

Affordable Housing

Supplementary Planning Document

July 2014



Wyre Forest District Council



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1 Introduction and Purpose

1.1 The delivery of affordable housing is a national priority. It is widely recognised that the gap between average incomes and average house prices has grown significantly and this has led to it becoming increasingly difficult, for young people in particular, to access home ownership. The National Planning Policy Framework (NPPF) emphasises the importance of the delivery of high quality housing across all tenures at a level which meets objectively assessed local needs. Wyre Forest District Council is committed to delivering affordable housing to meet housing need within the District. The District's Sustainable Community Strategy: Making a Real Difference, includes a priority relating to access to affordable, appropriate and decent housing. This priority is reflected in the District Council's Development Plan.

1.2 This Supplementary Planning Document (SPD) sets out detailed information relating to the delivery of affordable housing within the District and the standards which the District Council expects such housing to meet. The SPD does not set new policy; it provides detailed guidance for implementing the affordable housing policies set out within the District's existing Development Plan. The SPD is a material consideration for anyone submitting a planning application for residential development where an affordable housing contribution is required.

Consultation

1.3 The District Council undertook an 'early engagement' consultation between 3rd October and 1st November 2013 to allow key stakeholders and other interested parties to influence and shape the content of the SPD. A Draft version of the SPD was made available for consultation between Thursday 3rd April and Friday 16th May 2014. The representations received have informed the development of the SPD.

Sustainability Appraisal

1.4 The EU Strategic Environmental Assessment (SEA) Directive requires certain UK plans, policies and programmes which are likely to have significant environmental effects to undergo a formal environmental assessment. Additionally, European Directive 92/43/EEC Conservation of Natural Habitats, Wild Fauna and Flora requires that a Habitats Regulations Assessment (HRA) is undertaken for plans to establish whether or not the plan, alone or in combination with other plans, policies or programmes, is likely to have significant effects on the qualifying features of a European site or sites. Section 19(5) of the Planning and Compulsory Purchase Act 2004 requires Sustainability Appraisal (SA) to be carried out on a plan. Section 180(5)(d) of the Planning Act 2008 removes the requirement for SA to be carried out on SPDs. Therefore, SEA, HRA and SA are only needed where an SPD is likely to have significant effects.

1.5 The District Council undertook extensive SA on the Adopted Core Strategy, the Site Allocations and Policies Local Plan and the Kidderminster Central Area Action Plan. This SPD does not set new policy, it only provides detailed guidance to support the delivery of policies set out within the aforementioned documents. Therefore, it has been concluded that SEA, HRA and SA of this SPD is not required.

Purpose of the Document

1.6 The aim of this SPD is to help to meet housing needs and create mixed, balanced and sustainable communities by maximising the delivery of affordable housing. The SPD will clearly set out how the District Council's affordable housing policies should be interpreted. This will provide certainty and clarity for those bringing forward development within the District. Wyre Forest District Council's Development Plan is made up of the Adopted Core Strategy (2010), the Site Allocations and Policies Local Plan (2013) and the Kidderminster Central Area Action Plan (2013). The following District Council planning policies relate to the delivery of affordable housing, the policies are set out in full at Appendix C:

- Adopted Core Strategy - CP04 – Providing Affordable Housing
- Site Allocations and Policies Local Plan – SAL.DPL2 – Rural Housing
- Site Allocations and Policies Local Plan - SAL.DPL3 – Financial Viability

1.7 The Affordable Housing SPD provides more detailed guidance on the District Council's expectations for the delivery of affordable housing in accordance with the policies set out above. It explains how developers, landowners and Registered Providers (RPs) should interpret the District's affordable housing policies.

1.8 The District Council adopted a Planning Obligations SPD in February 2007. This document sets out detailed guidance on developer contributions in relation to a number of topics including affordable housing. This Affordable Housing SPD replaces Section 4 of the Planning Obligations SPD. However, this SPD only relates to the provision of affordable housing and all other planning obligations will still need to be met.

1.9 The Council also published an Affordable Housing Toolkit in April 2011. The toolkit outlined the expected design and quality standards, the basis for negotiation of percentage on S106 sites and details of the WFDC Registered Provider Partners. This Affordable Housing SPD replaces the toolkit.

Clent Mews, Kidderminster



2 Policy Context including Established Affordable Housing Thresholds

The National Planning Policy Framework

2.1 The National Planning Policy Framework (NPPF) sets out the Government's planning policies and how these are to be applied. It emphasises that the role of the planning system is to promote sustainable development, and identifies the importance of providing a supply of housing in achieving this objective.

2.2 The NPPF requires local planning authorities to *'use their evidence base to ensure their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area'* (NPPF, 2012, p.12). Wyre Forest District lies within the South Housing Market Area and a Strategic Housing Market Assessment was undertaken for this area in 2007. Consultants GVA prepared an updated Strategic Housing Market Assessment (SHMA) for the Worcestershire authorities which was published in 2012.

2.3 Having specific regard to affordable housing, the NPPF states that where affordable housing need is identified, local planning authorities should: *'set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time'*.

Strategic Housing Market Assessment

2.4 The 2012 Worcestershire Strategic Housing Market Assessment concluded that between 3,240 and 7,050 new dwellings will be required within the District between 2011/12 and 2029/30 to meet housing needs. The ageing population within the District will lead to an increase in demand for smaller properties. Older people are forecast to make up 35-36% of the District's population by 2030 compared to 22% in 2012. In order to maintain a level of working age population there will be a sustained need for family accommodation within the District.

2.5 There will be high demand for affordable housing within the District over the next five years. An annual need for 210 units is required up until 2017 to meet new demand and address the existing backlog. This reflects the impact of rising house prices over the last decade and the continued pressures on wages as well as the availability of mortgage finance. It also reflects the fact that affordable housing makes up only 15% of the total housing stock in Wyre Forest District compared to the national average of 20%.

2.6 Specifically in terms of affordable housing the SHMA indicates that there will be a high demand for smaller properties, with approximately 90% of housing need being for one and two bedroom properties. Importantly, however, the lower levels of turnover in larger properties also suggests that in order to address future need and the current backlog, new larger affordable properties will also be required.

2.7 When taking into account the natural increase in demand for affordable housing over the next five years, as indicated in the SHMA, we also have to consider the immediate increase in demand for affordable housing due to the welfare reform changes. The Government is currently

undertaking the biggest review of the UK's welfare system in over 50 years. The Welfare Reform Act is now in force and, embedded in the Act are a range of measures designed to simplify, streamline and reform the payment of out-of-work, income, housing and disability related benefits. The most notable changes that will have a direct impact on demand for affordable housing, are the introduction of benefit capping and the under occupancy charge. The under occupancy charge cuts the amount of benefit that people can get if they are deemed to have a spare bedroom in their council or housing association home. This measure has applied to housing benefit claimants of working age from 1 April 2013.

2.8 The cut is a fixed percentage of the Housing Benefit eligible rent. The Government has set this at 14% for one extra bedroom and 25% for two or more extra bedrooms.

2.9 With the introduction of the Welfare Reform Act there is likely to be a higher demand for one and two bedroom affordable properties across the District. This is due to the under occupancy charge coming into force and the need for households to downsize to avoid paying an under occupancy charge.

2.10 Alongside this there may also be a slight increase in demand for larger affordable properties across the District due to the implementation of benefit capping. This will force larger families out of private sector housing where rents are higher, and into affordable housing, thus increasing the demand for larger affordable properties.

2.11 Whilst the SHMA identified a sustained need for affordable housing tenures over the plan period, it recognised that the current market and financial context presents a significant barrier to the delivery of sufficient numbers of affordable housing units. It also recognises the increased pressure that this puts on S106 Agreements in delivering affordable housing and the need to balance this objective with other S106 contributions.

