



AFFORDABLE HOUSING

Darlington Local Development Framework
Supplementary Planning Document

April 2007

إذا رغبتكم الحصول على هذه النشرة بلغة أخرى غير اللغة الإنجليزية نرجو
الاتصال بنا على رقم الهاتف التالي : 01325 388644 مع ذكر رقم الإشارة.

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اگر آپ کو یہ کتابچہ انگریزی کے علاوہ کسی دوسری زبان میں درکار ہو تو برائے مہربانی ٹیلیفون نمبر 01325 388644 پر فون کر کے حوالہ
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1. Introduction

- 1.1 The purpose of this Supplementary Planning Document (SPD) is to provide clarity and detail about how much, where, when and in what way the Council expects the affordable housing element of new housing developments to be delivered. It carries considerable weight in making decisions on planning applications.
- 1.2 This SPD elaborates on adopted Local Plan policies H9 (meeting affordable housing needs) and H10 (affordable housing in the rural area). Both those policies are reproduced in Appendix 1. However, this SPD does not cover the selection of 'exception' sites for affordable housing in rural areas; the criteria for this will be developed as a new policy through the Local Development Framework Development Policies Document. For up-to-date information on the timetable for the preparation of that document, please look at the Council's Local Development Scheme on its website, www.darlington.gov.uk/planning.
- 1.3 The need for this SPD has arisen because the Council now has evidence of significant shortfalls in the provision of affordable housing within the Borough. House prices, and to a lesser extent, rents, have increased at a far greater rate than household incomes in recent years; Darlington has the highest average house prices of all the Tees Valley local authority areas, but the wages of those working in Darlington are amongst the lowest in the sub region.
- 1.4 At the same time, public sector support for affordable housing provision in Darlington has become more limited, as funds distributed regionally and sub-regionally are increasingly focussed on schemes and priorities elsewhere, such as housing renewal in Middlesbrough. With little change in these circumstances anticipated in the foreseeable future, the main way to

secure significant new affordable housing provision to address the identified shortfalls will have to be as part of new (general market) housing developments, and in very specific circumstances, by permitting the development of affordable housing on rural 'exception' sites.

- 1.5 Local Plan Policies H9 and H10 provide the basis for negotiating this provision with potential developers. Because there has been no robust evidence of needs until late 2005¹, very little affordable housing has been secured as part of existing planning permissions. Moreover, because a high proportion of the net additional dwellings needed in the Borough by through current planning permissions, there are likely to be fewer new developments, or renewals of lapsed planning permissions coming forward, where an element of affordable housing provision can be sought.

Prepared by BDP Planning
for Darlington Borough Council



Darlington Borough Council
Affordable Housing Supplementary Planning Document

Sustainability Appraisal

Sustainability Report

September 2006

- Sustainability Appraisal**
- 1.6 This SPD has also been subject to sustainability appraisal during its preparation. A separate Sustainability Appraisal (SA) report and non-technical summary can be viewed or downloaded from the Council's website www.darlington.gov.uk/planning.

¹ Provided by the Darlington 2005 Local Housing Assessment

2. What is Affordable Housing?

Definition and forms of affordable housing

2.1 The adopted Local Plan defines affordable housing as housing designed for those whose incomes generally deny them the opportunity to purchase houses on the open market as a result of the local relationship between income and market price. It can include both social rented and intermediate housing. Intermediate housing includes housing at prices or rents above those of social rent but below market prices or rents. A sufficient supply of intermediate housing can help meet the needs of key workers and those seeking to gain a first step on the housing ladder, reduce the call on social-rented housing, free up existing social-rented homes, provide wider choice for households and ensure that sites have a balanced mix of tenures.

2.2 A more comprehensive definition of affordable housing is given in the Government's Planning Policy Statement 3 (PPS3) Housing, released in November 2006. This is reproduced at Appendix 2.

2.2 There are three main tenure options for affordable housing:

- Affordable rented homes (social rented)
- Discount for Sale (subsidised home ownership including HomeBuy)
- Shared ownership home (intermediate housing including shared equity and shared ownership)

More detail on each of these options is given in Appendix 2.

Affordability

2.3 A household is considered to be living in unaffordable accommodation if it is paying more than 30% of its gross household income on rent/mortgage payments. Households entering owner occupation are also assumed to have at least a 5% deposit.

2.4 Darlington is one of 3 urban local authority areas named in the draft Regional Housing Strategy (2005) as having the most significant affordability problems. The Darlington 2005 Local Housing Assessment (LHA) indicated that a minimum Gross Equivalent Income² (GEI) of £360 per week is required to access an average terraced house costing £75,000 on the open market in Darlington North and North East, whilst the equivalent property (£150,000 average cost) in the rural Hurworth or Heighington & Coniscliffe wards would require a GEI of £528 per week.

2.5 Given the potentially large fluctuations in house prices and, to a lesser extent, in mortgage rates and household incomes, the affordability thresholds and consequent dwelling requirement figures will be monitored and updated annually, to be published every September.

² Gross Equivalent Income = a measure of household income based on the number and age of people it has to support

Key Workers

2.6 Key workers are public sector workers like teachers, nurses, social workers and probation officers who are deemed essential to the sustainability of the economy. Housing for key workers is not necessarily affordable housing (as would be sought under Policy H9 of the Local Plan), though affordable housing may benefit some key workers whom apart from their key worker status, qualify for affordable housing.

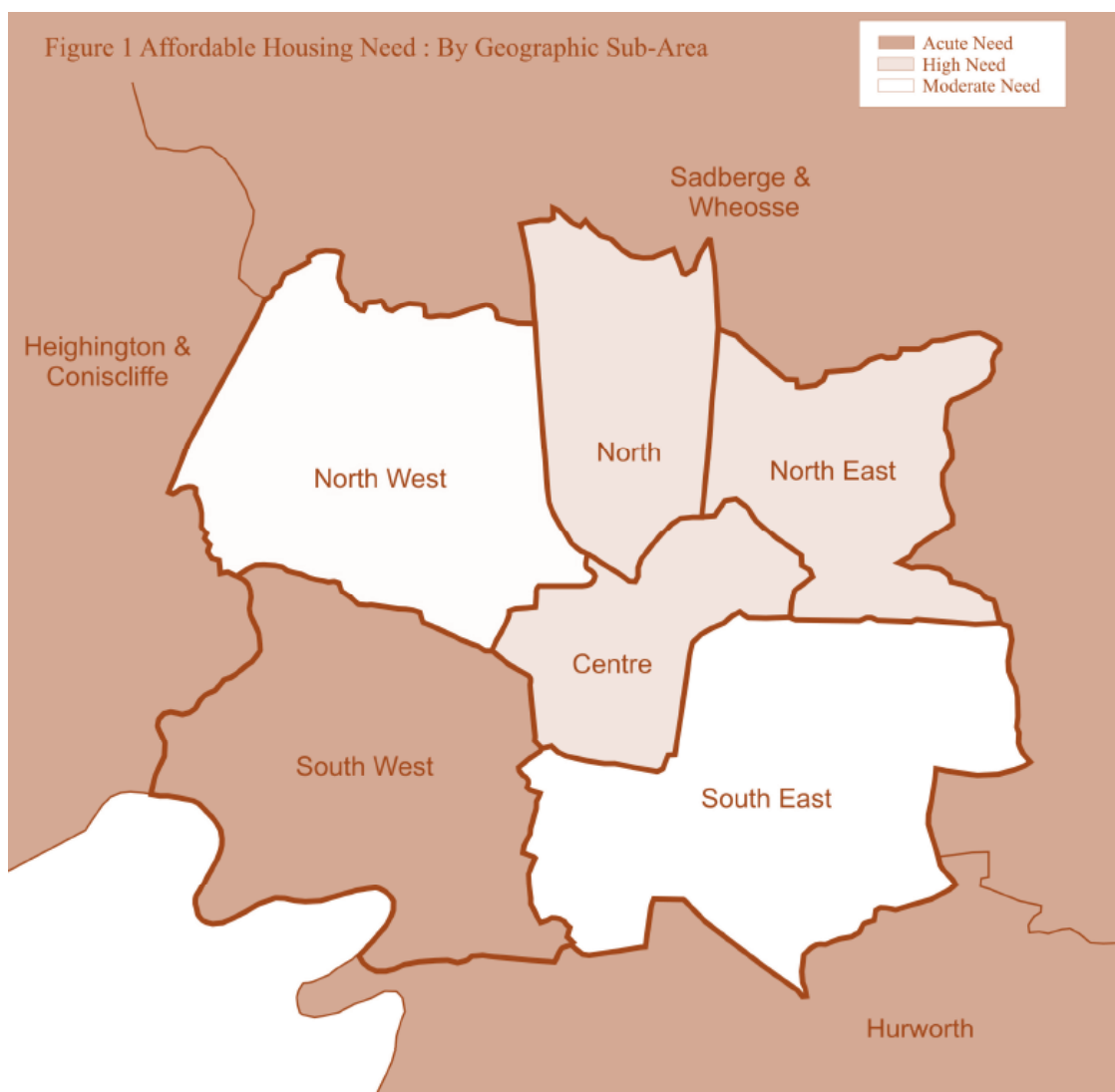
2.7 In Darlington, an estimated 1620 households containing a key worker

receive less than £300 a week, but these make up only 22.5% of all key worker households.

