

# Draft Affordable Housing Policy 2009

## 1. Introduction

Within Breckland we are aware of the lack of housing which is affordable and the gap between average incomes and average private rents and market prices. This understanding has been identified through the District wide Housing Needs Survey 2007 and the sub regional Strategic Housing Market Assessment 2007. Both surveys highlight the disparity between house prices and the below average income levels many of our residents experience in finding affordable housing solutions to meet their needs. Affordable housing is considered a priority for the Council and we will seek to maximise each opportunity to deliver an increase in the number of affordable homes across the district.

The Council will support RP's (registered providers) and developers to seek funding from the Homes and Communities Agency (HCA) and also maximise the provision of affordable housing through the use of Section 106 agreements without any grant funding from the HCA.

This guidance aims to provide the procedures to support the Local Development Framework core policies on affordable housing DC4 and DC5. It will also be used as a framework for negotiation in taking forward development proposals.

## 2. What is affordable housing?

The definition we use for affordable housing is contained in Planning Policy Statement 3 'Housing' (2006) and set out below :-

Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market.

Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices
- Include provision for the home to remain at an affordable price for future eligible households, or if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.

Affordable housing covers two basic forms :

1 Social rented which would be through an RP or similar approved body at rent levels set within government housing benefit limits; to ensure that the properties are affordable for successive occupiers.

2 Intermediate properties (which include Discounted Market rent ) - where the rent is above the housing benefit limit but below the market rent level in the district and New build home buy which is shared ownership where a

purchaser buys part of the property and rents the remainder from a RP or similar body with the opportunity to purchase further shares in the property.

### **3. Planning Policy**

The relevant policies from the Local Development Framework are DC 4 Affordable housing principles and DC 5 Affordable housing on exception sites

#### **Policy DC 4**

##### **Affordable Housing Principles**

To meet District housing needs the Council will apply the following principles:

40% of the total number of housing units will be provided and maintained as affordable housing within all new residential development on sites which the Local Planning Authority determines:

- a. Has a capacity for 5 or more dwellings; or
- b. Comprises of an area of 0.17ha or larger

The policy will be applied to all sites and proposals which, individually or as part of a wider but contiguous site in the same ownership and/or control, could accommodate a level of development that would meet the above thresholds.

In assessing the suitability of affordable housing the Council will require that:

- c. The affordable housing will be provided as built units on site; and
- d. The mix, size, type and tenure of affordable homes will meet the identified housing need of Breckland as established by Housing Needs Surveys and Assessments; and
- e. The affordable housing shall comprise of a mix of social rented accommodation and intermediate housing consistent with the Strategic Housing Market Assessment; and
- f. The affordable housing is integrated into residential layouts so as to provide for a distribution of affordable housing within the development site that will enhance community cohesion; and
- g. Developers and owners enter into planning obligations in order to provide the affordable housing and to ensure its availability to initial and successive occupiers.

The 40% requirement and the precise mix may only be reduced where it is demonstrated to the satisfaction of the Council that existing physical constraints on the site, in addition to the 40% requirement, will result in extraordinary costs which the development could not reasonably be expected to bear.

In exceptional circumstances off-site contributions in lieu of built units on site will be considered where evidence is provided to the Council's satisfaction that wider sustainability advantages would be secured and existing physical constraints will result in extraordinary costs which make the provision of on-site units unviable.

When calculating the percentage of affordable housing if the figure is not a complete number we will use a rounding up and down as follows :-

If the figure is at or above 0.5 we will round up to the nearest whole number, if the figures is below 0.5 we will round down to the nearest whole number.

#### **Policy DC 5**

##### **Affordable Housing on Exception Sites**

In order to meet local rural housing need, new affordable housing development may be permitted in Local Service Centre Villages and other rural settlements of 3,000 population or less, on small sites which would not otherwise be released for housing, where:

- a. There is a proven need in the parish or individual settlement for affordable housing; and
- b. The size of the site and the mix of dwelling sizes and tenure on the site reflects the identified need;
- c. The scheme ensures that all dwellings will remain available as affordable housing and exclusively for local need, in perpetuity and that the necessary management of the scheme can be permanently secured;
- d. The site is well related to facilities and services within the existing settlement;
- e. It can be demonstrated that there is no land available within the settlement boundary that is suitable for the number and type of housing proposed; and
- f. The site is adjacent to the defined settlement boundary.

