



Laura Davies
Torrige District Council
Planning
Riverbank House
Bideford
Devon
EX39 2QG

Your Ref: 1/0088/2020/OUTM

Our Ref: 0191-04-01

4 October 2021

Dear Laura,

Proposed Development of 32 Dwellings by Devonshire Homes and LiveWest on
Land at Chilla Road, Halwill Junction, Devon

Application for Section 106 Agreement Deed of Modification

Introduction

Outline planning permission 1/0088/2020/OUTM was granted on 9 April 2021 for development of up to 32 new homes on land at Chilla Road, Halwill Junction.

Devonshire Homes Limited ('Devonshire Homes') has in principle (subject to contract) agreed terms to acquire the land from the current land owner, Mrs House, and those parties are working through due diligence and legal matters prior to exchange of contracts.

Roach Planning and Environment Limited ('Roach Planning') acts as planning adviser and agent for Devonshire Homes.

Devonshire Homes is excited at the prospect of building new homes at Halwill Junction. Devonshire Homes' roots are firmly based in the West Country – they have been successfully building new homes and communities in towns and rural areas across the South West since 1992. All its new homes sites are individually designed to create bespoke new neighbourhoods which are sympathetic to their locality, reflecting and celebrating the characteristics and style of their surroundings. Further information is available at <https://devonshirehomes.co.uk/>. Devonshire Homes and its architects and engineering consultants have started work designing the development in detail and intend making a reserved matters application in 2022, but are unable at this stage to share any further information.

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Devonshire Homes has also agreed in principle (subject to contract) to work with LiveWest Homes Limited ('LiveWest'), Devonshire Homes' preferred affordable housing partner, to deliver the 10 affordable homes (30% of the total of 32 homes) that are required at this site. The intention is to deliver 7 social rented homes and 3 shared ownership homes.

However, in order to significantly enhance the deliverability of these 10 affordable homes, to get those affordable homes occupied as quickly as possible by people in housing need, and for Devonshire Homes and LiveWest to enter into their contract, two key aspects of the Section 106 Agreement require variation. Accordingly, Devonshire Homes hereby submits this application for a Section 106 Agreement Deed of Modification to Torridge District Council, the Local Planning Authority ('LPA').

1. Time Periods for Advertising of Affordable Homes

Social Rented Homes

Clauses 2.19 and 2.20 of Schedule 1 of the Section 106 Agreement stipulate advertising requirements for the social rented homes. The time periods are too lengthy and will delay occupation of the social rented homes by people in housing need. This application seeks to vary those provisions by maintaining the tiers of priority, with the highest priority being people living in the Parish, but speeding up the advertising period, to enable those in housing need to occupy the homes as quickly as possible. The diagram over the page compares the existing provisions (left hand side) with the proposed replacement provisions (right hand side).

Shared Ownership Homes

Clauses 2.21 and 2.22 of Schedule 1 of the Section 106 Agreement stipulate requirements for the advertisement of the shared ownership homes. Again, the time periods in those provisions are too lengthy and will delay occupation by people in housing need, and this application seeks to vary those provisions, maintaining the order of priority for people living in the Parish, but speeding up the advertising period. The diagram further overleaf compares the existing provisions (left hand side) with the proposed replacement provisions (right hand side).

By way of example, LiveWest has experience of customers bidding on a property when it is released, being selected, but then not being able to complete on that tenancy because LiveWest has been unable to let the property to them swiftly due to long advertising periods, and so those people find alternative accommodation elsewhere that they are able to secure more quickly. This wastes time and causes frustration in the customer's journey.

Conversely, LiveWest has considerable experience advertising and occupying homes more effectively at other developments where the provisions they propose for this development are in place.



Social Rented Homes

Current Provisions

Week 1	Commence advertising Priority for people with local connection to Parish
Week 2	
Week 3	
Week 4	
Week 5	
Week 6	
Week 7 onwards	<p>If no interest from persons within the Parish, home can be occupied by someone from an adjoining Parish</p> <p>If no interest from persons within the Parish or adjoining Parishes, home can be occupied by someone from elsewhere in the District</p> <p>If no interest from persons within the Parish, adjoining Parishes or District, home can be occupied by someone from elsewhere in the County</p>