2.8 The Council will not accept key worker housing as a substitute for the general requirement for affordable housing provision set out in Policy H9. Any developers choosing to provide key worker housing will be expected to enter into a legal agreement to make it available as such in perpetuity. Developers should contact the Council as early as possible to discuss how this will be achieved.



3. Background



Affordable Housing needs in Darlington Borough

3.1 The Local Housing Assessment 2005 (LHA) identified a Borough-wide affordable housing shortfall of 1,325 dwellings for the five year period December 2005 to December 2010, equivalent to 265 homes per annum. There is a need for more affordable housing in all parts of the Borough,

3.2 The LHA also revealed a requirement for both affordable homes for rent and intermediate home ownership options. There are shortages of affordable 2 bedroom dwellings for older people³

but it is greatest in the rural areas (mainly intermediate affordable housing) and the south-west sub areas. Affordable housing needs are high in the north, north-west and centre sub areas, but only moderate in the south-east and north-west sub areas. The distribution of need is illustrated in Figure 1.

in all areas, and a shortage of general affordable 2 and 3 bed dwellings in all areas except Darlington North West, North East and South East. Full details of the nature and distribution of the affordable housing shortfalls identified in the 2005 LHA are set out in Appendix 3.

³ housing for older people includes sheltered and very sheltered housing, assisted living, extra care and close care, where units are self contained – all use class C2. Excludes Institutional care homes and nursing homes (use class C3)

3.3 In addition to the LHA information, monitoring of the Council's own Housing Waiting list and stock movements indicates a growing number of households requiring affordable housing and reducing availability of stock, through tenancy changes and transfers. Although actual homeless acceptances peaked in 2003/04, a move towards homelessness prevention masks additional cases where homelessness is threatened and where real housing need has arisen. Again, therefore, the trends are for increasing pressure on affordable housing.

Planning

3.4 The adopted Local Plan was prepared in the context of national planning policy guidance in place in the late 1990s. This indicated that the housing requirements of the whole community should be met and that the community's need for affordable housing would be a material consideration in determining planning applications. The policies in the Local Plan (H9 and H10) are to secure an adequate supply of affordable housing, by supplementing the building programmes of registered social landlords and approved private developers who are in receipt of public funding from the Housing Corporation.

3.5 The adopted Local Plan policies are saved until replaced by new Local Development Framework policies. Saving occurs automatically until September 2007 and at the Secretary of State's discretion thereafter. The guidance given in this SPD, whilst elaborating on the implementation of Local Plan policies, does so in the context of more up-to-date information, policies, plans and strategies, where these do not conflict with the 'parent' Local Plan policies H9 and H10. Any other changes can only be included in a revised SPD, once the appropriate new Development Plan Documents have been adopted.

3.6 Specific matters contained in more up-to-date policies, plans and strategies that this SPD takes account of include:

- a) National planning policy: this SPD has regard to the advice on site/development size thresholds set out in Planning Policy Statement 3: Housing (PPS3), and broadly accords with its presumption that affordable housing be provided on-site unless an alternative approach can be robustly justified.
- b) Regional Spatial Strategy⁴ (RSS): to meet a key RSS aim of ensuring sustainable communities, areas of high housing need like Darlington should secure sufficient affordable housing through the planning process, by setting affordable housing provision targets as a proportion of overall housing provision, using low level site/development size thresholds. The RSS suggests setting different thresholds, depending on the needs, size and function of settlements.
- c) Darlington Community Strategy⁵. The provision of affordable housing will support the promotion of inclusive communities, one of the strategy's eight key themes for achieving its long-term vision for the future of the Borough.

Housing

3.7 The national vision for the north is set out in the Northern Way Growth Strategy (ODPM, 2004). It highlights that the existing quality and variety of housing falls well short of what is required to support the region's economic potential. This echoes the Regional Economic Strategy, which also recognises that faster economic growth will strengthen housing demand.

⁴ View: Shaping the North East, submitted to Government in July 2005

⁵ Where Quality Comes to Life, Darlington Partnership, April 2003.

3.8 The concept of 'city regions' was also introduced by the Northern Way; prompting the preparation sub-regionally of the Tees Valley City Region Development Plan (2005). The creation of socially diverse communities within the inner areas of main towns is seen by this plan as required to underpin improving economic performance.

3.9 Meanwhile, the Regional Housing Strategy (RHS) acknowledges shortages of affordable housing in some parts of the region, exacerbated by recent increases in homelessness. It links social diversity and affordable housing provision, and urges local authorities to use up-to-date research about local requirements, levels of homelessness and local housing market conditions to develop affordable housing policies. It states that local authorities should set out the extent of need in each of their market areas, the proportions of each type of affordable housing that is required, the locations where lower thresholds will be applied and identify sites which will be subject to specific briefs. They should also describe the policy for the use of grant support, such as Social Housing Grant.

3.10 Although Darlington is not specifically highlighted as a priority area for affordable housing provision, the RHS does say that (public sector) support would be given where clear, robust evidence of significant affordability issues have been identified. As indicated at para. 3.1, through the 2005 Darlington LHA, this is now the

case. Any developers seeking public subsidy for affordable housing should contact both the Council's Housing and Planning Services as early as possible, as new schemes need to be considered within the bidding timeframe as set out by the Housing Corporation.

3.11 Affordability has only recently emerged as an issue in the Tees Valley sub-region, and is most prevalent in Darlington and Stockton Boroughs. Through the Tees Valley Housing Strategy, proposals will be put forward to the Regional Housing Board and the Housing Corporation for publicly funded affordable housing schemes wherever there is an identifiable need to be met, but they must also support the key objectives of this sub-regional strategy. This may limit the opportunities for Darlington to secure funding from this source, as the strategy is focussed on housing market renewal in the inner areas of Middlesbrough, Stockton and Hartlepool.

3.12 The current Darlington Housing Strategy (2004) does not address the more recently identified shortage in affordable housing, though it does acknowledge the need to work with Housing Association partners to respond to identified needs. Local Housing Strategies have largely been replaced by Sub-Regional and Regional Housing Strategies, in Darlington's case the Tees Valley Sub-Regional Housing Strategy (2007).

4. In what circumstances will the policy be applied?

4.1 Policy H9 will be applied to all planning applications, including renewal of lapsed planning consents, changes of use and conversions, which fall within the criteria outlined below:

- a) Within the main urban area (the area within development limits as shown on the adopted Proposals Map), proposed developments of 15 dwellings or more*, or residential development sites of 0.5ha or more.
- b) Outside the main urban area, proposed developments of 5 or more dwellings* or residential development sites of 0.2ha or more.

4.2 Where outline planning permission is granted for residential development on a site below the site size thresholds outlined above, a condition will be attached to the planning permission indicating that if the dwelling numbers meet or exceed the thresholds outlined above, the developer will be expected to enter into a legal agreement to provide affordable housing either on site or by means of a financial or other contribution to the Council to enable the provision of affordable housing elsewhere. Model heads of terms for legal agreements are set out in Appendix 5.

4.3 Given the level of identified need and the limited opportunities for securing affordable housing provision, planning permission will not be granted for applications that meet or exceed the thresholds set out in 4.1 above, but do not include any affordable housing, or any enabling financial or other contribution to the Council. Only in the

most exceptional circumstances does the Council consider that deviation from the above criteria will be justified (see para.5.4 below).



