

# **Draft Affordable Housing Supplementary Planning Document**

## **Contents**

- 1. Introduction**
- 2. Planning Policy Context**
- 3. Defining Affordable Housing**
- 4. Affordable Housing Need**
- 5. Delivering Affordable Housing**
- 6. Rural Exception Site Policy**
- 7. Monitoring and Review**



## **1 Introduction**

1.1 The Government believes that everyone should have the opportunity of a decent home which they can afford in a community in which they want to live and work. The aim of this document is to give clear guidance for the provision of new affordable housing development. Once adopted it will form part of the Local Development Framework (LDF) for Bromsgrove. The guidance contained in this document is intended to supplement Core Policy 16: Affordable Housing contained within the emerging Core Strategy. This document will provide greater detail and focus on the affordable housing requirements within the district. The SPD will supersede saved policies D.6 and D.8 concerning within the Worcestershire County Structure Plan and also policies S15 and S18 of the Bromsgrove District Local Plan.

## **2 Planning Policy Context**

2.1 The Planning and Compulsory Purchase Act 2004 requires that all documents within the planning system sit within a recognised chain of conformity; consequently this document conforms with all other relevant policies and plans. The most relevant plans and policies are currently PPS1 Delivering sustainable development, PPS3 Housing, the West Midlands Spatial Strategy and the emerging Core Strategy for Bromsgrove.

### **PPS1 Delivering Sustainable Development (2005)**

2.2 This is a key policy document that outlines the Government's vision of strong vibrant and sustainable communities in both urban and rural areas. A key element in achieving this vision is the promotion of development that creates socially inclusive communities, with a suitable mix of houses, which would include an element of affordable where a local need is identified.

### **PPS3 Housing (2006)**

2.3 PPS3 sets the national planning policies for the provision of new housing and The Government's key housing policy goal is to "ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live."

In line with PPS3 the specific outcomes that the planning system should deliver are:

- High quality housing that is well-designed and built to a high standard.
- A mix of housing, both market and affordable, particularly in terms of tenure and price, to support a wide variety of households in all areas, both urban and rural.
- A sufficient quantity of housing taking into account need and demand and seeking to improve choice.
- Housing developments in suitable locations, which offer a good range of community facilities and with good access to jobs, key services and infrastructure.
- A flexible, responsive supply of land – managed in a way that makes efficient and effective use of land, including re-use of previously-developed land, where appropriate.

2.4 Other important guidance contained within PPS3 is that concerning rural exception housing. Rural exception policies allow permission to be granted on rural sites, which under other planning controls would not be allowed. Where there is an identified local need for affordable housing permission can be granted provided the scheme is 100% affordable. Should the Council need to produce an allocations DPD, this could allocate sites to meet affordable housing needs in rural communities provided that adequate evidence of such need exists and that suitable sites are available.

2.5 PPS3 reduces the minimum threshold for affordable housing down to 15 dwellings from a figure of 24 that was in the now cancelled Circular 6/98. This means that any site where 15 or more dwellings are proposed a provision of affordable housing will be required. However, Local Planning Authorities can set lower thresholds, where viable and practicable, including in rural areas. This could include setting different proportions of affordable housing to be sought for a series of site-size thresholds over the plan area. The Local Planning Authority will need to undertake an

informed assessment of the economic viability of any thresholds and proportions of affordable housing proposed, including their likely impact upon overall levels of housing delivery and creating mixed communities.

### **The West Midlands Regional Spatial Strategy**

2.6 The Regional Spatial Strategy for the West Midlands is currently the under review. The preferred option document of the Phase 2 Revision contains policy CF7: Delivering Affordable Housing that sets out an indicative minimum target of 1000 affordable units per annum for the South Housing Market Area. The policy goes into further detail and states that local authorities should set an overall affordable housing target but also set separate targets for social-rented and intermediate affordable housing whilst also seeking to maximise the contribution that the private sector make towards the delivery of affordable housing. Final element of the policy emphasises the importance of rural exceptions in delivering 100% affordable housing schemes that meet the needs of the local community.

2.7 The level of housing allocated to Bromsgrove District through the emerging RSS will greatly influence the amount of affordable housing that can be provided. The Panel's report has recently been published after the Examination in Public (EiP) and recommends a net figure of x units between 2006 and 2026 however this may change depending on the proposed changes by the Secretary of State.

