

AFFORDABLE HOUSING – GUIDANCE FOR DEVELOPERS

Introduction

This guidance note has been agreed between all the Local Authorities in Suffolk. It details what is required of developers when making a planning application, in respect of the provision of affordable housing.

Each Local Authority will have its own detailed planning policy regarding the delivery of affordable housing, and developers must refer to these when considering making an application on any particular site.

Affordable Housing Definition

Affordable housing is:

Affordable Housing is defined in Planning Policy Statement 3 as “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 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.”

Planning Policy Statement 3 (2006)

http://www.communities.gov.uk/pub/931/PlanningPolicyStatement3Housing_id1504931.pdf

The types of affordable housing are:

- Affordable housing for rent
- Shared Ownership
- Equity Share

A full definition of the different types of affordable housing is provided at the end of this document.

Other forms of affordable housing may be acceptable at the discretion of the LA. All affordable housing should usually, and preferably, be delivered through a Registered Social Landlord. All forms must ensure that the dwellings remain affordable in perpetuity. Some dwellings may be subject to a ‘Right to Buy’ or to a ‘Right to Acquire’.

The Enabling Role

The role of the housing enabler service is to draw together all the potential partners, with the objective of delivering affordable housing and to provide a seamless service to the Local Authority customers.

If you have a general enquiry about affordable housing, please contact the Housing Enabling Officer.

Involvement of Registered Social Landlord

You will find it beneficial to involve a Housing Association as early as possible in the design and negotiation process. This helps reduce costs, time and improves efficiencies.

Integration of Units

The affordable housing on a site must be integrated within the open market housing, in groups to be agreed with the individual authority. The design should be in keeping with the rest of the development, in the interest of creating balanced communities. Trigger points for when the affordable housing will be completed during the development need to be established and included in any s106 agreement.

Funding

Developers should take into account the requirement to provide affordable housing when they are purchasing sites, as no public funding will normally be available.

Negotiations

Negotiations should commence at the earliest stage possible. Prior to the planning application being made, developers should contact the Local Planning Development Control Officer to discuss the site in question, who will then link them to the Enabling Officer. This is to discuss the relevant local plan policies for affordable housing to meet the housing need of the area, and the appropriate mix of house types and tenures, including the delivery of affordable housing.

Design Standards

The development must meet the design standards of the Local Authority, follow 'Secured by Design' principles as recommended by the Police Architectural Liaison Officer, and where applicable, those of the Housing Association. Where Housing Associations are involved, designs must comply with the Homes and Communities Agency, Housing Quality Standards. It is expected that the affordable housing will be indistinguishable from the open market housing. For more information see www.homesandcommunities.co.uk/designqualitystandards.

Planning Application

Before a planning application is submitted the following affordable housing items should be agreed and included in a clear concise statement to accompany the application:

- Section 106 agreement – an agreed draft of the s106 agreement must accompany the application.
- Mix of housing and tenure types across the development
- RSL partners where applicable
- Funding issues
- Timeframes

There will be other planning issues, which need to be discussed with the Development Control Officer.

Definitions of the different types of affordable housing

Affordable Housing For Rent – Accommodation for rent, usually from a Housing Association, or Local Authority, at rent levels set within government housing benefit limits.

Shared Ownership – Accommodation usually provided from a Housing Association. A purchaser buys a share of their home and rents the remaining part. It is usual for purchasers to initially buy a 50% share of their home. They will have the opportunity to buy further shares in their home, usually up to a maximum of 85 %, however some schemes will allow the remaining unsold equity to be purchased in shares of up to 100%.

Equity Share- Similar to Shared Ownership, as a % of the property is purchased however, no rent is payable on the un purchased share, and this remains in the ownership of the Housing Association. When the property is sold on the owner will only receive any equity or profit from the share that they have purchased.

Low Cost Discounted Market Sale - Property sold on the open market at a reduced price

Contacts

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