

Calderdale Metropolitan Borough Council

Affordable Housing

Supporting Guidance Document



August 2018

Contents

Section	Page number
1. Introduction	3
2. Local Needs	3
3. Defining Affordable Housing	3
4. Policy Context; National Planning Policy Framework	4
5. Policy Context; Local Planning Policy	5
6. Principles	6
7. Process	6
8. Allocations of Sites to Registered Providers	7
9. Provision of an Onsite Contribution	8
10. Design Requirements	10
11. Provision of an Offsite Contribution	10
12. Contacts	11

Appendices

Appendix 1- Calderdale Council Registered Provider Framework

Appendix 2- Expression of Interest Form

Appendix 3-Process for Allocating Sites

Appendix 4- M4 (2) Summary

Appendix 5- Commuted Sum Template

Section 1: Introduction

- 1.1** This document provides guidance on how the affordable housing policy should be applied to residential development proposals in Calderdale. This guidance builds on policy found in Calderdale's Publication Draft Local Plan 2018 and the National Planning Policy Framework (NPPF). This policy overwrites the 'Advice to Applicants Residential Development and the Provision of Affordable Housing' which was published by the Council in 2007.

Section 2: Local Needs

- 2.1** It is vital that everyone living in Calderdale has access to a decent and affordable home. The Council remains committed to assisting local people who cannot afford to buy or rent homes on the open market. Affordable Housing as such, is a key player in the market due to its positive influence on the local economy and quality of life.
- 2.2** The main source of information on local housing needs is taken from the 2018 Strategic Housing Market Assessment (SHMA).
- 2.3** The 2018 Strategic Housing Market Assessment (SHMA) for Calderdale indicates that 527 affordable homes would be needed annually over five years in order to meet newly arising needs and clear the historic backlog. Once the backlog had been assumed to have cleared within five years, the calculation suggested an annual need for 74 affordable homes to meet newly arising needs
- 2.4** Over the 19 year plan period (2016 – 2035), the calculation suggests that 3,671 affordable homes could be needed in Calderdale, equating to circa 193 affordable homes per annum on average, although such an average does not prioritise clearance of the backlog over a shortterm period of five years.
- 2.5** In order to facilitate the annual provision of 527 affordable homes required to meet newly arising needs and clear the backlog, between 1,506 and 2,635 homes could need to be provided annually over the initial five year period. This would evidently represent a sizeable step up from the historic levels of completions achieved in the borough, and provision of this level is not considered to be realistic. It does, however, highlight the importance of supporting an increase of supply above more recent historic levels to ensure that affordable housing needs are met.

Section 3: Defining Affordable Housing

Section 3A: What is Affordable Housing?

- 3.1** According to the National Planning Policy Framework (NPPF) affordable housing is defined as: "Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers)."

Section 3B: What is Social Rented Housing?

- 3.2** Social 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.

Section 3C: What is Affordable Rented Housing?

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

Section 3D: What is Intermediate Housing?

- 3.4** 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 equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Section 3E: Starter Homes

- 3.5** A Starter Home is expected to be well designed and suitable for young first time buyers. It aims to help young first-time buyers (below the age of 40) purchase a home with a minimum 20% discount off the market price.
- 3.6** A Starter Home is not expected to be priced after the discount significantly more than the average price paid by a first time buyer. This would mean the discounted price should be no more than £250,000 outside London and £450,000 in London.

Section 4: Policy Context; National Planning Policy Framework

- 4.1** In accordance with the NPPF (paragraph 62), where a need for affordable housing is identified, planning policies should specify the type of affordable housing required and expect it to be met on-site unless:
- a) Off-site provision or an appropriate financial contribution in lieu can be robustly justified; and
 - b) The agreed approach contributes to the objective of creating mixed and balanced communities.
- 4.2** Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.

Section 5: Policy Context; Local Planning Policy

5.1 At the time of writing this guidance, the Publication Draft Local Plan 2018 for Calderdale was in draft stage. The plan looks over the period to 2032/2033 and provides a framework for development. The adoption of the plan is expected in 2020.

5.2 With regard to the local planning policies for affordable housing, policy HS6 which is set out in the Publication Draft Local Plan 2018, stipulates that the Council will negotiate with applicants for the inclusion of an element of affordable homes in planning applications for housing developments of more than 10 dwellings in order to assist in meeting the affordable housing needs of the borough.

