Consultation	Affordable Housing - Supplementary Planning Document
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1 General Information

Introduction: Purpose and Status

1.1 The object of this supplementary planning document (SPD) is to assist the Council in meeting its objectives of delivering affordable housing. The document is designed to provide supplementary guidance on the Forest of Dean District Council (FoDDC) affordable housing policies adopted in the Local Plan, and while it does not in itself make it a policy it will be a material consideration in the determination of planning applications.

1.2 The document explains how policies in the Local Plan will be implemented to assist in the delivery of housing both in towns and villages and what processes both the district council and applicants will need to follow when a planning application is submitted. The document will also provide guidance to applicants on exceptions sites, where affordable housing is wholly provided on sites that would not otherwise be permitted for housing.

1.3 The Council attaches high priority to the provision of affordable housing in balancing its planning objectives. It is an increasingly important local issue, for example it is identified as a Key Issue by the Local Strategic Partnership and is one of the key priorities in the Council's Corporate Plan and Housing Strategy Statement. A full range of housing opportunities will also assist in providing balanced communities.

1.4 The Council is strongly committed to ensuring that it makes effective use of its planning powers and will work with a wide range of partners in the provision of affordable housing.

1.5 The issue of affordable housing is highlighted in the Council's:

- Local Plan for the Forest of Dean District, as adopted in November 2005
- Strategy for Housing;
- Corporate Delivery Plan;
- Housing Needs Surveys;
- Gloucestershire Strategic Housing Market Assessment

1.6 The first part of the guidance relates to what is affordable housing and why affordable housing is sought as part of a contribution from developments.

1.7 The second part of the document considers local need and rural exceptions sites. It helps provide information on how and when exception sites are permitted.

1.8 The final part deals with how planning applications will be considered and how the Council will work with applicants to aid the delivery of affordable housing.

1 . General Information

1.9 This SPD aims to give further detail and clarity to existing adopted affordable housing Local Plan policies. These policies are numbered and set out in Appendix A.

Sustainability objectives

1.10 This SPD seeks to support the Development Plan policies and better enable the delivery of:

- Affordable housing in the most sustainable locations.
- A range of affordable housing types and sizes appropriate for those in need now and in the future.
- A tenure balance producing a range of affordable housing products that meet identified housing needs including, where appropriate, products that enable those in need to enter into home ownership. Or
- A tenure balance producing a range of affordable housing products including Social Rented and Intermediate Affordable Housing.
- Affordable housing that is effectively integrated into developments.
- Well-designed and sustainably built affordable housing.

1.11 The overall objectives of the SPD are to:

1. Provide guidance on what is affordable housing and why affordable housing is sought as part of a contribution from developments.
2. Provide guidance on local need and how and when exception sites will be considered
3. Outline how planning applications will be considered and how the Council will work with applicants to aid the delivery of affordable housing

Affordable Housing Saved Policies

1.12 The Saved Policies for Affordable Housing are contained within the Forest of Dean Local Plan 2005, Chapter 2. The relevant affordable housing objective from the adopted Local Plan is:

To secure appropriate provision of affordable housing on or in conjunction with thedevelopment of new housing sites.

1.13 Three policies in the local plan relate to affordable housing:

- (R) FH.12 Affordable Housing - Eligibility and Continuing Availability
- (R) FH.13 Affordable Housing on New Housing Sites- Negotiated Share Basis
- (R) FH.14 Affordable Housing on Exceptions Sites

Consultation Process

Early Consultation

1.14 Officers from the Strategic Planning Team and the Strategic Housing Service worked together to consider the scope and content of the SPD. Following this a procedure of early consultation was undertaken which included;

- An early draft of the SPD relating to the main issues was provided to a number of officers in the Council, specifically those whose work relates to the issues under discussion.
- Following comments received the initial draft document was then refined and then to help the process we carried out an informal public consultation draft assessment of the initial draft, with all members of the Council as well as external bodies such as developers, housing associations and other stakeholders consulted. Those consulted were given until the 12th August 2008 to make comments on this first draft and we have taken on some comments as part of the consultation draft document issued now.

1.15 It is felt that both of these events were very useful in providing feedback on the draft SPD. These activities have helped to identify the format and content of the draft SPD, which was formally, consulted upon.

1 . General Information

2 Definition of Affordable Housing

2.1 The Council uses the definitions of affordable housing set out in Annex B of Planning Policy Statement 3 (PPS3) Housing (November 2006) and Annex B of Delivering Affordable Housing (DAH) (November 2006), which is that;

"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."*(PPS3, Annex B: Definitions)

2.2 PPS3 and DAH provide definitions on what constitutes the social rented and intermediate housing which maybe included in the definition of affordable housing.

Social rented housing is

"Rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime. The proposals set out in the Three Year Review of Rent Restructuring (July 2004) were implemented as policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation[1] as a condition of grant."

(PPS3, Annex B: Definitions)

Intermediate housing is:

"Housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent." (PPS3, Annex B: Definitions)

2.3 Delivering Affordable Housing 2006 (paragraph 38) gives more detail to this definition

"Types of housing between market and social rented housing include:

- ***Intermediate rented*** *homes are provided at rent levels above those of social rented but below private rented. The Government offers these to some key workers who do not wish to buy.*
- ***Discounted sale*** *homes have a simple discount for the purchaser on its market price, so the purchaser buys the whole home at a reduced rate.*
- ***Shared equity*** *is where more than one party has an interest in the value of the home e.g. an equity loan arrangement or a shared ownership lease. There may be a charge on the loan, and restrictions on price, access and resale.*
- ***Shared ownership*** *is a form of shared equity under which the purchaser buys an initial share in a home from a housing provider, who retains the remainder and may charge a rent. The purchaser may buy additional shares ('staircasing'), and this payment should be 'recycled' for more affordable housing. In most cases, a purchaser may buy the final share ('staircase out') and own the whole home, though this may be restricted in some rural areas."*

2.4 It is important to note that these definitions do not exclude homes provided by private sector bodies or provided without grant funding. Where these homes meet the definitions above and the criteria set out in PPS3 and Delivering Affordable Housing they will be considered, for planning purposes, as affordable housing.

2.5 Those homes that do not meet the above definition, for example low cost market housing, will not be considered for planning purposes as affordable housing. Low cost market housing is by definition unaffordable as it is sold at 'market' price. Delivering Affordable Housing 2006 (paragraph 39) also states that to be considered intermediate housing, homes must fully meet the criteria in the definition.

[1] Now the Homes and Communities Agency

Specialist Affordable Housing

2.6 It is recognised that different types of affordable housing may be provided for people requiring specific accommodation whose needs may not otherwise be met and where a need has been identified, including:

- *ExtraCare.* Self-contained accommodation, which provides support arrangements and flexible care to meet the developing, needs of people as they older whilst enabling them to stay in their homes.
- *Supported housing.* Accommodation for occupants with support needs which may or may not include properties specially adapted for people with particular disabilities.

Key Worker Housing

2.7 In addition to low-cost market housing, key worker housing will not be provided under Policy (R) FH13 and will not be regarded as affordable housing. Key workers may be considered for affordable housing if they satisfy the same eligibility criteria as any other group.

2.8 The Council uses the definitions of affordable housing set out in Annex B: Definitions of PPS3

> *"The Government's definition of key workers includes those groups eligible for the Housing Corporation funded Key Worker Living programme and others employed within the public sector (i.e. outside of this programme) identified by the Regional Housing Board for assistance."*

2 . Definition of Affordable Housing

3 Planning Policy Context

Central Government Guidance

3.1 The Local Plan was prepared in accordance with the guidance available to the Council during its production and was adopted in November 2005. Most of the policies and all of those relevant to this guidance have been saved in accordance with the regulations which enable plan policies to be held over until they are replaced by those in a LDF. In addition to the Local Plan, PPS3 is a material consideration providing the current guidance on issues relating to the provision of housing. The Council is also mindful of PPS7, which sets out the Government's planning objectives for rural areas. It strives to raise quality of life and the environment in rural areas by promoting more sustainable patterns of development.

Regional Planning Guidance

3.2 The current regional planning guidance for South West England (now referred to as the Regional Spatial Strategy – (RSS) is set out in RPG10 (2001). This contains a wide-ranging development strategy for the period to 2016, and informs the delivery of the 10-year South West Regional Development Agency (SWRDA) regional strategy. Policy H03 dealing specifically with affordable housing states:

"Local authorities, social housing providers and other agencies in their relevant plans, policies and programmes should aim to ensure that sufficient affordable housing is provided in order to meet community needs in both urban and rural areas."

"In addition the Regional Planning Body should monitor the overall provision of affordable housing against a provisional indicator of 6,000-10,000 units a year."

