan unless expressly indicated to the contrary.
- 1.4 This Local Allocations Plan has been prepared to ensure that the objects of the Beer Community Land Trust are met.

Commented [SS1]: Do we need to enter this as a agreement if the requirements are planning obligations. We no longer require a NOMS agreement between LPA and RP?

- 1.5 Every effort has been made to ensure the Local Allocations Plan is not in variance with other policies and agreements.

2. Section 106 Agreement (Town & Country Planning Act 1990)

This Plan sets out how the process by which the Affordable Housing Provider will comply with the affordable housing requirements of the Section 106 Agreement namely to ensure that any homes developed remain affordable in perpetuity and are prioritised for Designated Persons.

3. Allocation Criteria

- 3.1 Designated Persons who are registered with Devon Home Choice will be selected and allocated for the Affordable Housing Units in accordance with paragraphs 3.2 - 3.6 below.
- 3.2 Eligibility of initial and any subsequent Designated Persons shall first be determined in accordance with the following priority order:
 - 3.2.1 First, Designated Persons with a Local Connection to the Principal Parish who are in Bands A-E of the Devon Home Choice scheme
 - 3.2.2 Second, applicants with a Local Connection to the Neighbouring Parishes who are in the Bands A-E of the Devon Home Choice scheme
 - 3.2.3 Third, applicants with a Local Connection to the District of East Devon who are in Bands A-E of the Devon Home Choice scheme.
- 3.3 In the event of there being two or more applicants in any of paragraphs 3.2.1 to 3.2.3 above then the eligibility of those applicants shall be further determined in accordance with the priority of their Local Connection category (with category 1) being the highest).
- 3.4 In the event of there being two or more applicants having equal Local Connection priority then the eligibility of the applicants shall be further determined in accordance with their housing need being determined by the Band they are contained in within the Devon Home Choice scheme (with Band A being the highest).
- 3.5 In the event of there being two or more applicants having equal priority in terms of Local Connection and housing need, then their priority order will be determined by the length of time each has been on the Devon Home Choice scheme and the Affordable Units will be allocated to those who have been registered longer.

- 3.6 The properties will be advertised through Devon Home Choice ("DHC"). In the event that DHC is unable to provide this service, or the definitions of the Bands should change, the Affordable Housing Provider will ensure that future applicants who would formerly have been eligible for the properties by having a Local Connection and being in the Band E as defined in November 2013 (to the extent provided for in paragraphs 3.1 - 3.5) will remain eligible as if they were in Band E and the Affordable Housing Provider will seek to formally amend this Local Allocations Plan accordingly (and with it, the Section 106 Agreement).
- 3.7 If no Local Needs Person has been identified by applying the tests set out in paragraphs 3.1 to 3.5 above (or in the case where more than one vacancy is to be filled an insufficient number are identified) and the procedure set out in Schedule 1 Part 1 of the S106 Agreement has been followed then the Approved Provider may let the Affordable Housing Unit in accordance with Paragraph 2.2.3 of Schedule 1 Part 1 of the S106 Agreement.

Shared Equity Units

Beer CLT will sell between 50% and 75% (initial maximum or after staircasing) of the equity in 2 houses and the upper flat. The portion of the house or flat not sold will effectively be rented to the buyer by Beer CLT for an annual rent equivalent to 2.75% of unpurchased value at the time of purchase.

The CLT does not charge a service charge but reserves the right to levy one if the common spaces are not maintained to an acceptable standard.

Example

House value £300,000. Percentage purchased equals 65%: the CLT still owns 35% of the value equal to £105,000. The CLT will make an annual charge of 2.75% x £105,000 equal £2,888 per annum. THIS AMOUNT WILL BE IN ADDITION TO THE BUYERS MORTGAGE COSTS AND COMMITMENTS.

The units will initially be offered through the "Help to Buy" scheme and potential applicants should be registered with the local agent by contacting info@helptobuyagent3.org.uk

Applicants may also make direct contact with Beer CLT: however applications via the "Help to Buy" scheme will be given priority.

The local allocation and housing need qualifications must also be met and will be used to prioritise applicants should qualifying applications exceed the number of units available.

In applying for a Shared Equity unit the most important qualification is the ability to obtain a mortgage for the required amount and to be able to afford both the mortgage payments and the "rental" element payable to the CLT.

Any mortgage offer must recognise that should the mortgagee default on the mortgage commitments then any future sale by the mortgage company must be to a qualifying buyer or to Beer CLT.

Final values to be confirmed:

Two bedroom, 3-floor house units nos. 1 and 2: £315,000

Two bedroom, 1st floor flat: £260,000