In the case of small rural settlements where there is no settlement boundary, proposals for affordable housing will be permitted where:

- g. the above criteria (i) to (iv) inclusive can be met; and
  - h. it has been demonstrated through additional evidence that the need cannot be met in a more sustainable settlement; and
  - i. the scale of the proposal is commensurate with the level of service provision
- Where permission for affordable housing is granted on exception sites, the Council will impose a legal agreement to ensure affordable housing is maintained to meet the identified needs of occupants in perpetuity.

Details will be needed of the legal mechanism proposed to achieve these requirements. The Council will also consider the need to remove permitted development rights to help ensure that dwellings meet the identified needs of occupiers.

#### **4. Negotiating the number of homes**

Negotiation should commence at the earliest opportunities with the Local Planning Authority who are the first point of contact for development within the District. If the site is likely to exceed the threshold targets then the affordable housing percentage will be triggered. Attention will also be given to wider but

contiguous sites which cumulatively will trigger an affordable housing contribution. The Local Planning Authority will work with the Strategic Housing team to provide a schedule of accommodation to reflect the tenure and types of housing based on the relevant information at the time. This will reflect housing need, the make up of the housing stock in that area by type and tenure.

When negotiation of affordable housing is part of a larger development it is expected that the affordable housing will be developed in an integrated manner across the site. We usually expect to see the affordable housing in groups of no more than 10 to 15.

The provision of the affordable housing will then be part of the Section 106 agreement which detail the type, tenure, location and details of the RP or other approved body who will take ownership of the properties.

The sale of the units to the RP will be at a price to reflect the Councils policy of not providing or supporting subsidy for the provision of housing on a Section 106 site.

The number of affordable homes will be based on 40% of the total number of units being developed on the proposed site. There are no exceptions to the application of this policy and we support provision on a range of opportunities such as self build, park homes, listed buildings, conversions, assisted living schemes.

It should also be noted that our requirements will not always be for standard houses we may require other forms of housing to be developed such as supported housing to meet particular needs of the elderly or young people.

During negotiations regard will be given to the economics of development and an appropriate approach will be undertaken if a developer has exceptional costs which could justify a reduced level in the planning obligations of a site. The appropriate information will be a full cost and income analysis. In such cases the Council will undertake an independent verification of the information through the District Valuer, the cost of which will be met by the developer.

#### Exception Sites: Negotiating the Location

Breckland as a rural District has a number of parishes with populations of less than 3000 people. These parishes are where we will consider affordable housing as an exception and use the appropriate planning policy to enable housing to be delivered. Policy DC5 reflects policy in PPS3 'Housing' at Paragraph 30 which allows for Rural Exception sites. Such sites will only be used for affordable housing in perpetuity and will accommodate households who are either current residents of the parish or have an existing family or employment connection.

A number of larger villages in Breckland will have a settlement boundary as defined on the Proposals Map in the LDF. In these settlements, locations for an Exception site will only be considered where:

- (1) The site is well related to facilities and services within the existing settlement; and
- (2) There are no alternative suitable sites within the settlement boundary to accommodate the proposal; and
- (3) The site is directly adjacent to the settlement boundary.

In order to address points (1) to (3), the Local Planning Authority will require relevant evidence to be provided as part of the Design and Access Statement accompanying a planning application. The Council considers a site to be well-related to facilities and services where it is within a reasonable walking distance (800metres or 10minute walking time). Additional consideration will be given to the quality, safety and ease of the route from the site to available facilities and services for pedestrian and cyclists. The Breckland LDF Core Strategy (2009) defines key rural services and facilities in Core Policy 14 'Sustainable Rural Communities'. In considering proposals for Exception Site housing particular consideration will be given to access to a shop, a primary school, healthcare facilities and public transport.

In assessing the availability of alternative sites within settlement boundaries, the Council will expect to receive evidence of the likelihood of delivery in terms of land ownership, policy issues, environment and access. Exception sites will only be considered where the site is directly adjacent to the settlement boundary. Where the settlement boundary is defined along one side or the middle of a public highway, the Council will consider an exception site to be directly adjacent the settlement boundary if it is on the opposite side of the highway to the built settlement.

In considering Exception Sites particular regard will be given to all planning policies contained in the adopted LDF, not least policies concerning landscape and the environment. The south-west part of the District is defined by the Brecks, a landscape of heath, forest and arable farmland. This part of the District contains a number of European protected nature conservation sites, a number of which host Stone Curlews – a European Annex 1 protected bird species. In response to available evidence, the Breckland LDF has adopted a precautionary approach to development in proximity to established areas where Stone Curlews nest. The approach has been to define a 1500metre buffers around Stone Curlew nesting areas within which new development will not be permitted unless it is masked by existing development or reuses existing buildings. This policy will limit the scope for Exception site housing in villages to the south and west of the District. Those promoting exception sites in the Brecks are advised to liaise with the Local Planning Authority at an early opportunity to establish whether the scheme is likely to be permitted or whether an Appropriate Assessment will be required to determine whether the scheme is likely to have a significant adverse impact on European protected species.