Regional Spatial Strategy for the South West

3.3 The Draft RSS for the South West, which will eventually replace RPG10, will set the overall scale of housing provision throughout the region. It is presently (September 2008) at draft stage, having been the subject of an Examination in Public during 2007. The Panel Report was published early in 2008 and the Secretary of State's proposed changes have recently been the subject of consultation. It is expected that Regional Spatial Strategy will be adopted early in 2009. When adopted the RSS becomes part of the development plan for the District and it will include policies that will have a direct impact on housing provision.

3.4 The RSS will contain figures for the overall provision of housing on a district-by-district basis. At present the Secretary of State's proposed changes advocate the provision in the Forest of Dean of 310 new dwellings per year up until 2026, which is the end

3 . Planning Policy Context

date of the strategy. The strategy recommends a regional target for affordable housing of a minimum of 35% affordable housing to deliver 10,000 affordable homes per annum.

Forest of Dean District Local Plan Review

3.5 The Local Plan covers the period mid 1991 to mid 2011 and was adopted in November 2005 and as part of the development plan is a material consideration in all planning applications within the district. The Local Plan is part of the Development Plan and will be given due weight. Policies in the Local Plan that seek to provide affordable housing are contained in the Housing Chapter: they have been tried and tested following a Local Plan Inquiry. The majority of the Plan's policies are to be saved until their replacement by Local Development Framework Documents.

3.6 The housing policies that were adopted in November 2005 and which are saved are:

(R) FH.1 Town housing allocations

(R)FH.3Village housing allocations

(R) FH.4 Housing in Villages - Small Groups, Single Dwellings and Infilling

(R) FH.6 New housing in the Countryside

(R) FH.10 The Encouragement of Optimum Densities

(R) FH.11 Mix of Dwelling Types

(R) FH.13 Affordable Housing on New Housing Sites- Negotiated Share Basis

(R) FH.14 Affordable Housing on Exceptions Sites

3.7 This SPD exists to provide information in particular about how Policies (R)FH.12, (R) FH.13 and (R)FH.14 will be implemented. The detail of these policies is included in Appendix A

4 The Need for Affordable Housing

Housing Costs

4.1 The rapid increase in housing costs over the past decade compared to the rate of increase in household incomes has resulted in a widening gap with fewer households being able to afford market housing in the Forest of Dean.

4.2 House prices within the Forest of Dean Administrative Boundary (FoDAB) have risen substantially in recent years with the average house price in 2007 reaching £209,590 and the average price for a terraced house reaching £146,488. Taking the average house price of £209,590 in 2007 coupled with the average earnings at the same period of £25,860[1] means that in 2007 there was an average house price to average earnings income ratio of 8.10:1

4.3 Using a purchase income threshold of 95% mortgage availability, and a three times gross income to lending ratio, to purchase an average priced terraced house in 2007 at £146,488 would require a household income of £46,387.

4.4 This has eased slightly in the last 12 months with locally falling prices alongside national falls and the Land Registry details to October 2008 suggest a drop of average house prices of just under 8% over the previous 12 months[2].

4.5 The Private Rental Market also provides a market solution for Households. Average market rental costs by dwelling type in mid 2008 were:

- 1 bed - £350pcm
- 2 bed - £500pcm
- 3 bed - £650pcm
- 4 bed+ - £950pcm

[1] Annual Survey of Hours and Earnings, Office for National Statistics 2007

[2] Land Registry house Price Index for Gloucestershire

Housing Need for the Forest of Dean

4.6 In order to determine the level and type of housing need within the district, the Council along with other District Councils in Gloucestershire has carried out a Strategic Housing Market Assessment, which was approved in February 2009. The 2009 SHMA revealed that within the district there are an increasing number of residents who are unable to compete in the housing market and that there is a net need for 289 new affordable homes per annum. (See table 1) The scale of projected 'net housing need' justifies the Council in seeking to negotiate the maximum level of subsidised affordable housing which is sustainable and deliverable within mixed tenure schemes.

Table 1: Calculation of Housing Need in the Forest of Dean

Step	Notes	Forest of Dean
	Current need	
1.1 to 1.4	All steps combined and unsuitably housed households in the affordable sector excluded	1301
	Future Need	
2.1	New household formation (gross/yr)	368
2.2	Proportion unable to afford	37%
2.3	Newly forming in need (= 2.1 x 2.2)	137
2.4	Existing households falling into need	28
	Total newly arising need, gross per year (= 2.2b + 2.3)	165
	Affordable Housing Supply	
3.1	Affordable dwellings occupied by households in need	*These households have been omitted in stage 1 and therefore are correspondingly omitted in stage 3*
3.2	Surplus stock	0
3.3	Committed supply of new units	25
3.4	Units to be taken out of management	0
3.5	Stock available (= 3.1 + 3.2 + 3.3 + 3.4)	25
3.6	Annual supply of social relets	122

3.7	Annual supply of intermediate re-sales	9
3.8	Total annual supply (= 3.6 + 3.7)	31
	ESTIMATE OF NET ANNUAL HOUSING NEED	
5.1a	Total net current need (= 1.4 - 3.5)	1276
5.1b	Years to address backlog	5
5.1c	Annual quota (= 5.1a÷ 5.1b)	255
5.1d	Gross annual housing need (= 2.4 + 5.1c)	420
5.1e	Net annual housing need (= 5.1d - 3.8)	289

Gloucestershire SHMA 2009

4.7 In partnership with other councils in Gloucestershire, a new Countywide Housing Needs Assessment (HNA) is currently being carried out the findings of this will help develop further understanding of housing needs. Both the SHMA and the HNA once approved will be utilised in negotiations for affordable housing provision and will assist in policy development in the future.

4.8 The Council manages a comprehensive housing register for all social housing providers in the Forest of Dean, which provides a useful database from which to assess and monitor housing need for communities throughout the district. Analysis of the SHMA, the Housing Register and other sources or housing needs data indicates that social rented is the most important of the tenures required. The SHMA indicates that social rented housing should account for at least 83% of new affordable housing provision. (See table 2)

Table 2: Housing Need by Tenure

Step	Notes	Social Rented Sector	Intermediate Sector
1.4	Current need	1141	160
2.2b	Newly forming in need	115	22
2.3	Existing households falling into need	23	5

4 . The Need for Affordable Housing

2.4	Total newly arising need (2.2b+2.3)	138	27
3.5	Stock available	19	4
3.6	Annual supply of social relets and Intermediate relets	122	
3.7	Annual supply of Intermediate relets		9
5.1a	Total net current need (= 1.4 - 3.5)	1122	156
5.1b	Years to address backlog	5	5
5.1c	Annual quota (= 5.1a÷ 5.1b)	224	31
5.1d	Gross annual housing need (= 2.4 + 5.1c)	362	58
5.1e	Net annual housing need (= 5.1d - 3.6)	240	
5.1e	Net annual housing need (= 5.1d - 3.7)		49

Totals may not sum due to rounding (SHMA 2009)

4.9 In order to widen the opportunities for low cost home ownership and help in the delivery of scheme viability, the Council seeks 30% intermediate housing as part of the affordable housing provision. The Council will endeavour to achieve the resultant tenure split of 70% rent and 30% intermediate on all sites above the threshold for affordable housing provision.

4.10 In determining planning applications for residential development, the Council will consider detailed evidence of housing needs from the current Housing Register, the SHMA, Local Housing Needs Surveys and any other relevant sources of housing needs data.

4.11 Advice can be sought from the Housing Enabling Team.

Wheelchair and Specially Adapted Housing

4.12 The Council recognises that there is small but essential need for the provision of properties, which are built to meet the needs of disabled people. The Council also recognises that there can be a mismatch between properties adapted for disabled people and where disabled people actually live or need to live. Although homes built to Lifetimes Homes Standard are capable of adaptation to meet the need of disabled residents, many wheelchair users require additional adaptations and higher space standards. The provision of and location of disabled accommodation within the affordable housing provision will therefore be an issue for discussion at pre-application stage and will be negotiated on a site-by-site basis and will depend on the suitability of the development and the current level of need displayed on the housing register.

4.13 *The Council acknowledges that the provision of such accommodation may impact upon the cost of delivery of the affordable housing. Where such a provision will impact on the deliverability of a scheme the council will discuss and negotiate accordingly on a site-by-site basis, either an alteration to the affordable housing to be provided on the site or the provision of public subsidy.*

Exception Sites and Rural Housing Need

4.14 The Council recognises the need to preserve rural communities whilst trying to ensure that local people on modest incomes can access affordable accommodation that enables them to live in the rural communities.

4.15 Although there is limited scope for new affordable housing to be built in rural areas the Council does have the ability to consider releasing small sites for affordable housing development. These sites are classed as Exception Sites and are explained in more detail later in this document.