Hurcott Road, Kidderminster



Wyre Forest District Planning Policy

2.12 The housing target set out within the Adopted Core Strategy was taken from the former emerging West Midlands Regional Spatial Strategy (RSS). The RSS provided regional planning policy and aimed to decrease outward migration from the major urban areas of Birmingham and the Black Country, and as such, the housing target for Wyre Forest District does not reflect the full level of demand which would be expected from natural change and migration. Instead, it is more reflective of the natural change element of population growth. The affordable housing need for Wyre Forest District is 175 dwellings per annum when all new demand and backlog are considered (based on the 2007 SHMA for the South Housing Market Area). Over the 20 year plan period; this is almost the entire residential development target for the District. Therefore, whilst the Adopted Core Strategy seeks to deliver an element of affordable housing, it does not aim to meet the total demand arising from previously unmet need, natural population growth and migration.

2.13 Policy CP04 of the Adopted Core Strategy sets out the District's strategic approach to the delivery of affordable housing. The policy establishes a target of 60 affordable dwellings per year during the plan period. This is based on 30% of the overall housing requirement for the District. However, it is important to recognise that not all development sites will deliver 30% affordable housing. The Adopted Core Strategy sets a threshold, under which, sites are not required to deliver affordable housing. Therefore, only sites of 10 dwellings or more within Kidderminster and Stourport-on-Severn, and six dwellings or more within Bewdley and the rural areas, will be required to deliver affordable housing. Completions on sites falling below the threshold will contribute to the District's overall housing requirement but will not be required to deliver 30% affordable housing. Policy CP04 does however make provision for 100% affordable housing sites to come forward. New housing delivery in rural areas is focussed primarily around affordable housing.

Financial Viability

2.14 Economic viability is a significant issue affecting the delivery of affordable housing. The National Planning Policy Framework sets out the importance of ensuring the viability and deliverability of plans (para 173-177). Paragraph 173 states that '*The sites and scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened*' (p.41). Whilst a general viability study considered the deliverability of the overall development strategy having regard to the affordable housing requirement and other developer contributions, it is necessary to allow the consideration of these issues in more detail on a site-by-site basis. Therefore, policy CP04 makes provision for the financial viability of sites to be taken into consideration in negotiating the delivery of affordable housing. Therefore it is possible for development to be approved which delivers less than the standard 30% affordable housing requirement. The Site Allocations and Policies Local Plan provides greater detail on the consideration of financial viability in negotiating the level of affordable housing to be delivered on a site-specific basis.

The Community Infrastructure Levy

2.15 The Community Infrastructure Levy (CIL) will have a significant effect on the viability of development and the way in which developer contributions can be negotiated at the planning application stage. CIL is a planning charge that was introduced in the 2008 Planning Act and came into force on the 6th April 2010 through the Community Infrastructure Levy Regulations 2010. Local planning authorities can choose whether or not to charge CIL, however, once a CIL charge has been adopted it is not open to negotiation in the same way that S106 contributions are. Additionally, upon adopting a CIL charging schedule, the District Council must set out a list of what it intends to spend receipts on. This is called a Regulation 123 List. Once an item has been included on this list, S106 contributions can not be sought towards that item of infrastructure. The Regulation 123 List can not include affordable housing and therefore, this will continue to be provided through S106 Agreements. The District Council has decided not to implement CIL at the present time. The situation will be reviewed in autumn 2014. Should the District Council progress and adopt a CIL charging schedule in the future, it is imperative that the District's CIL charge is demonstrated to be viable alongside the current affordable housing requirement as CIL is a non-negotiable charge. Therefore, only developer contributions sought for matters not on the Regulation 123 list can be negotiated. To avoid leaving affordable housing delivery vulnerable, the level of CIL charge should not be set so high as to make housing schemes unviable having taken the need for affordable housing into consideration.

3 Housing Need

Overview of Affordability

3.1 The 2012 Strategic Housing Market Assessment Wyre Forest District Overview identified a number of affordability trends for the District:

- House prices within Wyre Forest District have remained fairly constant over recent years in comparison with the County and National averages which have both fallen during the same period. House prices remained constant in Wyre Forest District between 2006/07 and 2010, there has been a slight increase since 2010.
- When considering variation within the District, house prices in the western, more rural areas of the District have increased, whilst prices within Kidderminster have remained constant.
- Sales in Wyre Forest District reached a peak at 2,333 in 2002 and have declined since, reaching a low of 847 in 2009.
- Lower quartile house prices are used in the SHMA to represent entry level properties within the market and are an important part of affordability issues. Within Wyre Forest District, the average lower quartile price for 2010 was £113,000, however, this varies markedly across the District with lower quartile prices varying between £100,000 in parts of Kidderminster and £250,000 in parts of Blakedown and Chaddesley and Rock wards.

SHMA Monitoring Report 2012/13

3.2 The SHMA Monitoring Report 2012/13 identifies that the residence based average income is £20,828 and the average workplace base incomes in £17,357. Therefore, those people working within the District earn considerably less than those people commuting to employment outside of the District. Wyre Forest District has the lowest mean annual household income, at £33,482, in the County.

3.3 The current housing stock within the District is split as follows (2011 Census):

- 29.2% detached
- 36.6% semi-detached
- 18.5% terraced
- 12.6% flats
- 3% other.

3.4 The District has more two and three bedroom dwellings than the County average. This helps affordability within the District as there is a larger supply of smaller homes.

3.5 There has been a marked increase in the proportion of the housing stock which is privately rented. The 2011 Census shows that 14.4% of the District's housing is privately rented, compared to 9% in 2001. The proportion of social rented housing has fallen slightly to 14.4% although the overall stock levels have increased. The proportion of the housing stock which is owner occupied has fallen.

3.6 The average lower quartile house price for Wyre Forest District was £118,750 during the period 2012/13. This is up 3.3% from the 2011/12 figure. However, this is still relatively low compared to the rest of Worcestershire with the exception of Redditch where prices are slightly lower. House prices within the District have remained fairly stable since decreasing slightly in 2007. The mean house price for the District during the 2012/13 period was £171,613 which represents a 0.2% increase from the previous year, the median sale price was £146,000 which represents a 0.7% increase on the previous year. Wyre Forest District has the lowest median sales price in Worcestershire.

Attwood Close, Wolverley



3.7 Wyre Forest District remains the cheapest in the County for private rents across all house sizes. The average monthly rental prices for the year 2012/13 are as follows:

- 1 bedroom - £405
- 2 bedrooms - £519
- 3 bedrooms - £598
- 4 or more bedrooms - £858

3.8 Social rents are also cheaper in Wyre Forest District than anywhere else within the County for all property types except bed-sits. Average weekly social rents for Wyre Forest District are as follows:

- Bedsit - £62
- 1 bedroom - £66
- 2 bedrooms - £79
- 3 bedrooms - £87
- 4 bedrooms - £95

3.9 Wyre Forest District's population increased by 1.1% between 2001 and 2011, this was the smallest increase in the County. The majority of growth has been in the 65+ age group and has come about from internal migration, mainly from Sandwell, Dudley and Birmingham. The District's ageing population brings the need for specialist housing for older people and a key aspect of this is affordable housing which meets the needs of older people.

Current Housing Need

3.10 Analysis of the waiting list data for the District shows that there is a sustained need for affordable housing across Wyre Forest District. Wyre Forest District Council currently has 2,854 households registered on Choice Base Plus and out of those, 768 households are in significant housing need. The tables below show the indicative distribution of need across the District, however, it should be noted that due to postcode sectors not aligning to ward or Parish boundaries this data is indicative only.

