

Lotus Way Jaywick Sands





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### INTRODUCTION

The purpose of a Local Lettings & Sales Plan is to ensure a balance between housing priority in accordance with legal duties and responsibilities and the longer term sustainability of a local community.

Section 166A(6)(b) of the Housing Act 1996 (as amended) enables local housing authorities to allocate properties to people of a particular description whether or not they fall within the reasonable preference categories, provided that overall, the local authority can demonstrate compliance with legislative requirements. This can be achieved via a Local Lettings & Sales Plan.

In drafting their housing allocations policies, councils are required to have regard to guidance issued by the Secretary of State for Housing, Communities and Local Government. Guidance was published in June 2012 and December 2013 and supports the development of local lettings plans as the Government wants to see local authorities take an approach to social housing allocations which gives greater priority to those in need who have invested in and demonstrated a commitment to their local community. The guidance also stresses the need to deal sensitively with lettings in smaller communities by giving priority to those with a local connection to that community as part of a local lettings plan.

Tendring District Council adopted a Housing Allocations Policy in June 2013 (revised in December 2019) which introduced a residency requirement for applicants who seek to join the housing register. The requirement is that applicants live in the district for a period of at least three years before they apply. The policy does not recognise if a person has other connections with the district, for example, through family association or employment. The Council's Housing Allocations Policy enables the Council to implement a Local Lettings Plan when required.

### **BACKGROUND**

Lotus Way is located in Jaywick Sands, the most deprived ward in the United Kingdom. In September 2014, the Council commenced the acquisition of various parcels of land from five separate vendors in Jaywick Sands. The land in Lotus Way was one of the parcels of land subsequently purchased by the Council. The Council, in its community leadership and housing provider roles, is seeking to kick-start a housing led regeneration of the area to improve housing conditions for local residents and stimulate a change in market conditions. The Council has started to develop the site in Lotus Way for a mix of council stock for letting in accordance with its allocations policy and discounted homes for sale to specified personnel, such as Key Workers. Five homes will be retained within the Council's housing stock and will be available for rent and five will be available as homes for discounted sale. If further homes are built by the Council within the Jaywick Sands area, this Local Lettings and Sales Plan will also be applied to them, unless stated otherwise.

The overall ambition is to seek to improve the long term sustainability of the community and the lives of Jaywick Sands residents by providing them with a better housing offer. The development of this site is being progressed ahead of other areas as it is, in effect, the gateway into the Brooklands/Grasslands areas of Jaywick Sands and provides a very clear statement in respect of renewal. It is one of the more challenging areas to develop given its inherent flood risk and so will provide a benchmark valuation guide for other renewal initiatives.

Given the inherent challenges presented by the site and the ambition of the Council and the Coastal Community Team to deliver homes on the ground as soon as practical to maintain momentum and retain public confidence, these new homes will be delivered to a very high standard using modern methods of off-site construction. Recent tidal surges have shown the reluctance of residents to evacuate homes at risk in Jaywick Sands, and therefore the replacement of homes which have no flood resistance or resilience with homes which do offer flood resilience must be the Council's first consideration. The building of these first ten units is the first step towards this aim.

It is intended that the five council homes will be retained within the Council's housing stock and let having regard to this Local Lettings & Sales Plan which will mean that the Council will attempt to allocate the rented homes to families in need from the Housing Register who either currently live in or close to the Jaywick Sands area. The discounted homes for sale could, in theory, be purchased by anyone who meets the government's starter homes policy criteria but given the issues currently faced in attracting and retaining workers to critical local services, the Council has explored available options to find a mechanism to address these employment issues where good quality and affordable accommodation has been identified as a causal factor to attract or retain skilled professionals (known as Key Workers).

Development of the homes has commenced to maintain focus/momentum and community confidence that real change is happening and equally fulfils the Council's ambition of providing new council housing and local homes for local people.



#### PURPOSE OF THIS LOCAL LETTINGS AND SALES PLAN

The purpose of this local lettings plan for Lotus Way is to set out how the Council will allocate the five homes that are available for rent. It will also set out the criteria that will be applied to the discounted homes for sale and how they will be sold. For the rented homes, this plan will give priority to families who are eligible to join the Council's Housing Register and who currently live in the Jaywick Sands community. For the discounted homes for sale, the plan will set out the criteria that applicants will need to meet in order to be eligible and how they will be prioritised.



#### **HOW THIS LOCAL LETTINGS & SALES PLAN WILL OPERATE**

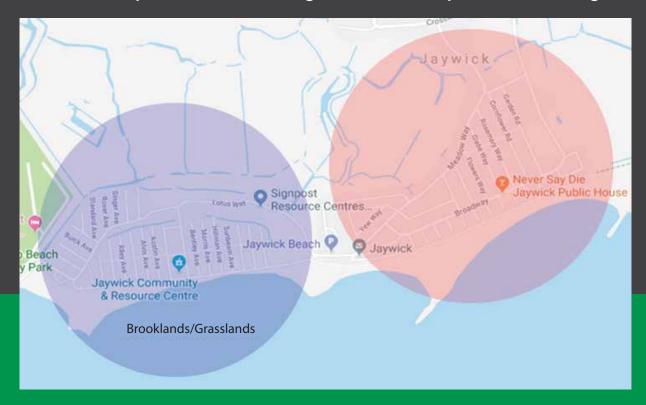
#### **RENTAL HOMES**

There will be five two bedroom houses available for rent in Lotus Way with the living and sleeping accommodation located on the first and second floors.

In order to be eligible for one of the rented homes, applicants will need to be eligible to join the Housing Register. The applicant's housing need will be assessed in accordance with the Council's Housing Allocations Policy having regard to the reasonable preference categories set out in the Housing Act 1996 (as amended) as follows:

- Households who are homeless or threatened with homelessness
- Households living in insanitary, overcrowded or other unsatisfactory housing
- Households who need to move for medical, welfare or disability reasons
- Households who need to move to a particular locality to avoid hardship to themselves or others.

