

Braintree District Council
Local Development Framework

Supplementary Planning Document Affordable Housing



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1 Purpose of this Guidance

1.1 The Braintree District Local Plan Review (adopted in July 2005) provides the basis for seeking planning obligations to provide a range of improvements that benefit the public. These include public open space and amenity space, community and other facilities including health and education, affordable housing to meet local need, access and transport infrastructure, conservation and utility infrastructure improvements. This Supplementary Planning Document (SPD) is published to provide more detailed guidance on how the Council will use the Review Local Plan to implement its affordable housing policies. The relevant policies are:

- RLP 3 Development within Town Development Boundaries and Village Envelopes, which states that development proposals should have regard to the extent to which proposals for housing development will contribute towards meeting local housing needs.
- RLP 5 Affordable Housing in New Developments
- RLP 6 Affordable Housing in Rural Areas
- RLP 7 Housing and Mixed Use Sites
- RLP 22 Accessible Housing and Lifetime Housing

This SPD does not seek to add any new policies, but gives guidance on how existing policies should be interpreted.

1.2 This SPD was adopted by the Council on the 27th April 2006, at a meeting of its District Development Committee. This document incorporates a number of changes made in response to the publication of the Draft SPD in January 2006.

2 Policy Context

National Guidance

2.1 Government guidance to local authorities is given in Planning Policy Guidance Note 3: Housing (March 2000) which sets the overall policy context. This is supplemented by Circular 6/98: Planning and Affordable Housing, which is currently under review by the Office of the Deputy Prime Minister, and ODPM Circular 05/2005 (Planning Obligations) which reiterates the four tests to be used when considering the need for planning obligations. Following a review of PPG3, the ODPM published in December a Consultation Paper on a New Planning Policy Statement 3 (PPS 3). This SPD is drafted in accordance with current guidance, including draft guidance issued by the ODPM.

Regional Guidance

2.2 The Draft East of England Plan (Regional Spatial Strategy 14) gives advice on the role of Section 106 agreements in securing affordable housing. The main points are:

- Planning authorities must establish policies and/or other mechanisms for setting targets for the volume or proportion of affordable housing. These policies should support the achievement of regional targets set out in the East of England Plan. The Draft EEP Policy SS13 calls for at least 30% of all new housing supply to be affordable, or 40% where areas of housing stress warrant higher provision.
- The Regional Housing Strategy requires that subsidy from the Single Regional Housing Pot (SRHP) is provided for affordable housing only where it is demonstrably needed to supplement a reasonable use of planning gain.
- Given the limited availability of other capital subsidy for affordable housing, there is generally no guarantee of subsidy for the affordable housing required other than that which can be secured through a section 106 agreement. It is therefore advisable for local authorities to take as the starting point a need for all affordable housing subsidy to come from planning gain.
- There is no 'one-size-fits all' that would permit a simple policy for setting subsidy levels from planning gain. What is a reasonable contribution to affordable housing will differ in each scheme, and a robust use of s106 policy will need an understanding of the way the housing market operates locally and of site economics.
- No 'standard' levels of grant funding should be assumed to apply to investment

from the SRHP for any particular scheme, with or without the benefit of planning gain subsidy. By implication, this requires the use of planning gain through s106 to be established before the final decision on levels of public grant subsidy.

- Local planning authorities should monitor the impact of s106 agreements on the production of new private market housing.

Upon adoption RSS14 will replace the current East of England Plan (RPG14), the South East Regional Plan (RPG9) and certain parts of the Essex Structure Plan.

Structure Plan Guidance

- 2.3 The Essex and Southend-on-Sea Replacement Structure Plan will remain in force until RSS14 is adopted. Policy H5 states that need will be identified from local authority housing need surveys and housing strategies and targets will be included in adopted local plans. In rural areas beyond the Green Belt local plans will enable provision of small scale affordable housing to meet identified local needs on land within or adjoining existing settlements as exceptions to normal planning policies. Paragraph 9.45 recommends that this provision should be in perpetuity.

Community Strategy

- 2.4 To seek ways to make affordable housing available is an objective of the Community Strategy for Braintree District: Action Plan 2004-2014 published by the local strategic partnership, PACT. In furtherance of this objective the Strategy proposes the following actions:

In the short term (1-2 years):

- (1) Work with developers and housing associations to ensure that 30% of housing in new developments is affordable housing in accordance with adopted policies.
- (2) Conduct rural housing needs surveys and advise communities on exception site schemes in rural villages (ongoing action by the Rural Community Council for Essex).

