

Policy H2

Provision of Affordable Housing

1. This Policy will boost the delivery of affordable housing from developments with market housing, ensuring that overall viability is not prejudiced and that a mix of tenures is provided that meet the needs of the current and future population.

Affordable Housing Contributions - Thresholds

2. All proposals for new housing development will be required to contribute to the provision of affordable housing in accordance with the following thresholds.

Number of new homes proposed (net) / size of site	Development is within a Designated Rural Area - % affordable housing required	Development is not within a Designated Rural Area - % affordable housing required
0-5 homes and site is less than 0.5 hectares	0	0
0-5 homes and site is 0.5 hectares or more	10%*	10%*
6-9 homes and site is less than 0.5 hectares	20%*	0
6-9 homes and site is 0.5 hectares or more	20%*	20%*
Site is 0.5 hectares or more and number of dwellings is unknown	30%**	30%**
10 homes or more on a brownfield site (where not Grey Belt), irrespective of size of site	30%**	30%**
10 homes or more on a greenfield site, irrespective of size of site	40%**	40%**
Major Grey Belt site, irrespective of size of site	50%**	50%**

3. In Designated Rural Areas (as defined under Section 157 of the Housing Act 1985), lower thresholds apply in accordance with national policy.
4. Proposals that seek to bypass affordable housing requirements through artificial subdivision of sites (including any subdivided section that is sold separately), or sites where the proposal does not demonstrate that it makes best and most efficient use of land, such that the number of dwellings are contrived to be below Policy thresholds, will not be supported.

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Delivery Mechanisms

5. The Council's starting point is that Affordable Housing should be provided on-site, in accordance with Policy requirements.
6. *The affordable housing is provided in the form of a financial contribution payable on completion of the development.
7. **This may trigger a small number of affordable homes, which may not provide a viable proposition for our Registered Provider partners. Only in exceptional circumstances, where on site provision is demonstrably unviable, a financial contribution in lieu of some or all of the affordable housing may be considered. This will be subject to robust justification and agreement with the Council. Any such contribution would be payable upon commencement of development. The Council's Housing Service will advise the Planning Officer on the appropriateness of this approach in individual cases.

Tenure Mix

8. Where the provision of on-site affordable housing applies, the required tenure split is 80% social rented housing and 20% shared ownership housing unless otherwise agreed by the Council's Housing Service. Additional social rented homes are required in relation to the grey belt uplift.

Viability

9. In accordance with national guidance, viability assessments will not be accepted on grey belt sites for the purpose of reducing developer contributions, including affordable housing.
10. If it is demonstrated that the required on-site provision is not viable or does not best meet identified housing needs and the Council agrees, one of the following options is to be agreed by the Council:
 - a. The provision of a reduced level of on-site affordable housing plus a financial contribution in lieu of the shortfall; or
 - b. The payment of a financial contribution in lieu of the provision of any on-site affordable housing.
11. If it can be demonstrated that the full affordable housing requirement is not viable and the Council agrees, a viability review is required upon first occupation or an alternative agreed trigger point. This is to ensure that any uplift in the development value of the scheme is shared and contributes to the affordable housing provision, whether this be on site or an off-site financial contribution.
12. All affordable housing delivered should not generate housing costs of more than 35% of the median household income, as demonstrated by robust evidence and/or published data.
13. Applicants are required to enter into discussions with the Council's Housing Service, in consultation with partner Registered Providers, at the earliest stage of the application process where the provision of on-site affordable housing applies.
14. To ensure delivery of affordable housing in line with Policy objectives, late-stage viability review mechanisms may be required on larger or phased developments, where appropriate.