### **Bromsgrove's Core Strategy**

2.8 Once adopted the Core Strategy will sit within the Local Development Framework and will be a material consideration for all planning applications within the district. The Core Strategy has several key components. These include a spatial vision that's sets out an aspirational target of what the district will be like in 2026 and a series of objectives that are required to deliver the vision. Most relevant are the core policies that are required to ensure that the strategic objectives are achieved. One of core policies relates directly to this SPD and that is CP16: Affordable Housing. This policy outlines a framework for the delivery of affordable housing across the district. The purpose of this SPD will be to expand on the core strategy policy and provide greater detail and clarity for the private sector as to what is required on development sites.

2.9 Due to the great level of need for affordable housing across the District the SPD will be linked to emerging Core Strategy. This will ensure that affordable housing delivery is maximised in the time prior to the adoption of the Core Strategy. In compliance with European Union Directive 2001/42/EC this SPD is accompanied by a Sustainability Appraisal to assess the possible impacts of the SPD against sustainability objectives.

### 3 Defining Affordable Housing

3.1 There are many similar definitions of affordable housing. For this document the definition used is that contained within 'PPS3: Housing'.

*'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'*

This means that affordable housing is accommodation for sale or rent that is available at a price identified as being genuinely affordable to those people living or working in the area that are unable to access housing on the open market.

3.2 The main types of units to be provided in Bromsgrove are:

**Low cost Rented Housing** - Housing rented by a Registered Social Landlord at a price below the cost of renting privately

**Intermediate Housing** – There are 3 types of intermediate housing that are summarised below:

- Shared Ownership Housing - Housing where a tenant buys a proportion of the property from a Registered Social Landlord, and rents the rest with the option to buy an increased share of the entire property.
- Intermediate Rent – Housing is rented at prices above the price of low cost rent but below prices of the private rental market. The rent is approximately 80% of the price of full market renting.
- Intermediate Rent to Purchase – The property is rented at a price that is 80% of the full market value for 5 years. After this period of time the tenant has the opportunity to purchase a share in the property.

#### Defining Affordability

3.3 The 2008 Housing Market Assessment compared patterns of household income against recent and current house prices as a way of identifying the level of affordability within the housing market. The study focused on the sale price of two and three bedroom properties. As with any analysis a number of assumptions had to be made and these are as follows:

- access level property values;
- the provision of a 10% deposit although any size of deposit or none at all, can be accommodated within the calculations;
- mortgage affordability based on a loan: income ratio of 3:5 for single income households and 2:9 for couple income households, and,

- monthly repayments based on a 25 year repayment mortgage at a rate of 7.0%. Only a very limited number of discounted deals are available, and these are unlikely to be offered to lower income first time buyers.

3.4 The figure 1 identifies the estimated proportions of single income households able to access two bed full cost re-sale and new build HomeBuy entry level properties. This table clearly shows that approximately half of single income households are unable to afford 2 bedroom properties that are for sale on the open market. Naturally the percentage of people able to access homebuy schemes would be significantly higher if they were available.

Property type	Entry level property price (less 10% deposit)	Income required (rounded)	Proportion able to purchase	HomeBuy Income required (70%)	Proportion able to purchase
2 bed new-build property	£130k	£33.4k	50%	£23.4k	70%
2 bed re-sale property	£120k	£30.9k	53%	£21.6k	72%

Figure 1: The estimated proportions of single income households able to access 2 bed properties, figures rounded

3.5 Figure 2 focuses on the purchase price of 3 bedroom properties. The stark reality is that little more than one third of joint income households are able to purchase a 3 bedroom re-sale property at full market value.

Property type	Entry level property price (less 10% deposit)	Income required (rounded)	Proportion able to purchase	HomeBuy Income required (70%)	Proportion able to purchase
3 bed new-build	£230k	£63.5k	14%	£44.4k	32%
3 bed re-sale property	£150k	£41.4k	36%	£29.0k	57%

Figure 2: The estimated proportions of joint income households able to access 3 bed properties, figures rounded

3.6 Two and three bedroom properties need to be accessible to a wide range of the population. Properties of this size can cater for young couples, small families and elderly couples. It is important that all of these groups are provided for to maintain balanced mixed communities across the District. Whilst this document cannot make general market housing more affordable it is hoped that the delivery of affordable can be maximised to provide greater choice for the people of Bromsgrove.