Breakdown of Housing Waiting List Data by Area

Table 3.0.1 Kidderminster

Kidderminster	Number of Households
DY10 1	212
DY10 2	301
DY10 3	211
DY10 4	103
DY11 5	142
DY11 6	356
DY11 7	257
Total	1582

Table 3.0.2 Stourport-on-Severn

Stourport	Number of Households
DY13 0	208
DY13 8	132
DY13 9	146
Total	486

Table 3.0.3 Bewdley

Bewdley	Number of Households
DY12 1	92
DY12 2	151
Total	243

Table 3.0.4 Rural Areas

Other Postcode	Number of Households
DY14 9	43
Other DY	125
B	108
WR	59
WV	30
Remainder	178
Total	543

Table 3.0.5 Breakdown of Housing Waiting List Data by Family Make-Up

Family makeup	Number of Households
Families	1021
Single	781
Couples	196
Pensioner/DLA	837
Other	19

3.11 The 2012/2013 SHMA annual monitoring report shows that an annual household income of £30,000 is needed to purchase a lower quartile property within Wyre Forest District assuming a 3.5 income to mortgage ratio and a 10% deposit. In order to afford an average 2 bed apartment within the District, an income of over £24,000 is needed assuming that 25% of income is spent on rent and an income of just under £23,000 is required to afford a 2 bed apartment when charged at affordable rent levels (upper limit of 80% of market rent). The following table shows the income levels required to access different types of entry level property within the District.

Table 3.0.6 Income levels required to access different types of entry level property within the District

Affordability Benchmarks – Annual Income Required					
To Purchase LQ House (3.5 x income, 10% deposit)	Renting Average 2-bed Apartment (25% income)	Renting Average 3-bed House (25% income)	Affordable Rent (80% Market Rent) 2-bed Apartment (25% Income)	Affordable Rent (80% Market Rent) 3-bed House (25% Income)	Social Rented 2 - bed(25% Income)
£30,536	£24,912	£28,704	£19,930	£22,963	£16,432

3.12 The above table demonstrates that 55% of the households within the District do not have a sufficient level of income to access a lower quartile market home.

Housing Need Forecasts

3.13 The SHMA forecasts the affordable housing need for the District going forward. It looks at household formation and existing need. For Wyre Forest District, the total newly arising need is 506 units per annum. This is based on an annual average household formation rate of 903 households per year and an assumption that 48% of these households will be unable to afford home ownership or rent in the open market. It also takes into consideration those households on the current waiting list who are registered as a priority need.

Hurcott Road, Kidderminster



Recent Delivery

3.14 Although the Core Strategy was adopted in December 2010 the plan period starts from 1st April 2006. Therefore, the delivery figures in this section are from 1st April 2006 to 31st March 2014.

3.15 The table below shows the total number of affordable homes delivered within the District since the start of the plan period and the breakdown between social rented and shared ownership properties. The annual target for affordable housing for the District is 60 units. Whilst the delivery of affordable homes was particularly low in 2006/2007 and 2010/2011, the average over the plan period to date is 72 dwellings per annum.

3.16 In terms of the split between social rented and shared ownership, around a quarter of those affordable housing units delivered since the start of the plan period are shared ownership. This is slightly more skewed towards rental properties than the target for the District to seek a 70:30 tenure split in favour of social rent over shared ownership units, as indicated in the 2012 SHMA.

Table 3.0.7 Recent Delivery of Affordable Housing

Year	Rent	Shared Ownership	Mortgage Rescue	Total
2006/2007	0	8	0	8
2007/2008	75	9	0	84
2008/2009	51	48	0	99
2009/2010	60	6	0	66
2010/2011	19	10	0	29
2011/2012	48	25	0	73
2012/2013	49	11	0	60
2013/2014	128	35	2	165
Total	430	152	2	584
Annual Average (to nearest whole number)	54	19	0	73

3.17 The table overleaf shows the split between affordable units delivered as part of 100% affordable housing schemes and those delivered on market housing sites as a result of S106 Agreements. The number of affordable housing units delivered as a result of S106 Agreements is considerably less than 30% of the number of dwellings delivered overall. This is due to a combination of reasons including sites falling below the threshold where affordable housing is required and, more recently, economic viability reducing the number of affordable housing units that developers are able to deliver.

Table 3.0.8 Split between affordable units delivered as part of 100% affordable schemes and those delivered through S106 Agreements

Year	100% affordable Housing Sites	S106 on Market Sites	Mortgage Rescue	Total
2006/2007	0	8	0	8
2007/2008	64	20	0	84
2008/2009	56	43	0	99
2009/2010	51	15	0	66
2010/2011	29	0	0	29
2011/2012	48	25	0	73
2012/2013	41	19	0	60
2013/2014	108	55	2	165
Total	397	185	0	584
Annual Average	50	23	0	73

3.18 It is clear from the data presented within this section that the need for affordable housing within the District is significant and, as Government changes are implemented, this need will continue to evolve. Therefore, it is important that policies are in place to deliver affordable housing and that the effectiveness of these policies is monitored.

4 Definition of Affordable Housing

4.1 Affordable housing provides for the housing needs of those who are unable to access market housing, either for rent or for purchase, without assistance.

4.2 Affordable housing is defined by the NPPF and the Site Allocations and Policies Local Plan as:

4.3 *“Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.*

4.4 *Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.*

4.5 *Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).*

4.6 *Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market rent levels subject to the criteria in the affordable housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.*

4.7 *Homes that do not meet the above definition of affordable housing, such as ‘low cost market’ housing, may not be considered as affordable housing for planning purposes”.*

4.8 Affordable rent is a form of social housing. Homes will be made available at a rent level of up to 80% of gross market rents. Gross market rents are generally expressed inclusive of any service charges. An affordable rent, set at up to 80% of the gross market rent, should take account of the service charge for a property (where applicable). Providers are able to let a property at an affordable rent (inclusive of service charges, where applicable) of up to 80% of the gross market rent which reflects the property size and location. The maximum rent level for affordable rent should be assessed according to the individual characteristics of the property. Landlords are required to assess the gross market rent that the individual property would achieve and set the initial rent (including service charges) at up to 80% of that level. In addition the Council is keen to support affordable rents being in line with the Local Housing Allowance to comply with the Tenancy Strategy.

4.9 Affordable rented housing is owned by registered providers and let to households who are eligible for social rented housing.

4 Definition of Affordable Housing

4.10 In addition to this, the District Council's planning policies also refer to local needs housing. This is not necessarily affordable housing but housing which meets an identified need within a local area. It is defined as:

4.11 *"including affordable housing and market housing which addresses the established* needs of different groups in the community, including, but not limited to, families with children, older children, people with disabilities, service families and people wishing to build their own homes (*through Parish Housing Needs Surveys, Neighbourhood Plans and Local Housing Waiting Lists)."*

4.12 Intermediate affordable housing is housing for sale or rent at prices and rents above those of social rent, but below market prices or rents, subject to the above affordable housing definition. It can include shared equity products, other low cost homes for sale and intermediate rent, but not affordable rented housing.

4.13 Market housing is private housing for rent or for sale, the cost of which is established through the open market.

Bellway Homes, Clensmore Street, Kidderminster



5 On and off-site contributions

5.1 The District Council's Affordable Housing Policy is set out within policy CP04 of the Adopted Core Strategy and policy SAL.DPL2 and SAL.DPL3 of the Site Allocations and Policies Local Plan. These policies are set out at Appendix C to this SPD.

5.2 The District Council has adopted a target of 60 affordable housing units per annum. This is significantly lower than the 175 dwellings per annum which are needed to clear the existing backlog and provide for new households with a requirement for affordable housing at the time the Core Strategy was prepared, however, it is considered to be realistic as it is approximately 30% of the overall requirement for new dwellings during the plan period. A number of issues will affect the delivery of affordable homes. The phasing of new development means that in years where the overall development level is lower there are likely to be fewer affordable units completed. The number of sites coming in below the threshold will also affect the delivery of affordable housing. The sites allocated in the Site Allocations and Policies Local Plan and the Kidderminster Central Area Action Plan are all above the threshold so this will only apply to windfall sites. Viability will be a significant factor in achieving the target for the delivery of affordable homes. The activity of Registered Providers will also affect the delivery. Some sites come forward for 100% affordable housing and these can significantly boost the delivery of affordable housing units.

