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21st November 2022

Dear Sir/Madam,

Re: Francis Road, Withington, Affordable Housing Statement

This statement sets out Southway Housing Trust's affordable housing proposals in respect of the planning application for Pellow House, Francis Road, Withington M20 4XP. It should be read in conjunction with the detailed plans, statements and other supporting evidence accompanying the planning application.

Southway has entered into an option agreement for the purchase of the Pellow House site from the current landowners. The option provides for the completion of the land transfer to Southway Housing Trust which will enable onward delivery of the development following the grant of planning permission. Southway confirm this is a deliverable scheme which can provide affordable housing units in the short term.

On behalf of Southway Housing Trust I confirm all the units proposed on this site will be 100% Affordable Housing and on completion be owned by Southway Housing Trust (Manchester Ltd). Southway Housing Trust is a community-based housing provider and social enterprise established in 2007, working in Greater Manchester. Southway owns 5,880 properties and all Southway homes exceed the Decent Homes Standard. Our core landlord services achieve above average performance and tenant satisfaction ratings. Southway employs around 200 staff, the majority of whom live in the wider Greater Manchester area and spends around £25million a year to benefit local communities.

Southway Housing Trust are a committed and forward thinking not for profit local housing company and are passionate about providing excellent homes and outstanding customer care. Our Primary Purpose is to provide high quality affordable homes in desirable neighbourhoods where people are happy to live and have the opportunity to reach their potential.





Affordable Housing Scheme

The proposed development comprises 24 dwellings in total. The proposal is for 100% of the dwellings to be delivered as affordable housing. This is significantly in excess of the Council's 20% affordable housing policy requirement development of the site would normally generate. The proposals will help the City Council achieve its annual target for new affordable homes. Southway have discussed the grant funding requirement with Homes England partners and Greater Manchester Combined Authority Brownfield funding has been allocated to the scheme. On receipt of planning and in line with Homes England requirement for 'firm' deliverable schemes, Southway will apply to Homes England for grant funding across 100% of the units, which HE will require consent from Manchester City Council for. This will provide certainty for Manchester that Southway will be providing a 100% affordable housing scheme. It is the Trust's view that as the scheme is being offered for 100% affordable housing, any deviation from the 5:15 ratio of social to intermediate housing will be acceptable given the excess provision of affordable units.

All housing and financial modelling will align with Homes England guidance and meet the definition of Affordable Housing as set out in Annex 2: Glossary of the National Planning Policy Framework set out below:

Annex 2: Glossary

Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

- a) **Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
- b) **Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.
- c) **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
- d) **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable housing for rent

It is our aspiration to provide a Social Rent or Affordable Rent product in our core areas such as Withington. The nominations will be allocated via Manchester Move and offered on a priority needs basis in accordance with MCC and Homes England procedures. Social and Affordable Rent tenures are managed via our Neighbourhoods Services team who can call upon specialist internal teams to provide additional tenancy support if needed.



Size and Type

The proposed unit mix for Francis Road is set out below:

The benefits of the significant overprovision of affordable housing clearly outweigh any technical deviation arising from the mix. In addition, it is felt that a mix of smaller 1 and 2 bedroom homes is more appropriate for the location and will facilitate right sizing opportunities.

No. of Units	Unit Type	Size m2	Tenure
16	1 bed 2 person apartment	50 – 51	Affordable housing for rent
8	2 bed 3 person apartments	62- 68	Affordable housing for rent

Southway has a limited amount of smaller one and two bedroomed homes within its core neighbourhoods such as Withington. Over 1700 of our family homes are currently under occupied by single person and two person households. Southway have a policy of encouraging right sizing wherever possible and have successfully released family sized housing back into the allocations process on several previous developments.

The neighbourhood around Francis Road has typically larger traditional semi-detached homes in a garden estate setting. People with longstanding connections and commitments to the local area are often deterred from right sizing if it means leaving their local network. The pull factors to encourage under occupiers out of family sized housing are good location close to green space, thermally efficient building fabric, and one bedroom offer. These characteristics appeal to under occupiers who may be experiencing fuel poverty and economic hardship in larger, older properties that are unaffordable to heat. By increasing the number of one-bedroom properties available, we will be offering high quality affordable homes with minimal fuel costs which is a requirement of Manchester's core housing strategy. The homes will be built to the latest Building Regulations update to Part L: Conservation of fuel and power. This aligns with the Council's target for 50% of new housing to be either zero carbon or low carbon by 2025.



Southway have noted the feedback from local councillors regarding the preference for an Age Friendly scheme. Attainment of the HAPPI principles that characterise older persons housing is not possible on this small brownfield site. Our preferred approach is to work with MCC to promote the scheme to specific target audiences to create a balanced resident profile and where possible facilitate the release of 3 and 4 bedroom older housing stock back into the allocations process where possible.

Repairs process

General repairs and maintenance that fall outside of the tenant responsibility will be dealt with by our in-house Asset Management team for all tenures.

All residents will be issued with a full Home User Guide which will clearly set out the defects reporting procedure for their property, including emergency and out of hours' repairs. This will also cover key contacts within Southway, and useful information and contacts in the area.

An individual service charge matrix will be completed for this scheme once more detailed drawings and specifications have been produced. This will incorporate a number of factors, including but not limited to, a sinking fund for any unadopted roads, fencing replacement, parking management and landscaping maintenance. If you require any further information, please do not hesitate to contact me.

Yours sincerely,

Lorraine Taylor
Senior Development Officer
Southway Housing Trust