## 4 Affordable Housing Need

4.1 As outlined in PPS3 it is important for local planning authorities to base any policies for affordable housing on an identified need. In recent years Bromsgrove District Council has invested heavily in identifying the level of need for affordable housing across the district. Firstly a Housing Needs Study was completed in 2004, followed by a Strategic Housing Market Assessment in 2007 and most recently a Housing Market Assessment in 2008.

4.2 Each of these studies were carried out using slightly different methodologies meaning the results differ slightly. It is widely recognised that such studies are not an exact science due to the wide ranging variables and possible sources of information. However, the most important details to come out of each study are that there is a significant need for affordable housing across the district.

4.3 The 2004 Housing Needs Study estimated the need for affordable housing based on the 'Basic Needs Assessment Model' (BNAM). The BNAM sets out 18 stages of analysis to produce an estimate of the annual requirement for additional affordable housing. There are 2 main analytical stages that result in a gross affordable housing requirement and these are: backlog of existing need and newly arising need. The outcome of the study was that there was in 2004 a gross affordable housing requirement of around 682 units per annum across the district. Of this total 435 units are for the needs of in-migrants leaving a total of 247 for people already residing within Bromsgrove.

4.4 Policy CF2 of the RSS indicates new housing should be provided for local needs and not for migrants from outside the District especially the MUAs (in this case the West Midlands Conurbation). It is unpractical to expect that we will not provide an element of affordable housing need for people from outside the District. There could potentially be many people who would meet requirements set down in Home Choice Plus and are therefore eligible for affordable housing in this District even though they currently live elsewhere.

4.5 The 2007 Strategic Housing Market Assessment (SHMA) for the South Housing Market Area identified a gross annual need for 597 affordable units. Taking into consideration annual supply from re-lets and annual new supply there was an annual shortfall of 286 units. This was significantly higher than other Worcestershire districts, with the exception of Worcester City.

4.6 The recent Housing Market Assessment also identified a significant need for affordable housing throughout the district, stating a minimum of 70 affordable units should be built each year.

4.7 The majority of affordable housing that comes forward through the plan period will be financed by the private sector through S106 agreements. In conjunction with the recent Housing Market Assessment, consultants carried out detailed financial modeling to calculate a level of affordable housing that would generally be viable for the private sector across a wide range of sites. The model took into consideration a variety of factors including construction costs, land values, rental costs, re-sale value whilst also allowing for gross profits for the developers of 15%. The modeling work



concluded that a realistic target of **40% affordable housing** should be set for housing developments.

4.8 Affordable housing is allocated across Worcestershire in a fair and transparent way ensuring that applicants in greatest need are treated as a top priority. This system is called Home Choice Plus and has been developed by a number of Local Authorities and Registered Social Landlords, working in partnership. This new way of allocating social housing across the district is based round a banding system. The banding system is graded in the following way:

#### Priority

Accepted a homeless duty under part VII of the Housing Act 1996

#### Gold Plus

Applicant must have a local connection and fall into one of the following categories:

Homeless but where there is no statutory duty to re-house

Households living in properties subject to enforcement notices or repossession

Households with very high medical need

Need to move from supported accommodation

Tenants who wish to move to smaller accommodation

#### Gold

Applicant must have a local connection and fall into one of the following categories:

Homeless applicants, who have intentionally become homeless

Households that suffer from harassment or domestic abuse

Overcrowded households

Households with a child(ren) who live in an upstairs flat

#### Silver Plus

Applicant who have no local connection and fall into one of the following categories:

Homeless but where there is no statutory duty to re-house

Households living in properties subject to enforcement notices or repossession

Households with very high medical need

Need to move from supported accommodation

Tenants who wish to move to smaller accommodation

#### Silver

Applicant who have no local connection and fall into one of the following categories:

Homeless applicants, who have intentionally become homeless

Households that suffer from harassment or domestic abuse

Overcrowded households

Households with a child(ren) who live in an upstairs flat

#### Bronze Plus

All applicants who live, work or have a local connection to the district but are not in housing need

#### Bronze

All applicants who have no local connection and are not in any housing need

## 5 Delivering Affordable Housing

5.1 The delivery of affordable housing is the major element of this guidance. As outlined above there is an identified need for affordable housing within the District. While it is important to address this shortfall in provision it is also important to take a balanced approach in order to achieve successful new developments.