- Sub division of sites*
- 4.4 The Council will be alert to the sub-division of sites or phasing of development as a means to circumvent the requirement to provide affordable housing. Therefore, for the purposes of establishing the affordable housing requirement, planning applications will be taken as relating to any composite or naturally defined larger area, whether or not subject to phased development and regardless of ownership. This will normally mean the curtilage of the property, defined as the area of land attached to a building. If development is proposed in phases, later phases must fulfil affordable housing requirements from previous phases, where it has not already been adequately provided.

5. How much affordable housing should be provided as part of new housing developments?

Affordable housing need	Sub Areas	Wards	Affordable housing target
Acute	Rural, Darlington South West	Heighington and Coniscliffe, Hurworth, Middleton St. George, Sadberge and Whessoe, College, Hummersknott, Mowden, Park West.	40%
High	Darlington North, North East, Centre	Haughton North, East and West, Harrowgate Hill, North Road, Northgate, Central	30%
Moderate	Darlington North West and South East	Faverdale, Cockerton East and West, Pierremont., Lingfield, Bank Top, Lascelles, Eastbourne, Park East.	15%

Table 1: Affordable Housing: Quantity Targets

5.1 The amount of affordable housing that will be sought as part of new general market housing developments is calculated as a percentage of the total number of units planned in the development. Table 1 indicates the levels that have been set for each of the Borough's sub-areas, having regard to the findings of the 2005 Local Housing Assessment. The affordable housing should normally be provided on-site, except in the situations outlined in Section 6. It should be split between rented and intermediate affordable housing, in the proportions and areas outlined in Section 7.

5.2 These targets will apply, regardless of whether the developer can attract any public subsidy, such as social housing grant, or not.

5.3 The affordable housing targets set out above may, exceptionally, be reduced or possibly waived if:

- a) it can be demonstrated that there are exceptional unforeseen costs associated with the development that, taken together with the provision of affordable housing to the levels set out above, would render the project unviable; and/or

- b) the development of the site will bring other planning and environmental benefits that are so significant as to outweigh the need to meet affordable housing requirements in full;

- c) sheltered housing for frail older people (aged 50+ years or older) is proposed.

5.4 The Council expects developers to have considered the financial implications of providing affordable housing when purchasing the land for development, as they would for all other significant foreseeable costs, like highway works, remediating contamination, known flood mitigation, piling, demolition, and planning obligations. Developers will need to address the matters covered in Appendix 6 if they consider that there are further and exceptional unforeseen costs and that the provision of affordable housing would make a proposed scheme unviable.

5.6 Developers of schemes for older people will only be expected to provide affordable housing provision to meet that proportion of the affordable housing needs that have been identified for this age group (see Table 2).

6. Does affordable housing have to be provided on the application site?

6.1 The Council is committed to the development of mixed and balanced communities. One way of delivering this is by including affordable housing within new private housing developments. However, there may be circumstances where off-site provision, or a financial contribution, may be more appropriate in tackling the identified local affordable housing needs of Darlington's residents.

6.2 People in need of affordable housing often cannot afford a private car or long journeys by public transport, and express a strong preference for dwellings in highly accessible locations that are close to shops and places of work, and near to their existing networks of support from family and friends. The Council's waiting list provides a good indication of the areas of the Borough where demand for affordable housing is greatest. These are the Centre and North Sub areas, in and around the central area/High Northgate/North Road, and locations elsewhere close to local shops, services and places of work eg the other district and local centres identified in the Local Plan. However, there is likely to be demand for intermediate tenure properties in a wider range of locations, particularly amongst newly forming households that are seeking to make their first step onto the property ladder, and older people (50+ years) who are equity rich but have limited cash reserves.

6.3 The Council will therefore expect the affordable housing requirements to be met through on-site provision in the general locations shown in Figure 2. Exceptions may be made where:

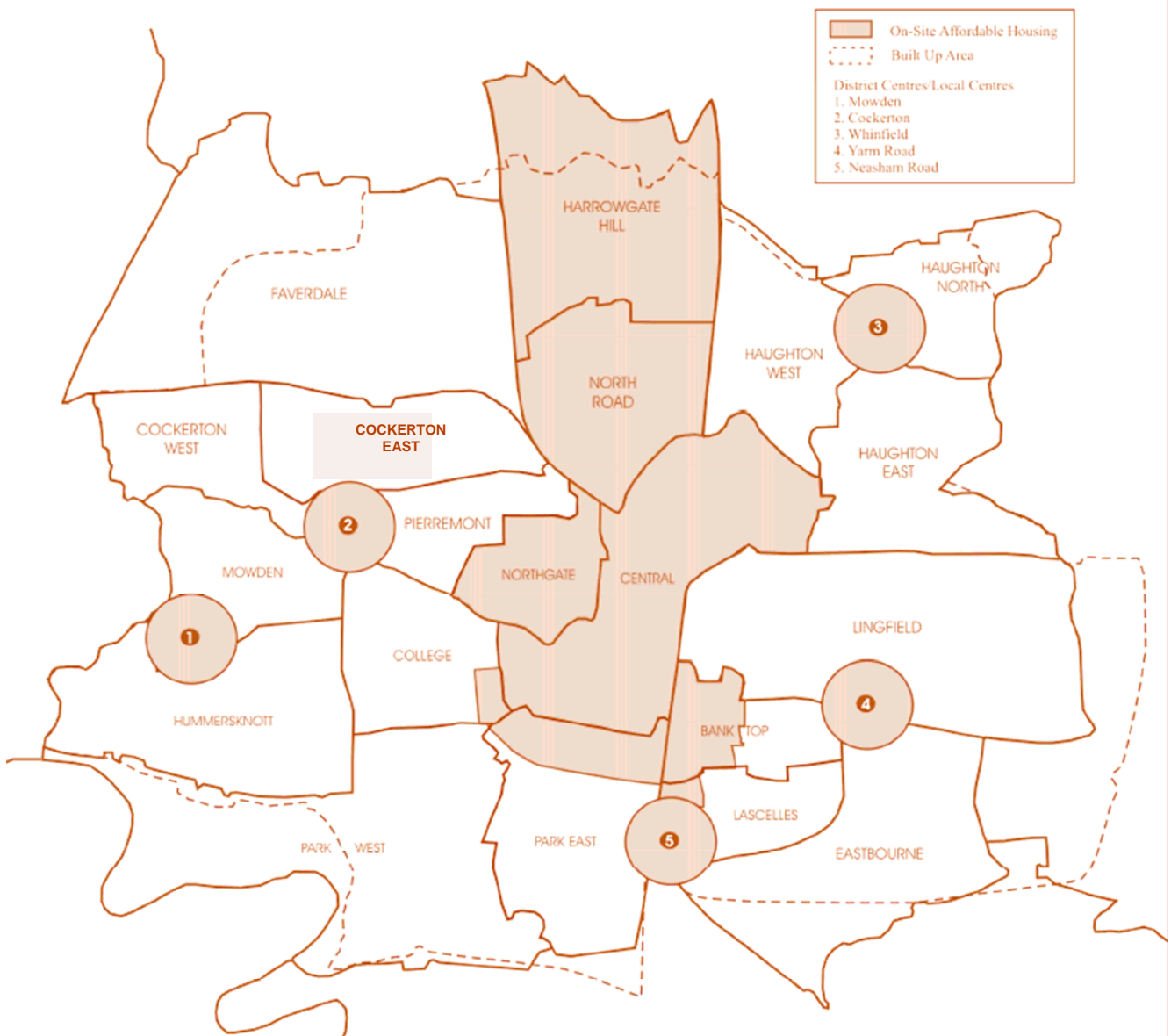
- the development of general market housing is being promoted as part of a wider strategy to broaden the mix of tenures in a neighbourhood (there will still be a requirement for off-site affordable housing in these instances);
- the scheme is the conversion of a building that is unable to physically accommodate units of the sizes and dimensions required by Housing Corporation Scheme Development Standards;
- the Council, as local housing authority, has provided evidence that the identified affordable housing needs in the locality of the proposed development would be better met in off-site provision.