5.3 Affordable housing is not required where the development involves demolition and replacement of existing housing and there is no net increase, or the net increase is below the affordable housing threshold relevant to the location of the development or, where proposals are for housing that is not self-contained, including care homes, nursing homes and student accommodation. However, extra care or sheltered accommodation schemes are required to provide affordable housing although it is recognised that off-site provision or a financial contribution will generally be more appropriate in these circumstances. Private rented housing is also required to make an affordable housing contribution.

5.4 Policy CP04 of the Adopted Core Strategy requires all sites to provide 30% affordable housing where they deliver 10 dwellings or more in Kidderminster and Stourport-on-Severn and where they deliver six dwellings or more in Bewdley and the rural areas. This should be provided on-site wherever feasible. Where this is not feasible, or viable, off-site provision or a financial contribution will be expected. Once the affordable housing threshold is reached, the 30% requirement applies to all dwellings on-site, not just those above the threshold. Where it is not statistically possible for the affordable housing provision to be 30%, the provision will be rounded up if it is .5 or more or down if it is below .5 as set out below.

Table 5.0.1 Implementing the 30% Requirement - Worked Examples

Number of Dwellings	Location	% Requirement	Calculation	Number of units Required
10	Kidderminster	30%	30% of 10 = 3	3 units
6	Bewdley	30%	30% of 6 = 1.8	2 units
11	Kidderminster	30%	30% of 11 = 3.3	3 units

5.5 When determining planning applications, the District Council will consider whether or not a development represents efficient use of land. Density will be judged with regard to the characteristics of the local area and policy CP05 of the Adopted Core Strategy together with the most up-to-date Design Quality Supplementary Planning Document. Applications which do not represent efficient use of land will be refused. The District Council will also challenge proposals which are presented in such a way that they deliberately circumvent the policy for affordable housing provision. For example:

- Where the development of adjacent sites is functionally interdependent on each other they will be considered together in respect of their potential for the delivery of affordable housing.
- A site being split up into smaller parcels of development, none of which are above the affordable housing threshold.
- Artificially low density in order to avoid the number of units being above the affordable housing threshold. When considering applications, regard will be had to the site's wider context, including the density and characteristics of the immediate area within which the site sits.

5.6 The District Council recognises the importance of intermediate tenure properties in helping people into home ownership, reducing demand for affordable and social rented housing and aiding the financial viability of developments. The analysis undertaken by GVA and documented in the SHMA highlighted a tenure split of 70% social rented units and 30% intermediate units should usually be sought. This figure is reviewed in line with the SHMA updates. Therefore, the District Council will seek to achieve a 70:30 tenure split unless the SHMA update indicates otherwise. However, the District Council will take a flexible approach where the local need is more appropriately met by one form of tenure than another; where the site viability is compromised by the 70:30 split or where the tenure profile adjacent to the site indicates that a different split may be more appropriate in the specific circumstances presented. Tenure mapping has been undertaken for the District and this will be used to inform the exact split as part of site specific negotiations. The exact requirements in terms of number of bedrooms and type of units will be negotiated on a case by case basis using the most up to date housing need data as a basis for setting requirements.

5.7 With regard to rented tenure, the District Council recognises that both social rent and affordable rent properties are let to households on the housing waiting list on the basis of need. However, affordable rent levels within the District are significantly higher than social rent levels and the difference becomes more significant as property size increases. Therefore, the District Council's starting point is that rental properties provided through a S106 Agreement should be social rent rather than affordable rent. In exceptional circumstances, where the viability of a development scheme is jeopardised, the District Council will consider an element of

Puxton Drive, Kidderminster



affordable rent as an alternative to reducing the amount of affordable housing provided, in order to make a development viable. In these circumstances, the District Council will assess the level of rent proposed and may negotiate a rent which is below 80% of the market rent.

5.8 Difference between Monthly Social and Affordable Rent Levels by Property Size

Table 5.0.2 Difference between Monthly Social and Affordable Rent Levels by Property Size

Dwelling Size	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Social Rent ⁽¹⁾	£298	£329	£338	£361
Affordable Rent ⁽²⁾	£320	£400	£486	£636
Difference Between Social and Affordable Rent	£22	£71	£148	£275

5.9 Off-site provision will only be considered in exceptional circumstances. Both the developer and the local authority must agree that this is the most appropriate course of action and developers must demonstrate why the provision of affordable housing on-site is not achievable. Examples of circumstances where it may not be possible to provide affordable housing on-site include sites where it would be difficult to achieve a mixed-use scheme and sites with particular site and layout constraints. Both the developer and the local authority must agree where the provision will be located. The alternative site must then meet the requirement for affordable housing generated from both sites as per the example below:

5.10 Sites A and B can each accommodate 30 dwellings. It has been agreed that all of the affordable housing contribution will be located on site B. Therefore, the requirement is:

Site A: 30 dwellings (30%) = 9 dwellings

Site B: 30 dwellings (30%) = 9 dwellings

Total affordable housing units required = 18 dwellings to be provided on site B.

5.11 In exceptional circumstances, at the discretion of the District Council, it may be considered appropriate for a developer to provide land to a Registered Provider, or to the District Council rather than delivering actual affordable housing provision. The land must consist of free serviced plots which would enable the Registered Provider, or the District Council, to deliver the affordable housing provision itself. The number of plots transferred must reflect the level of contribution required in accordance with the guidance set out above.

5.12 Free serviced land is defined as cleared, remediated land with all services (e.g. gas, electricity, water, sewerage, telephone, broadband, lighting etc) and infrastructure (e.g. roads to an adoptable standard, footpaths, boundary walls etc) necessary for development right up to the edge of the land. There must be no legal, physical or financial barriers to the servicing of the land by the developer constructing the affordable housing.

1 Source RSR 'Guide to Social Rents Part II' 2011

2 Source: GVA, Worcestershire Strategic Housing Market Assessment, 2011

5.13 For full or reserved matters applications, developers will be expected to provide details of the specific location of the serviced plots within the site. The Council will usually expect the plots to be clustered, but on larger sites, it may be appropriate to divide the provision into smaller clusters distributed across the wider site. The appropriateness of proposed locations for affordable housing will be determined by the Council as part of the planning process.

5.14 In very exceptional circumstances, where it is demonstrated that the provision of affordable housing on the site of, or in the vicinity of, new development, is not viable, the District Council will accept a financial contribution towards the delivery of affordable housing within the District. Robust justification will be required to support a financial contribution in lieu of on-site affordable housing provision. Potential circumstances where developer contributions may be appropriate include:

- **Management:** for example in the case of high density apartment schemes designed to meet the needs of specific groups of people, where communal facilities are provided and paid for through a service charge. It is unlikely that such developments would be able to provide separate facilities for affordable housing based on a lower service charge. The service and management charges associated with such developments would make units unaffordable.
- **Level of on-site Affordable Housing provision:** Specific planning objectives or site viability issues may result in a situation where the level of affordable housing to be provided is so low that a registered provider may not want to take such a small number of units. In this situation, the District Council recognises that a financial contribution may be the most beneficial outcome.
- **Mix of Affordable Housing in the Vicinity:** If there is a high concentration of affordable housing within the vicinity of the application site, the District Council may consider that a financial contribution is more appropriate. However, the overall shortage of affordable housing across the District makes this extremely unlikely.