4.16 Planning permission for Exception Sites will only be granted where local need can be demonstrated. To help accurately demonstrate need, the Council works in partnership with the Rural Housing Enabler and Parish Councils to carry out Housing Needs Surveys. Where Parish Councils have undertaken detailed and qualitative Local Housing Needs Surveys (within five years of a scheme being proposed and which determines specific local needs for affordable housing) the findings of the survey will be a material consideration when considering planning permission for Exception Sites. Parish Councils are advised to contact the Rural Housing Enabler before undertaking such surveys to ensure the methodology is appropriate.

4.17 Working on behalf of the four rural Local Authorities in Gloucestershire the Rural Housing Enabler is based at the Gloucester Rural Community Council offices in Gloucester. One of the primary roles of the Rural Housing Enabler is help communities assess thier housing needs by undertaking local housing needs surveys which will involve the whole community. If you would like more information regarding the role of the Rural Housing Enabler please contact:

Gloucester Rural Community Council
15 College Green
Gloucester
GL1 2LZ

Tel: 01452 528491

4 . The Need for Affordable Housing

5 Definitions of Affordability

Local Definition of Affordable

5.1 As detailed previously, PPS 3 states that:

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

5.2 This cost should be derived with reference to local incomes and house prices. In order that the affordable housing provided under Policy (R) FH.13 and (R) FH.14 is accessible to eligible households, providers will be required to demonstrate that it is available at a cost to occupiers that they can afford and is below the cost of meeting that need in the market.

5.3 **Regional Planning Guidance (RPG 10, 2001)** for the South West states "Affordability varies from one locality to another and from one year to another. It depends on income levels, house prices, rents, the cost of housing finance and support available to households through mortgages and other mechanisms. The South West is characterised by relatively low earnings but house prices that, overall, are close to the national average".

Affordability of Social Rented Housing

5.4 Social rented housing must be let at no more than target rents as determined by the national rent regime, or equivalent as agreed with the Council. The annual percentage increase in rent will be in accordance with the national rent regime. Social rented housing, provided by a Registered Social Landlord, will always meet this requirement as rent levels are determined by a national formula.

Affordability of Intermediate Housing

5.5 The Strategic Housing Market Assessment Practice Guidance Version 2, issued by CLG in August 2007, states:

"A household can be considered able to afford intermediate affordable housing when rental payments (on the landlords share) and mortgage payments (on the part they own) constitute up to 25% of the gross household income."

(SHMA Practice Guidance V2 (SHMA PGv2) - The requirement for Intermediate Affordable Housing.)

5.6 Intermediate housing, will need to be available at a cost low enough to enable the occupant(s) to spend less than 25% of their gross income on housing costs (mortgage and rent). The ability or otherwise to raise the required mortgage and mortgage rates

5 . Definitions of Affordability

for Intermediate Products will also be considered for some intermediate products that involve the sale of an initial equity stake. The local definition of affordability replicates the PPS3 Annex B definition that affordable homes are “below market price or rents” and that in accordance with SHMA PGv2 ”affordable housing should cost its occupant no more than 25% of their Gross Income”. The cost of the intermediate product proposed using the test above will be compared to entry housing market costs in the locality using the criteria set out in the SHMA PGv2.

Providing Homes At A Cost That Can Be Afforded

5.7 Applications should clearly set out how the affordable homes will meet the definition above.

5.8 For social rented properties, the Council will expect rent levels to be in line with the Government's Rent Restructuring Regime and therefore comparable to the target rent levels of RSLs operating in the area. This will be set out as an affordability threshold within the Section 106 agreement.

5.9 For intermediate affordable housing the tests above will be applied and applicants will be required to submit details of the proposed costs of the proposals in terms of equity shares, residual rents, intermediate rents and other housing costs to enable the affordability test to be carried out.

5.10 Where developers are uncertain as to the affordability or otherwise of their proposed intermediate products, they are encouraged to contact the Council to discuss this with them early in the process of scheme development.

5.11 The Council will make use of a robust affordability calculator (based on current mortgage rates and reasonable levels of initial deposit (5%) to determine whether proposed products meet the affordability tests in comparison to the local cost of market housing.

6 Thresholds and The Provision of Affordable Housing

6.1 The provision of affordable housing will be sought on all eligible sites in accordance with current adopted Council policies and other relevant guidance at the time of application. The Council has adopted two thresholds that accord with PPS3; one for sites in specified urban areas where the population is over 3000, the other for sites in rural areas where the population is under 3000. Local Plan Policy (R) FH.13 which sets the thresholds is highlighted below.

Policy (R) FH.13 Affordable Housing on New Housing Sites

> "An element of affordable housing will be sought by negotiation on all housing sites which are of 15 units or more or are larger than 0.5ha in towns and villages of greater than 3,000 population or are of 5 units or more or larger than 0.2ha in other locations. The provision sought will be related to evidence of local need in the District, including housing need surveys, and to the suitability of the site in question. The provision of affordable housing should be made on the same site but exceptionally, and by agreement with the developer, a commuted sum may be sought equivalent to the appropriate affordable housing share on the site in order that the affordable housing may be provided closer to where the need for it arises." (Forest of Dean Local Plan 2005)

6.2 When developing new housing PPS3 makes it clear that new housing should make efficient use of land, which Policy (R)FH.13 supports. Where land is used inefficiently to avoid having to provide affordable housing, this would be likely to lead to a recommendation of refusal of planning permission.

6.3 Should an outline application for residential development be proposed which does not detail the housing provision; the Council will assess the housing density that is appropriate to the site. If this is determined to be above the threshold, then the applicant will be expected to enter into a legal agreement to provide affordable housing, in line with Policies (R)FH.13 and (R)FH10 which encourages the use of optimum densities.

6.4 In towns and villages of greater than 3,000 population where there is a threshold of 15 units or more or are larger than 0.5ha; where a proposal is just under the threshold e.g. 14 units (assuming that the site area is below 0.5 ha), the developer may be required to justify that density if the Local Planning Authority feel that the land is being used inefficiently.

6 . Thresholds and The Provision of Affordable Housing

Specialist Residential Development

6.5 The need for affordable housing extends to all types of residential development including retirement flats. A retirement flat where the unit is self-contained falls into the same use class as residential (class C3) and is therefore expected to contribute to the provision of appropriate affordable housing to help meet the wider housing general housing need of the district.

6.6 Nursing homes, residential and Carehomes, (class C2) that do not provide individual units of self contained accommodation are not required to provide affordable housing.

Proportion of Affordable Housing Required

6.7 The Council's Local Plan sets a requirement that as a starting point 40% of the proposed dwellings will be sought as affordable housing on qualifying housing sites where Policy (R) FH.13 applies. Proposals that do not comply with Policy (R) FH.13 and the requirements of PPS3 may lead to a recommendation to refuse planning permission.

6.8 Applicants will be expected to enter into a legal agreement to provide the proportion of the total number of dwellings that will be sought on site as affordable housing, unless there is a robust justification for reducing this proportion because of impact on economic viability or other acceptable reasons.

Site Selection for Exception Sites

6.9 Exception Sites are sites outside of but adjoining defined settlement boundaries that are only released for 100% affordable housing to meet a clearly defined need for affordable housing within a Parish. They must be situated in locations where the new housing can be satisfactorily accommodated in terms of access to services; accessibility etc. Affordable housing on exception sites must remain affordable in perpetuity (e.g. leases for shared ownership units will include clauses limiting staircasing).

6.10 Due to the nature of Exception Sites the Council expects that an RSL will be involved in the provision of the exception site housing. Any applicant considering provision on an exception site should make early contact with the Council to discuss the proposed application. As exception sites will need to meet housing need identified in the parish including tenure, it should be noted that to date none of the completed Parish Needs Surveys in the district show need for schemes that are completely or predominantly intermediate housing, it is therefore expected that future exception sites will deliver a majority of social rented housing.

6.11 Any proposals for Exception Sites will need to address and meet each of the Exception Site Policy requirements (R) FH.14, which includes:

- Providing robust evidence of parish need.
- Matching the proposed development (size, type and tenure of units) with the identified parish need.
- Capable of being integrated into the village, without adversely affecting the amenity of the area.
- Evidencing that the settlement the site is proposed in is sustainable; that it either provides a range of basic services or very good links to a larger settlement that does provide them.