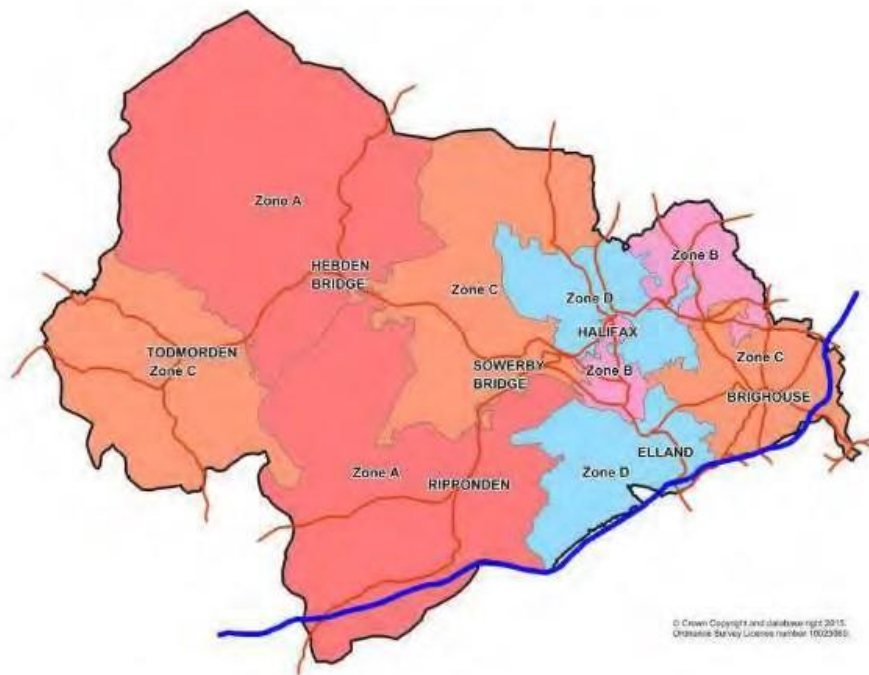
5.3 Table 1 below summarises what proportion of affordable housing will be necessary for different areas throughout the borough. These areas are classified as 'zones' and are displayed in Table 1 and Figure 1 below.

Table 1

Zone	Housing Market Locations	Performance Designation	Size Threshold (No. Dwellings)	Proportion Affordable Housing
Zone A	Hebden Bridge, Charlestown, Ripponden, Rishworth, Barkisland	Very Hot	>10	35%
Zone B	Northowram, Shelf, Norwood Green, Halifax Town Centre Skircoat, Lightcliffe (part)	Hot	>10	30%
Zone C	Todmorden, Walsden, Cornholme, Mytholmroyd, Sowerby Bridge, Illingworth, Luddendenfoot, Luddenden, Bradshaw, Brighouse, Rastrick, Clifton, Southowram, Hipperholme, Bailiff Bridge, Lightcliffe (part)	Medium	15+	25%
Zone D	Elland, Greetland, Holywell Green, Stainland, Wheatley, Ovenden, Mixenden, Boothtown, West Halifax	Cold	15+	20%

Figure 1

Map 16.1 Affordable Housing Zones referred to in Table 16.7 (Popup full image)



5.4 When negotiating the level of affordable housing provision on the site, the Council will take account of the most recent evidence, such as the SHMA and any subsequent updates or other relevant and recent information. The proportion may be less than that prescribed in Table 1 where viability evidence demonstrates that there are development costs which would otherwise prejudice the implementation of the proposal.

Section 6: Principles

6.1 The Council will aim to achieve the following:

- A proportion of affordable homes to be provided on all housing developments in accordance with policy HS6 and Table 16.6 of the Draft Local Plan.
- Affordable homes will be built by the developer as part of the application site and in all respects will be identical to market homes.
- The affordable housing shall on completion be sold at a discount to a range of Registered Providers approved by the Council who will rent or sell them at less than market value.
- Support for the provision of affordable bungalows and supported housing to meet the needs of an ageing population.

Section 7: Process

Section 7A: When is an affordable housing statement needed?

Developers will need to submit an affordable housing statement for a;

- Full application for housing
- Reserved matters application for housing
- Material alteration that changes the number or type of housing

Section 7B: What should an affordable housing statement contain?

The Council expects affordable housing statements to contain;

- Dwellings to be disposed of as affordable
- Number and type of dwellings proposed
- Floor area of affordable homes
- If necessary evidence that;
 - The transfer value per square metre should be more than set out in the Technical Guidance
 - Any terms required for a S106 agreement to provide affordable homes

7.1 Developers must robustly justify their reason for not providing affordable housing. Where an applicant considers that the viability of a scheme is compromised, they must submit a viability assessment to the Council. The assessment should include all known costs, current site value and projected valuations of the scheme.