5.15 The principle for determining the financial contribution to be made is that it should be broadly equivalent in value to on-site affordable housing provision. Therefore, the approximate cost of on-site provision to the developer will be established and the developer will pay this value to the District Council. The basis for calculating the financial contribution is therefore as follows:

Commuted Payment = Open Market Housing Value less Affordable Housing Value⁽³⁾

Worked Example:

Application for 20 x 2 bed apartments in Kidderminster

30% of 20 = 6 units

70:30 split = (4 units social rented and 2 units shared ownership)

Development appraisal provides an open market value of £110,000 per apartment

Social rent subsidy is: (£110,000 x 4) – (£42,500 x 4) = £270,000

Shared ownership subsidy is: (£110,000 x 2) – (£51,000 x 2) = £118,000

3 See table 7.0.1

5.16 Where a financial contribution has been agreed, the District Council will expect the developer to enter into a Section 106 Agreement which will set out details including: the timing of the payment and the timescale within which it must be used. All monies unspent after the agreed timeframe will be returned to the developer. Any payments received under these circumstances will be held within a ring-fenced account and will be used to fund affordable housing provision within the District in accordance with the current Adopted Housing Strategy and the S106 agreement under which they were ascertained. A model section 106 agreement is set out at Appendix B to this SPD.

Rural Housing

5.17 The District Council's planning policies limit housing in the rural areas to that which is affordable or which meets an identified local housing need. Outside of the allocated sites, market housing will only be permitted where it is supported by a robust viability assessment demonstrating that it is required in order to make the development deliverable.

Rural Exception Sites

5.18 Affordability is a specific problem within Bewdley and the District's rural areas. Housing delivery in these areas is therefore focussed specifically around providing affordable housing and meeting other local needs. Policy SAL.DPL2 makes provision for affordable housing, or housing to meet a specific identified local housing need (as defined in the Site Allocations and Policies Local Plan, 2013), to be delivered on sites where the provision of housing would usually be contrary to development management policies. Policy SAL.DPL2 requires sites to be small, this is considered to be any site which falls below the nationally accepted definition of major development and therefore sites will be limited to a maximum of 9 dwellings. Such sites must be identified in partnership with the Town/Parish Council and must be to meet a local housing need identified through a Local Housing Needs Assessment or using data from the housing waiting list. Where the local housing need established is not affordable, policy CP04 will be applied as set out above. Additionally, where exception sites are solely for the provision of affordable housing the policy also makes provision for some limited enabling market housing to make the development viable. The need for any enabling market housing must be demonstrated through a viability assessment and in no circumstances will applications be approved where more than 20% of the units on the sites are required to be enabling market housing. Exception sites will only be allowed on small sites adjoining Bewdley and within and adjacent to the villages and rural settlements identified within the Settlement Hierarchy set out within policy DS01 of the Adopted Core Strategy.

Chaddesley Corbett



5.19 Development of exception sites must be identified in partnership with the District or Parish Council and must be supported by a Parish Housing Needs Survey which should normally be undertaken by the District Council in partnership with the Parish Council. However, where this is not possible, applicants may undertake their own survey but only where the methodology

and questionnaire are agreed with the District Council in advance of the survey commencing. The Housing Needs Survey must consider the need for all types of residential development within the parish. Alternatively, data from the housing waiting list can be used to demonstrate need for affordable housing.

5.20 The development of rural exception sites should not result in a significant adverse impact on the character of the settlement, the amenities of residents, the rural landscape, or nature conservation interests, and should not result in the loss of open space with public amenity or recreational importance. Sites within the settlement boundaries will be the preferred location for exception sites.

5.21 Applicants should note that the value of exception sites should be significantly lower than land where open market development is permitted. This will help keep development costs down and increase the viability of the scheme, so that schemes do not become unaffordable.

Neighbourhood Planning and Community Right to Build Orders

5.22 Neighbourhood Plans and Community Right to Build Orders were introduced by the Localism Act 2011. These initiatives can both be used, either in combination, or independently, to secure the delivery of affordable housing. Neighbourhood Plans can set out locally specific policies on affordable housing or allocate sites for the delivery of affordable housing. However, they must be in general conformity with the District Council's adopted Local Plan documents. Community Right to Build Orders can be used to grant planning permission for certain types of scheme, including affordable housing schemes. Local communities preparing Neighbourhood Plans or Community Right to Build Orders must meet certain criteria or they can be prepared by Town/Parish Councils; they must also be approved by local residents at a referendum.

Willow Court, Kidderminster



6 Viability Considerations

6.1 The District Council acknowledges that some sites will not be economically viable at 30% affordable housing. Policy SAL.DPL3, together with Appendix C of the Site Allocations and Policies Local Plan sets out the District Council's approach to considering a lower level of affordable housing to achieve a viable development proposal on a site. This chapter provides additional guidance on the implementation of policy SAL.DPL3.

6.2 Where an applicant feels that there are exceptional constraints which justify a reduced or alternative provision of affordable housing, the application cannot be recommended for approval unless sufficient evidence is submitted in advance of the application being considered, and the evidence is judged by the case officer to be sufficiently convincing to justify a departure from normal policy requirements.

6.3 In order to make that judgement, the case officer will carry out a financial appraisal, using a combination of standard cost information that is already at their disposal, and site specific cost and value information which should be provided by the applicant. In the event that the applicant is either unable or unwilling to provide that site specific cost information, or where that information is not convincing, the case officer may seek external advice.

6.4 An obligation to provide affordable housing differs from other planning obligations. Instead of being related to the direct consequences of the proposed development, it is required subject only to the site falling above the thresholds set out in policy CP04 of the Adopted Core Strategy, and the economics of provision. This focus on the economics of provision has introduced the need to examine information that would previously, and in most other circumstances, be considered to be less material to the consideration of a planning application. It therefore has introduced the need to seek, store and use a significant amount of commercially sensitive information.

Seeking, Using and Storing Confidential Information

6.5 If the applicant suggests there is justification for a reduced provision of affordable housing but fails to provide the specified information, they should be formally advised that this would preclude the consideration of that position, and the application could therefore be determined only on the basis of the level of provision that is described in policy CP04 of the Adopted Core Strategy. There is no obligation on the Council to demonstrate that economic considerations in general justify this policy, as it has already been tested and adopted through the Local Development Framework process.

6.6 The information can be provided in either paper or electronic form, using the format provided which indicates that the contents will be treated as confidential and limited in use and storage in accordance with this document.

6.7 Whilst the planning application file will be available for public inspection, confidential information will be removed. A reference will be added to the file specifying that confidential financial information has been provided and a reference to the view that has been taken by the case officer and any other authorised person on the validity of that information will also be provided, none of the actual figures submitted will be available for public inspection.

6.8 Existing practice as set out in Development Control Practice Note 1 “Public Access to Planning Files and Information” is for any confidential information on a planning application to be held in a red sub-file that will be removed from the main file before it is made available to a member of the public. There would need to be a very good reason for creating an additional set of files for financial information, and as long as the existing system is considered to be secure, it should be used for this purpose. If an applicant were to be dissatisfied with these arrangements, the Council would have to judge whether it was reasonable to make other arrangements, or whether they would be confident to defend the existing arrangements at appeal.

Gladstone Place, Blakedown



6.9 The information should be delivered to Wyre Forest House as a confidential document to be seen only by the Director of Economic Prosperity and Place, the Development Control Manager, the case officer, the Principal Strategic Housing Officer and the Strategic Housing Services Manager. Where the case officer feels that another party should review the information, this will be approved by both the applicant and the Development Control Manager (who will seek advice from the Director of Economic Prosperity and Place if in doubt). The person receiving the information will be required to sign a confidentiality statement in advance, which would confirm the following:

- the nature and purpose of the information;
- the names of the individuals entitled to see the information;
- that the applicant and the Development Control Manager have, by their signatures, authorised the individuals to receive the information, and;
- that the individuals will, by their own signature, return the information to the Council without any copies (paper or electronic) being retained.