(Forest of Dean Local Plan 2005)

6.12 The term 'amenity' includes such matters as landscape, character, and biodiversity. Developments will need to adhere to the full spectrum of national and local planning policy, dependant on the nature and location of development such as PPS 1 and PPS 25

6 . Thresholds and The Provision of Affordable Housing

7 Delivery of Affordable Housing

Type, Tenure and Size of Properties Required

7.1 Proposals for affordable housing should reflect the size, type and tenure of affordable housing required.

Type

7.2 All housing sites will be expected to deliver a mix of property types and sizes and this applies equally to the provision of affordable properties. Specific requirements as to the mix of affordable property sizes for allocated sites can be provided, but as a general guide most sites will be expected to deliver a range of affordable property sizes particularly on sites in the four main towns. There is only minimal need for large (4 bed or greater) affordable properties. A guide to the type of properties that will be sought in the four main town areas can be can be found in Appendix G.

Tenure

7.3 From the need determined by the SHMA, the housing register and Parish Needs Surveys (if applicable) the Council will generally seek to split the affordable housing provision between social rented and shared ownership tenure types to the ratio of 70:30 in favour of social rented.

7.4 The Council's preferred tenure split takes into account housing needs data and the need to deliver viable, sustainable and balanced communities across the District. Proposals for affordable housing should reflect the findings of the latest SHMA and or other relevant sources of housing need data in regard to the size, type and approximate tenure split of affordable housing to be provided. Any assessment of housing need and the proposed delivery of affordable housing in relation to a site will also take into consideration:

- Information from Parish surveys or appraisals
- Current information held on the housing register.
- Recent availability of affordable housing opportunities throughout the District and or particular settlement.
- Number of right-to-buy sales, which have taken place in the District.
- Number and type of affordable housing properties throughout the District and or particular settlement
- Information from the Office of National Statistics.
- Current priorities set out in the Housing Strategy Statement.

7 . Delivery of Affordable Housing

7.6 If planning or other circumstances affect the developers' ability to provide exactly what is requested, an alternative mix of dwellings will be considered, as long as this meets identified need.

Size

7.7 So that affordable housing will be sustainable in use, when developing accommodation for the provision of affordable housing, developers should pay relevance to Homes and Communities Agency (HCA) Design and Quality Standards on affordable housing. Housing for wheelchair users will need to achieve a significantly higher HQI score in relation to size and therefore sizes will be greater than the minimum achievable for above. Developers are encouraged to engage at an early stage of the development process with RSL's over any concerns they may have regarding unit sizes.

Financing Affordable Homes

7.8 There are a number of ways in which affordable housing can be funded, and more than one source of funding may be involved subject to testing as set out below. There are five main sources of funding, which can be used to facilitate or aid the delivery of affordable housing.

a) Mortgages raised from Rental Income

7.9 RSL's assess their ability to finance the capital costs for social rented homes through the amount they can borrow based upon the net rental income of the property. Registered Social Landlords are able to raise mortgages on the basis of the forecast income from rent, likely to be generated over a 25 to 30-year period, or longer. The HCA governs RSL rents; they require RSLs to achieve Target Rents, which are related to property sizes, local property values and local earnings. The Target Rent (less costs to manage the property) determines the amount of capital finance that RSL can raise against the rental income generated. From this the RSL will need to allow a cost to cover the development process costs or on cost and the next capital amount is what can be paid for each unit. This figure is known as the Supportable Deficit.

7.10 As the amount of mortgage that can be raised will vary from scheme to scheme, and is ultimately constrained, there are maximum total scheme costs that have to be considered which are pertinent to all RSLs when negotiating with developers.

7.11 Intermediate rents will be set below the local market rent and inflate by RPI in line with the current HCA objective of no more than 80% of entry-level open market rent in the locality. The principles described for social rent above apply to intermediate rental housing where proposed.

b) Developer Subsidy

7.12 This is the difference between the cost to build the units in total and the capital receipt from the RSL/AHP for social rented and intermediate units (as outlined in a) above and e) below. It is assumed that sites can deliver this developer subsidy alongside their planning obligation contributions unless viability is demonstrated following which public subsidy will be introduced if available to assist in delivering the affordable housing element outlined in c) below.

7.13 Developer Subsidy is usually a combination of both land and build cost subsidy depending on the receipts achievable for the different affordable products.

c) Public Subsidy

7.14 Set by the HCA each year Social Housing Grant (SHG) resources are variable and are dependent upon the level of resources it receives from Central Government. Part of this Council's strategic housing role involves prioritising where HCA resources are allocated, and this can include contributions of public subsidy from FoDDC Capital Programme if available and where appropriate. This will include ensuring that SHG does not simply inflate the price payable by an RSL or AHP but is used strategically to increase the level of affordable housing percentage following a viability assessment to the 40% that the Council will use as a starting point in negotiations or ensure an appropriate tenure split and unit mix can be delivered or indeed a combination of all three.

7.15 The Council endorses the HCA approach to the payment of grant on affordable housing schemes, namely,

> "*to provide grant where this is purchasing additional affordable housing outcomes, and where the level of developer contributions represents an appropriate response to the site economics. We [the Housing Corporation] will not fund the simple purchase by a housing association of affordable housing delivered with developer contributions through a planning obligation*" (National Affordable Housing Programme 2008-11Prospectus).

7.16 The level of Social Housing Grant (SHG) likely to be available in Forest of Dean in the foreseeable future is not expected to meet the amount of funding that may be required to deliver the amount of affordable housing foreseen under the terms of Policy (R) FH.13 and reflected in the needs surveys.

7.17 Therefore developers and landowners should in the first instance, calculate the cost of contributions to affordable housing on the basis that public subsidy (i.e. SHG) would not be available. When assessing the viability or negotiating for land purchases, applicants should not make a presumption that SHG will be forthcoming in calculating the residual land value of a site.

7 . Delivery of Affordable Housing

7.18 Where a scheme can be delivered without public subsidy but does not achieve the 40% that the Council will use as a starting point in negotiations or the required tenure or unit mix set out in this SPD, the Council will retain the right through a legal agreement that should public funding become available to deliver these objectives within a given timescale, the full provision can be delivered accordingly.

d) Subsidy from Reserves

7.19 Sometimes Registered Social Landlords will subsidise schemes and the price payable using their own resources. Applicants should not assume that they would always be available.

e) Mortgage Receipts and Capitalised Residual Rents where relevant from purchasers of Affordable Homes

Affordable Homes for Shared Ownership

7.20 PPS3 describes intermediate housing as:

"Housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include shared equity products (e.g.HomeBuy), or other low cost homes for sale and intermediate rent"

(PPS3, Annex B: Definitions)

and in addition:

"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." (PPS3, Annex B: Definitions) (PPS3, Annex B: Definitions)

7.21 To ensure accordance with the definitions of affordability for intermediate housing described in PPS3 the amount that an RSL would be able to pay for a shared ownership property would be limited by their need to charge a rent that, when combined with the purchaser's mortgage costs does not exceed the above affordability criteria set out in section 5. To ensure that shared ownership reflects local prices and incomes the maximum price that applicants should use to calculate affordability and, if an RSL is purchasing the property, the price payable for homebuy products will be based on a 40% equity sale with rent of 1.5% of the retained equity. Where no rental is proposed an equivalent cost basis will be applied when assessing affordability.

Site Viability

7.22 It is recognised and understood that a residential or mixed development needs to be financially viable if it is to proceed. Developers must be able to make at least a reasonable profit if any development is to come forward. Landowners must be able to realise an increase in value from its current existing use.

7.23 Where applicants make the case that 40% affordable housing is not deliverable individual site viability assessments will be undertaken to assess the applicant's position. In these cases applicants will be required to submit detailed site finances alongside the application. In the event that the Council uses an independent agency (which may be the District Valuer) to assess the viability of a proposed development; the Council will expect the costs to be borne by the applicant.

7.24 Applicants who cite non-viability as the reason for not complying with Policy (R) FH.13 must support their case with sufficient detailed supporting evidence when submitting their planning application. This will include comparables and detailed cost plans to support the headline figures, which will be validated by independent consultants. When considering any viability arguments the Council will not take into account what the applicant has paid, or has agreed to pay for the land, when making its assessment on a residual value basis at the point of an assessment being submitted. To facilitate delivery, land acquisition costs must take account of the affordable housing requirements and all other Planning Obligations or equivalent requirement in assessing the purchase value.

7.25 The assessment will be made having regard to the current residual land value arrived at once all necessary costs of development have been deducted. Such costs will include those associated with any necessary planning obligations valid at the time of the application or any restrictions, encumbrances or abnormal ground conditions, all of which should be, or should have been, reflected in the proposed residual purchase price. Reasonable profits levels will also be included in the assessment.

7.26 Developers should note that costs associated with the redevelopment of previously developed land will not be considered abnormal but be included in the costs element required to bring a site forward for residential development. It is expected that these costs will normally have been deducted within the land value calculation through negotiation with the vendor. Where the fully validated residual value, taking into account all costs and planning obligations including target affordable housing provision, tenure split and mix, is exceeded by the existing use value of the site, the council will consider how to ensure a viable scheme can be delivered via the provision outlined above.

