



Councillor Phil King
 Chairman of the Scrutiny Panel for Places
 Harborough District Council
 Adam & Eve Street
 Market Harborough
 Leicestershire
 LE16 7AG

17th April 2012

Dear Mr King

**Re: Scrutiny Panel for Places on 19th April 2012
 Affordable Housing Provision**

Thank you for your letter of 11th April 2012 in respect of the above, and enclosures relating to the above meeting. I have noted that you would welcome written comments.

So that you are aware, MRH is a specialist provider, and enabler, of affordable rural housing across the Midlands. We support four County-based Rural Housing Associations which, between them, have developed around 1,400 homes in rural communities. One of these is Leicestershire Rural Housing Association. We also act as the host organisation for the Leicestershire Rural Housing Enabler.

The purpose of this letter is to comment on a number of points raised in Report No 1, which relates to developer guidance on affordable housing. In particular, we would like to comment on Item 3.20, which relates to developing housing through the Rural Exceptions policy.

This particular approach has been the primary mechanism for the delivery of affordable rural housing nationally, and is well supported by local communities for the following reasons:

1. It is a genuine partnership approach involving local communities, with high levels of consultation.
2. The size, mix and tenure of any development is directly related to that of the local need identified.
3. Due to the planning conditions imposed, it ensures local people will be housed.

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The vast majority of homes provided through Midlands Rural Housing have been delivered utilising the Exceptions route. It is an approach which is actively supported by many local authorities, who see it as the most effective mechanism to provide homes in smaller villages where needs would otherwise remain unmet.


While we are aware that a number of "Exceptions" opportunities are being taken forward in the district, given the very rural nature of Harborough, we would encourage the increased use and promotion of the Exception policy. It has produced significant results elsewhere, and is supported within the new National Planning Policy Framework.

Linked to this is Item 3.10 of the report in relation to the use of commuted sums. The rural schemes promoted through this approach are generally small scale (around 6-8 homes), and the associated funding requirement can be modest. We are working with a number of local authorities where commuted sums are being used to fund such projects in their entirety, or as a contribution to schemes that have an element of funding from other sources (e.g. New Homes Bonus funding from the County Council and Recycled Capital Grant funds from registered providers). It should also be borne in mind that rural housing provision is the thematic priority for the Homes and Communities Agency in the Midlands region, and a pipeline of potential projects in the district, with an element of commuted sum attached, could act as a catalyst for leveraging in more HCA funding.

In short, we would encourage the increased use of the Exceptions approach, and this should be promoted more widely to rural communities. It would present real opportunities for utilising commuted sum money and is likely to attract resources from elsewhere. It is a mechanism supported by the NPPF and, through the processes used, enables significant engagement with local communities.

I hope the above comments are of value.

Yours sincerely



Craig Felts
Managing Director
Midlands Rural Housing