6.10 The individuals will normally be suitably qualified professional advisers retained by the Council for the purpose of assisting in the assessment of a site for which planning permission has been applied and for which the applicant is making a case for a reduction from the normal level of affordable housing provision.

External Advice to Assess Financial Information

6.11 Obtaining external advice to assess financial information, provided by an applicant to seek to justify a reduced provision of affordable housing, should be minimised by using the information set out within the development plan policies and this SPD to make that assessment in-house wherever possible.

6.12 Nevertheless, it is inevitable that there will be cases where either the complexity or individuality of the scheme, or the inability of the case officer and the applicant to reach any sort of agreement on the appropriateness of the figures provided, will make it necessary to seek the opinion of an external expert.

6.13 It should be made clear that the reference to external advice is **not** to seek arbitration, which would be binding on all parties, as that would be a wholly inappropriate and unauthorised delegation of authority. The use of external advice would be limited to providing the Council with either of these two alternatives:

- Confirmation that the amount and type of affordable housing they are seeking is justified, so the Council can be confident in determining the application accordingly.
- Or, the extent to which economic considerations would justify a reduced, amount of affordable housing, so the Council can be confident in agreeing to that reduction without the risk of either undermining policy or being unreasonable.

6.14 The advice will also be relied on to defend the Council's position at any appeal against their refusal to grant planning consent, and the provider of the advice might be called upon in that situation to provide expert witness and be subject to cross examination by the appellant or their agent or counsel.

Wribbenhall, Bewdley

6.15 Although the commissioning of external advice should not be a frequent or routine procedure, it needs to be available promptly, efficiently and in a consistent manner. These requirements will be best served by having a standing arrangement that can be called upon, as and when required, from one or more firms who will have successfully tendered for that purpose. Any tender will be based on the following brief and comply with the Council's Standing Orders and Procurement Policy:



- Review the financial information, including costs and values, supplied by the applicant and provide a commentary on the appropriateness of each of the figures, with any suggested alternatives.
- Provide evidence to support any suggested alternative figures, based on comparable developments.
- Comment on the strength of that evidence in the context of potential cross examination at a planning appeal.
- Comment on the potential for a form of development that would offer a greater potential for providing affordable housing (in cases where the applicant's proposed scheme does not enable the requirements of policy CP04 of the Adopted Core Strategy to be met in full).

6.16 The report received from the external advisor will be treated as confidential information, in exactly the same way as the information provided by the applicant, as it will not only include some or all of that information, but the opinions expressed will also be commercially sensitive.

6.17 The conclusions of the advice, however, will need to be incorporated into the case officer's committee report, and care will need to be taken in compiling that report to avoid revealing any confidential information.

7 Funding

7.1 The starting point for discussion on developments is that there should be no assumption that grant will be available for the provision of affordable housing, and that the developer will have to bear the additional costs associated with this provision. The Homes and Communities Agency has made it clear that it does not consider it appropriate to allocate grant for affordable housing that is to be provided through Section 106 Agreements.

7.2 In the light of this background information, it should be evident that the only circumstances in which any form of grant might be available would be at the discretion of the local authority - where they deem it to be preferable to a reduction in the number, or the level of affordability, of the dwellings to be provided as a consequence of the consideration of the economics of provision and where resources are available.

What a Registered Provider (RP) can pay for affordable housing – Affordable Values

7.3 The table of affordable values, set out below, shows the maximum amount that an RP can usually afford to pay, in order to achieve the costs to the occupier that makes the housing affordable. These affordable values are what the developer should expect to receive as payment for affordable housing, and should form the basis for their own assessment of land values.

Table 7.0.1 Affordable Values⁽⁴⁾

Size of Property	Weekly Affordable Rents	Affordable Value for Rented Properties	Affordable Value for Shared Ownership Properties
1 bed, 2 person flat	£63-67	£35,000	£43,000
2 bed, 3 person flat	£71-74	£42,500	£51,000
2 bed, 3 person house	£75-83	£48,000	£65,000
2 bed, 4 person house	£77-83	£49,500	£67,000
3 bed, 4 person house	£84-93	£55,000	£72,000
3 bed, 5 person house	£85-93	£57,000	£74,000
4 bed, 6 person house	£93-101	£62,250	£82,000
1 bed, 2 person bungalow	£66-69	£40,000	£49,000
2 bed, 3 person bungalow	£76-77	£46,500	£56,000

⁴ figures correct at publication, but subject to review

8 Design and Construction

8.1 The design of new affordable housing and its integration with market housing are key to delivering sustainable communities. The Council acknowledges that design and integration issues should be determined on a case by case basis, but will work to ensure that the design of new affordable housing is not distinguishable from market housing, especially those homes located on a predominately market housing development. On-site affordable housing must be well integrated with the wider development, rather than being grouped together within a single area of the wider site, unless there is sufficient justification for not doing so.

Dwelling Space Standards and Design Issues

8.2 The Homes and Communities Agency set out minimum floor space standards for properties which they provide grant funding for. These standards are now taken from the Housing Standards Review Consultation Draft. The District Council will encourage all affordable housing to meet these standards. The minimum floor space requirements for affordable housing units are as follows:

Table 8.0.1

Flats or Other Dwellings on One Floor			
Property	Occupancy	Bed Spaces	Min m ²
Studio	1b1p	1 bed space	38
1 bedroom	1b 2p	2 bed spaces	47
2 bedrooms	2b3p	3 bed spaces	60
	2b4p	4 bed spaces	69
3 bedrooms	3b4p	4 bed spaces	73
	3b5p	5 bed spaces	84
	3b6p	6 bed spaces	93
4 bedrooms	4b5p	5 bed spaces	88
	4b6p	6 bed spaces	97
	4b7p	7 bed spaces	106
	4b8p	8 bed spaces	115
5 bedrooms	5b6p	6 bed spaces	101
	5b7p	7 bed spaces	110
	5b8p	8 bed spaces	119

Table 8.0.2

Two Storey houses or Other Dwellings on Two Floors			
Property	Occupancy	Bed Spaces	Min m ²
2 bedrooms	2b3p	3 bed spaces	68
	2b4p	4 bed spaces	77
3 bedrooms	3b4p	4 bed spaces	81
	3b5p	5 bed spaces	90
	3b6p	6 bed spaces	99
4 bedrooms	4b5p	5 bed spaces	94
	4b6p	6 bed spaces	103
	4b7p	7 bed spaces	112
	4b8p	8 bed spaces	121
5 bedrooms	5b6p	6 bed spaces	107
	5b7p	7 bed spaces	121
	5b8p	8 bed spaces	125
6 bedrooms	6b7p	7 bed spaces	120
	6b8p	8 bed spaces	129

Table 8.0.3

Three Story Houses or Other Dwellings on Three Floors			
Property	Occupancy	Bed Spaces	Min m ²
3 bedrooms	3b4p	4 bed spaces	86
	3b5p	5 bed spaces	95
	3b6p	6 bed spaces	104
4 bedrooms	4b5p	5 bed spaces	99
	4b6p	6 bed spaces	108
	4b7p	7 bed spaces	117
	4b8p	8 bed spaces	126
5 bedrooms	5b6p	6 bed spaces	112
	5b7p	7 bed spaces	121
	5b8p	8 bed spaces	130
6 bedrooms	6b7p	7 bed spaces	125
	6b8p	8 bed spaces	134

8.3 All schemes should seek to meet these standards as a minimum, but these may be subject to certain exceptions by agreement, e.g.

