

COMMUTED SUM PAYMENT EXAMPLE ONE

Conversion of Barns Into 7 Dwellings at Lordship Farm, Mill Lane, Hinxtton

These barns lay outside the village framework and the applicants considered a range of alternative uses prior to the application for residential conversion.

The current policy requires 50% of new residential development to be affordable and therefore required 3 of the newly converted units to be available as affordable housing. However, due to the cost of converting such buildings, the high level of on-going maintenance and repair and general non-compliance with Housing Corporation Scheme Design Standards, the Council's housing association partners are not able to accept such buildings for affordable housing. In addition Housing Corporation will not grant fund such schemes.

For this reason it is considered that this is one specific area where the acceptance of an agreed commuted sum is an acceptable alternative to on-site provision.

In the absence of funding and a grant rate calculator for such schemes it is considered that the commuted sum should be based on the cost of providing plots for three affordable houses in a similar location to the subject property.

Unlike example two, where the site falls within the village framework, in this particular instance the site is outside the framework and any form of affordable housing development in these circumstances falls within the Council's exception site policy.

For such exception sites the Council maintains a policy of restricting the amount that our housing association partners will pay for each affordable housing plot, the amount is currently £8,000, having recently been increased from £6,000. Therefore in this particular case the amount of commuted sum is £24,000, although of course had the subject site been within framework the cost of providing suitable alternatives, and hence the commuted sum, would be considerably higher.