6.4 Outside the general locations identified in Figure 2, the affordable housing requirements may be met though a combination of on-site provision, off-site provision and financial contributions towards the provision of affordable housing elsewhere. Early discussions with the Council's Housing Strategy Manager (preferably pre-application) are advised to establish the position in respect of individual sites.

- 6.5 For proposed developments of 30 dwellings or more in these less accessible locations, the Council will expect the majority of the affordable housing requirement to be met on-site, unless it can be shown that off-site provision will make a better contribution towards achieving strategic affordable housing objectives. This is to avoid concentrations of housing in a single tenure or type.
- 6.6 Where both the developer and the local planning authority agree that a

financial contribution is appropriate to meet all or part of the affordable housing requirement, the Council will use this money to meet its strategic affordable housing objectives and to create mixed communities. This could include the clearance and remodelling of poor quality, obsolete and sometimes vacant housing elsewhere within the urban area, where it would provide an overall increase in the number of good quality affordable homes that Darlington residents with identified housing needs are prepared to live in.

FIGURE 2 : LOCATIONS WHERE AFFORDABLE HOUSING SHOULD BE PROVIDED ON-SITE



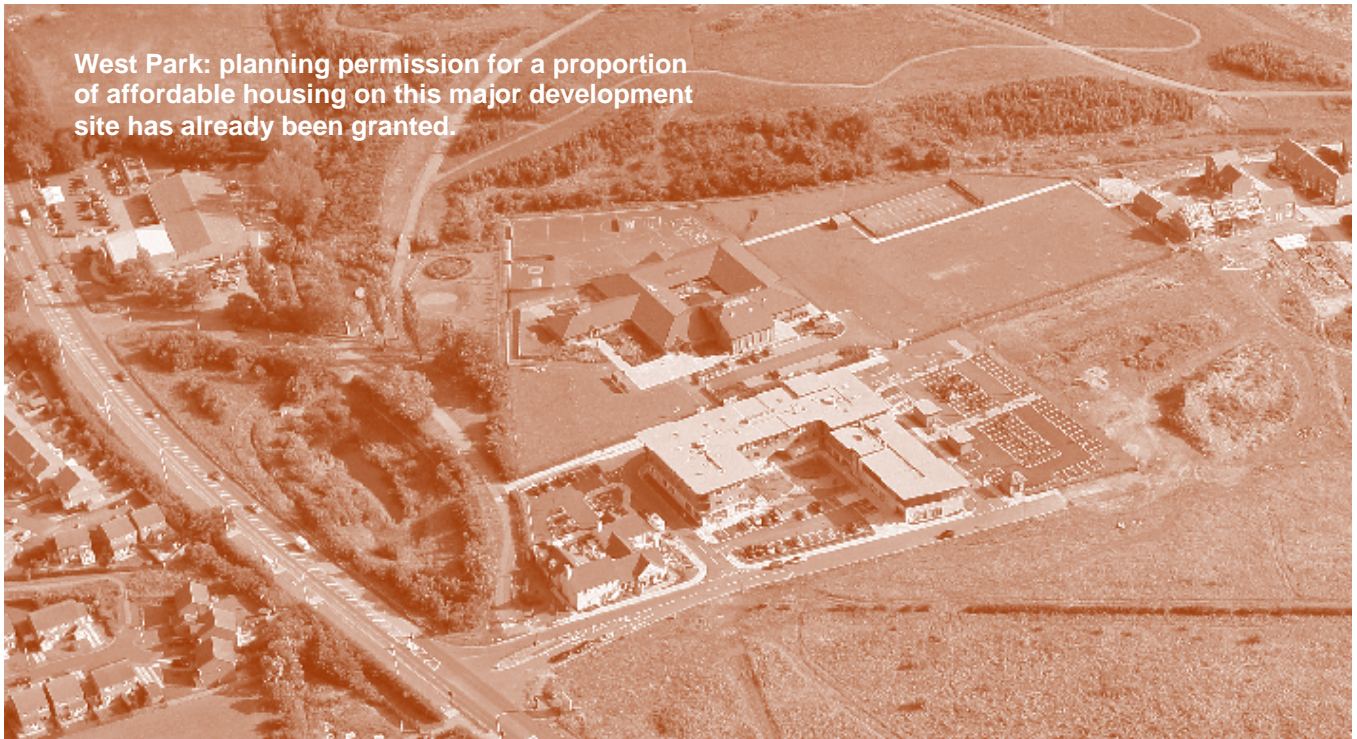
6.7 Where the affordable housing requirement is no more than six dwellings, applicants may consider providing part of the site at nil cost in lieu of the actual provision of affordable housing units. However, this will only be acceptable, if:

- a) the developer can demonstrate that a registered social landlord is able to provide the affordable housing within 5 years of commencement of development on the application site as a whole;
- b) the number of affordable dwellings required can be accommodated on the site; and

- b) the developer can satisfy the Council that dwellings provided in this way will be integrated into the scheme overall (see 8.2 below), creating a mixed rather than divided community;

- d) the affordable housing can be delivered without recourse to additional public subsidy.

6.8 Further details about the nature of and requirements for off-site provision and/or developer contributions towards provision elsewhere, are given in Section 9 and 10 below.



7. Nature of Affordable Housing Provision

Tenure

7.1 The LHA indicated that about 82% of the demand for affordable housing is for social rented accommodation and only 18% is for intermediate housing (e.g. shared ownership and discounted for sale – see Appendix 2). However, the Council is keen to raise awareness and uptake of intermediate housing options, and will therefore work with developers to achieve a social rented: intermediate housing tenure split in the Borough's affordable housing provision of 70%: 30%. The tenure split will be negotiated on a site-by-site basis, having regard to the mix of tenures of existing housing nearby, the desire to create balanced communities, the requirements for on-site provision outlined in Section 6 above, and the link between dwelling size/type and tenure identified in the LHA. In villages, where demand for social rented accommodation tends to be less than in the urban area, the Council will seek intermediate housing exclusively or in combination with a contribution towards affordable housing generally.

Size and Type

7.2 Appendix 3 indicates the size and type of affordable dwellings for which a need was identified in the Local Housing Assessment 2005. This gives indicative targets for the size and type of affordable housing provision required in specific areas, and these are set out in Table 2.

7.3 This information, together with any more up-to-date information that the Council's Housing Division may have regarding pressures on the social rented stock, will form the starting point for negotiating the composition of the affordable housing element of schemes with potential developers. The characteristics of the site, e.g. access to local facilities, will also be

taken into account, particularly where provision for older people is proposed. Potential developers are advised to contact the Council at an early stage to discuss this.

7.4 Submitted proposals with affordable housing provision that differs in size, type or tenure from that set out in this guidance and from that proposed in any pre-application discussion may still be permitted, provided that the matters set out in paragraphs 7.8 and 7.9 below are adequately addressed, and the Council's broader affordable housing policy objectives are met.

Older People's Housing

7.5 Over 50% of all the affordable housing needs identified in 2005 were those of older people, i.e. those aged 50 or over, and in the south-east and north-west sub areas, they constituted all of the affordable housing needs identified. Housing for older people includes sheltered and very sheltered housing, assisted living, extra care and close care, where units are self contained, but excludes institutional care homes and nursing homes.

7.6 Where the proposed affordable housing is to meet the needs of older people, the design and layout of the units should have regard to the particular requirements of many older people, such as level, ground floor access wherever possible, the provision of lifts if units are provided at first floor or higher levels, and the ability for homes to be negotiable by wheelchair users and readily adaptable to meet changing needs.

7.7 Developers of sites within Darlington Centre sub-area, or within 300m of one of the district/local centres (see Figure 2) will be encouraged to include high proportions of affordable housing as provision for older people.

Sub Area or Village	General			Older persons		All
	1 bed	2 bed	3+ bed	1 bed	2 bed	(%)
Darlington North East	22%	0	0	13%	65%	100
Darlington South East	0	0	0	0	100%	100
Darlington Centre	1%	30%	33%	0	37%	100
Darlington South West	17%	23%	17%	9%	34%	100
Darlington North	28%	14%	10%	24%	24%	100
Darlington North West	0	0	0	0	100%	100
Urban Area target (%)	14.8	15.3	12.7	10.1	47.1	100
Heighington & Coniscliffe	23%	15%	8%	15%	38%	100
Hurworth	25%	25%	8%	8%	34%	100
Middleton St. George	29%	29%	14%	21%	29%	100
Sadberge & Whessoe	21%	25%	17%	12%	25%	100
Borough-wide target (%)	17.4	17.4	12.5	10.1	42.6	100

Table 2: Target percentage of affordable homes by Darlington sub-area or village.