In the medium term (3-5 years):

Lobby Government to address the projected shortfall of affordable housing in the District.

It proposes an outcome of 100 households per year housed in new affordable housing during the four years from 2004.

Local Plan Policy

- 2.5 Affordable housing provision is addressed in the Adopted Braintree District Local Plan Review. The threshold for normally requiring applicants to enter into a planning obligation for affordable housing is stated in Policy RLP 5:

Policy RLP 5 Affordable Housing in New Developments

In new developments of 15 dwellings or more, or residential sites of 0.5 hectare or more, provision should be made for up to 30% of the total number of dwellings to be in the form of affordable housing.

The proportion of affordable housing in new developments is set at 30% of the total number of dwellings, as recommended by the Housing Needs Study.

- 2.6 Because of the difficulty in securing affordable housing in rural areas where development opportunities are rare, Policy RLP 6 allows in certain circumstances affordable housing to be built on sites outside the village envelopes as an exception to rural policies provided certain criteria are met (see paragraph 5.5).

3 What is meant by Affordable Housing?

- 3.1 Affordable Housing is defined in the Local Plan Review at Paragraph 3.17 as “that provided with subsidy for people who are unable to resolve their housing requirements in the local housing sector market because of the relationship between housing costs and incomes.” PPG3 also refers to low cost housing for sale as falling within the definition of affordable, but in this respect a distinction must be drawn between affordable low cost housing for sale and ‘starter homes’. Affordable low cost housing for sale does not mean small units provided without subsidy to meet the needs of households with income levels just adequate to access the housing market - these are starter homes. Low cost housing for sale provided with subsidy i.e. via shared equity, may be defined as affordable.

4 Need for Affordable Housing

- 4.1 An independent housing needs survey for the District, was conducted by David Couttie Associates Limited in 2002. This examined the housing needs, aspirations and demands for communities and households within the District, with the aim of informing Local Plan policy on affordable housing and providing data to assist in delivery through negotiation, in accordance with Circular 6/98 and PPG3.
- 4.2 The 2002 Housing Needs Study identified that the total annual affordable housing need is for 1284 units. Re-letting of existing social stock averages 637 units and the Housing Strategy plans the delivery of 100 units annually, which results in an annual affordable housing shortfall of 547 units. Projected over the Plan period this equates to 4923 units, the level of unmet need growing each year. The Study therefore concludes that over the Plan period, 30% of all new units on suitable sites should be subsidised affordable housing.
- 4.3 The findings of the DCA Study therefore form the basis of the affordable housing policies in this Plan. The Council will normally require the applicant to enter into an obligation, or agreement, before granting planning permission for sites of 15 dwellings or more. The type and tenure of affordable housing and the mechanism by which the dwellings will be allocated to the first and subsequent occupants, at low cost in perpetuity, will be subject to discussion and agreement with the Council. The Council will ensure that all schemes for affordable housing accord with its normal standards, for example of design, layout, car parking and open space provision, so that there is no distinction between affordable housing and other housing. The Council may place a maximum limit on the number of affordable units that can be grouped together on any part of the site.
- 4.4 The main points arising from the 2002 Housing Needs Study were:
- The two most important issues are the problem of affordability and the level of 'concealed' households, i.e. one or more persons living within an existing household who desire to form a separate household and therefore represent a pent up demand;
 - 79% of 'concealed' households cannot afford the cheapest available housing.
 - Most demand is for smaller and less expensive housing, i.e. flats and terraced, of which there is a shortfall of stock;
 - Annual affordable housing need is 1,284 units. With 637 re-lettings of existing stock and around 100 acquisitions, new delivery and conversions annually, the affordable housing shortfall is 547, or 4,923 in the period to 2011;

- To address this scale of need the maximum number of new units should be negotiated as affordable housing on all suitable sites;
- 30% of all new units should be negotiated as subsidised affordable housing from the total of all suitable sites coming forward for planning permission over the local plan period;
- 150 new unsubsidised 'starter' units should be promoted in the period to 2007, i.e. 30 units annually;
- There is a projected 17% increase in persons over 75 years of age in the period 1996-2011. Therefore the related housing and care needs of this age group needs to be addressed;
- To address the needs of disabled people the Council should
 - Promote adaptation of dwelling stock for the disabled
 - Establish a register of adapted property and disabled persons needing adapted property.
 - Consider the adoption of Lifetime Homes standards for new housing;
- The needs assessment calculations exclude about 1,200 households intending to leave Braintree District because of a lack of affordable housing.