5.2 Whilst RSLs are currently gaining permission for schemes that deliver 100% affordable housing it is clear that this will be insufficient to meet need the level of need in the District. The private sector will therefore have a crucial role in to play in maximising the delivery of affordable housing requirements. In order to facilitate as much development as possible thresholds and targets have been identified to introduce an element of affordable housing on as many new housing sites as possible.

### Targets

5.3 The emerging RSS identifies the annual need for affordable and this table is included as figure 3. Bromsgrove falls within the South Housing Market Area (HMA) and it is clear that outside of the Central HMA the area has the greatest need arising from demography, 'right to buy' and re-housing due to demolitions. Accordingly Policy CF7 states that a gross minimum of 1,000 units should be provided across the South HMA each year. This figure is not broken down to district level and it is therefore imperative that the Council ensure that the maximum level of affordable housing is delivered out of the total allocation for Bromsgrove under Policy CF3.

Sub Regional Housing Market Areas (from RHS 2005) <sup>4</sup>	Demography and replacing 'right to buy' Numbers of units p.a.	Re-housing from numbers of units demolished p.a.
North HMA	600	300
Central HMA	3,600	3,000
South HMA	1,400	100
West HMA	600	100
<b>Total</b>	<b>6,200</b>	<b>3,500</b>

Figure 3: Annual need for social housing for rent and affordable intermediate housing arising

### Thresholds

5.4 In-line with Core Policy 16: Affordable Housing of the Council's Draft Core Strategy the following thresholds have been set:

**In Bromsgrove Town a proportion of affordable housing will be sought on all sites equal to or over 0.4 hectares or 10 dwellings**

**In all other settlements the threshold will be reduced to 5 dwellings or all sites equal to or over 0.2 hectares.**

**On all sites there is a minimum target that 40% of all new dwellings are affordable units will apply. In circumstances where the applicant can fully demonstrate that 40% cannot be achieved a lower provision will be negotiated.**

## **Tenure & Type**

5.5 The majority of the existing affordable housing stock in the District is controlled by a small number of RSLs. It is envisaged that any new affordable housing developments would normally be supported by these RSLs although there is no restriction placed upon any RSL or other suitable provider operating in the District. However, planning permission will not be granted until a developer has entered into an agreement with an RSL to manage the properties upon completion.

5.6 The type and tenure of affordable housing that is provided should help to create balanced and mixed communities where people have housing choices. An optimum breakdown of the tenures required is as follows:

**2/3 low cost renting**

**1/3 intermediate housing**

5.7 The recent Housing Market Assessment identified that the housing market in the district is unbalanced with a high percentage of large detached properties. To help address this balance and provide housing for the rising elderly population the following types of properties are required:

**1/3 two bedroom properties suitable for the elderly**

**1/3 two bedroom general needs properties (of which 50% should be flats and 50% houses)**

**1/3 three bedroom properties**

5.8 Naturally this breakdown of tenures and types will not be suitable on all housing developments. This merely provides an optimum scenario that best suits the housing needs of the district currently. Each planning application will be dealt with on its own individual merits providing the opportunity for negotiation to deliver a scheme that is most appropriate for its location.

## **Car Parking Standards**

5.9 The levels of car parking provided for affordable housing should be no different to the levels provided on general market housing and should therefore be in accordance with the Car Parking Standards provided within the Bromsgrove District Local Plan or any successor document. In the most sustainable locations lower levels of parking provision may be acceptable.

## **Open Space provision on Affordable Housing Sites**

5.10 Current guidelines for the provision of open space for new residential developments are contained within SPG11 Outdoor Play Space. It is recognised that the levels of provision required by this guidance would render many affordable housing developments uneconomical. Any open space provided for affordable housing schemes will be provided to reflect the nature of the development. On developments where family units are required play space must also be included, although the requirement for an element of open space should not render the development unviable. The level of open space/amenity provision will be assessed on a case-by-case basis.

## Education Contributions

5.11 Education contributions will not be sought for the affordable housing element of any scheme in accordance with Worcestershire's SPG on Planning Obligations for Education Facilities. Should amendments to this guidance mean a contribution is required the Council will ask for the appropriate contribution to be made in line with the most recent policy.

