



**NEWARK &
SHERWOOD**
DISTRICT COUNCIL

Newark & Sherwood Local Development Framework
Affordable Housing Supplementary Planning Document

July 2013

Document Passport

Title: Newark and Sherwood Affordable Housing Supplementary Planning Document

Status: Adopted Supplementary Planning Document

Summary: This Affordable Housing Supplementary Planning Document (SPD) sets out proposals for how the District Council will seek to secure affordable housing as part of new housing developments. It sets out the policy context for such housing, then details of how the District Council will seek to negotiate these matters and how the issue of viability will be considered. The document also provides guidance on affordable housing in rural areas. The document is part of the Council's Local Development Framework and will be a material consideration in the determination of planning applications.

Date of Adoption: 26th June 2013

Adopted By: Economic Development Committee

Consultation Summary: The District Council consulted on the document seeking views from local residents, landowners, developers, town & parish councils, registered housing providers and other interested parties for a period of 6 weeks from 22nd April 2013 until 5th June 2013. Following consideration of representations received the Council revised the document and submitted the final version to the Council's Economic Development Committee on the 26th June for adoption.

Availability of Document: Copies of this document, the accompanying Equalities Impact Assessment (EqIA) are deposited at Kelham Hall (open between 8.30 a.m. and 5.15 p.m. Monday to Thursday and 8.30 a.m. to 4.45 p.m. on Friday), the District's libraries and the Council's website: www.newark-sherwooddc.gov.uk/planningpolicy

If you have any questions please contact Planning Policy on 01636 655855 or Strategic Housing Business Unit on 01636 655624 or via strategichousing@nsdc.info or planningpolicy@nsdc.info

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Foreword

“Newark and Sherwood is the largest rural district in the county of Nottinghamshire and its environment is recognised as the best in Nottinghamshire and boasts the highest quality of life which places the district comfortably above the average nationally.¹ These qualities make the district an attractive place to live and work. Homes are in high demand and house prices are relatively high in relation to incomes, so that those aspiring to setting up a home for the first time are finding it increasingly difficult.

The need for affordable housing is acknowledged at a national and local level. Newark and Sherwood District Council (the Council) developed this Affordable Housing Supplementary Planning document (SPD) to enable sustainable development within the district. Written in a time of change, with limitations to public funding and a context of national changes to the affordable housing funding regime, tenancies, and national planning policies; there remains a commitment to maximise affordable housing delivery using a flexible policy approach which emphasises the character and quality of new housing in the district.

I am delighted to welcome this Affordable Housing SPD which will ensure the delivery of quality affordable homes for the residents of Newark and Sherwood”

Councillor Roger Blaney
Leader of the Council

¹ State of the District Report 2009 – see link below
<http://www.newark-sherwooddc.gov.uk/media/newarkandsherwood/imagesandfiles/business/pdf/State%20of%20the%20District%202009.pdf>

1 Introduction

- 1.1 Welcome to the Affordable Housing Supplementary Planning Document (SPD), prepared by Newark and Sherwood District Council to assist in negotiations with house builders and others in determining planning applications. It sets out the policy context for such housing, the details of how the District Council will seek to negotiate these matters and how the issue of viability will be considered. The document also provides guidance on affordable housing in rural areas. The SPD is part of the Council's Local Development Framework and will be a material consideration in the determination of planning applications.

Applicants and agents in particular need to read the SPD so they know how the Council will practically interpret and apply the requirements of the affordable housing policies within the Core Strategy.

- 1.2 The aim of this SPD is to support Core Policy 1: Affordable Housing Provision (see below); Core Policy 2: Rural Affordable Housing and Core Policy 3: Housing Mix, Type and Density. Core Policy 9: Sustainable Design also has relevance. (Appendix 1 provides a list of all relevant core policies). It also clarifies how the Council defines affordable housing and the Council's preferred methods for ensuring the delivery of affordable housing.

Core Policy 1: Affordable Housing Provision

For all qualifying new housing development proposals and allocated housing sites, the District Council will require the provision of Affordable Housing, as defined in national planning policy, which is accessible and affordable to those unable to compete in the general housing market. The District Council will seek to secure 30% of new housing development on qualifying sites as Affordable Housing, but in doing so will consider the nature of the housing need in the local housing market; the cost of developing the site; and the impact of this on the viability of any proposed scheme. In circumstances where the viability of the scheme is in question, the developer will be required to demonstrate, to the satisfaction of the District Council, that this is the case.

The qualifying thresholds for Affordable Housing provision are:-

Newark Urban Area - all housing proposals of 10 or more dwellings or sites of 0.4 ha (irrespective of dwelling numbers).

The rest of Newark and Sherwood - all housing proposals of 5 or more dwellings or sites of 0.2 ha or above (irrespective of dwelling numbers).

The District Council does not normally encourage off site contributions – if such

contributions are deemed appropriate, because of the characteristics of the scheme proposed, the District Council will require a financial contribution of equivalent value to that which would have been secured by on site contribution.

The District Council will seek to secure a tenure mix of Affordable Housing to reflect local housing need and viability on individual sites. Overall the tenure mix in the District should reflect the following mix:-

60% Social Rented Housing
40% Intermediate Housing

Note for Developers:

Please consider the contents of this SPD when entering into agreements for land sales and purchases.

1.3 In addition, the document aims to:

- 1) Provide a clear framework for developers and others to understand how affordable housing is to be provided in the district.
- 2) Summarise national and local development framework policies relating to affordable housing, reflecting the ambitions of the Council's strategic priorities and its local Housing Strategy 2009 – 2016, outlining the housing need evidence base.
- 3) Set out ways of providing appropriate levels of affordable housing for those people who cannot access homes on the open market, taking into account housing needs assessments and economic issues relating to sites.
- 4) Ensure an appropriate mix of different sizes and types of affordable housing is integrated into the district's towns and villages to help create sustainable communities.
- 5) Outline the procedures that will be used to secure S106 agreements in relation to affordable housing.

It is essential that applicants discuss the issue of affordable housing with the District Council in advance of an application being submitted to ensure that these matters are being properly addressed and the most appropriate provision is being made. This is undertaken through pre-application advice for which a charge is made.²

1.4 The document is divided into five chapters. Chapters 1 and 2 help set the context, introducing the need and demand for housing in the district. Chapters 3 and 4 set out the affordable housing that is required to contribute towards meeting the Council's policy requirements including rural housing provision. Chapter 5 discusses viability issues for applicants. The Council appreciates that some of the terms and

² For pre-application advice click here - <http://www.newark-sherwooddc.gov.uk/planning/pre-applicationadvice/>

concepts may be new to some readers and have therefore provided a glossary of terms at Appendix 2.

Monitoring and Review

- 1.5 To assess the implementation of the Local Development Scheme and the extent to which policies and objectives in the Core Strategy are being achieved the Council prepares an Annual Monitoring Report (AMR). The Council will monitor the provision and delivery of affordable housing as part of the AMR informing Members of the outcomes from this. The SPD will be reviewed as and when necessary in light of all material information.

This document is available in large print, in Braille or audio format by request. Please contact us on 01636 650000.

2 Policy Context & Local Evidence

Major impacts on this document

2.1 This SPD has been prepared in accordance with national and local planning and housing policies and guidance, which are summarised below.

National Policy Context

2.2 The **National Planning Policy Framework (2012)**³ (NPPF) sets out the Government's key objectives for housing, which is to significantly increase the delivery of new homes by:

- Increasing the supply of housing;
- Delivering a wide choice of high quality homes that people want and need;
- Widening opportunities for home ownership and;
- Creating sustainable, inclusive and mixed communities, including through the regeneration and renewal of areas with poor housing.

