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Planning Policy  
Epping Forest District Council  
Civic Offices  
323 High Street  
Epping  
CM16 4BZ

Date: 26 January 2018  
Our Ref: RC/MR M15/0715-176

**By email only:**  
[LDFconsult@eppingforestdc.gov.uk](mailto:LDFconsult@eppingforestdc.gov.uk)

Dear Sir / Madam

**RE: EPPING FOREST LOCAL PLAN: SUBMISSION VERSION CONSULTATION**

We represent Rentplus UK Ltd, an innovative company providing affordable rent to buy housing for working people aspiring to home ownership with an accessible route to achieve their dream through the rent - save - own model.

We enclose a statement which sets out more detail with regard to this model. The Rentplus affordable rent to buy model addresses the primary barrier to home ownership – the lack of a mortgage deposit – through a combination of a secure rented period at an affordable rent, giving time to save, and a 10% gifted deposit to enable tenants to buy their own home in 5, 10, 15 or 20 years. In this way it extends the opportunity of home ownership to families who are otherwise unable to afford it and to do so within a timeframe to suit their circumstances.

Analysis of occupied Rentplus developments to date found over 60% of those moving into the new homes had come from the housing waiting lists, while at least 35% moved from existing affordable housing, releasing those homes for families in greater need. An analysis of the average age of tenants at six recent Rentplus developments indicates that the majority of tenants are aged under 34, with 64% within the 25-34 age group. This age group is recognised as the most affected by affordability constraints; areas with high numbers of young adults will benefit significantly from access to affordable home ownership.

The aim of the model is to help those hard working households unable to access shared ownership, starter homes or homes on the open market overcome the mortgage deposit 'gap' by enabling real savings to be built while renting at an affordable rent - 80% of open market rent (including any service charge) or Local Housing Allowance (whichever is the lower).

The main differences with other affordable tenures is that families are able to save for the mortgage deposit for the same home, with a 10% gifted deposit, and are actively assisted into purchase in years 5, 10, 15 and 20. The inclusion of affordable rent to buy as one of the routes to affordable home ownership provides greater choice and flexibility to reflect individual family circumstances and aspirations.

The model also meets a gap in the affordable housing tenure mix, helping the Prime Minister Theresa May's:

*"personal mission to build the homes this country needs so we can restore the dream of home ownership for people up and down the UK.*

*In the Autumn we set out ambitious plans to fix the broken housing market and make sure young people have the same opportunities as their parents' generation to own their own home.*

*This has had an immediate impact, with thousands of people already making savings thanks to our stamp duty cut, and over a million first-time buyers over the next 5 years are expected to save money that they can put towards a deposit, solicitors' fees or furniture.*

*We are building a Britain that is fit for the future and our message to the next generation is this – getting on – and climbing up – the housing ladder is not just a dream of your parents' past, but a reality for your future.”<sup>1</sup>*

The Government is now expected to publish a draft update to the NPPF in late February, bringing forward more specific proposals to widen the definition of affordable housing, as set out in last year's housing White Paper, *Fixing our Broken Housing Market* which included specific praise of affordable rent to buy (as overleaf):

“Rent to Buy homes ... will enable thousands of households to access home ownership through a product that fits their circumstances. Rent to Buy will help hard-working households to benefit from a discounted rent set flexibly at levels to make it locally affordable so they can save for a deposit to purchase their home.” (Paragraph 4.28)

Whilst affordable rent to buy is not yet formally recognised within national planning policy, this consultation does provide the Council with an opportunity to further review the policies in this Plan, and to recognise the wide range of affordable housing tenures now being delivered across England. Affordable rent to buy diversifies local housing options and extends the opportunity of home ownership to a greater number of local people, supporting this Government's policy direction. Unlike shared ownership and starter homes, affordable rent to buy does not require an upfront mortgage deposit; those and other intermediate affordable housing tenures fall short of helping those people who have the ability to save while renting an affordable home to realise their dream of home ownership.

## **Policy H2. Affordable Housing**

We note paragraph 3.16 where it states that the evidence in the SHMA indicates:

“the need for the provision of 81% of new affordable homes to be for affordable rent and 19% to be for intermediate housing products. This provides a useful starting point but, as with the delivery of market housing, there is a need to consider the most appropriate location, type, size and tenure of properties to be provided in different areas.”

We appreciate that whilst the SHMA sets out an indication of the tenure mix, we welcome the flexibility within **Policy H2** which will allow both developers and the council to respond to individual development proposals in a way which will best meet local housing needs. In light of those forthcoming changes to the NPPF, we recommend the addition below **Part C** of the policy:

“Housing mix will include tenures to rent and buy, including starter homes and affordable rent to buy, to accord with the definitions set out in the NPPF and to boost opportunities for home ownership.”

This addition will ensure the policy is suitably flexible over the Plan's lifetime, enabling it to be implemented effectively by the Council in advising developers and negotiating with applicants on individual development proposals. This will also future-proof the policy, helping to ensure that the planned changes to the NPPF do not require a rapid review of the Local Plan following adoption.

As Rentplus is fully funded by institutional investors the model places no additional pressure on housing association funds or public subsidy, and by providing the homes in partnership with RPs, which manage and maintain each Rentplus home prior to purchase, the model also enables each partner housing association to make greater use of increasingly scarce resources.

We support the policy direction seeking a greater supply of affordable housing. Flexible planning policies encourage developers to bring forward housing developments that properly reflect local housing needs and aspirations. Successive Government consultations and announcements indicate that policy needs to ensure that developments respond to changing needs, including difficulties in accessing housing to purchase. We strongly encourage the Council to adopt progressive and ambitious planning policies that support the delivery of a wide range of affordable housing tenures, including affordable rent to buy, to assist even greater numbers of people into homes they can afford and aspire to own.

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<sup>1</sup> Speech, 3 January 2018.

We would like to be notified when the Local Plan is submitted for Examination, and all stages thereafter, by email only to [REDACTED]. Please ensure that Rentplus is retained on the consultation database, with Tetlow King Planning listed as their agents.

Yours faithfully

[REDACTED]

**MEGHAN ROSSITER BSc (Hons.) MSc MRTPI**  
**PRINCIPAL PLANNER**  
For and On Behalf Of  
TETLOW KING PLANNING

**Enc.:** Affordable Housing Statement

**Cc:** Sue Coulson and Anthony Eke, Rentplus