Cost

7.8 The provision of affordable homes must be such that the cost to the end user is no more than 30% of their gross household income. Details about how this can be calculated are given in Appendix 4, and rent levels must be contained within the guideline target rents determined through the national rent regime.

will be delivered, who will maintain and manage it, what mechanisms are in place to ensure that the occupants are drawn from those in genuine need (demonstrated by an existing application on the Council's waiting list), and how the affordable homes will be secured as such in perpetuity.

Securing Delivery

7.9 Where affordable housing is required as part of new housing developments, planning applications must include details of how the affordable housing

7.10 The Council will also expect developers providing affordable housing as part of their developments to enter into a legal agreement to secure its provision. Model heads of terms for such an agreement are set out in Appendix 5.

8. Layout, Design and Construction Standards

8.1 Good design and siting of affordable housing within residential and mixed-use developments can help create vibrant and sustainable communities. The design and layout requirements for new housing development are set out primarily in adopted Local Plan Policy H11, whilst a Design Guidelines Supplementary Planning Document (in preparation) will provide further guidance. Both are applicable to affordable housing.

8.2 Additional requirements for affordable housing are:

- Provision to at least the minimum construction standards set out in the Housing Corporation's latest Scheme Development Standards or equivalent (see www.housingcorp.gov.uk).
- Unless there are very good reasons to the contrary, e.g. use of innovative or experimental highly energy efficient materials, the design of affordable units should be indistinguishable from market housing, even if this means raising the standard of the market provision to the specification of any partner registered social landlord.
- Must meet EcoHomes 'Very Good' standard, to help reduce the carbon emissions associated with new housing;
- Wherever possible, affordable housing should be spread throughout a development, for example, by locating units individually or in pairs across the site. The location of affordable units must be indicated on plans submitted as part of a planning application, and the Council will expect affordable housing needs to have been considered in agreeing general layout principles.

- Car parking provision may be lower than for general market housing, as levels of car ownership are likely to be lower, particularly if the affordable housing is for the frail elderly in sheltered housing schemes. However, the type of location (e.g. central or urban fringe) must also be considered, and developers should discuss parking with the Council at an early stage. Note also that there should be no additional charge for the provision of parking for affordable units;

- Up to 10% of units to be designed for wheelchair accessibility, or a financial contribution to be made of up to 15% of overall unit construction costs for the equivalent number of units, to be spent appropriately once the particular needs of future occupants have been identified.

8.3 The Council will also be seeking the following in the design and construction of new affordable housing: lifetime homes standards (see www.jrf.org.uk) and the Building for Life's 'silver' standard⁶, a benchmark for well designed housing and neighbourhoods (see www.buildingforlife.org).

8.4 Developers intending to involve a registered social landlord, are advised to do so at an early stage in the design of the proposal, as they can assist in ensuring that the Scheme Development Standards (see paragraph 8.2 above) are complied with. Guidance can be sought from the Council's Housing Division about recommended registered social landlord partners.

⁶ Must fulfil 70% of the BfL criteria under themes of character, roads, parking and pedestrianisation, design and construction, and environment & community. BfL is an alliance of national housing and design agencies and interest groups led by the Government's Commission for Architecture and the Built Environment and the House Builders Federation

9. Off-site provision

9.1 Where a developer is proposing the provision of affordable housing off-site, there should be early discussions with the Council to identify a suitable site or sites.

9.2 The developer will need to work in partnership with the Council and any registered social landlord to establish that the site can be secured for development, that the proposed units are capable of being provided there, and that in doing so, it will support the objective of creating mixed and sustainable communities. The developer will also need to demonstrate that the proposed site is within 300m walking distance of local facilities, such as a convenience food shop, or a bus stop with a 15 minute (urban)/1 hour (rural) frequency daytime service on weekdays, or can be made to be so.

9.3 As with on-site provision, the timing of off-site provision will be tied to the completion of numbers of properties on the associated general market housing site, by means of a Section 106 agreement. The general approach will be to secure completion

of the affordable homes in step with the general market housing, unless the timing is otherwise agreed with the Council.

9.4 Where agreement cannot be reached with the Council regarding a suitable site for off site affordable housing provision, a financial contribution in lieu of affordable housing provision may be considered (see Section 10 below).

9.5 Developers may also be able to meet the affordable housing requirements by purchasing existing homes, bringing them up to the 'decent homes' standard, and then passing them on to a registered social landlord to manage as affordable homes in perpetuity, whether as social rented or intermediate housing. However, this approach will not be acceptable where its effect is to further concentrate people with low incomes into particular parts of the town. Any developers considering this should contact the Council as early as possible to establish which locations would be acceptable.

10. Financial Contributions

- 10.1 Where it has been demonstrated that on-site provision or provision elsewhere is not appropriate (see Section 6 above) or cannot be secured, the Council may consider a financial contribution in lieu of affordable housing. The amount payable per dwelling will be a sum equal to the difference between the appropriate registered social landlord purchase price and the market valuation of an equivalent dwelling in the locality. The number of units on which this calculation will be based will be a proportion of the total number of units to be provided on the application site, in accordance with the targets set out in Table 1. The type of units on which this calculation will be based will be agreed with the Council, taking account of the latest housing needs assessment data and any other relevant up-to-date information. More detail on this is set out at Appendix 4.
- 10.2 Financial contributions must be paid before 50% of the open market dwellings granted planning permission have been completed. The Council will hold the money for a maximum of 10 years from the date it is paid to the

Council, after which any money not spent by the Council will be returned to the developer. The terms of this agreement should be set out in a covenant in a planning obligation.

- 10.3 Financial contributions will only be spent by the Council on affordable housing that would not otherwise be provided. Any monies collected will be held in a dedicated account, and will not be spent on other Council activities. They may be used as a whole or partial contribution to the costs of land acquisition, property refurbishment and remodelling including achieving Decent Homes Standards, and other development costs associated with the provision of affordable housing. The Council reserves the right to make this provision anywhere within the Borough. The location of schemes supported by financial contributions will be determined taking account of identified needs and the practical ability to deliver an affordable housing scheme within the timescale the money is available. Developer contributions will be acknowledged by the Council in any publicity or site boards associated with a scheme.

11. Securing the Affordable Housing

Timeliness

- 11.1 All affordable housing should be completed and transferred to a registered social landlord (or exceptionally, another management body that can demonstrate experience and a successful track record of successfully managing affordable housing in Darlington) in step with the market housing development programme unless otherwise agreed with the Council.

Affordability in Perpetuity

- 11.2 Before the Council will grant planning permission for schemes that include an element of affordable housing, it will need to be satisfied that mechanisms are in place to ensure that the homes will be properly managed, that they will go to those with a genuine affordable housing need and that the homes will remain affordable in perpetuity, that is, for as long as there is a demonstrable need. These will be secured through nomination agreements, planning conditions and Section 106 agreements.
- 11.3 Delivering affordable housing for rent in partnership with a registered social landlord (RSL) guarantees that homes will be affordable in perpetuity (RSLs are legally bound by the Housing Corporation's rent regime). It also guarantees the Council nomination rights to future lettings, and ensures a consistent approach towards housing management issues, such as resolving neighbour disputes and delivering environmental improvements.
- 11.4 The Council therefore regards RSLs as the preferred means of securing affordable housing in perpetuity, tied in by means of a Section 106 agreement to which the RSL will be party. This applies to all the forms of affordable housing set out in Appendix 2. Affordable housing units should be transferred by the developer to a RSL to manage. The transfer of land from

the developer or land owner to a RSL to build the affordable housing with other funds may be acceptable, provided that the RSL can provide evidence of the availability of funds (and hence implementation) within an appropriate timescale to be agreed with the Council, and that the value of the land transfer is no less than the cost to the developer of transferring to an RSL units completed on-site.