2.3 The NPPF also affirms that Local Planning Authorities should ensure that their Local Plan/Local Development Framework meets the full, objectively assessed needs for market and affordable housing. Policies should be adopted that meet this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified and the agreed approach contributes to the objective of creating mixed and balanced communities. Further, they should also consider rural exception sites, where appropriate.

2.3 The NPPF seeks to ensure viability of proposed housing. The costs of any requirements likely to be applied to development, such as requirements for affordable housing, should, when taking account of the normal cost of development and mitigations, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable. The Council took this into account in the affordable housing viability work that supported its Core Strategy and appreciates that there may be instances where it is necessary to assess the planning gain that individual applications can deliver. In this respect the Council applies a flexible approach to affordable housing delivery on a site by site basis. The [S106 Review and Appeal Document \(2013\)](#) provides further opportunity for developers to re-negotiate the S106 affordable housing contributions where viability may be an issue.

2.4 The Government also launched in November 2011 '[Laying the Foundations: A Housing Strategy for England](#)' (2011)⁴ designed to reignite the housing market and get the nation building. It sets out a package of reforms to:

³ National Planning Policy Framework 2012. See <http://communities.gov.uk/documents/planningandbuilding/pdf/2116950.pdf>

⁴ Laying the Foundations: A national Strategy for England. See: <http://communities.gov.uk/documents/housing/pdf/2033676.pdf>

- Get the housing market moving again
- Lay the foundations for more responsive, effective and stable housing in the future
- support choice and quality for tenants
- Improve environmental standards and design quality

2.5 The Strategy seeks to address concerns across the housing market making it easier to secure mortgages on new homes, improving the fairness in social housing and ensuring homes that have been left empty for years are lived in once again.

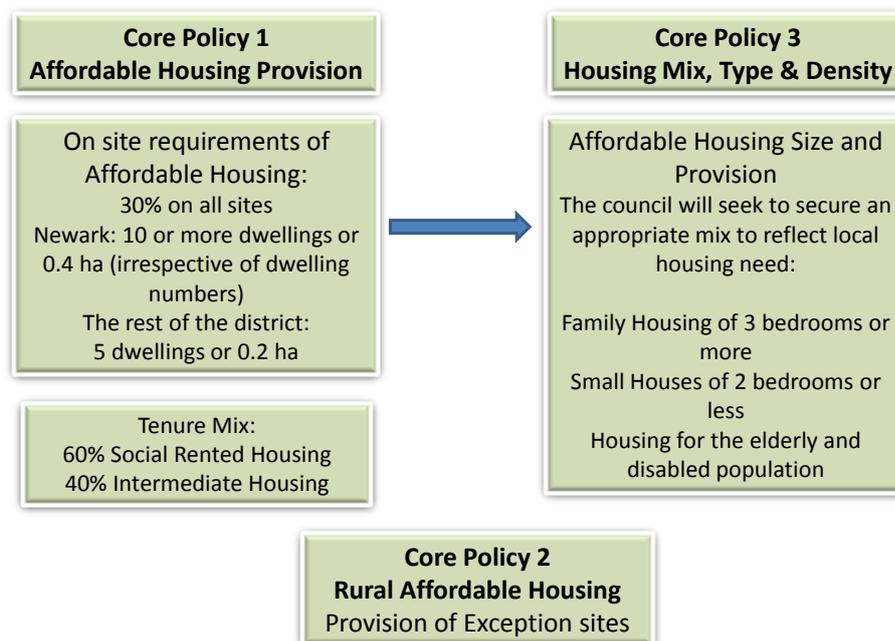
Local Policy Context

2.6 Set against the national framework the Council has published a number of key documents that detail the background, context, priorities, objectives and mechanism for the delivery of affordable housing in Newark and Sherwood.

Key Published Council Documents

2.7 [Core Strategy DPD](#) policies address (but not exclusively) the provision of affordable housing through Core Policies 1, 2 and 3 (the diagram below details how these work together):

Relationship between the affordable housing policies within the Core Strategy



2.8 ***The Council's Strategic Priorities 2012 – 2016*** - sets out the Council's vision:

"We want Newark and Sherwood's urban and rural communities to take pride in being vibrant, sustainable and having a high quality of life. To achieve this we want to deliver excellent, appropriate services and value for money."

The Council recently adopted four new strategic priorities (March 2012) of Prosperity, People, Place and Public Service. The Council's Members have identified increased scope for capital investment and are committed to influencing an increase in the delivery of affordable housing in the district.

2.9 ***The Council's Housing Strategy (2009 – 2016⁵)*** sets out the challenges for future years to deliver the Council's strategic housing priorities:

- To deliver an increased supply and choice of affordable housing to meet local need and manage the impact of housing growth to ensure there is a positive impact on our urban and rural communities.
- To take action to improve the condition of existing homes, reduce carbon emissions and fuel poverty along with raising standards of maintenance and management for the benefit of our local residents.
- To meet the local housing need of our diverse communities through partnership working and targeted housing provision.
- To enable the new housing required by the Newark growth point initiative to be delivered and to secure the promotion of sustainable communities as part of a balanced economy of Newark and Sherwood.

2.10 The Council is developing a ***Housing Vision*** which identifies the need to increase the affordable housing supply and to specialise around the provision for elderly/supported accommodation.

2.11 The Council has particular circumstances which have an important effect on how new affordable housing is likely to be provided. The Council owns its housing stock, but is managed by the Council's Arms Length Management Organisation, Newark and Sherwood Homes. The Council's Strategic Housing Business Unit is responsible for identifying and addressing housing needs, strategy, policy and development. This includes the legal requirements to operate the Housing Allocations Scheme, the mechanism by which affordable housing is allocated.

2.12 A number of Registered Providers are active in the district, owning and managing properties throughout the locality. The district has some areas with very high land and property prices and other areas where the values are lower but affordability is still an issue. The funding of affordable housing is becoming increasingly challenging and the Government, through the Homes and Community Agency (HCA), has significantly reduced the level of subsidy available to support new affordable housing.

2.13 Most new affordable housing will come through the planning process, with new affordable housing being built as part of market housing schemes. This involves legal agreements under Section 106 of the Town and Country Planning Act 1990, usually referred to as Section 106 agreements. In these situations, the Government has

⁵ Newark and Sherwood Local Housing Strategy.
<http://www.newark-sherwooddc.gov.uk/housingstrategies/>

made a clear statement that it expects affordable housing to be delivered with no HCA subsidy.

Local Evidence

2.14 The Council secures robust evidence of housing need through extensive research to inform all housing developments in terms of demand, tenure and type to meet the housing needs of all residents in the district as defined in planning policy⁶.

2.15 Recognising the impact of the recession on the housing market, in 2009, the Council commissioned David Couttie Associates to prepare a [Housing Need, Market and Affordability Study](#). The study takes into account the backlog need, newly arising need, as well as the supply of affordable housing and provides detailed information on type, tenure and mix to meet affordable housing need for Newark and Sherwood. The key findings for Newark and Sherwood are:

- A high need for affordable housing across the district, it is estimated that Newark and Sherwood has an annual shortfall of 558 affordable homes (over a ten year period).
- A growth of older persons' households with those over 65 years of age and over and particularly those aged 85 years and over.
- Incomes in the 40-44 age range are lower than average and therefore this age group have limited housing choice, with 58.9% of total new households not being able to enter the market increasing the need for shared ownership
- Target provision for new build schemes of 30% is appropriate with thresholds of 10 units and above in Newark and 5 in the rest of the district

2.16 The **Strategic Housing Market Assessment** assesses housing need, both market and affordable for the whole of the Northern Sub region and for the Nottingham Outer Market area including Newark and Sherwood, Mansfield and Ashfield. It was completed in 2007 and concluded that an affordable housing target of 40%, comprising 25% social rented and 15% intermediate was reflective of need in the district of Newark and Sherwood.

