

Rural Lettings Policy



Approved date
26 January 2021



1. Purpose

The purpose of this policy is to ensure that an applicants' local connection to a parish/grouped parish or adjoining parishes/ adjoining grouped parishes within the district is taken into account before allocating rented or intermediate affordable housing in rural parishes.

The policy ensures that applicants with a local connection to the parish/grouped parish and adjoining parishes/ adjoining grouped parishes will receive priority when an affordable home is being let or sold there. This will apply on first and all subsequent lettings or sales.

An exception to this is where there is evidence that new shared ownership properties, and also shared ownership properties with existing planning permission, are funded by Homes England grant on a non-rural exception site. These properties will be exempt from local connection criteria in accordance with the Homes England Capital Funding Guide.

The allocation of affordable housing is controlled through a s106 legal agreement.

When affordable housing in a rural area (i.e. not in any of the towns, except Upton upon Severn and Tenbury Wells) is let or sold, first priority will be given to those applicants who can demonstrate a connection to the parish/grouped parish within which the new build affordable housing is located.

If no applicants with a local connection to the parish/grouped parishes apply then priority will be given to those who have a local connection to adjoining parishes/ adjoining grouped parishes within the relevant district council area (as shown in maps in Appendices 1 and 2).

Applicants with a priority due to having a local connection to the parish or adjoining parishes will be considered for an allocation through the allocations policy based on their circumstances and housing need.

Grant funded shared ownership properties will be allocated and sold in accordance with the Homes England Capital Funding Guide requirements.

This Rural Lettings Policy will apply to all s106 agreements made after the date when the policy was approved. S106 agreements prior to this date will not be amended and re-lets of existing stock will not be subject to this policy unless it is a requirement of the existing s106 agreement for the site.

This Rural Lettings Policy applies to the following affordable housing tenures:

- Social rent
- Affordable rent
- Shared ownership
- Fixed equity (also known as Discount Market Sales)
- Entry level homes for first time buyers and renters
- Any other intermediate affordable housing products

In the case of shared ownership, the policy ceases to apply in the event a tenant/ occupier purchases 100% of the freehold to their property. For most shared ownership properties there will be a limit on staircasing in rural areas.

Urban extensions will not be covered by this policy. Other large sites of over 100 dwellings may also not be covered based on housing needs evidence at the time.

This is to be at the discretion of the Director of Housing and Communities in consultation with the relevant portfolio holder.



2. Qualifying persons

2.1 A qualifying person will:

be registered on “Housing for You”, the council’s statutory housing register (rented only*)

- ✓ be in need of affordable housing
- ✓ have demonstrated a connection with the parish/grouped parish in accordance with the local connection criteria below (except in the case of grant funded shared ownership properties as these properties will be exempt from local connection criteria in accordance with the Homes England Capital Funding Guide)

*Persons seeking intermediate affordable housing (such as shared ownership or fixed equity) will not be required to register on “Housing for You”. They will only need to complete the relevant applications to the properties they are seeking to buy.



3. Local connection criteria

3.1 In order to have local connection applicants will demonstrate one of the following local connection criteria:

- **Residence**

Lived in the parish by choice for 6 out of the last 12 months or 3 out of the last 5 years, or

- **Family**

Close family (mother, father, sibling, adult son or adult daughter) living in the parish by choice for at least the previous five years, or

- **Employment**

Permanent paid employment in the parish, or

- **Other**

A local connection to the parish as a result of special circumstances (subject to approval by the Housing Services Manager).

To the extent that no applications are received from a qualifying person who has a local connection to the parish/grouped parish or the adjoining parishes/adjoining grouped parishes, then any applicant with a connection to the relevant district will be considered.

To the extent that no applications are received from a qualifying person who has a local connection to the relevant district then applicants' resident in the UK will be considered. (See Appendix 3 for timescales relating to this cascade mechanism). NB sometimes there may be a need to add further layers to the cascade, for example where a neighbouring district is in close proximity to the parish and should be given priority following the relevant district council. If this is necessary it would be agreed by a senior member of the planning team.

4. Statutory allocations scheme

The allocation and letting of affordable housing in the district is in accordance with the council's statutory allocations scheme "Housing for You" which has been approved by Members and is published on our website:

www.wychavon.gov.uk/housing/housing-for-you

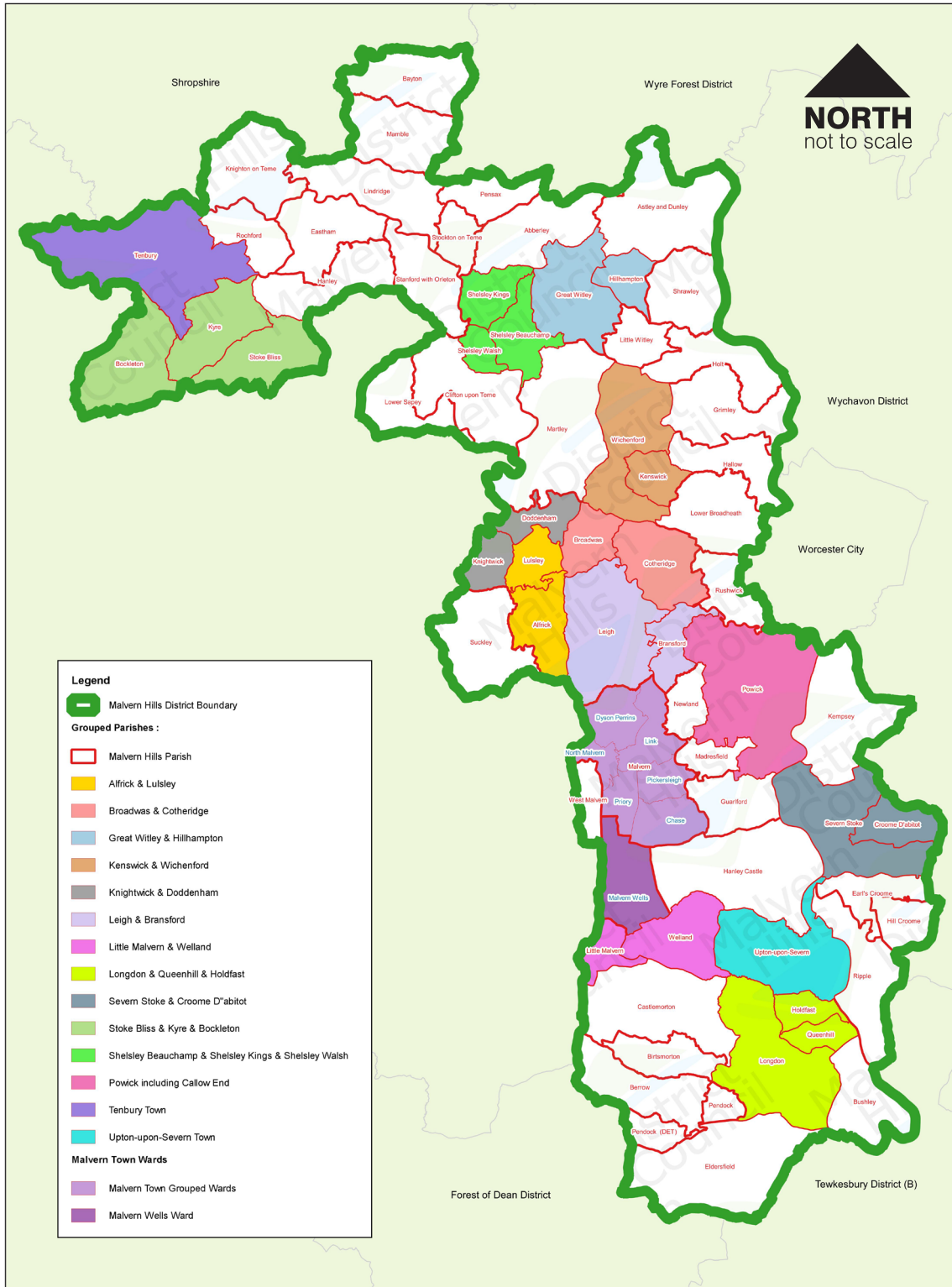
The statutory scheme is designed to assess housing needs in accordance with the 'reasonable preference' criteria set out in s167 (2) of the Housing Act 1996.