- 11.5 If potential developers choose to deliver affordable housing contributions through partnership arrangements with Registered Social Landlords (RSLs) they should contact the Council's Housing Division for information about its preferred partner RSLs. Whilst developers are free to approach other RSLs, if they do so, they will need to submit details of how their preferred RSL will manage the affordable housing in perpetuity, and details of their recent performance.
- 11.6 Exceptionally, the provision of affordable housing without the involvement of a registered social landlord may be acceptable, e.g. where an RSL cannot be found to manage the affordable element. In these circumstances, the Council may impose planning conditions or seek a planning obligation to:
- a) provide that a specified proportion of the general market housing on the site cannot be occupied until the affordable housing element has been built and allocated in accordance with the occupancy criteria set out in a planning obligation; and
 - b) set out occupancy criteria, to ensure an adequate supply of suitable occupants, making reference to the appropriate plan policy - see 11.7 below. Occupancy criteria will be based on access to the Local Authority's own housing waiting list, and priority allocations should be sought from that database.

Ensuring provision goes to the most needy: nominations, allocations and local connections criteria

11.7 The Council will negotiate with developers to secure 100% nomination rights, with highest priority need nominees drawn from the Council's Housing Waiting List. Other eligible occupants should be assessed as per the criteria set out by the Council for access to the Housing Waiting List. The Government's Choice Based lettings agenda indicates that between 2005 and 2010, 100% of nominations should be available to the Council, and therefore early clarification of the current position of the Choice Based Lettings Agenda should be sought from the Council's Housing Division at the earliest opportunity.

11.8 The nominee or someone who ordinarily is a member of their household:

- must have previously resided in Darlington for a period of at least 12 months; or
- must be currently living within Darlington and have been doing so for a period of at least 12 months; or
- must be a full time carer for a person living in Darlington; or must, for sites in the rural area, have an immediate and direct blood relation who has been living in the rural area for a period of at least 12 months; or
- must be in full time employment in Darlington.

In respect of developments in rural locations additional priority for re-housing will be given to Applicants who successfully meet one or more of the above criteria and are able to demonstrate a local connection to the

immediate area where the new affordable housing vacancies will arise, on a cascade approach. That is, if a vacancy arose in the Middleton St George area then applicants who are able to demonstrate a local connection to the that area will be considered first before considering adjacent rural settlements/wards.

11.9 Subsequent occupancy will be the responsibility of the Registered Social Landlord, but the nominations for these units should come from the Council. Draft nominations agreements are available from the Council's Housing Division.

11.10 Development on a site will not normally be allowed to commence until an agreement has been reached regarding the nominations and a contract between the developer and the RSL has been entered into. This is to help ensure that the affordable housing element can be completed and delivered. It will be secured through a planning obligation.

Marketing

11.11 Once dwellings are completed and available for occupancy, marketing of a scheme will be undertaken in partnership between the Council and the registered social landlord, seeking nominations from the Council's waiting list. The costs associated with marketing will be borne by the registered social landlord. With regard to shared ownership and intermediate tenure options, such promotion will also include the Housing Corporation's Change Agents for shared ownership in the North East, currently Nomad Housing Association.

Ensuring homes are financially accessible to those in need

11.12 The Council's Housing Division will maintain up-to-date information on lenders policies, to ensure that those in housing need are not excluded because of their inability to secure a mortgage.

12. Pre-application discussions and planning applications

12.1 The Council encourages pre-application discussions on all major development proposals, in accordance with the provisions set out in the Council's Statement of Community Involvement. Any developer who is proposing a residential or mixed use scheme that includes a housing element should contact the Planning Services team to discuss their proposals so that an assessment can be made on the implications of this SPD for their site before a planning application is submitted. Such discussions are entered into on a without prejudice basis and are aimed at seeking a measure of agreement on the issue of affordable housing, in the light of the SPD, but are also an opportunity to discuss matters such as design, accessibility and other related planning issues.

12.2 A list of those matters that the Council would normally expect to accompany an application is set out at Appendix 7. This list is not exhaustive, but covers the main information the Council requires to come to an informed planning decision and to ensure the SPD requirements have

been fully addressed in a scheme. This information is required in respect of all full, detailed planning applications and on all reserved matters applications where the principle of affordable housing provision has been agreed on the grant of an outline planning permission.

12.3 Potential developers are expected to take account of the Council's affordable housing requirements in making agreements to purchase land. Ignorance of the policies and this SPD will not be accepted as an argument in favour of relaxing or waiving the Council's affordable housing requirements.

12.4 Model heads of terms for a legal agreement to secure affordable housing are provided at Appendix 5. This is provided to help speed up the process of preparing any legal agreement required in association with a grant of planning permission. The Council's target for completing Section 106 legal agreements for affordable housing provision is within 3 months from the date of the authority's decision on the planning application.

13. Transitional Arrangements

13.1 The Council recognises that there will be a limited number of instances where potential developers have been engaged with the Council in pre-application discussions, prior to the adoption of this SPD. Where affordable housing requirements have not been mentioned in these

discussions, it would be unreasonable of the Council to require it at a late stage in negotiations. It will be made clear in officers reports to the Planning Applications Committee where this is the case.

14. Monitoring and Review

14.1 Monitoring the provision of affordable housing will take place as part of the Annual Monitoring Report, required under the Planning and Compulsory Purchase Act 2004, and as required for the completion of other Government statistical returns. It will enable the identification of the number, type and size of units provided by urban sub area and by rural settlement.

14.2 The affordability formula, together with the effectiveness of the targets and thresholds will be reviewed annually in June, and the findings published on the Council's website, and in paper copy for distribution to potential applicants, and on request.

14.3 The occupancy of affordable housing will be monitored from time to time through other functions of the Council and in partnership with the registered social landlords operating in the Borough. Other breaches of planning conditions will be dealt with by the Council's Planning Enforcement Officer.

14.4 The Council's Planning Services section will monitor the potential for subdivision of sites to avoid the requirements of this SPD.

14.5 Circumstances in which a review of this SPD will be considered include:

- policies on affordable housing in the emerging Local Development Framework have been adopted, replacing saved Local Plan policies H9 and H10; or
- a more up-to-date housing needs assessment has been completed; or
- there is a significant change to the local relationship between incomes and house prices; or
- the Section 106 heads of terms become out of date
- there are material changes to the approach to affordable housing at national level, e.g. a new Planning Policy Statement or Circular
- the Council considers that the SPD is insufficiently effective in delivering affordable housing through developer contributions
- work on the forthcoming Planning obligations SPD suggests a different approach to securing developer contributions.

The Council will engage with housebuilders, registered social landlords and other key stakeholders in any review of the SPD, in accordance with the provisions of its adopted Statement of Community Involvement.

14. Contacts

15.1 For queries regarding the submission of a planning application for residential development where affordable housing may be required, please contact the Principal Planning Officer (Development Control) Tel: 01325 388605 or e-mail: planning.enquiries@darlington.gov.uk.

15.2 For queries about the affordable housing policy, please contact the Principal Planning Officer (Planning

and Environment Policy) (Tel: 01325 388644 or e-mail: planning.policy@darlington.gov.uk)

15.3 For enquiries as to the Council's preferred Registered Social Landlords, and any issues around nominations for affordable housing, contact the Council's Housing Strategy & Renewal Manager, Tel: 01325 734101 or e-mail: housing@darlington.gov.uk

15. Glossary

Affordable Housing Dwellings

Housing designed for those whose incomes generally deny them the opportunity to purchase houses on the open market as a result of the local relationship between income and market price.

Building for Life Standard

The Building for Life standard is the national benchmark for well-designed housing and neighbourhoods in England.

Community Strategy

A strategy prepared by local authorities to help deliver local community aspirations, under the Local Government Act 2000.

Decent Homes Standard

A decent home is one which is wind and weather tight, warm and has modern facilities.

Development Plan Document (DPD)

Spatial planning documents that form part of the LDF. They are subject to independent examination and, together with the relevant Regional Spatial Strategy, forms the Development Plan for the local authority area.

EcoHomes

EcoHomes is a straightforward, flexible and independently verified environmental assessment method for new homes. It rewards developers who improve environmental performance through good design, rather than high capital cost solutions.

Housing Corporation

The Housing Corporation is the government agency that funds new affordable homes and regulates housing associations in England.

Intermediate Tenure

Includes shared ownership, equity share and discounted home ownership.

Key Workers

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

Lifetime Homes Standards

Design criteria which ensure that homes are designed flexibly enough to meet the needs of most households with the minimum of adaptation.