2.17 The Council's **Affordable Housing Viability Assessment**, completed in 2009 (in partnership with Bassetlaw and Mansfield Councils) proposed that overall it is appropriate to deliver affordable housing targets from 25% in the western area to 35% in the outer Nottingham areas. The Council took the view that delivering 30% of affordable housing across the district is viable with recognition that delivery will be tailored to reflect local market circumstances and individual site circumstances.

2.18 The Council also assesses housing need in its rural locations through a programme of local **Parish housing needs surveys**. Twenty four surveys have been completed and the Council is actively seeking to deliver small schemes of affordable housing for local people.

⁶ National Planning Policy Framework, No. 159 March 2011, CLG

2.19 In March 2013, there were 5438 people defined as being in housing need on Newark and Sherwood District Council's Housing register, (see the table below). This information is used to support the evidence base for affordable housing demand.

No. Of People on Newark and Sherwood District Council's Housing Register

Band One (Priority Need)	321
Band Two (Reasonable Priority)	314
Band Three (In Housing Need)	1347
Band Four (Other applicants)	3456

2.20 Average house prices within Newark and Sherwood are amongst some of the highest in the County. Home Truths (National Housing Federation) in 2011 found that the average house price in Newark and Sherwood is £172,652⁷. (The Nottinghamshire average is £159,501) and the ratio of house prices to incomes is 9.3 (Nottinghamshire average 8.0), therefore housing affordability is a significant issue within the district. This particularly affects young people and those living within the less affluent parts of the district, in being able to access housing in the general market.

Welfare and Social Housing Reform

2.21 In 2012 the Government passed the Welfare Reform Act, revealing the biggest change to social welfare in the last 60 years. From April 2013 there will be fundamental changes including:

- Changes to make better use of social housing, i.e. under-occupation (also known as the Spare Room Subsidy)
- Introduction of Universal Credit
- Localisation of council tax benefits
- Benefits capped at £500 per week

2.22 These changes could influence the type and mix of affordable housing delivered in future years, along with the introduction of a range of changes through social housing reform (enabled through the Localism Act 2011) including the requirement for Council's to publish a [Tenancy Strategy](#) detailing the introduction of fixed term tenancies and affordable rent in the district.

⁷ Home Truths 2011, National Housing Federation
http://www.housing.org.uk/our_regions/east_midlands_region/east_midlands_news/home_truths_2011_east_midland.aspx

3 Affordable Housing Provision

What is Affordable Housing?

- 3.1 Affordable housing is housing that is provided for people who are unable to resolve their housing needs in the local private sector housing market because of the relationship between housing costs and incomes. The Council uses the official national definition of affordable housing as set out in Annex 2 of the National Planning Policy Framework (2012):

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

- **Social rented housing** – is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.
- **Affordable rented housing** is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rents (including service charges, where applicable).
- **Intermediate housing** is homes for sale and rent provided at a cost above social rent but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared ownership, shared equity (shared equity and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition, such as ‘low cost market’ housing, may **not** be considered as affordable housing for planning purposes”.⁸

Affordability

- 3.2 A key aspect of affordable housing is defining what is affordable (or affordability). This is a matter which will depend upon particular local circumstances and is about

⁸ ‘Low Cost Market’ Housing is not within the Government’s definition of affordable housing as classified in the National Planning Policy Framework: Annex 2: Glossary

the relationship between incomes and house prices. Housing affordability hinges on a number of variables, the main ones being:

- Housing costs
- Incomes
- Other resources – mainly equity and savings.

- 3.3 The term “affordability” and “affordable housing” have different meanings. “Affordability” is a measure of whether housing may be afforded by certain groups of households. “Affordable Housing” refers to particular products outside the main market housing.
- 3.4 Incomes are part of the ‘credit’ side of the affordability equation and the economic downturn has added to the problems of affordability. In most parts of the United Kingdom, and an issue experienced within the district, there is extensive housing need due to problems of affordability caused by high property prices and housing costs. Furthermore, there is evidence to suggest that long term affordability is likely to worsen without some profound changes in how the housing market functions.
- 3.5 It is now widely recognised that rural areas have specific affordability problems. These problems were highlighted in two major reports published in 2006 by the Commission for Rural Communities and Affordable Rural Housing Commission. The recommendations of the Affordable Rural Housing Commission report were reflected in the Taylor Review of the Rural Economy and Affordable Housing published July 2008.

Amount of Affordable Housing

- 3.6 Core Policy 1: ‘Affordable Housing Provision’ of the Core Strategy states that the Council, for all qualifying new housing development proposals and allocated housing sites, will require the provision of affordable housing.

In accordance with the Core Strategy - Core Policy 1: Affordable Housing , the District Council will negotiate with prospective developers with a view to securing 30% affordable homes from the total of all suitable sites coming forward for consideration by way of applications for planning permission.

- 3.7 However, it is important to note that in all cases individual applications will be considered on their own merits having regard to site specific issues and the circumstances pertained to that site at the time it is put forward.

Core Policy 1: Affordable Housing Provision

For all qualifying⁹ new housing development proposals and allocated housing sites, the District Council will require the provision of Affordable Housing, as defined in national planning policy, which is accessible and affordable to those unable to compete in the general housing market. The District Council will seek to secure

⁹ All sites that meet or exceed the thresholds detailed in Core Policy 1: Affordable Housing Provision and are deemed suitable for affordable housing by the Council

30% of new housing development on qualifying sites as Affordable Housing, but in doing so will consider the nature of the housing need in the local housing market; the cost of developing the site; and the impact of this on the viability of any proposed scheme. In circumstances where the viability of the scheme is in question, the developer will be required to demonstrate, to the satisfaction of the District Council, that this is the case.

3.8 The Council believes setting a 30% target for new housing development to be appropriate as per its evidence base and will help to secure the highest level of such housing that is viable, with recognition that delivery will be tailored to reflect local market circumstances and individual site circumstances. Delivering affordable housing will also depend on the mix of tenure, i.e. social rented, affordable rent or intermediate housing.

Affordable Housing Thresholds

3.9 Not all sites where new houses are built will provide affordable housing. Core Policy 1 identifies the following qualifying thresholds, informed by the Council’s housing needs evidence base:

Core Policy 1: Affordable Housing Provision:

The qualifying thresholds for Affordable Housing provision are:-

Newark Urban Area - all housing proposals of 10 or more dwellings or sites of 0.4 ha or above (irrespective of dwelling numbers).

The rest of Newark and Sherwood - all housing proposals of 5 or more dwellings on sites of 0.2 ha or above (irrespective of dwelling numbers).

The District Council does not normally encourage off-site contributions – if such contributions are deemed appropriate, because of the characteristics of the scheme proposed, the District Council will require a financial contribution of equivalent value to that which would have been secured by on-site contribution.

3.10 Therefore, the following thresholds apply across the district:

Location	Site Area	Number of Dwellings	Council requirements
Newark Urban Area (Newark, Balderton and Fernwood)	0.4 ha or above	10 or more dwellings	30% affordable housing provision on site
Rest of District	0.2 ha or above	5 or more dwellings	30% affordable housing provision on site

Type, size and Tenure Mix for Affordable Housing

- 3.11 Delivering affordable housing will depend on the type, size and mix of tenure, i.e. social rented or intermediate housing, which in turn depends on the local need for affordable housing. The NPPF allows Councils to *'identify the size, type, tenure and range of housing that is required in a particular location, reflecting local demand'* in order to deliver a wide choice of high quality homes. In terms of tenure across the district, the greatest need is for affordable housing to rent. Core Policy 1 informs the tenure mix for affordable housing across the district.

