

PUBLIC QUESTION TO COUNCIL 19 JULY 2022

Agenda Item 3

Question from Mrs Thompson

If affordable rents are calculated at discounted market value, could the Leader explain the discount and how Exeter City Council planning consents with affordable housing conditions can guarantee rents remain affordable when market value rents on new build properties in Monkerton have been advertised up to £2,000 per calendar month?

Response

Affordable rent is a type of affordable housing. Rent is set at 80% of open market rent. This is achieved by means of a Section 106 Agreement (i.e. a legal agreement) attached to the planning consent.

To date in Exeter, there have been very few cases where affordable rent has been accepted as the affordable housing contribution on a new development. Where it has been accepted, this has generally been for reasons for development viability. Social rent (which has a higher level of rental discount) and shared ownership are the types of affordable housing that have tended to be negotiated through the planning application process to date.