Local Development Document (LDD)

Any document making up part of the Local Development Framework

Local Development Framework (LDF)

Introduced by the Planning and Compulsory Purchase Act (2004) as the replacement for Local Plans. It is the term to describe the whole portfolio of planning policy documents (Local Development Documents) setting out the planning strategy and policies for the area.

Local Development Scheme (LDS)

A project plan which outlines every Local Development Document that the Council intends to produce over the next three years along with timetables for their preparation. The Local Development Scheme will be reviewed annually.

Local Plan

A Local Plan sets out planning policies and allocations of land for development. It sets out where different types of development, from housing to shops and offices, that could be built during the plan period. Following the Planning and Compulsory Purchase Act (2004) Local Plans will be, eventually, superseded by the Local Development Frameworks process.

Registered Social Landlord (RSL)

Housing Associations registered with the Housing Corporation. RSLs facilitate the provision of affordable housing.

Regional Spatial Strategy (RSS)

These are to be prepared by Regional Planning Bodies, and set out the region's strategic policies in relation to the development and use of land.

Rural Exception Site

Policy H10 in the Darlington Local Plan states that in exceptional circumstances residential development to meet identified localised need for affordable housing may be permitted on sites adjacent and well-related to villages with adequate local facilities, provided that a suitable site cannot be found within the development limits.

Section 106 Agreement

A binding agreement between the Council and a developer on the occasion of a granting of planning permission regarding matters linked to the proposed development. Normally limited to a developer providing extra facilities to an area such as open space provision, infrastructure improvements or affordable housing.

Supplementary Planning Documents (SPDs)

Provide additional information and explanation of policies and proposals within

the Local Plan or Local Development Framework. It does not form part of the Development Plan and is not subject to independent examination.

Sustainability Assessment (SA)

A tool for appraising the likely impact of plan policies from an environmental, economic and social perspective. It fully incorporates the requirements of the SEA Directive.

Sustainable Development

The most common definition is from the Brundtland Commission (1987) – “Development which meets the needs of the present generation without compromising the ability of future generations to meet their own needs”.

Tees Valley Local Authority Areas

The Tees Valley area is a sub-region with the North East region. It consists of 5 Unitary Authorities; Darlington, Hartlepool, Stockton, Middlesbrough and Redcar & Cleveland.

Appendix 1: Adopted Borough of Darlington Local Plan: Affordable Housing Policies

Policy H9 - Meeting Affordable Housing Needs

The Council will institute, and keep under review, assessments of needs for affordable housing and other specialist housing needs. The Council will seek to negotiate with developers for an element of affordable housing on new housing sites within development limits, where a local need has been identified.

Policy H10 – Affordable Housing in the Rural Area

In exceptional circumstances, residential development to meet identified localised needs for affordable housing may be permitted on sites adjacent and well-related to villages with adequate local facilities, provided that a suitable site cannot be found within the development limits, and provided that:

1. the needs are substantiated; and
2. the needs cannot be met in any other way; and
3. provision is made to meet those needs in perpetuity
4. the development is of small scale, reflecting and respecting its surroundings.

Appendix 2: Definitions of Affordable Housing Options

<p>Affordable Rented Homes Rented Homes</p> <p>Homes that are owned and managed by a registered social landlord or local authority, which provide a good standard of rented accommodation, at a cost which those on lower incomes in housing need can afford.</p>
<p>Shared Equity</p> <p>The purchaser buys a fixed percentage of the whole property, usually 50%. The purchaser obtains a mortgage for the 50% share or can buy the 50% outright if he/she has sufficient capital. The purchaser does not pay rent on the remaining share they do not own (although he/she may have a 'shared ownership lease' with the registered social landlord (RSL)), and cannot buy additional shares, which are retained in perpetuity by the RSL. Future sales will be fixed at a 50% valuation of the open market value at the time of the sale.</p> <p>Purchasers should note that property is subject to depreciation as well as appreciation in value over time. Any appreciation in value of the purchaser's 50% share can be retained by them. Future purchasers should also meet local connection criteria to conclude a sale.</p>
<p>Discounted Home Ownership</p> <p>A home bought at a fixed discounted price from open market value. The purchaser obtains a mortgage for 100% ownership of the home (less any deposit). The percentage discount from open market value is determined prior to completion of the initial sale. The conditions of sale require the purchaser to enter into a lease with a registered social landlord (RSL), which requires the home to be sold on at the same level of discount. The purchaser is a leaseholder and the freehold of the property is retained in perpetuity by the RSL.</p>
<p>Shared Ownership Home</p> <p>Frequently referred to as a 'part-rent/part buy' home. The purchaser buys a share in the home (usually 50%), and enters into a 'shared ownership lease' with a registered social landlord (RSL). The remaining equity is retained by the RSL, on which the purchaser pays rent to the RSL.</p> <p>The purchaser can buy additional shares from the RSL (at open market value, sometimes known as 'staircasing') and may eventually own the home outright. If additional shares are bought by the purchaser, the RSL must recycle the monies accrued into meeting local housing needs. A purchaser wishing to sell can only sell the percentage of equity that they own. In some instances the percentage share available for purchase can be restricted enabling the accommodation to remain affordable in perpetuity.</p>
<p>Sub-market Rented Homes</p> <p>A form of intermediate housing where rents fall between genuine affordable rented housing and open market rented housing.</p>

The Government's definition of affordable housing is*

"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".

*Planning Policy Statement 3:Housing, DCLG, November 2006

Appendix 3: Darlington Annual Affordable Dwelling Shortfall, December 2005 to December 2010.

Urban Sub-area / Rural Ward	GENERAL			OLDER PERSON*		GROSS SHORTFALL
	1B	2B	3B+	1B	2B	Per Annum
Darlington North East	-5			-3	-15	-23
Darlington South East					-19	-19
Darlington Centre		-8	-9	0	-10	-27
Darlington South West	-11	-15	-11	-6	-22	-65
Darlington North	-12	-6	-4	-10	-10	-42
Darlington North West					-13	-13
Heighington and Coniscliffe	-6	-4	-2	-4	-10	-26
Hurworth	-3	-3	-1	-1	-4	-12
Middleton St. George	-4	-4	-2		-4	-14
Sadberge and Whessoe	-5	-6	-4	-3	-6	-24
GROSS SHORTFALL	-46	-46	-33	-27	-113	-265
Borough-wide target (%)	17.4	17.4	12.5	10.1	42.6	100.0
Urban Area target (%)	14.8	15.3	12.7	10.1	47.1	100.0

*aged 50 years or over

Appendix 4: Calculating Developer Contributions for Affordable Housing

Any financial contribution sought from a Developer to provide affordable housing off-site will be calculated on the basis of the purchase cost of an equivalent type, condition and size of property on the open market in a comparable area as directed by the Council less the RSL purchase price set at 58% of market value per dwelling.

$$\begin{array}{|c|} \hline \text{RSL Purchase} \\ \text{Price} \\ \hline \end{array} + \begin{array}{|c|} \hline \text{Developer} \\ \text{Contribution} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Total cost of affordable housing} \\ \text{unit} \\ \hline \end{array}$$

Potential developers will need to provide an independent market valuation of equivalent dwellings in the locality, using an agent or appropriately qualified professional chosen by, or agreed with the Council.

Up to date information the sale prices that have been recently achieved for different types of residential property in Darlington can be found on the Land Registry's website, www.landreg.gov.uk.

The RSL purchase price is the amount of money an RSL is able to pay for a new dwelling, e.g. through a mortgage or loan, that can be covered by the rent it will receive from the occupancy of the dwellings. It is determined by the local affordable rent thresholds, and a cap on the maximum rent that an RSL can charge is set by the Housing Corporation.

Any financial contributions made to the Council through the implementation of Policies H9 and H10 of the adopted Local Plan will be ring fenced within the Council's budget, so that it is transparent where and when monies are spent. As soon as is reasonably possible, the Council will notify the payee of the scheme to which funds have been committed. It will undertake to notify the payee on completion of the scheme, and acknowledge their contribution in any publicity associated with the scheme. Any financial contribution (or part thereof) that has not been spent within 10 years of the date that it was paid will be returned to the payee.