Core Policy 1

Affordable Housing Provision

The District Council will seek to secure a tenure mix of Affordable Housing to reflect local housing need and viability on individual sites. Overall the tenure mix in the District should reflect the following mix:-

60% Social Rented Housing
40% Intermediate Housing

- 3.12 While Core Strategy Policy 1 seeks the provision of rented accommodation at social rent levels, the Council recognises that some schemes may be put forward that propose to deliver the Government's new Affordable Rent Model. In these cases, the Council will take a pragmatic approach to tenure and will take account of factors such as affordability issues, viability, subsidy availability and the contractual requirements of the Registered Provider involved with the scheme (e.g. the Registered Providers contract with the HCA). The Council's position on Affordable Rents is detailed in its adopted Tenancy Strategy¹⁰ and Registered Providers are advised to contact the Council at an early stage to discuss and clarify tenure requirements for particular schemes.
- 3.13 New housing must address the long term housing needs of the district. The Housing Needs, Markets and Affordability Study (2009) highlights a growth in households with children and in the elderly population. The district's housing will need to be adaptable to meet the needs of these groups including accommodating older people and disabled residents. The study also indicates that need is more focused towards smaller properties. In general terms, the indicated split in the study is that 60% of all new dwellings should be 1 or 2 bedroom dwellings and 40% should be of 3 bedrooms or more. An appropriate mix will be sought depending on local circumstances and information on local need in the particular part of the district where development is proposed. Core Policy 3 refers:

¹⁰ Newark and Sherwood District Council's Tenancy Strategy (adopted February 2013) see link

Core Policy 3

Housing Mix, Type and Density

The District Council will expect good quality housing design in line with the provisions of Core Policy 9: Sustainable Design. Development densities in all housing developments should normally be no lower than an average 30 dwellings per hectare net. Development densities below this will need to be justified, taking into account individual site circumstances.

Average densities of between 30 – 50 dwellings per hectare are set in NAP2 (A/B/C) for the three Strategic Sites allocated in the Core Strategy. Densities of 30 dwellings per hectare, or more, will be set for other locations and allocations in the Allocations and Development Management DPD.

The District Council will seek to secure new housing development which adequately addresses the housing need of the District, namely:

- Family housing of 3 bedrooms or more
- Smaller houses of 2 bedrooms or less
- Housing for the elderly and disabled population

The District Council will seek to secure an appropriate mix of housing types to reflect local housing need. Such a mix will be dependent on the local circumstances of the site, the viability of the development and any localised housing need information.

Design and Layout

3.14 The Council is keen to ensure high standards of development in the building of new homes, whilst supporting the development of sustainable, mixed and balanced communities. The overall design of a development should seek to integrate the affordable housing as part of the overall mix of dwellings. The affordable housing must be of the same style and materials so as to appear visually consistent and indistinguishable from the private housing (tenure neutral).

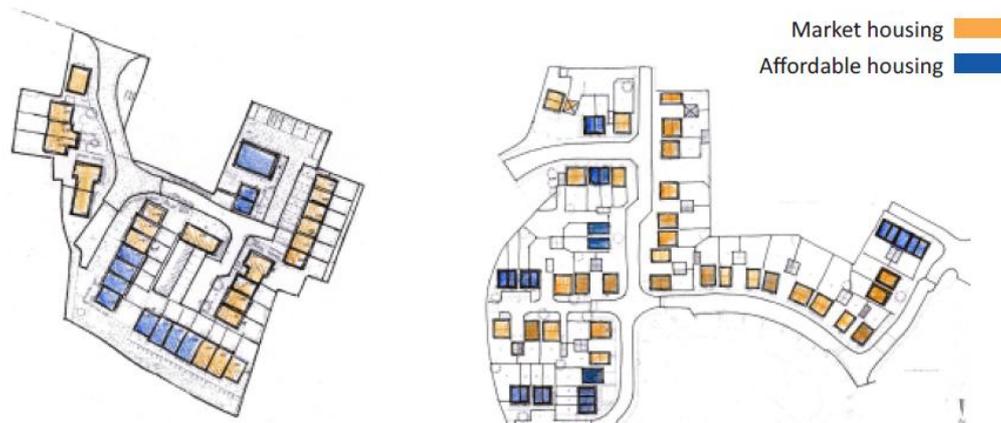
3.15 The affordable housing element of a development should be built to a standard or specification as advised by and acceptable to the Registered Provider. The Council will expect that all affordable housing will achieve the Code for Sustainable Homes¹¹, at Code Level 3 or greater, and achieve higher standards in line with steps up in building regulations. Further standards such as the Lifetime Homes Standard¹² are encouraged and should be discussed with the Registered Provider and Council.

¹¹ Code for Sustainable Homes: <http://www.planningportal.gov.uk/buildingregulations/greenerbuildings/sustainablehomes/technicalguide>

¹² The Lifetime Homes Standard is a set of principles that should be implicit in good housing design. Good design, in this context, is considered to be design that maximizes utility, independence and quality of life, while not compromising other design issues such as aesthetics or cost effectiveness. <http://www.lifetimehomes.org.uk/pages/lifetime-homes-principles.html>

- 3.16 The Council requires that affordable housing should be ‘pepper potted’ throughout the proposed development to fully integrate the affordable housing with market housing. It is however, recognised that this could cause management and on-going maintenance difficulties in some cases, i.e. apartments, therefore a block of apartments solely designated for affordable housing may be acceptable to a Registered Provider. If the affordable housing is completed in groups they should be in small clusters. The diagram below illustrates what the Council would normally accept when affordable housing is integrated across a market development. An example of what the Council would not accept is also provided.

Acceptable examples showing affordable housing integrated into the development



Unacceptable grouping of affordable housing on a development



On site/off site provision

- 3.17 The NPPF allows for local authorities who have identified that affordable housing is needed, to set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified and the agreed approach contributes to an authorities strategic housing priorities. Such policies should be sufficiently flexible to take account of changing market conditions over time.

- 3.18 As set out in Core Policy 1, the Council does not normally encourage off-site contributions. If such contributions are deemed appropriate, because of the characteristics of the scheme proposed, the Council will require a financial contribution of equivalent value to that which would have been secured by on-site contribution, taking into account the additional market housing that would be provided due to there being no on-site affordable units. The circumstances that the Council will consider off-site provision of affordable housing may include:
- instances involving the provision of sheltered or specialist housing – where assistive technology, warden or care services are required on site,
 - instances where provision of a particular dwelling type is envisaged, initially, but where housing need in the locality would be better met by alternative provision nearby, or
 - instances involving housing management considerations, including considerations of cost and practicality.
- 3.19 In the circumstances mentioned, the Council and a developer may agree to negotiate a commuted sum towards affordable housing provision off-site. This may include lower levels of affordable housing and a commuted sum payment. Alternatively, subject to the Council's agreement, a developer may propose an alternative site for the required housing.
- 3.20 Affordable housing is, at present, excluded from the Community Infrastructure Levy Regulations 2010 and therefore will continue to be provided through S106 Agreements.

Securing Contributions

- 3.21 Affordable Housing Commuted sums will be secured through a legal agreement in accordance with Section 106 of the Town and Country Planning Act (1990) as amended by section 12 of the Planning and Compensation Act (1991). Negotiations concerning the level of individual commuted sums required will take account of any abnormal development costs affecting the overall viability of a scheme. Developers will need to demonstrate such costs at the earliest possible stage, in order that their impact on viability may be assessed
- 3.22 The Council will have regard to linked (incremental) development when considering the general scale of proposals where it is clearly part of a single operation. On-site provision/commuted sum payments should be broadly financially neutral and it will be rare that financial viability constraints by themselves will justify commuted sums in lieu of provision. The Council may pool received commuted sums to deliver affordable housing across the district.

Calculating Financial Contributions (based on 30% affordable housing)

- 3.23 The Council will undertake the calculation of financial contributions in lieu of on-site delivery of affordable housing by a method of its choosing which can include in-house assessment or independent assessment (*the costs of which will be borne by the developer*), through an open book approach.