## Design and Layout

5.12 The Council is committed to ensuring that all new housing is built to a high standard of design so that communities, both now and in the future, will be stable and healthy whilst living in clean, safe and sustainable environments. Core Policy 4: Promoting High Quality Design with the Core Strategy will provide up to date guidance on matters of design.

5.13 The importance of creating mixed and balanced communities in accordance with PSS3 cannot be overstated. On larger sites therefore the affordable housing will be dispersed throughout the application site. However, a balance needs to be struck between the housing management operational requirements of any affordable housing providers involved in a development site and the need to ensure mixed and balanced communities. There may be circumstances where there are Registered Social Landlord Housing management reasons for seeking a proportion of the affordable housing to be sited together but this should not prevent the remainder of the provision to be distributed across the development. The preference for the District Council is to distribute affordable housing amongst the market housing to avoid segregation.

5.14 The Council considers that in order to ensure the creation of mixed and integrated communities, that affordable housing should not be visually distinguishable from market housing in terms of build quality and design, both internally and externally, materials, details, levels of amenity space and privacy.

## Off-site Affordable housing Provision

5.15 There is a presumption that if a site is suitable for housing development it will also be suitable to provide affordable housing on the site. Only in exceptional circumstances and where full justification is provided will off-site provision be considered to be acceptable.

5.16 Where an alternative site is identified this must be acceptable to the Council as local planning authority, and must be capable of accommodating the provision for the original site and any new provision generated by the inclusion of open market dwellings on the new site. In addition it must be in the same settlement as the original site.

5.17 Where a developer feels that there are good reasons to deliver affordable to deliver affordable housing off-site this will need to be demonstrated to the Council at pre-application stage. Details of the following should be submitted:

1. The proposed development itself
2. A reasoned justification for not making provision on-site
3. Proposals for an alternative form of provision, together with an assessment of the prospects for delivery of that alternative

5.18 Off-site provision will only be favourably considered where all of the following tests are met:

1. The applicant and the District Council have both agreed at pre-application stage that there is an exceptional and positive justification for the off-site provision
2. Agreement has been reached at pre-application stage on the quantity, type and size of affordable housing which would otherwise have been provided on-site
3. The alternative form of provision would be equal or better in terms of the quality and quantity of the provision that would have been provided on-site.
4. The council is satisfied at pre-application stage that there is a firm prospect of securing the alternative form of provision.

### Financial Contributions

5.19 Under no circumstances will Bromsgrove District Council except financial contributions to deliver the affordable housing. This is for the following reasons:

- The difficulties associated with finding and delivering new affordable housing sites;
- The length of time it takes to develop the original site to a point where commuted sums are forthcoming; and,
- The additional time of developing a new site often devalues the original financial amount rendering it inadequate for its original purpose.

### Legal Agreements

5.20 Section 106 of the Town and Country Planning Act 1990 allows for the use of legal agreements to ensure the delivery of those aspects of a scheme which are necessary for the development to be acceptable, but cannot be secured through a condition on a planning permission. The agreement will normally cover the following aspects of the scheme (in relation to affordable housing):

- The number of affordable homes;
- The phasing of the construction of the affordable homes in relation to the development of the rest of the site;
- The transfer of the homes to, and management by, a Registered Social Landlord (or as otherwise agreed by the District Council);
- The allocation of the homes to persons on the Home Choice Plus lettings scheme;
- The retention of the homes as affordable housing on a rented or shared ownership basis (subject to exceptions for mortgagees in possession and people who staircase to full ownership and people who exercise their Right to Acquire);
- The sizes and tenure of the affordable homes; and
- The standards of construction of the affordable homes.

### Pre-application Community Involvement

5.21 It is crucial that communities play a meaningful role in housing schemes that come forward within their settlement. Early consultation can help to reduce the level of local opposition and result in a better outcome. The most appropriate form of pre-

application community engagement will vary according to location and circumstances. Community engagement exercises should therefore be tailored to the aspirations and needs of the local community. This guidance is therefore not intended to be prescriptive but methods of engagement could include a combination of leaflet drops, public exhibitions and publicity in community newsletters and websites. A period of 6 to 8 weeks should generally be allowed for public comment.