7.27 Where a developer considers that development viability is threatened by the provision of 40% affordable housing, they should contact the Local Planning Authority at an early stage, in order to present their information on a pre application basis. An "open book" confidential approach will be necessary, as the Local Planning Authority will have to be satisfied that the policy cannot be implemented. Forest of Dean District Council will expect to see the workings that lie behind these major components but the format in which these are presented is left to the applicant. Such workings should include but not exclusively:

- Plan of development including gross sales, net sales and internal areas of dwellings
- Revenue including market and affordable housing sales for each type of property with supporting comparable information and valuation
- Full development appraisal of scheme with detailed cost plan estimates to support any quoted
- Values/costs.
- Plans and elevation and site plans to indicate the gross and net developable areas and associated acreage/hectarages for each final uses.
- Details of land purchase/option agreement etc
- Reasoned justification for reduction in affordable housing provision.
- Reasonable Developer profit
- Evidence of any current use value to include a valuation and assessment of the current uses within the Use Class Order without the requirement for a new planning consent.

7.28 The development appraisal should be made on the basis of:

- Provision on site of 40% affordable housing with the Council preferred tenure split of 70% social rent and 30% shared ownership and its impact on the viability of the residual land value; and
- Proposed provision which would make the scheme viable for the developer, supported by local market comparable evidence.

7.29 Once full information has been received the LPA will employ an appropriate expert or experts and will endeavour to report its findings within an agreed timescale. Applicants should note that assessments could take a number of weeks (6-12 weeks) depending on complexity. It is in the applicants' interest to provide full and complete information for the validation process.

7.30 In the absence of sufficient detail being presented, the Council will assume that viability is not a concern and request the affordable housing requirements accordingly.

7.31 If the Council is satisfied that the financial appraisal confirms that the affordable housing requirement renders the scheme unviable, the Council can consider:

- retaining the target percentage but adjusting the tenure split or unit mix; or
- a lower percentage of affordable housing but retaining the tenure split and unit mix; or

- supporting the introduction of grant funding to achieve the target contribution, tenure split or mix via a cascade; or
- a combination of these options, such that the scheme viability is restored.

Abnormal Costs

7.32 Abnormal costs are those that could not have been reasonably anticipated in advance. Where policy indicates that affordable housing should be included, its provision should be a fundamental part of any site feasibility study. In itself, the provision of affordable housing or other planning obligations do not therefore constitute abnormal costs. It will be assumed that an applicant or developer will be fully aware of all policy objectives and will have made themselves aware of such before considering residual land values and associated negotiations.

7.33 The Council will take account of any legitimate abnormal costs associated with development proposals when assessing the proportion of affordable housing sought within the viability process. However it is assumed that these will be accounted for via due diligence during the feasibility process and identified prior to the viability case being submitted and therefore accounted for within the residual land value

Pre-application Discussions

7.34 Developers of sites likely to qualify for the provision of affordable housing are strongly encouraged to begin discussions with the Council as early as possible. The Council will prioritise pre – application discussions which will secure affordable housing provision.

7.35 The early discussion of issues arising from the affordable housing provision will help to make the planning process more straightforward and reduce complications at the later decision – making stage of a planning application. This is especially important if viability may become an issue. This should take the form of a pre – application approach to the Council by the scheme promoter (developer or landowner) as much in advance of any planning application as possible, to ensure that any potential problems or disagreements are identified and addressed early on.

7.36 To aid pre-application discussions applicants are encouraged to follow the Council's pre application advice protocol (see appendix B) and in addition should provide the following information.

- The percentage of homes in the development to be affordable and the precise number of affordable units this will equate to;
- How affordable units will be split between Social Rented and Intermediate Provision
- The proposed location of Affordable Housing throughout the site

7 . Delivery of Affordable Housing

- For each form of tenure, the number of units (if any) that are wheelchair and specially adapted.
- For each form of tenure, the size of units to be provided (inclusive of bedroom sizes)
- How homes will meet with the Housing Corporation Design and Quality Standard (or subsequent standards as prescribed by the Housing Corporation) the Lifetimes Homes standard and Level 3 of the Code for Sustainable Homes

7.37 Where possible the information will then need to be agreed between the Council and developer and may need to be further developed as the scheme progresses.

7.38 The Council places importance on the engagement of local communities in the process of bringing forward suitable housing sites at the application stage. Proper engagement by developers with local residents at pre-application stage is important to develop public confidence, as well as to dispel misunderstanding or preconceptions. Recent changes to the planning system have emphasised the importance of public participation.

7.39 Applicants whose proposed developments would encounter known constraints etc are advised to contact any relevant bodies at an early stage in the design process.

Delivery of Affordable Housing (and Section 106 Requirements)

7.40 Government guidance (PPS 3) is clear in stating that RSLs do not have to be the only providers of affordable housing. There are a number of other organisations and companies that can and do provide affordable housing. In summary there are three ways to deliver affordable housing:

- Registered Social Landlord.
- Affordable Housing Provider.
- Developer without involving RSL or AHP.

7.41 The Council's preference is for affordable housing delivery by one of its partner RSL's but, consistent with the guidance in Delivering Affordable Housing (CLG 2006), it will not prescribe which organisation the developer chooses to work with. A developer may wish to work with a RSL, which is not in partnership with the Council, or with another, unregistered affordable housing provider.

7.42 If a development of affordable housing is proposed in which no partner RSL is involved then initial planning submissions will need to set out how the proposed affordable housing meets the PPS3 definition of affordable housing. Details will therefore be required as to:

- The affordability of the proposed homes – how will they be provided at a cost that eligible households can afford.

- How the homes will remain at an affordable price for eligible households in the future.
- If the homes will not remain affordable, what will be done to ensure that the benefit of them is not lost.
- How they will be managed and maintained and the audited standards achieved by the provider.

7.43 The Council will also want to satisfy itself that the homes will be competently and properly managed and will seek to ensure this is the case proper to approving the provider as part of the approval process within the Planning Agreement. Where it is intended that the affordable housing units will be transferred upon completion to a RSL which is not a partner of the Council or to another, unregistered Affordable Housing Provider, the Council will require evidence that acceptable management standards can be achieved. To this end it will require prospective managers of affordable homes to either have signed the Homes and Communities Agency Approved Management Standards, or be able to provide clear evidence that they are able to meet the standards.

7.44 The Council has a number of development partner RSL's, operating in the FoDAB, and each is a member of the Council's RSL Management Partnership. Using RSL partners (as listed at Appendix C) removes the requirement to provide additional information on how acceptable management standards can be achieved, which would be sought if a partner RSL is not used. If an RSL not listed in Appendix C is to be used, then again early notification to the Council will be helpful to allow the completion of any necessary enquiries and processes prior to them having to be required by S106 clause.

Affordable homes delivered using a Registered Social Landlord.

7.45 Where developers are transferring completed units to Registered Social Landlords (RSL) then there will be no need to seek additional controls to ensure that only specified eligible households occupy the affordable units. RSLs have statutory duties to seek nominations from Councils and the Housing Corporation's Regulatory framework, and the status of most RSLs, as charities are sufficient controls. Applicants will be required to enter into a section 106 agreement, to secure the provision of the units and to ensure that the units remain affordable in perpetuity and provide mechanisms to recycle any capital receipts or subsidy provided.

Affordable homes delivered without Registered Social Landlord involvement.

7.46 Where a developer intends to retain ownership of the proposed affordable units or to transfer them to an Affordable Housing Provider which is not an RSL, it will be necessary for the Council, by means of clauses in a Section 106 (S.106) agreement or unilateral undertaking compliance to ensure that the homes will be occupied by specified eligible households whose needs are not met by the market, in compliance with PPS3and also securing of the long-term management arrangements therein.

Perpetuity of Affordable Housing

7.47 The definition in DAH 2006 (p 30), states that for a home to be considered affordable housing it must:

> "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."

7.48 What this means is that affordable housing should seek to be affordable in perpetuity, and should the housing cease to be affordable in the future, there must be a mechanism for any subsidy initially required in the construction of it to be recycled when the home ceases to be affordable or shares in the hope are purchased after the initial occupation. There are a number of ways that a home can cease to be affordable or shares be sold:

- A tenant of a social rented property exercises the **Right to Buy** or the **Right to Acquire**.
- A leaseholder staircases out to full ownership of a shared ownership property and then sells the property on the open market (where the lease allows full staircasing).
- A leaseholder that has not staircased to 100% ownership wishes to sell his stake. As required by his lease he must first offer his stake to the RSL he purchased from. If, again given the terms of the lease, the RSL can not find a suitable eligible new purchaser in the required time, or the RSL can not afford to buy back the property, then the leaseholder is entitled to sell his stake to anyone (i.e. not a **specified eligible household)**.
- A leaseholder seeks to purchase additional shares or equity stakes
- Future options where social rented tenants are able to purchase equity shares in their property instead of Right to Buy provisions.