## **5. Our preferred tenure and mix.**

Like many authorities there is a greater need for social rented accommodation than other forms of affordable housing. The Council however does give

consideration to the viability of the site when undertaking a view on the tenure mix. This view is based on the Viability study undertaken in 2007. As a guide the following table gives a first glance of expectation but this will be considered along with local view on requirements to meet need and the ability to deliver a partner RP :-

Affordable provision	Social rented	Intermediate
2	1	1
3	2	1
4	3	1
5	3	2
6	4	2
7	5	2
8	6	2
9	6	3
10	7	3

In exceptional circumstances the provision of affordable housing may be made off site either through a commuted sum or on an other site. If the contribution is through an other development an equivalent number of units by tenure and type will be expected to be provided and secured in a similar way through a RP. If the Council agrees to a commuted sum in lieu of built units the sum will be calculated to enable the same provision of tenure and type to be provided. The calculation will be based the average grant rate prevailing at the time for the location of the application site, type and tenure. It will also take into account the full cost of that provision including land costs.

## **6. Involvement of Registered Providers (RP) or similar body**

The Council is not prescriptive over who the owner or landlord of affordable housing units should be. The Council encourages alternative grant free providers which could be family trusts, private companies or community led groups. Any provider will be considered on their own merits and their willingness to enter into the legal agreement to ensure affordable housing is provided and occupied by the appropriate eligible people.

Currently the most usual way to provide affordable housing is through Registered Providers (RP).

RP is the umbrella name given to Housing Associations and Registered Social Landlords who are registered with the Tenants Services Authority as a Landlord and the Homes and Communities Agencies as a developing agency.

The Council is not prescriptive over which RP a developer should work with but a list of RP currently operating within the District is included within the document.

The Council encourages early discussions to be undertaken by the developer, landowner or RP to ensure that abortive work is avoided by not meeting the design, layout and specification requirements of the parties.

## 7. Design and quality.

The design and quality of affordable housing across the district is important to the Council and this is taken into account in the consideration of the site and location and our commitment to the principles of sustainable housing development. One of our key objectives is to create a balanced community and our aim to underpin this will be to ensure that the affordable housing is integrated within the development through ensuring a consistency of design between the tenures and that the affordable housing is not easily distinguished as being 'different'

The Council recognises that sustainability with regards to housing is the product of a complex set of interactions between a large number of social, economic and environmental factors such as;

- Demand for housing
- The accessibility of employment, facilities and services including public transport
- Crime and Anti-Social behaviour
- Social exclusion and poverty
- Reputation or image of the community
- The quality of the community's built and green environment
- The quality, design and layout of housing
- The extent of social cohesion
- The mix of the community
- Minimising contributions to, and exposure to the risks from, climate change

Whilst there can be no strict hierarchical arrangement of these factors, any single factor could make the development of housing be that affordable or market in a community unsustainable.

In considering the suitability of a site for housing whether inside or outside the development boundary, the Council in line with the Local Development Framework will have due regard to key sustainability indicators such as population, proximity of local services and facilities and access to public transport.

### **Policy DC1**

#### **Protection of Amenity**

For all new development consideration will need to be given to the impact upon amenity. Development will not be permitted where there are unacceptable effects on the amenities of the area or the residential amenity of neighbouring occupants, or future occupants of the development site. When considering the impact of the development in terms of the amenities of the area and residential amenity, regard will be had to the following issues;

Overlooking and/or privacy loss, dominance or overshadowing

Odour, noise, vibration or other forms of disturbance

Other forms of pollution (including contaminated land, light pollution or the emission of particulates).

Important features or characteristics of the area; or,

Quality of the landscape or townscape.

## **Policy DC2**

### **Principles of New Housing**

Within the settlement boundaries as defined on the proposals map, new housing development will be permitted.

To deliver the Core Policy relating to housing mix and density, the Council will apply the following principles:

#### **An appropriate density of housing.**

The design and layout will maximise the density of the development to a level which is acceptable for the locality. Proposals for high density developments (above 40 dwellings per hectare) will be encouraged at appropriate locations, including the centres of the towns, areas with good public transport accessibility and sustainable urban extensions.

In rural locations and at the edges of settlements where it can be demonstrated that there is a combination of local character (including environmental features) and limited accessibility factors, proposals for low density development will be permitted.