Section 8: Allocation of Sites to Registered Providers

8.1. The Council want to work with a range of different providers to bring forward housing delivery in the borough and in doing so they will endeavour to nominate dwellings to Registered Providers on a fair and equitable basis.

8.2 The allocation of dwellings is via a framework. A copy of the framework can be found at Appendix 1.

8.3 The framework will be made up of Registered Providers currently operating in Calderdale which are listed in Appendix 1.

8.4 Below is a simplified 6 step process which the allocation of sites will take:

1. The Council will calculate the transfer value and confirm this with the developer along with an agreement regarding terms of the S106 agreement and any deviations from policy.
2. Planning permission will be determined as well as conclusion of S106 agreement.
3. The Council will approach a Registered Provider who is next on the framework with a background of the proposed development (please see Appendix 2).
4. The RP will complete and submit the populated expression of interest form (please see Appendix 2) and return this to the Council within 10 working days.
5. The Council will then formally allocate the site to the RP.
6. Upon completion the RP will pay the developer the agreed transfer value.

8.5 Please refer to Appendix 3 to see the pathway for allocating sites.

8.6 The Council will make every effort to diversify the site allocations. In the event that the framework unintentionally means that one RP is allocated the same size sites a number of

times, the Council may consider offering the site to the next RP on the framework. If this does occur, the RP who was not allocated the site initially will then be allocated the next available site.

8.7 In the event a Registered Provider rejects the allocation after they have expressed an interest or they wish to withdraw their interest, the allocation will automatically fall to the next Registered Provider in line. However, if there is a legitimate reason why the RP rejects or withdraws their interest for the allocation, then the Council may consider keeping the RP at the same place on the framework.

8.8 There are certain criteria applicants must conform to if they are to submit an expression of interest. These criteria are listed below; Note applicants must meet *all* of the criteria below to be considered for the allocation of a site.

- Only those who are certified Registered Providers with Homes England can express an interest into a site
- The Registered Provider must be known to Calderdale Council
- The Registered Provider must have a consistent presence at the Calderdale RP Executive Meetings and/or the Calderdale Housing Association Liaison Meeting also known as CHALMs

8.9 The allocations policy will be reviewed on a five year basis at least.

Section 9: Provision of an Onsite Contribution

9.1 The transfer price is the amount of money that a Registered Provider will pay to the developer to buy the affordable unit which will be built out.

9.2 The Council's preferred approach is that the applicant builds and transfers the completed unit to an RP at the transfer price for that particular dwelling. The key requirement will be that the Council must be satisfied that the affordable housing scheme will be delivered to meet the need and be retained as affordable in the long term.

9.3 Transfer values are determined by sqm of property. The transfer value in Calderdale is £800 per sqm.

9.4 Sqm will be based on gross external area (GEA). Broadly speaking this is defined as the whole building taking each floor into account. The Council define GEA in line with the Valuation Office Agency definition which states;

GEA will include:

- perimeter wall thickness and external projections
- areas occupied by internal walls (whether structural or not) and partitions
- columns, piers, chimney breasts, stairwells, lift wells etc
- lift rooms, plant rooms, tank rooms, fuel stores, whether or not above roof level
- open-sided covered areas (should be stated separately)

GEA will exclude:

- open balconies
- open fire escapes
- open sided covered ways
- Open vehicle parking areas, terraces and the like
- minor canopies
- any area with a headroom of less than 1.5m (except under stairways)
- any area under the control of service or other external authorities

9.5 Figure 2 below lists the average transfer values for different dwelling types.

Figure 2

Dwelling Type	Indicative size per sqm	Average transfer value
1 bed apartment/flat	50sqm	£40,000
2bed apartment/flat	70sqm	£56,000
2 bed house	83sqm	£66,400
3 bed house	96sqm	£76,800
4 bed house	107sqm	£85,600
1 bed bungalow	50sqm	£40,000
2 bed bungalow	70sqm	£56,000
3 bed bungalow	95sqm	£76,000

Section 9A: Case Study Example

9.6 As an example: A developer is looking to bring forward a site of 20 properties. The site is located in Northowram which is classified as Zone B (Hot). This means that the developer must provide 30% affordable housing contribution which is 6 units (30% of 20). 6 of the units are proposed to be 3 bed houses and the other 3 units are proposed to be 2 bed houses. On the basis that the transfer value is £800 per sqm and assuming the sqm of the properties match those listed in the table above, this would mean the three 3 bed houses would have a combined transfer value of £230,400 (76,800 x 3) and the three 2 bed units would have a combined transfer value of £199,200 (66,400 x 3) bringing the combined cost to £429,600.