5.22 In the first instance, contact should be made with the relevant Parish Council to seek their views on the nature of the pre-application community engagement exercise to be carried out. In all cases, community engagement exercises should:

1. Be inclusive; in other words seek the representative views of the whole community, and as far as possible avoid undue distortion from sectional interests.
2. Explain the context and nature of the proposed development, including cross references where applicable to Parish Plans and local housing needs surveys. The views of residents on associated aspects of the development should also be sought.
3. Provide a genuine opportunity for local residents to influence the final form and nature of proposals. This could mean that proposals need to be re-worked and/or further research undertaken, and it should not be assumed that proposals will automatically progress to planning application stage.

## 6. Rural Exception Site Policies

6.1 PPS3 advocates the use of rural exception sites. This enables small sites to be used, specifically for affordable housing in small rural communities that would not normally be used for housing because, for example, they are subject to policies of restraint. Rural exception sites should only be used for affordable housing in perpetuity. The Council will implement a rural exceptions policy controlling how these sites will be released and the conditions which will be applied to them.

6.2 Early consultation with the Council's Planning and Housing sections is recommended to ensure that key issues are taken fully into account. A rural housing enabler is also available to help with the identification of rural affordable housing needs.

6.3 A lettings policy has been agreed by the Council and is intended to ensure that any dwellings constructed under the exceptions policy are allocated to those who are in most need. The lettings criteria can be found in appendix A

### Local Housing Needs Survey

6.4 Any rural exception schemes proposed must be accompanied with evidence of local need in the form of a current local housing needs assessment. The assessment must show that there is need for affordable housing rather than demand. For example, Waiting Lists for Social Housing do not show a need as anyone can join the waiting list and apply to live in multiple areas of the District. Any Local Housing Need Survey must identify the following:

- A genuine need to live within the village – A local connection will be required for this for e.g. employed/live within the village or close family live in the village;
- A proven financial need for affordable housing – Applicant must be in a position where they are unable to get a sufficient mortgage to purchase a property on the open market; and
- The type and tenure of affordable housing – The survey should gather information ascertaining the size of the property required and whether social rented or intermediate accommodation is needed

### Site Location and Size

6.5 PPS3 emphasises that Rural Exceptions Site Policies should enable small sites to come forward in small villages where a need has been identified. In Bromsgrove District the Rural Exceptions policy will only apply to villages that are 'washed over' with Green Belt. These settlements include Adams Hill, Beoley, Belbroughton, Bournheath, Fairfield, Clent, Dodford, Romsley, Burcot and Holy Cross. Whilst this list is not exhaustive it provides clear guidance to the kinds of settlements where rural exception sites will be considered.

6.6 Development sites need to be preferably located within existing settlement boundaries to prevent sprawl and ensure new housing is located close to existing village facilities. Where this is not possible sites should be adjacent to the village boundary and integrate into the fabric of the village ensuring that the intrinsic character of the village is retained. Under no circumstances will housing be considered in sites

that are detached from settlements that appear as isolated housing developments in the open countryside.

6.7 PPS3 emphasises the need for housing schemes to be small scale. Any proposals should be proportionate to the size of the settlement in question and therefore it considered schemes should not generally be larger than 10 units. Under no circumstances will schemes be permitted where the number of units exceeds the need identified in the Housing Needs Survey.

## **7 Monitoring and Review**

7.1 Every year the Council completes an Annual Monitoring Report in December. The purpose of this is to monitor adopted policies and proposals and determine the effects they are having. The numbers of affordable housing completions are one of the indicators monitored each year and this will provide a clear indicator in relation to the success of this document. The monitoring process enables documents to be reviewed and modified if the desired effects are not being achieved.

7.2 The Core Strategy is likely to be submitted to the Secretary of State in 2010 and the Examination in Public may lead to minor changes in the document. This could lead to changes in the Core Strategy and therefore it may be necessary to review this SPD once the Core Strategy has been adopted.



**CRITERIA AND ALLOCATIONS POLICY FOR THE LETTING AND ALLOCATION OF RURAL AFFORDABLE HOUSING DEVELOPED UNDER 'EXCEPTION SITE' POLICY.**

The Registered Social Landlord (Housing Association) managing the affordable housing development will assess all applications made requesting the allocation of a dwelling on the scheme **in the following order:**

- 1. All applicants wishing to be considered for Rented Housing within the proposed scheme must be registered on the Bromsgrove District Council Housing Register.** The Council will also nominate applicants registered on the Housing Register for consideration for Shared Ownership or Fixed Equity units where applicants have specified their wish to be considered when completing their application form.
  