- 3.24 Financial contributions must provide sufficient funds to enable the equivalent value of on-site affordable housing to be provided off-site. Where there is no provision on site, the payments must reflect the fact that 100% of the on-site development will be market housing (compared to 70% when affordable housing is provided on site).
- 3.25 Thus for every 7 dwellings on site, commuted sum contributions must provide for 3 dwellings off-site. These figures will be adjusted to take any on-site provision into account.

Funding

- 3.26 The Council realises that, in order to address the need for an increase in affordable housing provision, public subsidy may be required on some sites. Such subsidy is usually provided as a 'grant' to a Registered Provider. Grants may come from the Homes and Communities Agency or from the Council. However, increasing demands on the HCA's National Affordable Housing Programme and changes to funding mechanisms has resulted in significant lower levels of funding for the East Midlands in particular. In view of this, developers will be expected to negotiate with Registered Providers to secure the transfer of properties to a Registered Provider at a price that will enable affordability for occupiers to be maintained in perpetuity without recourse to public subsidy. The Council will also encourage Registered Providers, where practicable, to raise their own finance, in order to fund individual housing schemes. For the avoidance of doubt, the procedure set out above will apply as equally to private developers and companies as it will to Registered Providers. It is important to note that the HCA will only in exceptional cases grant fund any S106 affordable housing.

Phasing

- 3.27 Control of the processes of construction and occupation of the required affordable housing will normally be linked to the operation of those processes on the remainder of a development site. Accordingly, construction of the affordable housing should be commenced before 40% of the market housing is commenced and, in addition, the affordable housing should normally be available for occupation before 60% of the market housing is completed. Where a commuted sum is acceptable in place of affordable housing provision on an individual site, the Council will normally require payment to be made prior to the commencement of development on the site, but will have regard to phasing and viability which will be proportional to the scale and complexity of the development.

Ownership and Management

- 3.28 It will be a general requirement by the Council that Developers and Registered Providers should provide a 'value for money' service in both the delivery and management of affordable housing. The Council expects that a developer will work with a Registered Provider, as defined and regulated by the Homes and Communities Agency, for the purposes of delivering and managing the affordable housing.

Occupancy and Nominations

- 3.29 The Council considers it important to ensure that properties provided by developers on-site as affordable housing are available to those in housing need, initially and in the long term (or in perpetuity in the case of rural exception sites).
- 3.30 Affordable housing will be open to those who are in housing need and normally allocated through the Council's Allocation Scheme. The Council will require 100% nomination rights on the first lets/sales of all affordable homes, potentially dropping to 75% for subsequent re-lets. This allows Registered Providers to determine the allocation of a proportion of the properties in accordance with their own objectives and statutory requirements. However, in practice, many Registered Providers locally continue to accept nominations from the Council on all future re-lets. On Rural Exception Sites affordable housing will remain affordable in perpetuity (including sites in protected areas).

Local Connection and Cascade Mechanism

- 3.31 The Council will seek to ensure that the first and subsequent occupancy of all new affordable housing with a S106 agreement is determined in accordance with a 'cascade' approach. This means on the occasion of each vacancy, the individual dwellings are advertised through the Council's Allocation scheme and preference is given in the first instance to people with a local connection to the parish or ward (*dependant on the where the development is, i.e. rural or urban*) in which the development is located and thereafter to people in housing need elsewhere in the district. In operating the cascade approach, the Council will take into account the particular circumstances of the site, and will not impose requirements which would result in properties remaining vacant for an unreasonable period of time.
- 3.32 The Council applies the following local connection criteria, as set out in its Allocations Scheme (or any amended version)¹³-
1. Because applicants are, or in the past were, normally resident there, and that residence is or was of their own choice
 2. because they are employed there or have received a firm offer of employment there
 3. because of family associations, or
 4. because of special circumstances
 5. because Section 315 of the 2008 Act amends s.199 of the 1996 Act so that a person serving in the Armed Forces can establish a local connection with a district through residence or employment there, in the same way as a civilian person. (The amendments apply in respect of all applications for housing under Part 6 made on or after 1 December 2008).

(Note: Each 'Local Connection' application will be considered on its own merits in order to ensure that it does not run contrary to the Housing Act 1996 or to equal opportunities legislation or that discrimination does not take place against an ethnic group.)

¹³ As detailed in the Housing Act 1996

Section 106 Agreements

- 3.33 Affordable housing will be secured in the long term (or in perpetuity in the case of rural exception sites) by a planning obligation under Section 106 of the Town and Country Planning Act 1990 or by an alternative form of equally effective provision. S106 agreements run with the land, rather than the planning permission, and apply to successive owners.
- 3.34 The Council will expect S106 agreements (Heads of Terms) to be submitted (if available) to be presented in draft form (ready to sign) with both full and outline applications or the application may be deemed invalid. They will normally specify:
- the numbers, type, tenure and location on the site of the affordable housing provision; if this information is available;
 - the timing of the construction of the affordable housing provision (the aim would be to have the affordable housing finished at agreed stages in relation to the overall development);
 - the arrangements to ensure that such provision is affordable for both initial and subsequent occupiers;
 - the occupancy criteria to be used for determining the identity of prospective and successive occupiers of the affordable housing and the means by which such occupancy criteria shall be enforced (where rural exception sites are concerned this will be in line with an agreed local lettings policy);
 - the control and management of the housing (which will usually be by the transfer of the affordable homes to a Registered Housing Provider) and any hand-over arrangements.
- 3.35 In the case of an outline application, on which insufficient details of the application are provided to allow agreement on some of the above matters, it will be normal practice to impose a condition on the following lines:
- “the development shall not begin until the details of the arrangements for the provision of X% affordable housing as part of the development have been submitted to and approved in writing to by the local planning authority. Such details shall include:.....”*
- 3.36 A model S106 is available from the Council. Not every clause will be relevant to every scheme but they are intended to cover most issues connected to an affordable housing planning obligation, which might appropriately be dealt with in a S106 Agreement. The Council will identify the appropriate clauses to suit the particular circumstances of each development.
- 3.37 Excluding rural exception sites, the Council will consider the use of Mortgagee in Possession clauses in S106 agreements when a Registered Provider is involved with the application. The Council will be guided in its judgement on this by the needs of the Registered Provider and the practicality of securing successful delivery of the affordable housing units. The wording of any Mortgagee in Possession clause should ensure that if a Registered Provider is unable to repay its private loan, the Council or

another Provider has the opportunity to take over the affordable housing units (and financial liability) before the units could be sold on the open market.

Index Linking

- 3.38 All financial contributions will be index linked to ensure that the value of contributions within Section 106 Agreements are maintained from the date of the decision to grant permission through until the date that the development commences or, as specified in the agreement, a later payment date.
- 3.39 Late payment interest becomes payable when payment due under a Section 106 Agreement is late and is levied, on a per annum basis at 3% above the base lending rate for the National Westminster Bank or any other Bank determined by the Council. Interest will be charged daily from the date payment was due until the date of payment.

Legal and administration costs

- 3.40 Applicants are required to pay the Council's reasonable legal costs for preparing and completing the Section 106 Agreement and where appropriate, those of third parties such as Nottinghamshire County Council. Applicants will also be required to cover any abortive legal fees and expenses. Applicants will also be required to pay the Council's fees for administering and monitoring the Agreement.

Use of financial contributions for off-site provision

- 3.41 The financial contributions for off-site affordable housing will be pooled and spent on delivering affordable housing as deemed appropriate by the Council. The Council will seek to spend the commuted payment as soon as possible but there will be no time limits in which to do so.
- 3.42 Other options for the delivery of affordable housing where off-site contributions are available could include regeneration activities and the purchase of existing homes or other properties for sale on the open market including the potential to buy back former social housing.