Section 9B: Older Persons Specialist Housing

9.7 The 2018 SHMA specifically considered the housing needs of older people, it established how the older population of Calderdale was projected to change under the scenarios modelled by Edge Analytics and subsequently considered the resultant need for specialist older persons' housing.

9.8 Table 2 below shows how older age cohorts are projected to change from 2016-2035.

Table 2

Table 9.4: Projected Change in Older Population of Calderdale (2016 – 2035)

	2016	2035	Change	% change
65 to 74	21,741	28,047	6,306	29%
75 to 84	11,392	18,594	7,202	63%
85 and over	4,707	10,286	5,579	119%
65 and over	37,840	56,927	19,087	50%
75 and over	16,099	28,880	12,781	79%

Source: Edge Analytics, 2018

9.9 The Council may encourage developers to build out bungalows on a 2 for 1 basis; meaning for every 2 houses to be built they will instead, accept a contribution of 1 bungalow. This will be reviewed on a site by site basis- taking into consideration the location, accessibility and surrounding facilities.

Section 10: Design Requirements

10.1 The Council expects affordable housing to be built to a high standard of design. In the interests of delivering sustainable, inclusive and mixed communities, the affordable homes should be indistinguishable from the open market housing in terms of style, quality of specification, finish and materials.

10.2 In order to create mixed and balanced communities, affordable housing should be dispersed through the application site, which depending on the scale of the scheme, may mean in small groups of units. Exceptions to this policy will be considered on a site-by-site basis.

10.3 The Council is committed to ensuring residents have access to safe, accessible and well designed home. In accordance with the Local Plan, all affordable housing should be designed to M4 (2) Building Requirements. Please refer to Appendix 4 for a summary of the main principles of this building standard.

Section 11: Provision of an Offsite Contribution

11.1 Government guidance states that, in the interests of creating mixed and balanced communities, affordable housing should be provided on-site and integrated with the market housing wherever possible. However, in exceptional circumstances where there is sound planning or housing reasons and it can be robustly justified, it may be acceptable to take off-site provision or a commuted sum of broadly equivalent value in lieu of part or all of the affordable housing provision on a site.

11.2 Discussions regarding alternative off-site delivery will take place in exceptional circumstances. These circumstances exist where:

- a) An independent viability assessment confirms delivery on site is not viable;
- b) No Registered Provider is willing to purchase the affordable unit(s); or

- c) Delivery of off-site or a commuted sum would deliver more sustainable development and/or more affordable units.

11.3 The commuted sum due for the affordable contribution **per dwelling** is as follows;

Open market value – price paid by the Registered Provider

11.4 The contribution **per dwelling type** is as follows;

20% x affordable housing contribution per dwelling

11.5 Please refer to Appendix 5 for the template used to calculate the commuted sum.

11.6 Commuted sums will be used to deliver affordable housing activity within the wider borough and improve or make more effective use of the existing housing stock for affordable housing purposes.

Section 12: Contacts

12.1 Applicants are advised to reflect the Council's affordable housing requirements at the earliest opportunity within the site development process.

12.2 For planning queries please contact planning services on 01422 392237.

12.3 For queries on this document please contact 01422 393266.

Appendix 1 Calderdale Council Registered Provider Framework

Below is the framework which the Council will use for the allocation of sites to Registered Providers (RPs). The framework has been formed in alphabetical order.

Registered Provider	Site allocated	Date Allocated	EOI submitted Yes/No	Site formally allocated Yes/No
1. Calder Valley Community Land Trust				
2. Connect Housing				
3. First Choice Homes Oldham				
4. Home Group				
5. Horton Housing				
6. Mosscafe St Vincent's				
7. Places for People				
8. Yorkshire Housing				
9. Sanctuary Housing				
10. Stonewater				
11. Together Housing Association				

Appendix 2 Expression of Interest Form

The Council have been made aware of a site where an affordable housing contribution will be sought. As you are the next Registered Provider on our framework to be allocated a site, we are writing to ask you if you would want to express an interest in the site.

In the event you want to express an interest, please complete the expression of interest table at the bottom of this page and return this to: Housing Enabling and Projects Team, Housing and Green Economy, Regeneration and Strategy, Calderdale Council, Princess Buildings, Halifax, HX1 1TS.