7.49 In each of the above instances the Section 106 will include mechanisms that ensure that any subsidy release is recycled into the provision of new affordable housing.

7.50 In order to be able to replace any affordable housing lost to full ownership or interim stair-casing receipts, the Council will require net capital receipts to be recycled towards the provision of additional affordable housing in the Forest of Dean. Such requirements will be included within a legal obligation.

Exceptions sites

7.51 As these sites are an exception to normal planning policies, it is important that the affordable housing provided is available on an affordable basis to each successive occupier. Developers of exceptions sites will need to demonstrate to the council how they intend to ensure that the affordable housing remains affordable housing for future occupiers. FoDDC will ensure that the provisions required for the home to be retained as affordable in the future are in place by means of clauses in the S.106 agreement. Such clauses will include;

- The prevention of the right to buy or acquire for social rented properties
- Preventing shared ownership properties from full staircasing to market ownership.

Delivery of Affordable Housing on Site

7.52 PPS3 states that

> "The presumption is that affordable housing will be provided on the application site so that it contributes to creating a mix of housing."

7.53 In the vast majority of cases the Council will seek the provision of built units on site. This will promote socially inclusive and sustainable communities and minimise the delay in making the affordable housing available.

Off Site Provision and Commuted Sums

7.54 PPS3 paragraph 29 states that:

> "…where it can be robustly justified, off-site provision or a financial contribution in lieu of on-site provision (of broadly equivalent value) may be accepted as long as the agreed approach contributes to the creation of mixed communities in the local authority area."

7.55 In exceptional circumstances, as a last resort, and where it can be robustly justified, an off-site provision or a financial contribution in lieu of on-site provision may be considered (PPS3 Para, 29). The applicant and the Council should ensure that such arrangements would result in the provision of the affordable housing elsewhere or the earlier provision of already programmed affordable housing.

Off Site Provision

7.56 Off-site provision of affordable housing will only be considered where there are sound planning reasons why on-site provision is not possible or appropriate. The Council will also wish to be assured that off-site provision is deliverable. The off-site provision must be broadly equivalent in value, and sufficient to provide elsewhere the affordable housing provision that would have been expected to be provided on the application site.

Financial Contributions in Lieu (Commuted Sums)

7.57 The provision of contributions in lieu of on or off-site provision is the Council's least preferred option, and will only be considered in exceptional circumstances.

7.58 The contribution should take into account the broadly equivalent value of the on site provision and be subject to appropriate indexation.

7.59 As such, the method for calculating the value of a commuted sum for off-site provision will be calculated based on the quantity and mix of affordable housing reflective of that which would have been expected from the subject site had an on site contribution been practical or appropriate. The method of calculating the financial contribution is set out in Appendix F.

7.60 The Commuted sum is the sum to be paid by the developer.In the case of an off site provision being required, payments of the appropriate sum will be required before occupation of the first dwelling on the development

7.61 The Council will use the sum paid by the developer to facilitate the provision of affordable housing within its administrative area including the cost of enabling the scheme where appropriate. In the event that all or part of the payment has not been spent for this purpose within 5 years of its receipt, the Council will repay that amount to the developer, with interest. The Section 106 monies will be used to fund approved affordable housing providers as decided by the Council to provide affordable housing subject to the terms of the Section 106 Agreement.

Securing Planning Obligations

7.62 Government guidance advises that planning obligations (or "Section 106 (106) agreements") are an established and valuable mechanism for securing planning matters arising from a development proposal. They are commonly used to bring development in line with the objectives of sustainable development as articulated through the relevant local, regional and national planning policies. Planning obligations should be flexible to enable and encourage the scheme to proceed and are only sought if they are relevant to planning, necessary, directly related, fairly and reasonably related in scale and kind to the proposed development and reasonable in all other respects. Planning obligations will be used to ensure that the affordable housing built is occupied only by people that fall within the identified categories of need for affordable housing.

8 Design Issues

Design and Quality Standards

8.1 The Council expects all affordable housing to be built to high standards and to have regard to the HCA Design and Quality Standard (which supersede the Housing Corporation SDS) the Code for Sustainable Homes, which supersedes the Housing Corporation requirement for Eco Homes Standard and Lifetimes Homes Standard in line with requirements set by the HCA.

8.2 The Design and Quality Standard is the HCA Standard for affordable housing design, and is established as good practice for the affordable housing sector as a whole. Achieving this standard ensures RSLs and affordable housing providers are working to the same criteria and standards at the outset.

8.3 The Council will encourage all affordable homes to have regard to achieving Lifetime Homes Standard. Lifetime Homes Standard incorporates design features, which can adapt to different occupiers' needs or the occupiers needs as they change over time. The Council wishes to encourage the provision of lifetime homes in the district and will work with developers to ensure such provision.

8.4 The HCA expects all new affordable housing will achieve at least Level 3 of the Code for Sustainable Homes, which replaces the previous Ecohomes Assessment. The Code is an environmental assessment method for new homes, which aims to protect the environment by providing guidance on the construction of high performance homes built with sustainability in mind.

8.5 **Failure to meet the requirements of the Design and Quality Standard would prevent RSL's from receiving funding from the HCA, and subsequently not maximise the element of affordable housing.**

Site Layout

8.6 The Council's policies seek to achieve a mix of housing types and sizes within a housing development, and that the affordable housing does not replace the developers need to provide for a range of housing types and sizes as part of the non-affordable element of the scheme. To ensure that the Council's aims of creating balanced and integrated developments are achieved, affordable housing should not be easily distinguishable from market housing and should be well integrated into the development. When determining an application, the Council will take into account the design quality and siting of affordable housing. The Council also encourages the use of innovate designs to achieve this objective. Affordable housing should be interspersed through out the development to help ensure that concentrations of affordable housing are not created. The Council will aim to ensure that affordable housing is not concentrated in clusters greater than six properties although this will

8 . Design Issues

be determined on a site-specific basis, recognising that where developments contain a block of flats it may be appropriate to group affordable units, rather than be interspersed throughout a development.

8.7 In addition to the interspersing of affordable housing, affordable housing should not be visually distinguishable from market housing in terms of building quality, materials and details. Generally all affordable housing schemes will be expected to comply with the district council's current standard for private open space and to contribute to the requirement for public open space.

8.8 The Council will encourage developers to discuss their ideas at the earliest stage possible to avoid design changes later in the development process. The Council will expect developers to submit a Design Statement with their planning application, the contents and objectives of which should be part of the pre-application discussions.

Phasing Delivery of Affordable Housing

8.9 To help enable the delivery and timing of affordable housing units, the Council will seek to ensure a phasing of affordable housing (where applicable) throughout the housing development and for the affordable housing to be transferred or available for occupation but no later than completion of 60% completion of the Market Dwellings. This will be set out as a planning obligation subject to consultation with the developers.

9 Monitoring and Review

9.1 The Council will monitor the supply of affordable units in the District; both in relation to its Local Plan policies and other Council initiatives including homes produced through the Council's Empty Homes Strategy. It will also monitor the demand through future housing needs surveys. Other indicators, which will be monitored, include:

- Monitoring of Housing Completions by financial year (gross & net); by rent, low cost home ownership as well as i) those wholly funded by RSLs, ii) wholly funded through developer / landowner contribution iii) funded through a mix of public subsidy and developer contribution.
- Delivery of Affordable Housing Units through the planning system, in urban and rural locations and by type of dwelling units e.g. flats, houses, and number of bedrooms; as well as provision for older people; and people with special mobility requirements;
- The percentage of affordable housing achieved on an open market development.

9 . Monitoring and Review

Appendix A

Housing and Affordable Housing Local District Plan policies

(R)FH.4 Housing in Villages - Small Groups, Single Dwellings and Infilling

Infilling, small groups of dwellings and single dwellings will be permitted on sites within the defined settlement boundary of the villages listed below where they:

1. Can be satisfactorily integrated into the framework of the settlement in a location with a satisfactory residential environment; and

2. Would be compatible with the form and character of the settlement.

Aylburton, Blakeney, Bream, Clearwell, Drybrook, Dymock, Hartpury, Huntley, Joys Green, Littledean, Longhope, Lydbrook, Mitcheldean, Newnham, Parkend, Redbrook, Ruardean, St. Briavels, Sling, Staunton and Corse, Tutshill and Sedbury, Westbury, Whitecroft/Pillowell, Woolaston, and Yorkley/Yorkley Slade.