5 Delivery of Affordable Housing

Percentages and Thresholds in Affordable Housing Provision

5.1 Local Plan Review Policy RLP5 states that in new developments of 15 dwellings or more, or residential sites of 0.5 hectare or more, provision should be made for up to 30% of the total number of dwellings to be in the form of affordable housing. This was the level recommended in the 2002 Housing Needs Study, although this is far below the level required to ensure that the identified need for affordable housing in the Plan period will be met. The Council will therefore expect that the 30% provision shall be provided unless there are exceptional circumstances such as unusually high development costs that can be demonstrated. In these cases the onus will be on the developer to provide evidence that would justify an exception to the policy being made (see paragraph 5.18). Where a developer is unwilling to meet the Council's reasonable expectations for affordable housing, then permission may be refused.

Sub-division of Sites

5.2 The Council is aware that sites may be subdivided in order to reduce each subdivision to a housing capacity or area below the threshold described in paragraph 5.1 and thereby attempt to circumvent the application of Policy RLP5. In these cases the entire site will be used to determine whether Policy RLP5 applies and the Council will expect a minimum of 30% of the dwellings proposed in each application to be in the form of affordable housing. In reaching a view on this, the Council will take into account such factors as land ownership, site history and the natural boundaries of the site.

Additional Dwellings at Later Date

5.3 A similar situation that can arise is where there is a proposal to increase the number of residential units on a site. Where applications are made to increase the density of development on part of a site with an existing planning permission, the Council will apply the Affordable Housing Policy if the increase in the number of units takes the total on the whole site to 15 or more.

Affordable Housing in Mixed Use Developments

5.4 The Council recognises the opportunities for and benefits of mixed use development on some sites, for example on urban sites with a high level of accessibility or where a former employment site is being redeveloped to provide housing. At the same time the Council is aware that in mixed use schemes the housing element may be reduced to below 15 dwellings in order to accommodate other uses. However in applying policy RLP5 the Council will have regard to the potential of the whole site to accommodate residential development. Therefore if the whole site without the non-residential uses could accommodate 15 dwellings or more policy RLP5 will be applied. In these cases the Council will expect a minimum of 30% of the housing units proposed to be in the form of affordable housing, even where the total number

of units is less than 15. For example, a mixed-use site of 0.5 hectare would have the potential to accommodate at least 15 dwellings at the minimum density required by PPG3. If a proposal comes forward for mixed-use development on such a site for 10 residential units plus other uses, policy RLP5 will be applied and there will be a requirement for 3 affordable dwellings to be provided (i.e. 30% of 10).

Affordable Housing in Rural Areas

- 5.5 Within rural areas, where development opportunities are rare, the percentage approach would not assist in the provision of affordable housing even where the need is greatest. Therefore the Council operates a rural exceptions policy, Local Plan Policy RLP6:

Policy RLP 6 Affordable Housing in Rural Areas

In rural areas, schemes to provide affordable housing in perpetuity for local need, normally defined as need within that parish and immediately adjoining parishes, will be permitted on sites outside but adjacent to village envelopes if the following criteria are satisfied:

- *The development must provide affordable housing to meet a local need proven to the satisfaction of the District Council;*
- *The scheme should cater exclusively for local needs and there should be no speculative element;*
- *The scheme must provide for its continued use as affordable housing in perpetuity. This will normally involve the management of the scheme by a Housing Association, Charitable Trust, or similar organisation;*
- *The site should have no overriding planning or infrastructure constraints;*
- *The style and character of housing permitted under this policy shall be in keeping with its surroundings and local building styles.*
- *There should normally be Parish Council support for local needs housing.*
- *Sites released under this policy will be treated as an exception to normal policies for the provision of housing for general housing demand.*

Affordable housing to meet local need will be permitted on sites outside but adjacent to village envelopes if specific criteria are met. The development must meet a proven local need, there should be no speculative element, it must provide affordable housing in perpetuity, the site should have no overriding planning or infrastructure constraints, the development should be in keeping with its surroundings and there should normally be Parish Council support. Sites released under this policy will be treated as an exception to normal policies for the provision of housing to meet general housing demand. The Council's Strategic Housing Department publishes a 'Rural Housing Guide' which is available on the Council's website. Printed copies are also available on request.