Community Infrastructure Levy (CIL)

- 3.43 In December 2011 the District Council has operated a CIL scheme as its main mechanism for securing developer contributions to meet the cumulative impacts of growth on infrastructure. As already noted affordable housing is excluded from CIL however the Council will, as it is required to do, have regard to limitations of the use of planning obligations contained within the CIL Regulations.

Pre-application Advice

- 3.44 The Council encourages applicants to enter into early discussions with the Planning and Housing Officers prior to taking an option or purchasing land for residential development. In this way the applicant will be able to negotiate land values with the

land owner in the knowledge that there is likely to be a requirement for affordable housing provision.

- 3.45 The Council offers a formal pre-application advice service, where a fee is charged. Please see <http://www.newark-sherwooddc.gov.uk/planning/pre-applicationadvice/> for details of the service which are set out on the Council's web site. The advice provided will include information on whether the proposal will require planning contributions to be paid, including the provision of affordable housing.

4 Rural Affordable Housing

Rural Affordable Housing

- 4.1 Due to the predominant rural nature of the district the Council is committed to delivering affordable homes in rural areas for local people who are unable to meet their housing needs on the open market and to promote inclusive and thriving communities. The NPPF indicates that in rural areas, exercising the duty to co-operate with neighbouring authorities, local planning authorities should be responsive to local circumstances and plan housing development to reflect local needs, particularly for affordable housing, including the use of rural exception sites where appropriate.

Rural Exception Sites

- 4.2 Core Policy 2 allows for the granting of planning permission for small rural affordable housing schemes only as an exception to normal policies. A rural exception site is land where permission is granted for affordable housing, which would not usually be released for housing development. Such sites have traditionally been expected to deliver 100% affordable housing, which will be required to remain affordable in perpetuity, (schemes involving shared ownership or in designated protected areas will normally have stair casing limits placed at a maximum 80% ownership or make provisions for the registered provider to re-purchase).

Core Policy 2

Rural Affordable Housing

The District Council will pro-actively seek to secure the provision of affordable housing, in defined rural parts of the district on rural affordable housing 'exception' sites. Such sites should be in, or adjacent to, the main built-up area of villages and meet the requirements set out in Spatial Policy 3 Rural areas relating to Scale, Need, Impact and Character of Development. Within the Green Belt Settlements development must be in line with Spatial Policy 4 Green belt.

The need for such housing must be demonstrated by an appropriately constituted Housing Needs Survey.

Cross Subsidy on Exception Sites

- 4.3 In seeking to address the issue of funding of such exception schemes in rural areas, the district Council will take the lead from the NPPF, paragraph 54 which states that:

“Local Planning Authorities should in particular consider whether allowing some market housing would facilitate the provision of significant additional affordable housing to meet local needs”.

In some circumstances therefore, the Council may consider allowing a cross subsidy scheme¹⁴ on an exception site whereby a small number of market housing may be allowed that will contribute towards funding the affordable housing, but only where other funding mechanisms will not support the total development costs.

4.4 Where the Council accepts that it is not possible to deliver an entirely affordable housing scheme on an exception site then it will be permissible for some market housing to be provided to cross subsidise the affordable housing. This will be on the basis that:

- An open book approach will be taken with the Council having full access to all relevant financial information for the scheme in question.
The minimum amount of market housing needed to allow the delivery of the affordable housing will be permitted and no more.
- The affordable housing should always be the majority of the overall scheme.
- Land values will remain in line with typical exception sites values and the Council will not allow market housing on exception sites where it is evident that the land price exceeds the Council's evidence and experiences of typical exception site land value.
- To ensure maximum funding is provided by the market housing to cross-subsidise the affordable housing the Council reserves the right to make a judgement based on the circumstances of the particular scheme and the Council's own evidence as to what will be an acceptable return for the development of the market housing.
- The property size of market housing provided should normally reflect the property size of the affordable housing.

Housing Need in Rural Areas

4.5 For the purposes of the rural exception sites policy, the Council defines local need as identified needs in the individual village, or second, local area it serves (defined as being in the Parish in which it sits). Before the Council will grant planning permission for affordable housing on a rural exception site, it must be satisfied that there is an evidenced need for affordable housing in the locality traditionally gained from the completion of a Parish Housing Needs Survey. However, in the absence of a Parish Housing Needs Survey the Council may choose to use other sources of evidence to illustrate local need.

The Council will expect rural exception sites to:

- comply with local and national planning policy
- have consulted the Parish Council and local residents
- demonstrate that the affordable housing could not reasonably be provided elsewhere on a site allocated for residential development
- be situated within or physically adjoining the main built up area of settlements as defined within the Core Strategy and be reasonably accessible to village services and facilities
- be of a scale appropriate to the size and character of the individual village concerned and the level of services and facilities available in the village.

¹⁴ A mixed tenure housing scheme where receipts from private housing sales are used to part fund the construction of affordable housing, usually on exception sites

4.6 The housing mix and tenure split of affordable housing on rural exception sites will be determined by the particular local need identified in the village or local area it serves. Any permission will be subject to conditions and/or a legal obligation to ensure that initial and all subsequent occupancy is restricted to members of the local community in need of affordable housing. For the purposes of this policy, 'local' will be defined as in 3.33 of this document.

4.7 Within the Green Belt Spatial Policy 4B Green Belt Development sets out that:

"In or adjacent to the main built up areas of the following villages, consideration will be given to the development of Rural Affordable Housing Exceptions Sites to meet local Housing Need:

Bulcote, Caythorpe, Epperstone, Gonalston, Gunthorpe, Hoveringham and Oxton.

Proposals should be in line with Core Policy 2: Rural Affordable Housing. Development should be small scale in nature, should not have a detrimental impact on the character of the village or on the openness of the Green Belt."

4.8 Given the very special circumstance which development is considered appropriate in the Green Belt as outlined in the NPPF cross market subsidy (i.e. market housing) is not deemed appropriate in the Green Belt.

5 Viability

Background

- 5.1 To inform the preparation of the Core Strategy, research was undertaken on the impact of policy requirements to ensure that they are reasonable in terms of financial viability. The NPPF seeks to ensure that in pursuing sustainable development, careful attention is paid to viability and costs in plan making and decision taking. Additionally, the S106 Affordable Housing Requirements Review and Appeal (April 2013) opens up the opportunity for developers to appeal if the affordable housing requirements mean that a development is no longer economically viable. In this respect the Core Strategy sets out that where viability is an issue in providing affordable housing, the Council will carefully consider local housing need and market conditions on each site and provide flexibility in the application of the Council's affordable housing policy to provide the optimum mix of provision.
- 5.2 The onus will be on the developer to produce a financial assessment showing the maximum number of affordable homes that could be achieved. There needs to be a full consultation with Registered Providers in this process. In considering proposals or financial contributions, the Council will have regard to:
- Economic viability;
 - Individual site costs;
 - Overage;
 - The availability of public subsidy; and
 - The overall mix of uses and other planning benefits.

Site Costs

- 5.3 The Council expects that the cost of meeting the affordable housing requirement will be reflected in the land value for housing sites. Developers should take into account the need to provide affordable housing when they are purchasing sites. It should generally be assumed that there will not be any public funding through the Homes and Community Agency or other forms of subsidy. The Council also expects land prices to take account of all development costs, which could have reasonably been foreseen having undertaken a thorough site investigation. Such costs include site clearance and demolition, build costs, landscaping, noise and other environmental attenuation measures, archaeological and ecological surveys and resulting works, land contamination remediation, drainage, planning and highway requirements and other Section 106 obligations. Consideration will also be given to listed building and other heritage assets when determining viability of a scheme. Further information in relation to Section 106 obligations can found in the [Newark & Sherwood Developer Contributions SPD](#). However, as mentioned in the Introduction the Council is currently reviewing and updating this document and will be consulting on this in the near future.