#### **An Appropriate Mix and Type of Housing**

All residential proposals will secure an appropriate mix of dwelling size, type and tenure in order to meet the needs of Breckland's citizens and create sustainable communities.

The precise mix will be based on the findings of the latest Strategic Housing Market Assessment, an analysis of the local housing mix and the need to deliver lifetime homes.

Mixed-use schemes including residential development will be encouraged provided that satisfactory living accommodation is secured.

Proposals for residential annexes will be supported provided that the proposed accommodation is well-related to the main dwelling and the scale of the annexe does not dominate the existing dwelling.

Population is a key factor. Affordable housing development maybe considered in settlements with small populations whereby there is an overriding housing need and the Council considers that there is an appropriate balance of other factors.

Along with sustainability the Council is also committed to a more environmental sustainable approach to development. Protecting the environment is a fundamental aspect of sustainable housing development. This will be embedded in our emerging Green Strategy. Given the nature of their business and the scale and scope of the activities of the sector, the Council considers RP to have the potential to make a significant contribution to an improved environment in the areas of:

- Energy
- Water
- Waste and Recycling
- Land Use and Landscape
- Materials
- Affordable Warmth
- Access to community and green space, including a good standard of private outdoor space
- Design (compliment location and enhance the visual amenity of built environment)

RP should endeavour to incorporate measures that aid environmental sustainability in all new development and work with developers to ensure a similar approach in the Market housing. Affordable housing should meet a minimum of level for the Code for Sustainable Homes

The Council will encourage RP developing in the Breckland District to achieve the highest possible standards of environmental sustainability. We will also encourage developers building affordable housing units wherever possible to apply the same principles.

Good design is integral to securing high quality new housing which will endure and make a positive contribution to communities in Breckland. The design of affordable housing should be in compliance with the Design standards of the HCA but should also reflect the policy within the LDF to achieve design and layout of new residential developments of a high standard reflecting, where appropriate, local, styles, character and materials’.

There are six aspects which underpin design principles which have then formed LDF policy DC16;

- Quality of the External environment
- Quality of the Internal environment
- Accessibility
- Safety and Security
- Energy efficiency, environmental sustainability and noise abatement
- Maintainability, durability and adaptability

### **DC 16 Design**

All new development should achieve the highest standards of design. In assessing any proposed development consideration will be given to the following design principles;

**Local Character:** All design proposals must preserve or enhance the existing character of an area. Particular regard should be given to reinforcing locally distinctive patterns of development, landscape and culture and complimenting existing buildings. Additionally contemporary design, where it enhances sustainability will be encouraged in the District.

**Public Realm:** The continuity of street frontages is particularly important in the market town centres and all new development should provide a natural demarcation of public and private spaces, without the need for excessive or artificial barriers. Public spaces should be designed to ensure that access routes are attractive, maintainable, well lit and well surveyed, easily accessible to all members of the community and free from unnecessary screens, barriers, signage or other street paraphernalia.

**Connectivity:** Interdependent places and locations, such as town centres and transport interchanges or residential development and open space, should be well connected along routes that promote a choice of transport mode. These routes should be clearly legible so that it is easy to navigate from one place to another.

**Adaptability:** Development should be designed so that it can be adapted to meet changing social, economic or technological conditions. This adaptability will need to reflect the different pressures that will be placed on a building throughout its lifetime; this might include changing family circumstances or ageing of the occupier in the case of a dwelling house, or changes in industry or economic base for commercial premises.

**Diversity:** Development should provide a range of choice that will promote and instil vitality into an area. This might be interpreted as a mix of uses within a town centre development, or a mixture of tenure and housing types within residential development.

**Crime Prevention:** Crime prevention should be a fundamental part of the design process, the physical structure of new development will be expected to integrate crime prevention measures with the other principles of good design.

In addition to these design principles, when considering development proposals, including additions to existing buildings, regard will be given to the following design issues:

**Form and Character:** Development should compliment the natural landscape, natural features and built form that surround it. In considering development proposals consideration will be given to the shape and configuration of a building or buildings, and it's or their style, design and arrangement. Regard will also be had to the distinctive features or qualities of a proposed building and its surround and the contribution new development makes to these features or qualities.

**Density, Height, Massing and Scale:** A new building cannot be divorced from it surroundings, nor can a new group of buildings be divorced from their surroundings or their relationship to each other. In considering new development consideration will be given to the density of buildings in a particular area and the landscape/townscape effect of any increased density. The real or perceived heights and scales of buildings relative to each other and their surround will be a key consideration as will the relationship of the density, scale and height.