(R) FH.6 New housing in the Countryside

In the open countryside, outside defined settlement boundaries, new dwellings will only be permitted where they are essential to the efficient operation of agriculture or forestry unless they are affordable homes constructed on “exceptions sites” under policy (R) FH.14, or created by replacement under policy (R) FH.15 or by subdivision under policy (R) FH.16.

(R) FH.7 Housing on Greenfield Sites

In assessing proposals for housing development, priority will be given to the use of previously used sites in accordance with policy (R) F.Strategy 3. Where no such sites are available, then the development of new greenfield sites will be considered in accordance with the Plan policies for land allocations and policies, which regulate the release of land. In all cases proposals should make the optimum use of the land concerned, and be compatible with the Built Environment policies of the Plan.

(R) FH.9 Promotion of New Housing Stock through Conversions within Settlements

Unless indicated otherwise in the Plan, the conversion of existing dwellings to provide additional self contained accommodation and the conversion of other buildings to dwellings will be permitted within defined settlement boundaries where there are no unacceptable effects on the amenity of the area and a satisfactory residential environment can be provided. Conversions of existing dwellings will be required to retain the character of the existing building where appropriate, and must retain or provide adequate privacy, and must provide suitable access.

(R) FH.10 The Encouragement of Optimum Densities

Appendix A

Proposals for new housing development will be required to adopt appropriate densities to make optimum use of the site concerned taking account of:

1. The location of the site in relation to any available town or village centre and other services
2. The location of transport facilities
3. The characteristics of the site and its surroundings
4. The type of housing proposed

(R) FH.11 Mix of Dwelling Types

On large housing sites a range of house types will be required in accord with local requirements. This will include where appropriate the construction of smaller dwellings. The latter provision will be independent of any requirement for affordable homes on the site concerned.

Affordable Housing Saved Policies

(R) FH.12 Affordable Housing - Eligibility and Continuing Availability

Affordable housing will be required to be available to successive occupiers at an affordable cost whether provided for sale or rent. This will usually require a Section 106 Planning Obligation or equivalent enforceable agreement but may exceptionally be achievable using a planning condition or conditions. Where the affordable housing is certain to be controlled by a Registered Social Landlord, detailed occupancy controls should not be necessary other than in rural exceptions schemes which are to be provided in accordance with Policy (R) FH.14.

(R) FH.13 Affordable Housing on New Housing Sites- Negotiated Share Basis

An element of affordable housing will be sought by negotiation on all housing sites which are of 15 units or more or are larger than 0.5ha in towns and villages of greater than 3000 population or are of 5 units or more or larger than 0.2ha in other locations. The provision sought will be related to evidence of local need in the District, including housing need surveys, and to the suitability of the site in question. The provision of affordable housing should be made on the same site but exceptionally, and by agreement with the developer, a commuted sum may be sought equivalent to the appropriate affordable housing share on the site in order that the affordable housing may be provided closer to where the need for it arises.

(R) FH.14 Affordable Housing on Exceptions Sites

Appendix A

As an exception to the other housing policies in the Plan, the development of small groups of dwellings or single dwellings which provide affordable housing for local needs may be permitted within or adjoining the defined settlement boundaries of villages. In all cases proposals must:

1. Be capable of being integrated into the village without adversely affecting the amenity of the area

2. Be proposed in a village, which possesses a reasonable level of services in relation to the scale of development concerned

3. Be accompanied by evidence that shows a genuine local need for the type, scale and tenure of the proposed dwellings and that they will be available at a rent or purchase price, which those in need can afford

4. Be shown to be available on an affordable basis to each successive occupier

5. Be for dwellings that are to be limited to occupancy by persons in need of affordable housing. First preference is to be given to those already resident in the same village or parish as the scheme, or having a strong local connection (such as employment) with the village or parish. If within 6 months of completion of the scheme it cannot be filled by persons meeting these criteria, then residents of adjoining villages or parishes will be considered, followed by residents of the District and finally by persons with a strong local connection with the District and who have a need for affordable housing in the location concerned.

Appendix A

Appendix B

PRE APPLICATION ADVICE PROTOCOL

If you are thinking about submitting a planning application, particularly for a proposal defined as minor or major (e.g. new residential or commercial development) we strongly advise you to seek officer guidance and advice before you formally submit an application.

You are also advised to view the Council's planning policies on our website at www.fdean.gov.uk/content.asp?parent_directory_id=200 to seek guidance prior to preparing your proposal.

1. WHAT ARE THE ADVANTAGES OF PRE-APPLICATION ADVICE?

We encourage pre-application discussion because it can;

• Identify potential problems at an early stage and advise how your proposal should be amended to increase the likelihood of planning permission being granted.

• Assist in the preparation of proposals for formal submission, which, if you follow our advice, should be handled more quickly and be more likely to result in a positive outcome.

• Reduce the time your professional advisors' spend in working up the proposals by identifying issues early in the process thereby reducing the cost to you.

• Identify those proposals that are completely unacceptable, so saving you the cost of pursuing a formal application that will only be refused.

• Result in a better quality development.

• Speed up the decision making process and help ensure that Government targets are met with regards to determining planning applications (to determine 80% of householder applications within 8 weeks, 65% of minor applications within 8 weeks and 60% of major applications within 13 weeks).

3. WHAT INFORMATION SHOULD YOU SUBMIT FOR PRE-APPLICATION

ADVICE?

• Submit your request in writing. Relying on conversations with a planning officer on the telephone or in the office can lead to misunderstanding.

• Clearly describe your proposal. If you propose a new building or structure you should include plans in sufficient detail to show what it is you are proposing (e.g siting, parking, indicative heights and breakdown of uses/ floor area).

Appendix B

• A site plan should also be submitted so that the relationship with neighbouring properties can be assessed.

4. WHAT SERVICE CAN YOU EXPECT FROM THE COUNCIL?

• We will respond in writing within ten working days whenever possible. This will set out the main planning considerations and policies on which we would base our decision should you submit a formal application, and the likelihood of permission being granted.

• You will be advised what information will need to be submitted as part of the application to make it valid.

• You will be advised whether you will be likely to be required to submit S.106 agreements to secure benefits such as highway improvements or affordable housing. It is expected that if such a legal agreement is required it will be submitted as part of the planning application or very early in the process as a failure to provide such an agreement within the 8 or 13 week target deadline is likely to lead to refusal.

• If necessary a planning officer will meet you in the Council offices to discuss your proposal.

• If you do subsequently decide to submit an application the case officer will be made aware of the advice that was given to you previously.

If your proposal would be classified as a major application (eg. more than 10 houses or a non-residential building with a floor area of greater than 1000sqm) and is particularly complex then we will adopt a Development Team Approach which will offer the following additional benefits;

• Officers will facilitate liaison and discussion with any internal or external bodies who would be consulted once the application was formally submitted (e.g. Gloucestershire County Council, English Heritage, Environment Agency, HSE, the Council's Conservation Officer)

• The presentation of proposals to relevant Councillors as appropriate in the case of larger/more complex/contentious schemes

• The agreement and drafting of Section 106 agreements prior to the submission of the application.

• Provide advice regarding the appropriateness of community consultation at the pre-application stage.

• Agreement of a programme/timetable for the application, including target dates for submission and determination. These dates would be established in response to the needs of the applicant's development programme and the Council's requirement to meet performance targets.

Appendix B

5. WHAT HAPPENS IF I DECIDE NOT TO SEEK PRE-APPLICATION ADVICE PRIOR TO SUBMITTING A PLANNING APPLICATION?

It is, of course, your choice as to whether you seek pre-application advice.

However, if you do not seek such advice there is an increased chance that the application you submit will not include all the relevant information and therefore cannot be validated.

Without the benefit of pre-application advice there is also an increased chance that your proposal will not comply with national or local planning policy guidance and is unacceptable. If this is the case the application is likely to be refused without discussion with the applicant or agent.

Pre-application advice should also result in the terms of legal agreements being agreed prior to the formal submission of an application thereby ensuring that they are completed within the deadline of 8 or 13 weeks. A failure to complete such an agreement within the deadline will mean that it will probably be refused as the proposal will not deliver the benefits required in accordance with national and local planning policies.

Finally, it should be noted that if pre-application advice from planning officers is not followed and the submitted application does not accord with the Council's planning polices and standards, the planning application is likely to be refused without discussion with the applicant or agent.

6. IS THE ADVICE BINDING ON THE COUNCIL?

Whilst we always try to give accurate advice, planning applications are subject to extensive consultations and officers' views can change as a result of responses or following a more formal, detailed assessment of the proposal.

In addition, the application may be determined by the Development Control Committee, which is not bound to follow the officer recommendation. Therefore any pre-application advice given is informal and cannot commit the Council to a particular decision on any subsequent planning application.