- Homes purchase as 'Existing Satisfactory Dwellings' and 'Purchase and Repair'
- Homes purchased 'Off the Shelf'
- Shared housing for supported housing

8.4 It is expected that furniture layouts for all habitable rooms and internal storage facilities will be shown clearly on plans. This is to illustrate how the rooms can sensibly accommodate the necessary furniture and equipment associated with specific room activities and is suitable for the particular needs of the intended user group.

8.5 The Council recognises that there will be exceptional circumstances where it will not be possible to meet these minimum standards and these should be discussed with the Council at the earliest opportunity.

Development Standards

8.6 Affordable housing should aim to provide innovative, well designed, cost effective design solutions. At the inception of a scheme, developers and affordable housing partners will be required to liaise with the Council's housing team to determine the suitability of a scheme and this line of communication should be maintained throughout the development process.

8.7 Developers and affordable housing partners are encouraged to try and achieve the highest quality of internal and external design, using sustainable materials and meeting the enhanced standards set out below. However, the Council recognises that there may be overriding reasons that may exempt individual schemes from some of these standards, and this will need to be identified on a site by site basis. All schemes should demonstrate how they meet the requirements of policy CP11 of the Adopted Core Strategy and policy SAL.UP7 of the Site Allocations and Policies Local Plan as well as the most up to date design quality Supplementary Planning Document. The Council will consider with developers and its partners how best to maintain standards for shared ownership schemes and will explore the possibility of using planning conditions to achieve this.

8.8 Additionally, the District Council will encourage new affordable housing developments to meet Lifetime Homes Standards. Lifetime Homes is a 16 point standard set out by the Joseph Rowntree Foundation in the publication 'Designing Lifetime Homes'. Further information can be found within Appendix D. The space standards set out at table 8.0.1 do not allow for Lifetime Homes space standards which will require increased space dependent upon the design of particular units.

8.9 Developers must also comply with the sustainable design and water management principles set out within policies CP01 and CP02 of the Adopted Core Strategy and policy SAL.CC7 of the Site Allocations and Policies Local Plan.

Parking Standards

8.10 Parking should be provided in accordance with the requirements of the most recent Worcestershire County Council parking standards as set out in the Worcestershire County Highways Design Guide.

9 Monitoring the Delivery of Affordable Housing in the District

9.1 The delivery of affordable housing will be monitored against the target set out within the Adopted Core Strategy. The target for delivery is therefore 60 dwellings per annum. The SHMA provides a snapshot in time in terms of affordable housing need. It is recognised that the SHMA was prepared in the context of relatively unusual market and economic conditions. Therefore, it is important that consideration is given to indicators which influence the need for affordable housing and its delivery. In addition to monitoring the overall number of affordable housing delivered, the following indicators which are relevant to the need for, and delivery of affordable housing, will be included within the Strategic Housing Market Assessment Annual Monitoring Report.

- Annual analysis of waiting list data including the number of households in 'significant need' and the sizes and tenures of property required
- ONS mid-year population estimates and consideration against the SHMA projections
- Lower-quartile market housing and rental prices.
- Annually updated CACI income data.

9.2 A summary of the findings of the SHMA AMR relevant to Wyre Forest District will be included within the District's own Annual Monitoring Report which monitors the implementation of planning policies.

Gala Drive, Stourport-on-Severn



A Jargon Guide

Adopted Core Strategy (2010) – this is the strategic level document within the District's Development Plan. It sets out the broad locations for delivering housing and other major development needs in the District such as employment, retail and transport. It guides the site specific policies within the Site Allocations and Policies Local Plan and the Kidderminster Central Area Action Plan.

Affordable Housing – the District Council has adopted the definition of Affordable Housing as set out in the NPPF.

Annual Monitoring Report (AMR) – an annually produced document which sets out the progress made in achieving the timetable set out in the Local Development Scheme (Project Plan) as well as measuring the effectiveness of the development plan policies.

Code for Sustainable Homes – a national best practice standard for the sustainable design and construction of new homes. Level 6 of the Code is equivalent to zero-carbon.

Community Infrastructure Levy (CIL) - allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed as a result of development. This includes transport schemes, flood defences, schools, hospitals and other health and social care facilities, parks, green spaces and leisure centres. In order to collect CIL, local planning authorities must prepare, consult on and adopt a charging schedule setting out how much CIL developers need to pay for each type of development and a Regulation 123 list setting out what CIL monies will be spent on. Once collected, CIL receipts must be spent on the projects on the authority's Regulation 123 List.

Developer Contributions – are often required for major developments to ensure sufficient provision is made for infrastructure and services such as roads, schools healthcare and other facilities. Contributions are usually secured through planning conditions or legal agreements. Developer contributions are often referred to as Section 106 (S106) Agreements or planning obligations.

Development Plan – the Development Plan for the District is made up of the Adopted Core Strategy, the Site Allocations and Policies Local Plan, and the Kidderminster Central Area Action Plan. Neighbourhood Plans will also form part of the Development Plan once adopted.

Kidderminster Central Area Action Plan (KCAAP) – a plan specifically targeted to regenerating the central area of Kidderminster.

Lifetime Homes Standard – criteria developed by the Joseph Rowntree Foundation in 1991 to help house builders produce new homes flexible enough to deal with changes in life situations of the occupants such as caring for young children, temporary injuries and declining mobility with age.

Local Needs Housing – including affordable housing and market housing which addresses the needs of different groups in the community such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes, as established through Parish Housing Needs Surveys, Neighbourhood Plans and the Housing Register.

National Planning Policy Framework (NPPF) – the document which sets out the Government’s planning policies for England and how these are expected to be applied. It provides a framework within which local people and their accountable councils can produce their own distinctive local and neighbourhood plans, that reflect the needs and priorities of their communities. The NPPF must be taken into account in the preparation of local and neighbourhood plans, and is a material consideration in determining planning applications.

Planning Obligations Supplementary Planning Document (SPD) - This SPD sets out the Council's approach to securing planning obligations and provides details on the type and level of contributions that will be sought from new development.

Registered Providers (RPs) - formerly known as Registered Social Landlords or Housing Associations.

Rural Exception Sites – small sites for the provision of affordable housing in perpetuity or to meet another specific identified local housing need (as evidenced through the Parish Housing Needs Survey, Neighbourhood Plan or the District Council’s Adopted Local Connections Policy), at locations which would not normally be suitable for housing. Rural exceptions sites seek to address the needs of the existing local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority’s discretion, for example where essential to enable the delivery of affordable units without grant funding.

Site Allocations and Policies Local Plan (SALP) – this document allocates specific areas of land for specific uses. Most notably land to deliver housing but also for other major development needs such as employment, recreation, open space, and community uses, in order to meet the requirements set out within the Adopted Core Strategy. Additionally, the plan sets out important development management policies which will apply across the whole of the District and will be used for determining planning applications.

Strategic Housing Market Assessment (SHMA) – the SHMA is an assessment of housing market influences, current and future housing demand issues, impacts of past and planned housing supply and the impacts of economic and demographic changes. A Monitoring Report is produced annually to monitor changes in the data which underpins the assumptions in the SHMA.

Supplementary Planning Document (SPD) – provide additional information to guide and support the Development Plan.

Sustainable Communities – sustainable communities are places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, and are sensitive to their environment, and contribute to quality of life. They are safe and inclusive, well planned, built and run, and offer equality of opportunity and good services for all.

Sustainability Appraisal (SA) – the purpose of SA is to ensure that the Development Plan and associated Supplementary Planning Documents (SPDs) conform to the Government principles of Sustainable Development which are:

- Living within environmental limits
- Ensuring a strong, healthy and just society
- Achieving a sustainable economy
- Promoting good governance
- Using sound science responsibly.

The Town and Country Planning (Local Planning) (England) Regulations 2012 – These regulations provide the legal framework for the preparation of planning policy documents including the Local Plan and Supplementary Planning Documents (SPDs).