The Housing Allocations Policy also gives additional preference to households who have been employed for at least 12 months and work at least 16 hours per week. Additional priority is also given to households who are current or former members of the armed forces or who have been approved for fostering or adoption. Households living in the Brooklands/Grasslands areas in the map below will be considered first for the vacant properties, followed by households residing in the rest of Jaywick Sands village -



As the houses will have two bedrooms, the Council will initially seek to let them to households who have a need for two bedrooms. Priority will be given to families with one or two dependent children over households who do not have dependent children. In the unlikely event that the houses cannot be let to families with dependent children or other households requiring a two bedroom property, the Council will consider letting the homes to couples who are in employment and who can afford the rent without relying on universal credit housing costs or housing benefit.

In the event of households having the same priority for housing, the determining factor will be the length of time the household has resided in the Jaywick Sands community.

#### **DISCOUNTED HOMES FOR SALE**

There will be five two bedroom homes available for discounted sale in Lotus Way. As with the rented homes, the living and sleeping accommodation is located on the first and second floors.

Since 2016, Government has expressed its commitment to "affordable" home ownership - supporting people to buy their own homes through Help to Buy and Starter Homes. The Housing and Planning Act 2016 defines what a starter home is, and although the legislation is not yet in force, the Council, as agreed by Cabinet, will use the definition to formulate a policy on disposing of homes to key workers.

Section 1 of the Housing and Planning Act 2016 states:

- (1) "starter home" means a building or part of a building that—
  - (a) is a new dwelling,
  - (b) is available for purchase by qualifying first-time buyers only,
  - (c) is to be sold at a discount of at least 20% of the market value,
  - (d) is to be sold for less than the price cap, and
  - (e) is subject to any restrictions on sale or letting specified in regulations made by the Secretary of State

In order to qualify to purchase one of the new discounted homes for sale in Lotus Way, unlike the rented homes, there is no requirement for the applicant to be registered for housing with the Council. The homes will be marketed by a local estate agent on behalf of the Council.

In order to be eligible to purchase one of the discounted homes for sale in Lotus Way, the following criteria will apply.

- a) The applicants must be first-time buyers
- b) The applicants must work in the Tendring district and be in permanent work
- c) The applicants must be aged 23 or over but not older than 40.
- d) The applicants must have a household income of no more than £80,000 per annum
- e) The applicants must be able to obtain a minimum 25% mortgage
- f) The applicants must occupy the home as their only or principal home.

The Council will give priority for the discounted homes for sale to residents living in Jaywick Sands and Key Workers.

For the purposes of this plan, Key Workers are defined as:

- Staff employed in the education sector
   (For example, teachers, teaching assistants and nursery nurses)
- Clinical staff employed in the NHS
   (For example, nurses, physiotherapists, clinical psychologists)
- Front-line staff employed by the emergency services
   (For example, police officers, PCSO's, fire-fighters and paramedics)
- Staff employed in the social care and care sector
   (For example, social workers, social work assistants, occupational therapists, carers)
- Staff defined as Military Personnel

To receive priority as a Key Worker, only one of two applicants is required to be a Key Worker.

In the event there are not enough expressions of interest from applicants meeting the above criteria, the council will consider expressions of interest from keyworkers over the age of 40 who must meet the criteria set out above and then expressions of interest form other first-time buyers who have lived in the district for at least three years and who meet the criteria above.

Applicants seeking to purchase one of the discounted homes for sale will need to complete an expression of interest form to determine if they meet the eligibility criteria as set out above. Evidence will be required to verify the application and applicants will need to provide evidence that they can afford the property and that they have a good credit history. If an applicant meets the eligibility criteria and wishes to proceed with a purchase, they will be required to pay a non-refundable deposit of £250. If the sale proceeds, the deposit will be deducted from the sale price.

The homes will be sold on a "first come first served basis". In the event of applications being tied, the determining factor will be the housing need of the applicants and then their length of local connection with the district.

As the homes are being sold with a 20% discount off the market value, applicants will be expected to repay some or all of the discount if they choose to sell the property within five years of taking up occupation. The amount of discount to be repaid will be as follows:

> Property sold within 1 year Property sold within 1-2 years Property sold within 2-3 years 60% of discount to be repaid Property sold within 3-4 years Property sold within 4-5 years Property sold after 5 years

100% of discount to be repaid 80% of discount to be repaid 40% of discount to be repaid 20% of discount to be repaid No discount to be repaid

Applicants will be expected to sell the property back to the Council or to another household who meets the eligibility criteria set out in this policy.







## MONITORING, REVIEW & APPEALS

The eligibility criteria in this Local Lettings and Sales Plan will apply for a period of 10 years. The occupancy of the homes will be monitored quarterly to ensure that the occupiers continue to live in their homes as their only or principal home. As the Secretary of State has yet to lay down the statutory regulations for "starter homes", the criteria set out in this plan may need to be changed in line with new regulations.

The Council's Corporate Director with responsibility for the Housing Service and Jaywick Sands development has overall responsibility for this Local Lettings and Sales Plan. If an applicant wishes to complain about how this plan has been applied or wishes to seek a review of an unsuccessful application, they should write in the first instance to the Assistant Director for Housing and Environment at the address below:

**Assistant Director for Housing and Environment** 



88-90 Pier Avenue Clacton-on-Sea Essex CO15 1TN



The applicant will receive a written reply to their complaint or request for a review within 21 days of their correspondence being received. If the applicant remains dissatisfied, their complaint or request for a review will be dealt with under the Council's Corporate Complaints Procedure.