Appendix 5: Standard Requirement for Section 106 Agreements Dealing With Affordable Housing

Where appropriate, provision should be made on application for planning permission, for all of the following matters to be included in Section 106 agreements:

- The number, type and tenure mix of affordable housing.
- Clear identification on a plan attached to the agreement of affordable housing plots and associated car parking bays.
- Attachment to the agreement of a schedule of affordable homes, confirming plot number, type, floor height (where appropriate) and floor area
- Full details of title to the development land (including the affordable housing land and other land the subject of the application).
- Definition of affordable in accordance with this SPD
- Requirement to limit services for affordable housing, to ensure that homes do not become unaffordable due to high cost of charges.
- Where affordable homes are to be transferred to a third party, e.g. a RSL, the third party must be named and be a party to the agreement where the agreement intends to transfer land.
- Where the developer is providing the affordable housing through agreements with a third party inclusion of terms permitting a reasonable period of time for the developer to enter into a development agreement with that third party (usually RSL), subject to a requirement for the developer to market homes to other third parties (RSLs) in the event that this deadline cannot be met.
- Council to receive a full copy of the development agreement entered with the RSL/third party.
- Where nomination rights are reserved by the agreement, or where an existing nominations regime is to be incorporated into the agreement, occupation of the affordable housing to be restricted to those as nominated.
- Requirement for affordable homes to be built to SDS on all schemes.
- All relevant cascade or similar letting/sale provisions in adopted local planning authority policy documents (e.g. local plan, development plan documents or supplementary planning documents) are included in the agreement.

Discounted Sales

- Requirement for marketing of discounted sale homes to be undertaken by the RSL partner (in accordance with paragraph 11.11 of this SPD).
- Reference to income thresholds, where applicable.
- Reference to local connection criteria (see section 11.8), where applicable (see the definition of affordable in Appendix 2 of this SPD).
- Prices for discounted sale homes to be specified. These prices to be index-linked to the Halifax Property Price Index on sites where development delays are expected due to remedial/infrastructure work.
- Prices for discount sale homes to include marketing costs incurred by RSL (3% of the discounted price or £1500 whichever is the lesser).
- Requirement that the marketing period of discounted sale homes to be for a minimum of six months.
- Flexibility for RSL to commence marketing the discount sale homes prior to their completion
- Clause permitting the RSL to purchase the affordable sale homes in the event that the marketing period has expired and customers are still progressing mortgages.
- Formula to be inserted illustrating how the percentage discount will be determined for the initial purchaser (ie the discount percentage at which they will be required to sell on).
- Provision for discount sale homes to be occupied on a shared ownership basis.

General

- Parking for affordable homes to be provided by developer at nil charge (i.e. not calculated as part of the affordable housing benefit)
- Time requirements for when the affordable homes will be provided to be inserted, according to market housing programme but ensuring that all of the affordable housing is completed before the completion of the market housing.
- Provision for a money payment to the local planning authority in the event that developer cannot enter into a development agreement with an RSL or other appropriate third party despite the developer using best endeavours to do so. This payment to be indexed linked in the agreement to an appropriate prices index broadly in accordance with Appendix 4 of this SPD and to reflect any inflationary uplift since the commencement of the development.
- Council to covenant to use any relevant money payment to meet local housing needs.
- Council to covenant to repay any remaining monies with interest if they have not been spent within ten years of the date of receipt by the Council.
- Affordable housing will be required in the agreement to remain affordable housing in perpetuity or for as long there is a requirement for affordable housing. Transfers of the whole or part of the affordable housing land will only be permitted where the land continues to be affordable housing land or where the land or part thereof is transferred to a tenant of an RSL under the tenant's right to acquire.
- Mortgagees or chargees of any land interest covered by the agreement will be required to be party to the agreement for the purpose of ensuring that the provisions of the agreement are binding on the land in all circumstances, but not so that the mortgages or chargees themselves will be obliged to carry out positive obligations in the agreement (unless they become mortgages in possession).
- A requirement for those purchasing under discounted home ownership scheme to enter into lease with RSL restricting condition of resale i.e. limiting the percentage of open market value at which the home can be sold. This restriction to be binding on mortgages/chargees.
- The transfer deed to RSL/third party to be in a form agreed with the Council and contain all necessary rights and easements and similar for benefit of that RSL/third party.
- Agreement to be conditional on grant of planning permission and other relevant triggers, but subject to savings for provisions which are immediately enforceable, e.g. payment of legal costs.
- Release of parties on disposal of all interests in the relevant land (without prejudice to liability for prior breach).
- The Developer to meet the local planning authority's reasonable legal costs in preparing, negotiating and completing the Section 106 agreement and subsequent ongoing S106 monitoring costs. In accordance with *Circular 05/2005 Planning Obligations paragraph b50*.

Appendix 6: Information required for assessing financial viability

Where a developer considers that there are exceptional unforeseen costs (ie over and above foreseeable costs like highway works, remediating contamination, known flood mitigation, piling, demolition, planning obligations) and that the provision of affordable housing would make a proposed scheme unviable the onus will be on him/ her to clearly demonstrate this. He/she will be expected to provide financial evidence to an independent agent or consultant chosen by the Council but paid for by the developer, whose role it would be to assess the information and provide the Council with an interpretative report, capable of publication, indicating whether the costs attributed to items are reasonable. The financial evidence should contain calculations of the main factors in enough detail for viability to be properly assessed, including the expected profit margins for the Developer.

The Council's chosen independent agent or consultant will expect to see the workings that lie behind these major components but the format in which these are presented is left to the applicant. However, applicants may find it easiest to insert figures into the boxes below, though for exceptional costs such as ground conditions, asbestos, etc., these will need to be quantified by a report by professionals in that field.

Where the details are not clear enough to allow checking, further information will be sought, and this could delay the Council's determination of the planning application.

	Percentage (%)	Value (£)
Revenue		
Market housing sales		<input style="width: 100%;" type="text"/>
Affordable housing sales to RSL (value and ft ²)		<input style="width: 100%;" type="text"/>
Sales agent fees	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Sales legal fees	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Construction		
ft ² and construction costs		<input style="width: 100%;" type="text"/>
Contingency	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Road/site works		<input style="width: 100%;" type="text"/>
Planning contributions		<input style="width: 100%;" type="text"/>
Other costs (please specify)		<input style="width: 100%;" type="text"/>
Residual site value		<input style="width: 100%;" type="text"/>
Finance		<input style="width: 100%;" type="text"/>
Developers Profit (15% On Gross Development Value)		<input style="width: 100%;" type="text"/>
Costs		
Date of site purchase:		<input style="width: 100%;" type="text"/>
Site purchase price (or estimate by agent)		<input style="width: 100%;" type="text"/>
Stamp duty	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Acquisition agent fees	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Acquisition legal fees	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Architect	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Planning/survey		<input style="width: 100%;" type="text"/>
Alternative use site value		<input style="width: 100%;" type="text"/>

Appendix 7: Material and information required with the submission of full and reserved matters planning applications.

The Council will expect planning applications to include:

1. details of how the affordable housing will be delivered and when (in relation to the development of general market units), who will maintain and manage it, what mechanisms are in place to ensure that the occupants are drawn from those in genuine need, and how the affordable homes will be secured as such in perpetuity.
2. a statement indicating that the following standards have been met:
 - a) Housing Corporation's Scheme Development Standards (SDS)
 - b) EcoHomes 'Very Good' standard
3. confirmation of the number/percentage of affordable homes proposed, compared with the Council's requirements
4. confirmation of the affordable housing tenure mix, and any reasons for deviation from the Council's targets, set out in Table 1 of this SPD.
5. location plans and floor plans indicating clearly the siting, tenure and size of the affordable units.
6. schedule of the floor areas of affordable homes by property type
7. Price ranges for affordable homes
8. Details of parking provision for affordable homes, including identification on a site plan of designated bays.
9. where a developer's affordable housing provider is not one of the Council's preferred partners, any planning application must be accompanied by a statement indicating:
 - accountability of the organisation to the local community;
 - tenant participation;
 - sustainable management for the proposed properties;
 - service delivery;
 - recent performance; and
 - office from which the properties will be managed and, if remote from proposed units, if there are any plans to manage the scheme locally, e.g. through an arrangement with another registered social landlord who already has a local office presence.Failure to provide any of the above may delay determination of the application, or the completion of any legal agreement.

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