Proposed Provisions – Quicker Occupation

Week 1	Commence advertising Priorities as follows: People with a local connection to the Parish People with a local connection to the adjoining Parishes People with a local connection to the District
Week 2	
Week 3	
Week 4	
Week 5 onwards	If no interest from the above persons, home can be occupied by someone from elsewhere in the County

} TIME SAVING



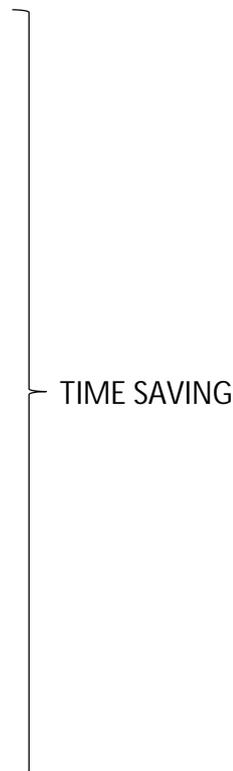
Shared Ownership Homes

Current Provisions

Week 1	Commence advertising Priority for people with local connection to Parish
Week 2	
Week 3	
Week 4	
Week 5	
Week 6	
Week 7	
Week 8	
Week 9	
Week 10	
Week 11	Continued overleaf...

Proposed Provisions – Quicker Occupation

Week 1	Commence advertising Priorities as follows: People with a local connection to the Parish People with a local connection to the adjoining Parishes People with a local connection to the District
Week 2	
Week 3	
Week 4	
Week 5 onwards	If no interest from the above persons, home can be purchased by someone from elsewhere in the County





Week 12		} TIME SAVING
Week 13	If no interest from persons within the Parish, home can be purchased by someone from an adjoining Parish	
Week 14		
Week 15		
Week 16		
Week 17	If no interest from persons within the Parish or adjoining Parishes, home can be purchased by someone from elsewhere in the District If no interest from persons within the Parish, adjoining Parishes or District, home can be purchased by someone from elsewhere in the County	



2. Shares in the Shared Ownership Homes

When someone buys a shared ownership home they (a) buy an equity share of the property with a mortgage and (b) pay rent to the affordable housing provider on the remaining equity share that is owned by the affordable housing provider, which in this case would be LiveWest.

Clause 2.11.2 of Schedule 1 of the Section 106 Agreement stipulates that the minimum initial share of the equity that a resident may purchase shall be between 25% and 75%.

The definition of “Shared Ownership Housing” and clause 2.11.3 of Schedule 1 of the Section 106 Agreement both stipulate that the maximum amount of equity in a shared ownership home that can be purchased by the resident is 80%. This application seeks to vary that such that the resident would have the option to purchase up to 100% of the equity.

One of the purposes of shared ownership homes is to enable their residents to get on the housing ladder by owning an equity share of the home in the first instance, but potentially go on ultimately to own 100% of the equity if they are willing and able to. The current 80% restriction would prevent this.

Furthermore, LiveWest advises us that mortgage providers typically prefer residents to have the option to purchase up to 100% of the equity, and actually charge their customers higher interest rates where such an 80% restriction is in place, in other words the home is made less affordable for the resident than it needs to be, which is counter-productive for an affordable housing product.

Put simply, this 80% equity restriction disadvantages people that the shared ownership system is meant to be helping get onto the property ladder.

It is important to stress that there is no intention to change the “staircasing” provisions in the Section 106 Agreement whereby “staircasing” payments would be reinvested by LiveWest towards the provision of additional affordable housing in the District.

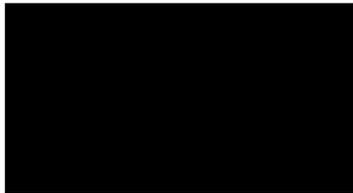


Conclusion

We hope that we have explained the rationale for the Deed of Modification application and the benefits it will bring to housing delivery. We would be very pleased to discuss the matter further with you and we look forward to working with you through determination of this application at the earliest opportunity, if possible within four weeks due to contractual reasons.

If you agree in principle to the amendments proposed, Devonshire Homes would be pleased to instruct solicitors to prepare a draft Deed of Modification to effect the amendments, and to cover the Council's legal costs for reviewing and completing the deed if necessary.

Yours sincerely,



Ian Roach MRTPI MIEMA CEnv
Director

CC

- Matthew Loughrey-Robinson, Development Manager, Devonshire Homes
- Anthony Eke, New Business Manager, LiveWest
- Don Osborne, Clerk, Halwill Parish Council

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