Appendix 1

Malvern Hills Parish map for the purpose of local connection cascade

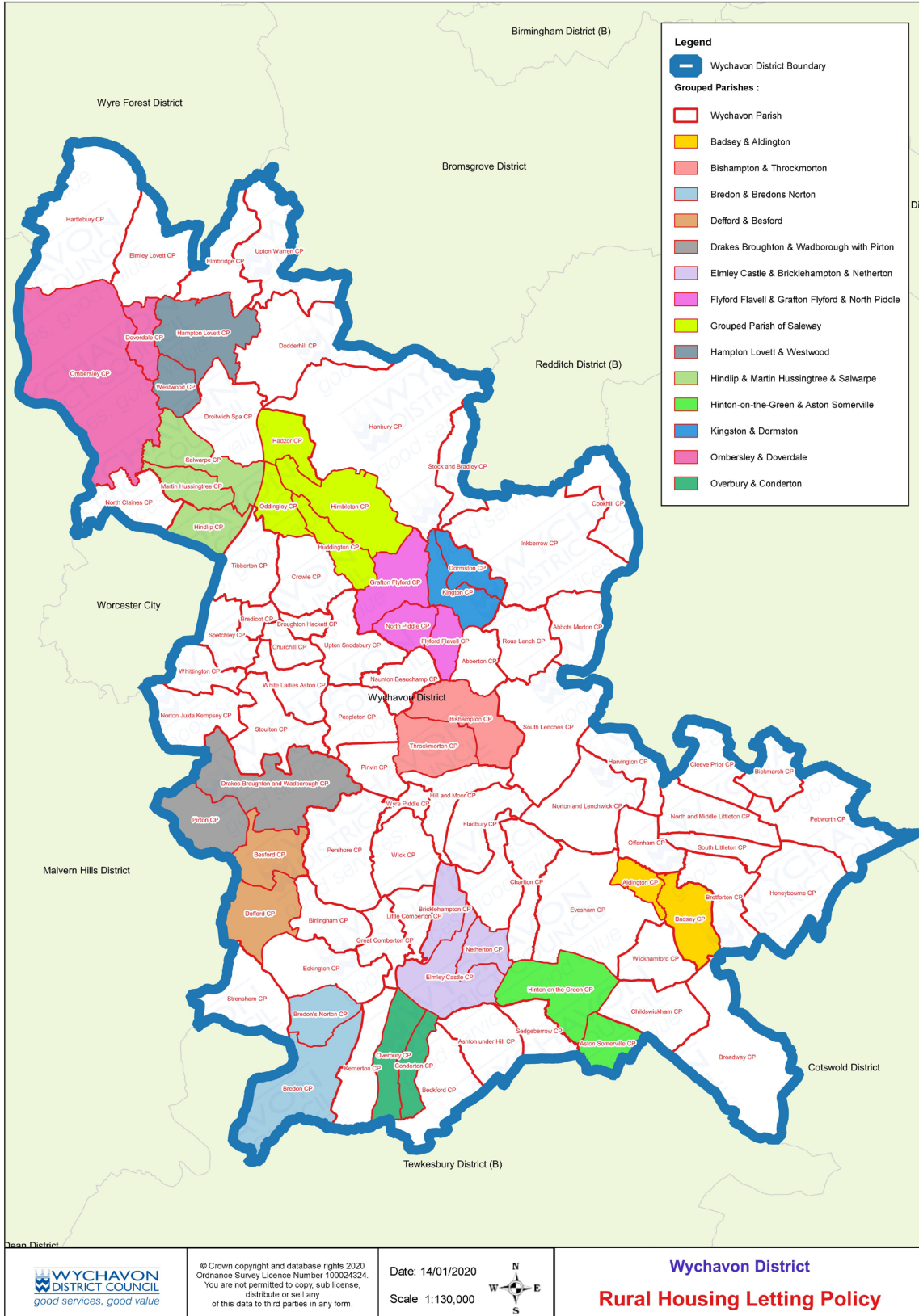
Malvern Hills District Parishes and Wards



Appendix 2

Wychavon map for the purpose of local connection cascade

Wychavon District Council Parish map



Appendix 3

Timescales for applying the Local Connection cascade

Appendix 3 sets out the councils expected timescales for moving from one part of the cascade to the next. This will guide council and registered provider officers in terms of operational practice and ensure effective monitoring as follows:

- For initial lets of rented properties, advertising can commence and pre offers can be made to those with a local connection to the parish/grouped parish prior to handover to the registered provider. In the event that there are not enough applications from residents with a local connection to the parish/grouped parish, then the cascade can not start until handover to the registered provider. This is because it can be a significant amount of time between new properties being marketed and handover and every opportunity to meet the needs of parish/grouped parish residents must be taken.
- For re-lets of rented properties, the property can be advertised via the statutory allocations scheme “Housing for You” when notice to terminate the tenancy is received from the existing tenant.
- For initial sale of intermediate home ownership products, advertising to seek expressions of interest and exchange of contracts can commence prior to handover with applicants who have a local connection to the parish/grouped parish.

In the event that there are not enough applications from residents with a local connection to the parish/grouped parish, then the cascade can not start until handover to the Registered Provider. This is because it can be a significant amount of time between new properties being marketed and handover and every opportunity to meet the needs of parish/grouped parish residents must be taken.

The property should be advertised via the statutory allocations scheme “Housing for You” as part of any wider package of promotion.

- For re-sales of intermediate home ownership products, advertising can commence at the point the value has been agreed between the relevant parties, e.g. the council must agree fixed equity valuations. The cascade will start when the property has been advertised. Properties should be advertised via the statutory allocations scheme “Housing for You” as part of any wider package of promotion.
- Properties are to be advertised for a period of 8 weeks after handover, to enable a minimum 2 or 3 bid opportunities for applicants. The adverts can extend to cover the relevant district for the full 8 week period. However, throughout this period, priority will be given to applicants based on the local connection cascade, as follows:
 1. **Priority** – Local connection to the parish/grouped parish that the site falls within
 2. **Priority** – Local connection to adjoining parish/adjoining grouped parishes
 3. **Priority** – Local connection to the relevant District

It is not expected that registered providers would allocate to those with a local connection to one of the adjoining parishes until week 3 and 4 of advertising. Even then, registered providers are expected to prioritise any applicants who bid, as set out above.

It is not expected that registered providers would allocate to those with a local connection to the district until weeks 5 -8 of advertising. Even then, registered providers are expected to prioritise any applicants who bid, as set out above.

After 8 weeks of advertising, the property may be allocated to an applicant registered on the statutory allocations scheme (where required) who has a need for affordable housing and is resident in the UK.

**This policy has been revised and
agreed on 26 January 2021.**



Search online for further information at:

www.malvern hills.gov.uk and www.wychavon.gov.uk