Tenure

- 5.6 The tenure, type and size of affordable housing and the mechanism by which the dwellings will be allocated to the first and subsequent occupants, at low cost and in perpetuity, will be the subject of negotiation in each case in the light of the District's prevailing needs. The mix will reflect the various current needs identified in the Housing Needs Survey. These needs are likely to be constantly changing over a period of time, and the Council's Housing Service will be able to give detailed advice at the planning application stage. The main types of tenure are social rented, shared ownership and low cost market housing.

Housing for Rent

- 5.7 The Council is currently experiencing strong demand for social rented accommodation and to address this demand the Council will now seek an 80:20 split between rent: shared ownership. This means that given the requirement in Policy RLP5 for 30% of the total provision to be affordable housing, 24% should be social rented, and 6% shared ownership or low cost affordable housing. For both purposes it is assumed that the affordable housing provision must be without public subsidy.

Shared Ownership

- 5.8 To be acceptable to the local planning authority, shared ownership schemes shall normally be on the basis of an initial maximum 50% purchase level. Any purchase level higher than this seriously compromises the affordability of shared ownership and effectively reduces the amount of housing which is affordable to those on low incomes. The Council considers that where the purchase level is higher than 50%, shared ownership becomes less affordable.

Low Cost Affordable Housing

- 5.9 PPG3 refers to low cost affordable housing for sale as falling within the definition of affordable. The Council will only consider low cost housing for sale as being affordable if it is provided with subsidy through shared equity. Small units provided without subsidy to meet the needs of households with income levels just adequate to access the housing market are regarded as starter homes and not falling within the definition of affordable. Furthermore the practice of some developers in having discounted sales will not count as a contribution to affordable housing.

Type of Provision

- 5.10 There are a number of ways in which affordable housing is traditionally provided. A developer may construct affordable housing on or off-site for a Registered Social Landlord (RSL), or he may make land available on or off-site for the RSL to develop. Alternatively the developer can make a commuted payment to enable the Council to develop affordable housing off-site. Affordable housing may also be provided by other suppliers, including housebuilders and developers, and references to RSLs include these other suppliers. The Council will accept the following methods, listed below in order of preference.

On site provision by the developer

- 5.11 PPG3 states that affordable housing should be provided on-site as a first preference. Normally this will not rely on public subsidy through the Social Housing Grant. The usual mechanisms include making dwellings available to a RSL at the build cost only or heavily discounted or through the donation of land at nil cost or heavy discount. Exceptionally, where it can be demonstrated by the developer that the whole or part of the scheme cannot achieve the desired outcome without public subsidy, then the Housing Corporation or the Council may reconsider. Where housing grant or subsidy cannot be secured from public funds this will not obviate the need for the developer to provide affordable housing.
- 5.12 Leasehold charges can negate the affordable nature of the dwelling. Ordinarily the developer may nominate the management company for the affordable units, which may not be a RSL, and so imposed on top of the rent are management costs, which can be excessive. In determining the affordability of affordable housing, the Council will have regard to likely management costs in addition to rent.

Off-Site provision by the developer

- 5.13 In exceptional circumstances there may be reasons why provision of affordable housing on-site is not considered appropriate. The Council will consider the provision of affordable housing on an alternative site in the ownership of the developer provided that the development of the site is in accordance with the Adopted Braintree District Local Plan Review and would enable a more appropriate affordable housing development.

Commuted payments for provision off-site

- 5.14 Where the provision of affordable housing on site is not appropriate, and the developer cannot offer an alternative site, a commuted payment would be sought from the developer to enable the Council, in conjunction with a registered social landlord, to provide the affordable housing. The level of payment required will be based on the level of subsidy that would be required to permit a registered social landlord to purchase units on the open market. The assessment of the level of the payment will be based on properties in the same settlement as the proposed development and will reflect the tenure split and mix that the Council would have normally required on the development site. Any payments received this way, through Section 106 contributions, must be spent within Braintree District.

Gearing up

- 5.15 Where the provision of affordable housing is being made off-site, the number of affordable units should reflect the benefit the developer gains through using 100% of the site for market housing, compared with 70% when on-site affordable housing is provided. To achieve an overall affordable housing provision of 30% across both sites, the level of provision off-site should equate to 43% of the total number of units on the original site (see Appendix 1). Commuted payments will be based on the site area required to achieve the requisite number of units.