**Layout, Siting and Grouping:** The way a building, or group of buildings are laid out on a site has a profound effect on their appearance and how they are used. When considering new development regard will be had to whether the layout makes the best use of features of the site in terms of its appearance, function and making the best use of layout to improve energy efficiency.

**Landscaping, Boundary Treatments and Enclosure:** The space that surrounds and is in-between buildings is just as important as the buildings themselves. For all new developments consideration will be given to the, incorporation, preservation and enhancement of natural features on a site. Boundary treatments should be complimentary to the built design and should be incorporated such as to enhance the design of development. Areas of enclosure should be logically set out and should help the practical functionality of an area.

**Building Detailing and Materials:** The way in which a building is detailed, the quality of materials and how they are used can have a significant effect upon the overall appearance of a development. Consideration will be given to how the detailing and materials used in a particular development give expression to an overall design. Detailing and materials should be used to help the cohesiveness of a development, with particular consideration to the junctions of walls, roofs and fenestration. Detailing and materials should be a key part of the buildings design, stemming directly from functional needs of the building. Detailing and materials should not be used as an afterthought to add decoration to an otherwise bland design.

Development that does not fully address the values of the design principles or the design issues will not be acceptable.

Where public subsidy is not provided, the Council will encourage partners to provide affordable housing which meets the HCA's design standards as a minimum.

In considering the design aspect of all the housing on a development regard should be given to lifetime homes.

Lifetime homes make life as easy as possible for as long as possible by ensuring the home can adapt to future changes in a household needs from flexibility to increase bedrooms to making adjustments for accessibility and adaptations to meet disabilities.

All affordable housing must meet the standard by 2011 and this is a target for the private sector by 2013.

### **8. Who will live in the properties**

Housing secured under the application of DC4 will be to meet the district housing need. RP will be expected to have a nomination agreement with the Council to ensure that the housing is allocated to eligible persons from the Councils housing register in accordance with the allocations policy. The detail for the allocation of the housing will form part of the Section 106 agreement. There may be some agreement with the RP to consider a local lettings policy on first lets to ensure a balanced approach to create a sustainable community is undertaken. For example this may be having an approach to mix the ages of the children within households moving in so that it is not occupied to maximum by children of all of the same age.

Where a site is being developed under DC5 then the allocation of the properties will have further conditions attached through the Section 106 to ensure that the properties are occupied by people with a local connection to the parish where the development is. There will also be a cascade to meet the needs of those neighbouring parishes which directly abut the Parish after priority has been given to local residents.

All allocation of affordable housing will be in conjunction with the Councils Allocation policy and to people on the Councils housing register.

### **9. Planning obligation/section 106 agreements**

Once agreement is reached between all parties, the Council will seek to secure the affordable housing through the use of a planning obligation. The provision of the affordable housing will be set out in a legal agreement under Section 106 of the Town and Country Planning Act 1990. A section 106 will be required to be entered into prior to the approval of a planning application.

The developer in conjunction with the Council should involve the RP partner at the earliest possible stage of the pre-application process, allowing early involvement in the drafting of the S106 agreement.

The council will expect S106 agreements in relation to affordable housing to cover as a minimum;

A definition of housing need

Location of residents in need cascade (if exceptions site development)

No of affordable units to be provided at a cost which recognises no public subsidy available (or financial or other contribution in exceptional circumstances:

Type, size and tenure of the properties

Location of affordable units within the site

The trigger points at which the certain numbers of the affordable housing units should be completed and transferred to the RP (i.e. once a given number of market dwellings have been completed).

The price of the units if a fixed percentage of market value

If required any mechanisms needed to ensure the properties are maintained as affordable in perpetuity.

Mortgagee in possession clause (when relevant regulated body involved)

If a commuted sum has been agreed the conditions relating to payment and use.

## **10. Other initiatives**

The Council will encourage innovative solutions to providing more affordable housing while underpinning a continuity of supply of overall housing in the District.

Partners who wish to develop within a Community Land trust or Local Housing Company should approach the Council to explore ideas and opportunities which could include the provision of the Council's own assets in the provision of affordable housing.

A Community Land trust is a mechanism for the democratic ownership of land by a local community which will enable local ownership of the planning and delivery of sustainable projects which could include the delivery of affordable housing, retail premises, community facilities, open space.

A Local Housing Company is a partnership between the Council and the private sector which enables land to be brought forward to enable housing development with an opportunity for Councils to use their assets and gain an income.

The Council also has its own small grant pot available to RPs to provide additional affordable housing. The subsidy will be available for projects which meet the criteria set out in the guidance and provide additionality over and above our usual aspirations for development.