Appendix B

Appendix C

RSL Partners Contact Details

Two Rivers Housing
7/ 3 Vantage Point Business Village
Mitcheldean
Gloucestershire
GL17 0DD

Tel: 0800 316 0897
Fax: 01594 546164

Wyedean Housing Association
11 St John Street
Coleford
Gloucestershire
GL16 8AP

Tel: 01594 838 000
Fax: 01594 838 004

Gloucestershire Housing Association
2 St. Michael's Court
Brunswick Road
Gloucester
Gloucestershire
GL1 1JB

Tel: 01452 529255
Fax: 01452 310520

Bromford Housing Group
1 Miller Court,
Severn Drive,
Tewkesbury Business Park,
Tewkesbury
Glos.
GL20 8DN

Tel: 0845 60 50 609
Fax: 01684 296052

Severnvale Housing
Shannon Way
Ashchurch

Appendix C

Tewkesbury
Glos
GL20 8ND

Tel: 01684 272727
Fax: 01684 272728

Appendix D

Affordable Housing – includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market and is provided at a cost low enough for them to afford, determined with regard to local incomes and local house prices

Allocated Sites - Sites that are identified in the Local Plan for the development of new housing.

Affordable Housing Provider - Any Affordable Housing Provider who is registered and receives funding from Housing Corporation other than an RSL.

Exceptions Site - A site that is granted planning permission for affordable residential development, which is beyond the limits to development of a settlement and would not be granted permission for market housing. This would only be granted permission or allocated on the basis of a housing need identified in the local area.

Housing Corporation (and its successor the Homes and Communities Agency HCA).- The non-departmental public body whose role is to fund and regulate Registered Social Landlords in England.

Housing Strategy - The Council's statement of its housing policy objectives and programmes, which is subject to a continual process of review.

Intermediate Housing - Housing at prices and rents above those of social rent, but below market prices or rents, and which meet the criteria for affordable housing (see above). The homes can be shared equity products and other low cost homes for sale and intermediate rent.

LA - Local Authority

Local Development Plan- The LDP sets out how the District may change in the years to come, taking into account the future needs of communities.

Material Consideration - A matter that is taken into account in deciding on a planning application, or on an appeal against a planning decision. Examples include Supplementary Planning Documents.

Open Market Value - The price at which a property would be sold, given a willing vendor and a willing purchaser, with no financial incentives, discount or subsidy.

Parish Housing Needs Surveys - Surveys which are carried out in parishes, or groups of parishes, to establish the extent of local housing need among existing and potential households which have a connection with that parish or group of parishes.

Appendix D

Planning Policy Statements (PPS) PPSs are a series of documents issued by the Government giving advice on a range of planning issues such as housing, conservation, transport etc.

Registered Social Landlord (RSL) - A not for profit organisation, often referred to as a Housing Associations, which provides both social rented and shared ownership housing, and which is registered with and regulated by the Housing Corporation

Rural Housing Enabler - an independent body who works with the council and parish councils to help identify need within a parish through a parish wide Housing Needs Survey

Section 106 Agreements - An agreement by a local authority with a landowner/developer restricting or regulating the development or use of land in accordance with the Town and Country Planning Act 1990.

Homebuy - The ownership of a dwelling jointly by the occupier and a Registered Social Landlord (RSL), where the occupier is unable to afford to purchase the dwelling outright, and which usually involves the payment of a subsidised level of rent to the RSL for the share which the occupier has not purchased, with the opportunity for the occupier to acquire additional shares at a later date.

Social Rented Housing - Rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime.

Supplementary Planning Document (SPD) - SPDs are documents providing more detailed and supplementary information on specific statutory policies. SPDs replace the old-style SPGs.

Staircase to full ownership- Term used to describe residents who live in shared equity housing, who initially buy a percentage share of the house and can then afford to increase their percentage share up to full ownership.

Statutory Housing Register – now referred to as the Council's housing waiting and transfer lists from which all social rented housing is allocated.

Windfall Sites - Sites which are not specifically allocated within the Local Development Framework, but which come forward as part of the normal development control process and are consistent with other Local Plan policies.

Zone Agent – A registered social landlord that markets housing schemes across an area. They deal with applications and nominations and assess eligibility for affordable housing.

Appendix E

Forest of Dean District Council and other Contacts

Planning applications including pre-application discussions and site specific matters

Planning Services
Forest of Dean District Council
High Street
Coleford
Glos
GL16 8HG

Tel: 01594 810000

Legal issues and Section 106 agreements

Principal Solicitor
Legal & Democratic Services
Forest of Dean District Council
High Street
Coleford
Glos
GL16 8HG

Tel: 01594 810000

Affordable housing including enabling

Housing Strategy and Enabling Officer
Forest of Dean District Council
High Street
Coleford
Glos
GL16 8HG

Tel: 01594 810000

Forward Planning

Principal Planning Officer
Forest of Dean District Council
High Street
Coleford
Glos
GL16 8HG

Appendix E

Tel: 01594 810000

Rural Housing Enabler

Gloucestershire Rural Community Council
Community House
15 College Green
Gloucester
GL1 2LZ

Tel: 01452 528491

Appendix F

The Council's calculations guide to Financial Contributions in Lieu of On-Site Provision of Affordable Housing

Principle

Where it is agreed that off-site provision is appropriate, the Council will accept a financial contribution. This will be broadly equivalent in scale to what would have been provided on-site and will used to provide elsewhere what the Developer is not providing on the application site.

Calculation

The financial contribution must be sufficient to cover the cost of making provision elsewhere, and a formulaic approach is used to calculate this amount.

Basis of calculation

The basis of the calculation is by reference to the affordable dwellings that would have been provided on the application site. The calculation will reflect an appropriate dwelling mix, type, and tenure that would meet the requirements of this guidance. For each of the dwellings, an independent Valuer will be instructed to determine its:

• Open Market unencumbered Value and its

• Affordable Intermediate Value or Affordable Social Rented Value (as appropriate)

• The value of clean unencumbered site suitable for providing an equivalent amount of affordable housing, assuming no allowance to be made for any S106 contributions.

"Social Rented Value" housing is based on the amount that an RSL could pay from their own resources (i.e. without the aid of public subsidy or grant) for the purchase of a social rented property. It is predominantly determined by the total that they are able to borrow that can be repaid from the affordable rents they receive, after allowing for their management and other expenses.

"Intermediate Value" housing Intermediate housing to be New Build Homebuy (NBHB) is based on the amount that an RSL could pay from their own resources (i.e. without the aid of public subsidy or grant) for the purchase of properties which will be sold to initial purchasers at no more than 40% of market value with an annual rent of no more than 1.5% of the unsold equity.

Formula

Appendix F

The financial contribution will be sum of the value of an equal clean unencumbered site plus the difference between the Open Market Value, less the Social Rented Value or Intermediate Value housing for each unit in the scheme that would have been required if an on site provision had been made. This is the broadly equivalent value of not providing the units on site and give sufficient funds to deliver the units off site via market purchase or development.

Appendix G

Dwelling Type Requirements

It is considered vital to ensure that a balance and mix of dwellings by type, tenure and size is provided in the District. This is one of the objectives of the Housing Strategy. A range and mix of dwellings in the District will ensure the District develops socially inclusive communities.

Provided below is a guide to the Council's Partner RSLs different size requirements for different affordable housing dwelling types. In addition the table also provides guidance on the approximate proportion of house types that the Council will seek for social rented properties for sites in the four main town areas. The proportion of house types is intended to act a guide and is based on identified need of the Council Housing Register. For shared ownership properties the need is predominantly for 2 and 3 bed houses.

Guide to the amount Type Size and Percentage of social rented and intermediate units that will be sought in the four main town areas

Property type	Social rented		Intermediate Housing		Minimum floor area of property m2
	Number of Units	Percentage Required	Number of Units	Percentage Required	
1 Bed Flat	17	7%	9	18%	45
2 Bed Flat	50	21%	14	29%	55
2 Bed House	40	17%	6	13%	75
3 Bed House	116	48%	17	34%	85
4+Bed House	17	7%	3	6%	95
Total	240	100%	49	100%	

Totals may not sum due to rounding

1. The Housing Register identifies a small amount of need for 5 bedroom accommodation which will be sought on larger developments within the context of the percentage of 4 bed units.

Appendix G

Appendix H

Provided below is a breakdown by property type of households on the Council Housing Register.

1 Bed Flat	**32.90%**
2 Bed Flat	**8.68%**
2 Bed House	**23.63%**
3 Bed House	**12.97%**
4 Bed House	**2.84%**
5+ Bed House	**0.43%**
1 bed Sheltered/EC/WC flats	**12.17%**
2 bed Sheltered/EC/WC flats	**6.38%**

Property type Social rented Minimum floor area m2

Analysis of the Housing Register 2008

Appendix H