- 5.4 Compelling and detailed evidence of exceptional circumstances affecting viability will need to be shown if applicants seek to negotiate specific policy requirements. It will not be considered sufficient for an applicant to just state without providing details that they have paid a disproportionate amount for the land and so requirements cannot be met.
- 5.5 The Council will undertake viability assessments or seek independent assessments of viability, on a viability model of its choice, on sites where the developer has requested a reduction in the affordable housing provision. The Council provides general guidance and a checklist for developers who are required to provide information regarding viability.

APPENDIX 1

Core Policies

Core Policy 1

Affordable Housing Provision

For all qualifying new housing development proposals and allocated housing sites, the District Council will require the provision of Affordable Housing, as defined in national planning policy, which is accessible and affordable to those unable to compete in the general housing market. The District Council will seek to secure 30% of new housing development on qualifying sites as Affordable Housing, but in doing so will consider the nature of the housing need in the local housing market; the cost of developing the site; and the impact of this on the viability of any proposed scheme. In circumstances where the viability of the scheme is in question, the developer will be required to demonstrate, to the satisfaction of the District Council, that this is the case.

The qualifying thresholds for Affordable Housing provision are:-

Newark Urban Area - all housing proposals of 10 or more dwellings or sites of 0.4 ha (irrespective of dwelling numbers).

The rest of Newark and Sherwood - all housing proposals of 5 or more dwellings or sites of 0.2 ha or above (irrespective of dwelling numbers).

The District Council does not normally encourage off site contributions – if such contributions are deemed appropriate, because of the characteristics of the scheme proposed, the District Council will require a financial contribution of equivalent value to that which would have been secured by on site contribution.

The District Council will seek to secure a tenure mix of Affordable Housing to reflect local housing need and viability on individual sites. Overall the tenure mix in the District should reflect the following mix:-

60% Social Rented Housing
40% Intermediate Housing

Note

- i. The Council will make its own assessment of a site's capacity having regard to the adopted planning policies and other material considerations. This will apply in cases where an application site is part of an identifiable larger area capable of more comprehensive development, regardless of ownership.
- ii. It should be noted that levels of affordable housing sought, would still allow scope for CIL contributions towards infrastructure.

- iii. “Dwellings are defined in Use Class C3 in the Town and Country Planning (Use Classes) Order 1987 (as amended).

Core Policy 2

Rural Affordable Housing

The District Council will pro-actively seek to secure the provision of affordable housing, in defined rural parts of the district¹⁵, on rural affordable housing ‘exception sites.’ Such sites should be in, or adjacent to, the main built-up area of villages and meet the requirements set out in Spatial Policy 3 Rural Areas relating to Scale, Need, Impact and Character of Development. Within the Green Belt Settlements development must be in line with Spatial Policy 4 Green Belt.

The need for such housing must be demonstrated by an appropriately constituted Housing Needs Survey.

Core Policy 3

Housing Mix, Type and Density

The District Council will expect good quality housing design in line with the provisions of Core Policy 9 Sustainable Design. Development densities in all housing developments should normally be no lower than an average 30 dwellings per hectare net. Development densities below this will need to be justified, taking into account individual site circumstances.

Average densities of between 30 – 50 dwellings per hectare are set in NAP2 (A/B/C) for the three Strategic Sites allocated in the Core Strategy. Densities of 30 dwellings per hectare or more, will be set for other location and allocations in the Allocations and Development Management SPD.

The District Council will seek to secure new housing development which adequately addresses the housing need of the District, namely:

- Family housing of 3 bedrooms or more
- Smaller houses of 2 bedrooms or less
- Housing for elderly and disabled population

The District Council will seek to secure an appropriate mix of housing types to reflect local housing need. Such a mix will seek to secure an appropriate mix of housing types to reflect local housing need. Such a mix will be dependent on the local circumstances of the site, the viability of the development and any localised housing need information.

Note

- i. The review of the amount of social rented and intermediate affordable housing to be provided in new development will take into account changes in the definition of affordable housing set out in national planning policy

¹⁵ The full list of parishes this policy applies to is included under ‘defined rural areas’ in Appendix A Glossary of the Core Strategy and as appendix at the end of this document

APPENDIX 2

Glossary of Terms

Abnormal Cost	Costs that are not allowed for specifically within normal development costs. These can include costs associated with for instance, unusual ground conditions, contamination, etc
Affordability	The terms 'affordability' and 'affordable housing' have different meaning. 'Affordability' is a measure of whether housing may be afforded by certain groups of households. 'Affordable Housing' refers to particular products outside the main housing market.
Affordable Housing	Housing, whether for rent, shared ownership or outright purchase, provided at a cost considered affordable in relation to incomes which are average or below average, or in relation to the price of general market housing as defined in the National Planning Policy Framework.
Affordable Rent	Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent
Affordable Housing Providers	Registered Providers also known as Housing Associations that are regulated by the Homes and Communities Agency to deliver affordable housing.
Annual Monitoring Report	A report submitted to the Government by Local Planning Authorities assessing progress with and the effectiveness of the Local Development Framework
Assured Tenancy	A form of residential tenancy that grants a degree of security of tenure to the tenant.
Code for Sustainable Homes	Is an environmental impact rating system for housing in England, setting standards for energy efficiency and sustainability which are not mandatory under current building regulations but represent important developments towards limiting the environmental impact of housing.
Community Infrastructure Levy (CIL)	A levy which the District Council charges on new development to secure additional funding for strategic infrastructure related to new development in the District.
Commuted Sum	A financial payment made by a developer or landowner instead of providing the affordable housing requirement on the site of the market housing scheme.
Core Strategy	The main document in the Council's Local Development Framework which contains the vision, objectives, spatial strategy and strategic policies which deliver the vision and provide the context for the future development of the area (www.newark-sherwooddc.gov.uk/cs)
Development Plan Document	Development Plan Documents (DPDs) outline the key development goals of the Local Development Framework. They are subject to rigorous procedures of community involvement, consultation and independent examination. Once adopted, planning decisions must be made in accordance with the DPDs unless material consideration indicates otherwise. (Known as Local Plans
Development Viability	The viability of the development in financial terms.
Eligible Persons	Persons who are unable to afford suitable housing accommodation on the open market (whether by renting or

	<p>purchasing) within the District and who are:</p> <ul style="list-style-type: none"> a) on those registers retained or referred to by the Council from time to time in the discharge of the Council's housing function, or b) otherwise have proved to the Council that they cannot afford to buy locally at current house prices within the limits of the disposable income available to them.
Extra Care Housing	Extra Care Housing describes a type of specialised housing that provides independent accommodation for adults with varying care needs, enabling them to remain in their own home. Residents can benefit from communal facilities being available. Such properties have a variety of tenures
Financial Contribution	A financial contribution made by a developer or landowners instead of providing affordable housing on the development site.
Fixed Term Tenancy	A tenancy of at least two years' duration
Gross Development Value	The amount the developer ultimately receives on completion of sale of the scheme whether through open market sales alone or a combination of those and the receipt from a Registered provider for completed affordable housing units – before all costs are subtracted.
Homes and Communities Agency	Is the non-departmental public body that funds new affordable housing in England. It was established by the Housing and Regeneration Act 2008 as one of the successor bodies to the Housing Corporation and became operational on 1 December 2008.
Housing Market Areas	Geographical areas defined by household demand and preferences for housing. They reflect the key functional linkages between places where people live and work. The Nottingham Outer Housing Market area includes the areas of Mansfield, Ashfield and Newark and Sherwood and is part of the Northern sub-regional housing area.
Housing Needs, market and Affordability Study	The Council commissioned David Couttie Associates in 2009 to undertake a study of housing need in the district. The study indicated a shortage of 558 affordable homes (per year).
Intermediate Affordable Housing	Is housing at prices and rents above those of social rent, but below market price or rents. These can include shared equity and shared ownership products delivered through the HCA and their local zone agent, and intermediate rented housing. It does not include low cost market housing.
Intermediate Rented Housing	Means all those units at rents above that of Social Rented Units but below Open Market Rents and provided that such rents shall not exceed 80% of the Open Market Rent for similar rented units within the District.
Land Registry House Price Index	The Land Registry's Housing Price Index is the most accurate independent house price index available. Using data sets of completed sales, it is the only index based on repeat sales and includes figures at national, regional, county and London borough level. It can generate lists of average house prices in any area of England and Wales for any range of months since January 1995.
Lifetime Homes Standard	The Lifetime Homes Standard is a series of sixteen design criteria intended to make homes more easily adaptable for lifetime use at minimal cost. The concept was initially developed in 1991 by the Joseph Rowntree Foundation and Habinteg Housing Association . The administration and technical support on Lifetime