- 2. The following Local Connection Eligibility Criteria will be applied:**  
  
**(The first phase of eligibility will be considered initially, and only if insufficient applicants are eligible will the other phases be considered in order.)**

The first phase of eligibility will be restricted to:

- i) Local residents within the parish, with a minimum term of residence who want to remain in the locality but cannot afford to do so.
  
- ii) Those who have previously resided in the parish for a number of years and who need to return to the parish but cannot afford to do so and who qualify as one or more of the following :
  - a) Those who need to return to the parish to provide or receive support to / from a close family member living in the parish.
  
  - b) Those who are employed within the parish.
  
  - c) People with a confirmed offer of employment in the parish but who are deterred by the difficulty of finding and affording suitable accommodation.

A second phase of eligibility would include applicants who live outside of the parish but within an immediately adjoining parish (within the District of Bromsgrove) who need to live in the parish but cannot afford to do so and who qualify as one or more of the following:

- a) Those who need to return to the parish to provide or receive support to / from a close family member living in the parish.
  
- b) Those who are employed within the parish.
  
- c) People with a confirmed offer of employment in the parish but who are deterred by the difficulty of finding and affording suitable accommodation.

A third phase of eligibility would include applicants who live outside of the parish but within the District of Bromsgrove who need to live in the parish but cannot afford to do so and who qualify as one or more of the following:

- a) Those who need to return to the parish to provide or receive support to / from a close family member living in the parish.
- b) Those who are employed within the parish.
- c) People with a confirmed offer of employment in the parish but who are deterred by the difficulty of finding and affording suitable accommodation

A fourth phase of eligibility would include applicants who live outside of the parish and outside of the District of Bromsgrove who need to live in the parish but cannot afford to do so and who qualify as one or more of the following:

- a) Those who need to return to the parish to provide or receive support to / from a close family member living in the parish.
- b) Those who are employed within the parish.
- c) People with a confirmed offer of employment in the parish but who are deterred by the difficulty of finding and affording suitable accommodation.

3. Applicants who qualify under the Local Connection Eligibility Criteria (Sect 2. Above) will then undergo an affordability assessment to establish that they are not in a position to afford an open market dwelling in the area. (The process will also establish an applicant's ability to afford shared ownership and fixed equity options).

Completed forms will be assessed in accordance with:-

- Current data on house prices and rents in The Parish;
- Financial requirements of average mortgage lenders and their lending policies;
- The availability of appropriate properties to meet identified needs e.g. accommodation to meet disabilities or health issues and tenure required.

4. Where applicants have both a relevant local connection (Sect 2 above) and fit the affordability criteria (Sect 3 above), their housing need will be prioritised in accordance with the Council's Allocations Policy & Housing Register Points Scheme, with the exception of:-

- Any points awarded in the section headed Local Connection. These will be removed, as local connection will have already been assessed under Sect 2 above.

- Any points which were awarded for needs which will not be met by the offer of a dwelling in The Parish e.g. medical or welfare needs which would not be improved by living in The Parish;

Offers will be made in descending points order and where applicants have the same number of points, those with the longest local connection will have priority. Where applicants are purchasing an equity share but are unable to complete within a reasonable timescale they will be given a reduced priority.

5. Applications will be further prioritised in accordance with Bromsgrove District Council's policy on the allocation of property by family size to property type/size (Section 5 of the Council's Allocation Policy & Housing Register document).

In the event that no households can be identified from the above criteria within 3 weeks, allocations will be made to the most suitable applicants, having regard to their reasons for seeking a home in The Parish.

## **Definitions**

<b>The Parish</b>	The Civil Parish within which the affordable housing is located.
<b>Immediately Adjoining Parish</b>	A Parish with a common boundary and immediately next to the parish within which the affordable housing is located.
<b>Minimum term of residence</b>	Normally 5 years.
<b>Number of years</b>	Normally 5 out of the past 15
<b>Close Family Member</b>	Means parents, siblings, grandparents and children and such relationships through adoption. In exceptional circumstances, at the discretion of Bromsgrove District Council, more distant relatives may fall within the definition if they give to the applicant a level of support normally associated with those listed above. (' In exceptional circumstances, at the discretion of Bromsgrove District Council, other parties may fall within the definition if they can provide evidence that they give the applicant a level of support normally associated with those listed above'.)
<b>Want</b>	A specific reason to reside in the Parish within which the affordable housing is located.