Below is a brief background about the development. If you have any other questions, please contact; Housing Enabling and Projects Team, Housing and Green Economy, Regeneration and Strategy, Calderdale Council, Princess Buildings, Halifax, HX1 1TS.

Background into the scheme (to be completed by Calderdale Council)

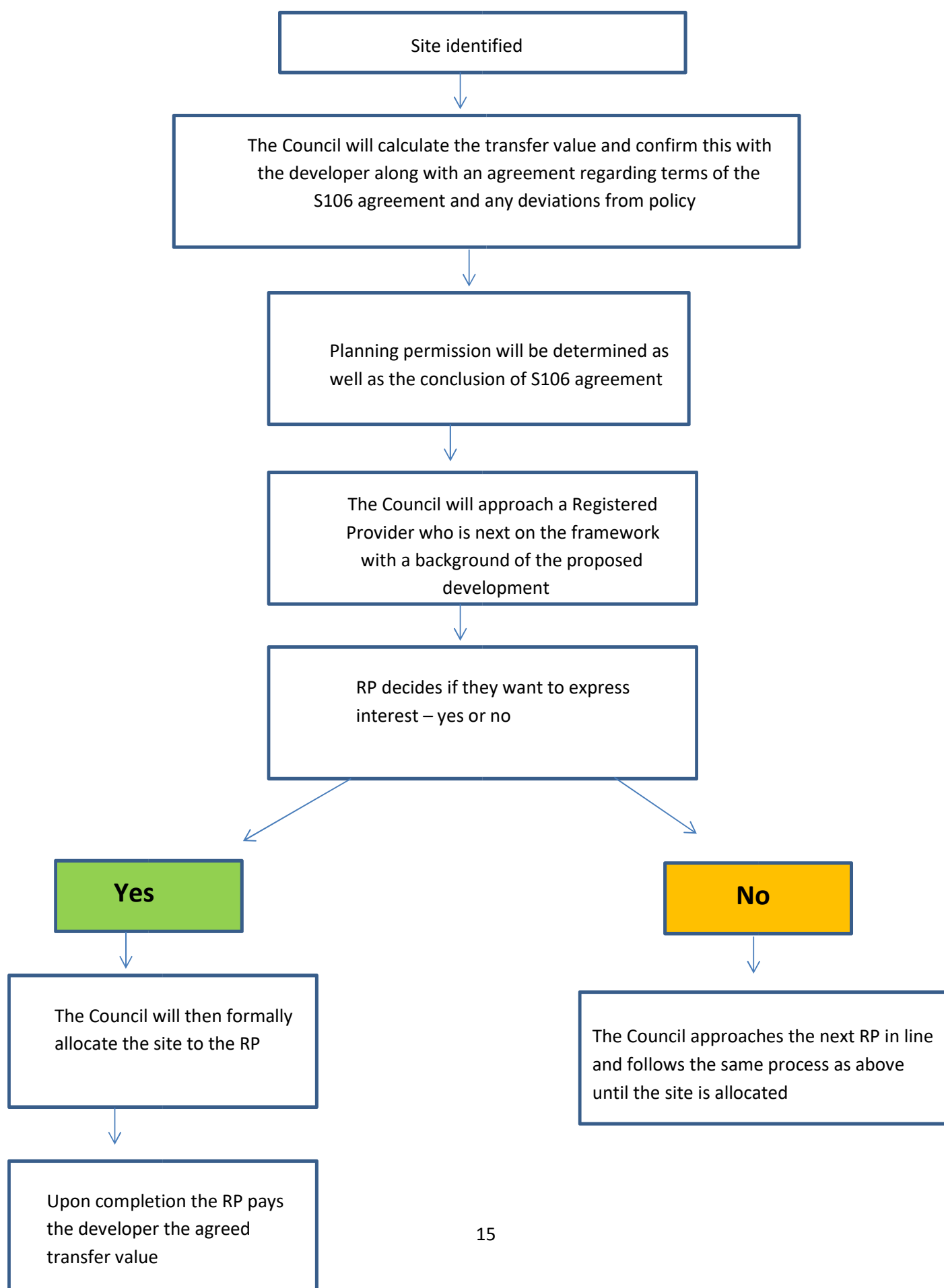
Name of developer	
Address of site	
Ward	
Planning application reference number	
Total number of units	
Total number of affordable housing units	
Breakdown of housing types on site	
What type of affordable housing we are expecting	
Gross external floor area per unit	
Transfer value to pay per unit £	
Total transfer value for all units £	
Service charge YES /NO	