Public Subsidy

- 5.16 The future availability of Social Housing Grant is uncertain, and the resources available are subject to fluctuation. The Council will therefore negotiate with developers to secure provision of affordable housing for RSLs which does not require social housing grant and that rents will be capped at or below Housing Corporation levels. This will free up Social Housing Grant to be redelivered to other RSL schemes, such as special needs/wheelchair homes.

Size

- 5.17 The Council will normally seek a mix of units based upon Housing Services' assessment of what the need is in that area at the time of an application, rather than a reflection of the market housing provision. The size of units will be subject to RSL standards and have regard to housing need. For the purposes of affordable housing, the Council will seek to ensure that 2-bedroom units are suitable to accommodate 4

persons. This is because the additional cost of a second double bedroom is minimal compared with the costs of relocation of families. All affordable units must meet the Housing Corporation standards for renting.

Viability of Development

- 5.18 The costs of providing affordable housing are expected to be reflected in the developer's financial appraisal and in pre-application negotiations, both of which are made in the light of adopted planning policies. As explained in paragraph 5.1, only in exceptional circumstances will the Council agree to the provision of affordable housing off-site on the grounds of viability. Where a developer considers that the planning obligations significantly affect the viability of a development, the Council will review the range and nature of the obligations. The developer will be required to make available to the Council on an open book basis the Financial Appraisal which has led to this view, and the Council may review the obligations which are being sought and seek advice from the Housing Corporation over the availability of social housing grant before considering whether to accept public subsidy for the affordable housing. The Council will respect the confidentiality of any financial information that is provided as part of an appraisal, and where appropriate may seek the advice of an independent financial assessor.

Design & Layout

Seamless Delivery

- 5.19 Government guidance in PPG3 asks local authorities to adopt policies to create mixed and inclusive communities. New housing developments can help secure a better social mix by avoiding the creation of large areas of housing with similar characteristics. Policy RLP 7 seeks a mix of different house types and tenures to achieve mixed communities as advocated in PPG3.

Policy RLP 7 Housing and Mixed Use Sites

New residential development should seek to achieve mixed communities. Where appropriate a mix of different house types and tenures and other uses, which are compatible with the residential amenities of both existing and proposed dwellings, should be included having regard to size, location, suitability and the economics of provision.

The Council will therefore expect a seamless provision of affordable housing development, whereby the affordable housing is provided to the same or higher standard of design and materials used in the open market housing, is similar in external appearance and located within the open market housing to the satisfaction of the RSL partner.

Lifetime Homes

- 5.20 The Council will seek to secure all affordable homes to Lifetime Homes standard. Lifetime homes are those that allow people to remain living in them without encumbrance during their later years as their mobility decreases. The standards are only marginally in excess of those required by Part M of the Building Regulations, yet will save on potentially more expensive adaptation in the future. Evidence suggests that they are not significantly more expensive to construct and that they are at least as desirable as conventional homes. The Council wishes to encourage the provision of lifetime homes in the District, and will work with developers to secure such provision.

Wheelchair Homes

- 5.21 The Housing Needs Study showed a demand for wheelchair housing following in part from a mismatch between adapted homes and wheelchair users. Although Part M of the Building Regulations ensures level thresholds, it does not create wheelchair access throughout homes. Consequently there is a significant issue to address through extensions and adaptations of existing stock, and a need to ensure that some affordable housing is constructed to meet this need. Access for disabled people is addressed in the Adopted Local Plan Review in the following policy:

Policy RLP22: Accessible Housing and Lifetime Housing

“Where appropriate new dwellings will be required to be capable of adaptation without major structural alterations to meet the needs of people with disabilities, including wheelchair users.”

The Council will therefore expect to see a proportion of wheelchair homes within the affordable element of a housing development.

Eco homes standards

- 5.22 The Council supports the Housing Corporation in applying BRE EcoHomes standards to affordable housing funded by them, and will encourage other affordable housing schemes to also achieve a ‘very good’ EcoHomes rating. It is very likely that these standards will be replaced in the near future, and in the event the Council will encourage all affordable housing schemes to meet prevailing standards for energy efficiency and sustainability as set by the Housing Corporation, regardless of whether they receive Housing Corporation subsidy.