B Suggested wording for S106 Agreement on Outline Permission

A. The Section 106 Agreement will contain some or all of these terms, subject to site by site negotiations:

- define the amount of affordable housing or, in the case of full permission, specify specific units and detail the breakdown between different tenures
- require the affordable housing to comprise a mixture of dwelling types in accordance with the latest housing needs survey and housing register data, to be integrated with and indistinguishable from market housing;
- set a timescale for the affordable housing to be provided, usually that it shall be available for occupation by the time a percentage of the market housing is available;
- include a mechanism for selecting an RP, unless another approach has been agreed;
- limit the rent and outgoings which can be charged to occupants and the price at which an initial share can be sold under a shared ownership arrangement;
- include a mechanism for limiting and selecting the occupants of the affordable housing, which will require supplementary agreements to entered into as follows:
 - the RP or other provider will be required to enter into a nomination agreement;
 - where the provider is not an RP, the S106 Agreement will include provisions governing letting and management arrangements.
- provide for the housing to remain affordable in perpetuity, subject to:
 - any statutory right to acquire, buy or 'staircase';
 - a mortgagee in possession clause, where the affordable housing is transferred to an RP.

B. The applicant will be required to pay the Council's reasonable legal costs in connection with the Agreement. The Council's costs in connection with any related Agreement (e.g. a nomination agreement) shall be paid by the applicant, RP or other provider, depending upon which of those parties is involved in negotiating the terms of that Agreement.

C. Where the Council has refused an application which, if allowed, would have been subject to a requirement for affordable housing, it will endeavour to negotiate a Section 106 Agreement on a 'without prejudice' basis, to take effect in the event that an appeal is allowed.

D. In the case of an outline application, the Section 106 Agreement will require the applicant to agree with the Director of Economic Prosperity and Place (in practice, delegated to the Strategic Housing Services Manager), prior to the commencement of development, the physical locations, type, layout and tenure of the affordable dwellings.

E. The agreement will require the applicant to notify the Director of Economic Prosperity and Place of the anticipated date(s) when the affordable housing will be available for occupation, a specified period(s) in advance.

F. Section 106 Agreements will include mechanisms to record when key stages are reached in the development and requirements are triggered.

In addition to the terms set out above, the District Council reserves the right to include any additional terms considered appropriate to the specific site.

C Affordable Housing Policy

Adopted Core Strategy (December 2010)

CP04: PROVIDING AFFORDABLE HOUSING

Level of Provision

An annual average of at least 60 units of affordable housing will be delivered during the plan period until 2026. In accordance with the Council's adopted definition of affordable housing this will include an indicative tenure split of 70% social-rented housing and 30% intermediate (shared ownership) housing.

The District Council will generally seek to secure affordable housing provision of 30% on sites of ten or more dwellings within Kidderminster and Stourport-on-Severn and 30% on sites of 6 or more dwellings within Bewdley and the rural areas.

Where this level of affordable housing provision is proven to undermine the viability of a development, particularly due to residual land values, then this will be subject to further individual site viability assessment undertaken by the applicant. As part of the Site Allocations and Policies Local Plan and the Kidderminster Central Area Action Plan the Council will produce a standard viability model. This will be used to secure a greater or lesser contribution towards affordable housing, based on the individual economic circumstances relating to the site.

Rural Affordable Housing

A proactive approach to the provision of affordable housing within the District's rural areas will be encouraged through working in conjunction with Parish Councils to identify appropriate sites for the sole provision of affordable housing through the site allocations process, within or immediately adjacent to the District's villages, rural settlements and other rural hamlets where a local need exists.

In exceptional circumstances, small scale affordable housing schemes will be permitted as exception schemes on unallocated sites, to meet identified local housing need. Applicants will be required to demonstrate clear evidence through a Parish Housing Needs Survey.

Site Allocations and Policies Local Plan (July 2013)

Policy SAL.DPL2 (Extract)

Rural Housing

Within the rural areas of the District, proposals for residential development will not be permitted unless one of the following exceptional circumstances applies:

- The site is identified by the relevant Town/Parish Council as an exceptions site to meet an identified local housing need.
- The site is required to meet an established existing functional need for a rural worker's dwelling.
- It is for the replacement of a permanent existing lawful dwelling.

- The site is subject to a Community Right to Build Order.
- Appropriate arrangements for sewage treatment must be submitted as part of the application process in addition to satisfactory drainage measures, in order to protect the water environment.

1. Exception Sites

Planning permission may be granted for schemes which are designed to meet an identified specific affordable or local housing need on small sites adjoining Bewdley, or within or adjoining the villages and the rural settlements subject to the following criteria:

- i) The affordable housing must remain so in perpetuity
- ii) The number, size, type, mix and tenure of dwellings must not exceed the extent of identified local need.
- iii) The site must be well related to the existing built up area of the settlement in which it is located.
- iv) The scale of the scheme should be appropriate to the size and character of the settlement and must not damage the character of the settlement or the landscape.
- v) The site should be accessible to local services and facilities by sustainable modes of transport.

Any enabling market housing on exceptions sites, that is not required to meet a specific housing type as evidenced by local housing needs assessments, must be accompanied by a robust viability assessment (as set out in Policy SAL.DPL3: Financial Viability) in order to justify the required enabling development.

Policy SAL.DPL3

Financial Viability

The District Council's policy on affordable housing is set out within the Adopted Core Strategy policy CP04. Where an applicant considers that it is not viable to meet this requirement, it must be demonstrated that the following criteria have been met:

- i. The applicant must provide a full viability assessment which demonstrates that the required level of affordable housing is not viable. The methodology, underlying assumptions and software to be used should be agreed with the District Council in advance.
- ii. Where the District Council considers it necessary to obtain independent advice to validate a viability assessment which has been submitted, the applicant will be required to meet all reasonable costs of doing so.
- iii. The viability assessment should either be presented on a residual land value or profit basis which should be agreed with the District Council in advance.

D Lifetime Homes Standards

The list below summarises the 16 key features of the Lifetime Homes Standard. Please refer to the documentation produced by the Joseph Rowntree Foundation for more detail.

1. Provide, or enable by cost effective adaptation, parking that makes getting into and out of the vehicle as convenient as possible for the widest range of people (including those with reduced mobility and/or those with children).
2. Enable convenient movement between the vehicle and dwelling for the widest range of people, including those with reduced mobility and/or those carrying children or shopping.
3. Enable, as far as practicable, convenient movement along other approach routes to dwellings (in addition to the principal approach from a vehicle required by Criterion 2) for the widest range of people.
4. Enable ease of use of all entrances for the widest range of people.
5. Enable access to dwellings above the entrance level to as many people as possible.
6. Enable convenient movement in hallways and through doorways.
7. Enable convenient movement in rooms for as many people as possible.
8. Provide accessible socialising space for visitors less able to use stairs.
9. Provide space for a member of the household to sleep on the entrance level if they are temporarily unable to use stairs (e.g. after a hip operation).
10. Provide an accessible WC and potential showering facilities for:
 - i. any member of the household using the temporary entrance level bed space of Criterion 9, and:
 - ii. visitors unable to use stairs.
11. Ensure future provision of grab rails is possible, to assist with independent use of WC and bathroom facilities.
12. Enable access to storeys above the entrance level for the widest range of households.
13. Assist with independent living by enabling convenient movement between bedroom and bathroom facilities for a wide range of people.
14. Provide an accessible bathroom that has ease of access to its facilities from the outset and potential for simple adaptation to provide for different needs in the future.

15. Enable people to have a reasonable line of sight from a seated position in the living room and to use at least one window for ventilation in each room.
16. Locate regularly used service controls, or those needed in an emergency, so that they are usable by a wide range of household members - including those with restricted movement and limited reach.