Expression of Interest Form (to be completed by the RP)

Name of Registered Provider	
-----------------------------	--

Address of Registered Provider	
Named Contact	
Address of site Number of units	
Are you expressing an interest yes/no	
Signed	
Dated	

Appendix 3 Process for Allocating Sites



Appendix 4 M4 (2) Summary

M4 (2) Accessibility and adaptability

1. Reasonable provision must be given for people to
 - a) gain access to; and
 - b) use the dwelling and its facilities
2. The provision must be made sufficient to
 - a) Meet the needs of occupants with differing needs including some older and disabled people; and
 - b) To allow adaptation of the dwelling to meet the changing needs of occupants over time

Section 2A Approach to the dwelling

Under this heading are a number of subgroups which relate to this section. Below is a quick summary which highlights some of the key points beneath each sub group.

1. The approach route; this could include driveways, gate, path, communal lift and stairs

General

- Needs to be step free irrespective of the storey of the dwelling
- Shallowest gradient
- Where it is not achievable to achieve a step free approach route then an alternative step free approach should be provided elsewhere
- Where a communal ramped approach is used an alternative stepped entrance should be provided
- Approach routes need to be level, gently sloping or ramped and have a suitable ground surface; all ramped accesses have specific measurements whether private or communal (communal measurements are bigger)

Steps

- External steps have specific measurements and must have suitable tread nosing's
- Must have grip able hand rail to one side or both sides when a flight exceeds a certain width

Parking

- Parking spaces must be a certain dimension
- In terms of communal parking, at least one space should be provided by the entrance which has a clear access zone and dropped kerb

- Parking should have a suitable ground surface
- Access between the parking bay and entrance must be step free
- The parking space must be level or if unavoidable gently sloping

Drop off points

- Drop off point must be provided near the communal entrance
- Must be level or if unavoidable gently sloping
- Must have suitable ground surface

Communal entrances

- Must have level landing outside entrance door
- Must have a clear of any swing door
- Lighting which is activated automatically by dusk to dawn timer or detecting motion
- Doors must have a clear opening width
- Must have a minimum between door swings
- Door entry controls are mounted a certain height above ground level and away from a projecting corner

Communal lifts and stairs

- Lift must have 5 second time before doors begin to close
- Lifts must meet type 2 lift requirements

Section 2B Private entrances and spaces within the dwelling

Under this heading are a number of subgroups which relate to this section. Below is a quick summary

which highlights some of the key points beneath each sub group.

Private entrances

- Must have level landing outside entrance door
- Must have a clear of any swing door
- Lighting which is activated automatically by dusk to dawn timer or detecting motion
- Doors must have a clear opening width
- Must have a minimum between door swings

Door and Hall widths

- Radiators or localized obstruction must comply with the measurement's provisions so that the width of the corridor is not reduced

- Clear door opening width and corridor clear passage widths are specified

Private stairs and changes of level within the dwelling

- Access to all rooms on the entrance level are step free

- Level changes within every other storey are avoided where possible

Habitual rooms

- Within the entrance storey there must be a living area i.e. kitchen, dining room

- A window must be placed at a specific height in the principle living area

Kitchen and eating areas

- A Minimum space must be kept between in front of and between kitchen units

Bedrooms

- Must have clear access route from the door to the window

- Double and single bedrooms must have specific space requirements for both sides of the bed and the foot of the bed

Sanitary facilities

- All walls, ducts and boxings to the W/C bathroom shower room must be strong enough to support grab rails, seats and other adaptations for a specific weight

WC on the entrance storey

- Entrance storey must provide a w/c and basin

- The door must open outwards

- In a 2 or 3 storey dwelling with 1 or 2 bedrooms, the w/c room must have an installed level access shower or *potential* level access shower

Bathrooms

- Every dwelling must have a bathroom which contains a W/C a basin and a bath that is located on the same floor as the double bedroom.

- Provision for a level access shower is made within the bathroom if not provided elsewhere in the dwelling

Services and controls

- Switches need to be certain level from floor level

- Handles for windows has to be a certain height range, as are boiler/ thermostat controls

Appendix 5 Commuted Sum Template

Dwell Type	Dwell Size	No. dwells	20% contribution	Av. OMV	Amount paid by RP	AH contribution per dwelling	AH Contribution per dwelling type £
				£	£	£	(20% x AH contribution per dwelling)
						(OMV - Amount paid by RP)	
						AH contribution	£0