	Homes is provided by Habinteg, who took on this responsibility for the Joseph Rowntree Foundation in 2008. A dedicated website providing information about Lifetime Homes design, technical specification and policy background can be found at www.lifetimehomes.org.uk . On 25 February 2008 the UK Government announced its intention to work towards all new homes being built to Lifetime Homes Standards by 2013.
Local Development Framework	The LDF contains a portfolio of Local Development Documents which provides the Local Planning Authority's policies for meeting communities' economic, environmental and social aims for the future of their area where this affects the development of land.
Low Cost Housing	Is small housing units which are provided to meet the needs of households with income levels just adequate to access the housing market – often referred to as 'starter' homes
Market Housing	Private housing for rent or sale, where the price is set in the open market.
Mortgagee in Possession Clause	When a homeowner defaults on a mortgage, the lender (mortgagee) must take action. The lender becomes a "mortgagee in possession" when it takes over or assumes management of a mortgaged property to protect itself from damages. The lender has rights and duties when faced with actual or threatened default, and may realise on its security by court action or an arrangement with the homeowner (mortgagor).
National Planning Policy Framework (NPPF)	Sets out national planning policies including delivering the Government's housing objectives. Published in 2012 replaces earlier Planning Policy Statements.
Nomination Agreement	Outlines the nomination arrangement agreed between the District Council and the Registered Provider which guarantees the Council's ability to access accommodation for Eligible Persons including applicants for the Council's housing register in accordance with the Newark and Sherwood District Council Allocation Scheme 2013 (or as subsequently amended).
Open Market Rents	Open Market Rent is a term that indicates the amount of money that a given property would command, if it were available for leasing at the moment,
Open Market Value	The value of land or property which can be secured when it is sold.
Pepper Potting	A guideline that requires that affordable housing is mixed with private housing, rather than clumping the affordable homes together.
Registered Provider	A body registered with the Homes and Communities Agency which owns or manages affordable homes. For the purposes of the SPD the term registered provided is taken to include either a Registered Provider or a developer/organisation that is registered with the HCA as an Investment Partner. For these developers/organisations the Council will need to be assured that they have been assessed by the HCA to ensure that they are of good standing and that they have the financial and technical capacity to deliver new housing.
Residual Land Value	The sum of money left once all development, finance and land costs have been deducted from the gross development value (GDV). This would take into account the sum required for affordable housing/other infrastructure payments such as CIL) where applicable.

Section 106 Agreement	A legal agreement usually between the Local Planning Authority (the Council) a site owners/developer, under the Town and Country Planning Act 1990 which ensures that particular requirements, such as the mix and number of affordable housing units, are met as part of new development schemes. These are sometimes referred to as Planning Obligations.
Shared Equity Housing	A form of intermediate Housing. Affordable housing which permits a buyer to purchase a share of the Affordable Housing Unit with the remaining share being held by the Registered Provider such initial purchase share usually not to exceed 76% of the Open Market Value unless otherwise agreed with the Council and in respect of which for the avoidance of doubt there is usually no rent charged in respect of the share retained by the Registered Provider (or sometimes a reduced rent)
Shared Ownership Housing (Also known as Homebuy)	A form of intermediate housing. Affordable housing, a share of which is leased to a lessee on payment of a premium calculated by reference to the value of the Affordable Housing Units the initial purchase not to exceed 75% of the Open Market Value (unless otherwise agreed by the Strategic Housing Business Unit) with rent being paid on the remaining share which is held by a Registered Provider
Sheltered Accommodation	Sheltered housing is a term covering self contained rented housing for older and/or disabled or other vulnerable people. Most commonly it refers to grouped housing such as a block or 'scheme' of flats or bungalows with a scheme manager/warden or 'officer
Social Rented Housing	Affordable housing provided for rent at below market levels to eligible people on the Council's housing register.
Strategic Housing Market Assessment	A Housing Market Assessment carried out in accordance with the Communities and Local Government Strategic Housing Market Assessments Practice Guidance 2007 across the Northern Sub Region Housing Market Area and includes the Nottingham Outer Housing market area covering Newark and Sherwood, Mansfield and Ashfield. It aims to set in place a database for long term future planning, subject to annual monitoring and update
Supplementary Planning Document	Supplementary Planning Document covers a wide range of issues and can be used to expand policies contained within the Development Plan documents. They must be consistent with national planning policies, must undergo rigorous consultation and be in conformity with policies contained within the DPD's
Tenure Mix	The type of affordable housing provided on a site – refers to the balance between for example Affordable Rented and Intermediate Housing.
Unilateral Undertaking	A formal, legally binding document usually submitted by an applicant to the Local Planning Authority (the Council) to indicate that the applicant proposes to meet certain planning requirements as part of a new development scheme.

Appendix 3

Affordable Housing Quick Guide Calculator

Quick Guide for calculating affordable housing provision (based on 30% provision)

All district (except Newark Urban Area – see below)

Proposed Dwellings	30% (rounded down)								
1	N/A	21	6	41	12	61	18	81	24
2	N/A	23	6	42	12	62	18	82	24
3	N/A	23	6	43	12	63	18	83	24
4	N/A	24	7	44	13	64	19	84	25
5	1	25	7	45	13	65	19	85	25
6	1	26	7	46	13	66	19	86	25
7	2	27	8	47	14	67	20	87	26
8	2	28	8	48	14	68	20	88	26
9	2	29	8	49	14	69	20	89	26
10	3	30	9	50	15	70	21	90	27
11	3	31	9	51	15	71	21	91	27
12	3	32	9	52	15	72	21	92	27
13	3	33	9	53	15	73	21	93	27
14	4	34	10	54	16	74	22	94	28
15	4	35	10	55	16	75	22	95	28
16	4	36	10	56	16	76	22	96	28
17	5	37	11	57	17	77	23	97	29
18	5	38	11	58	17	78	23	98	29
19	5	39	11	59	17	79	23	99	29
20	6	40	12	60	18	80	24	100	30

Newark Urban Area

Proposed Dwellings	30% (rounded down)								
1	N/A	21	6	41	12	61	18	81	24
2	N/A	23	6	42	12	62	18	82	24
3	N/A	23	6	43	12	63	18	83	24
4	N/A	24	7	44	13	64	19	84	25
5	N/A	25	7	45	13	65	19	85	25
6	N/A	26	7	46	13	66	19	86	25
7	N/A	27	8	47	14	67	20	87	26
8	N/A	28	8	48	14	68	20	88	26
9	N/A	29	8	49	14	69	20	89	26
10	3	30	9	50	15	70	21	90	27
11	3	31	9	51	15	71	21	91	27
12	3	32	9	52	15	72	21	92	27
13	3	33	9	53	15	73	21	93	27
14	4	34	10	54	16	74	22	94	28
15	4	35	10	55	16	75	22	95	28
16	4	36	10	56	16	76	22	96	28
17	5	37	11	57	17	77	23	97	29
18	5	38	11	58	17	78	23	98	29
19	5	39	11	59	17	79	23	99	29
20	6	40	12	60	18	80	24	100	30