Secured by Design

- 5.23 All housing should be compliant with the principles of Secured by Design and qualify for certification wherever possible.

Selection of Registered Social Landlord

- 5.24 The Council has a list of preferred registered social landlords who can be recommended to housing developers.

Monitoring

- 5.25 The Council will assess whether the affordable housing secured through planning obligations is successful in meeting its Local Plan policies by monitoring the:
- Percentage of units achieved against Policy RLP5 and RLP6 on both a site-by-site basis and district-wide basis.
 - Tenure and size of affordable housing units.
 - Number of affordable wheelchair/lifetime homes being constructed.
 - Proportion of affordable homes being built without public subsidy.
 - Quality and standards of the properties.
- 5.26 Should monitoring indicate that the planning and housing strategies of the Council are not achieving their aims of meeting the need for affordable housing, a review of those policies and strategies will be undertaken.

6 Glossary of Terms and Abbreviations

Concealed households	Households living within an existing household and representing new household formation.
DCA	<p>David Couttie and Associates Limited</p> <p>Commissioned by the Council to undertake a District wide housing needs assessment and projection of housing need to inform housing, planning and care strategies for the future. Their report, published in 2002, informed the Council's affordable housing policies in the Braintree District Local Plan Review and assisted in setting targets for site development briefs and for negotiation in accordance with Circular 6/98 and PPG3.</p>
DPD	<p>Development Plan Document</p> <p>Spatial planning documents that are subject to independent examination, which together with the Regional Spatial Strategy will form the development plan for the area.</p>
EEP	<p>East of England Plan</p> <p>The name given to the draft regional plan, produced by the East of England Regional Assembly. Following the Examination in Public, the Government will publish its proposed changes in late 2006 and the final version will be issued as the Regional Spatial Strategy (RSS) in spring 2007. The RSS sets out the region's policies to 2021 in relation to the development and use of land and forms part of the development plan.</p>
PACT	<p>Partners and Community Together</p> <p>PACT is the Braintree Local Strategic Partnership representing the Council, County Council, voluntary sector, Care Trust, Police, Business Council and the Braintree Association of Local Councils. It produced an Action Plan which has been incorporated into the Corporate Plan 2004-2008.</p>
PPG3	<p>Planning Policy Guidance Note 3: Housing (DETR, March 2000)</p> <p>PPG3 sets out the Government's guidance on a range of issues relating to the provision of housing, including affordable housing.</p>
RSL	<p>Registered Social Landlord</p> <p>RSL refers to a housing landlord registered with the Housing Corporation to provide social housing. RSLs may be charities that are housing associations, industrial and provident societies and not-for-profit companies. Their continuing interest in the property ensures control over subsequent changes of ownership and occupation.</p>

- SHG** **Social Housing Grant**
Capital grant that may be provided by the Housing Corporation, or a local authority, as a subsidy to fully or partially fund RSLs when developing social housing. SHG is paid under S18 of the Housing Act 1996.
- SPD** **Supplementary Planning Document**
Provide supplementary information in respect of policies in Development Plan Documents (DPDs). They do not form part of the Development Plan and are not subject to independent examination. They must link to a DPD policy or proposal and be subject to sustainability appraisal and community involvement.
- SRHP** **Single Regional Housing Pot**
Government funding provided to the East of England Region for a range of housing purposes including the delivery of affordable housing. The allocation is at the discretion of Government and amounted to £431 million for 2006-08. The future scale of affordable housing provision in the Region predetermines that a large proportion will have to be created without the benefit of capital grants from the SRHP. SRHP funding will therefore normally be used as 'gap funding' i.e. to provide a top-up where all other possible sources of financial support have been exhausted in setting up a strategically selected project.

Appendix 1

Provision off-site-'Gearing Up'

Provision off-site - 'Gearing Up'

Where affordable housing (A) is being provided on-site, the Council expects 30% of the development to be affordable, and therefore the remaining 70% is open market housing (M). Therefore, where a development site has a capacity of 100 dwellings, 30 will be affordable and 70 market housing.

Now if that 30% were to be provided off-site, there will be 100 market houses on the original site and 30 affordable houses provided off-site. Therefore out of a total of 130 new dwellings, only 30 will be affordable, just 23% of the total.

To ensure that the level of 30% affordable housing is maintained, the affordable housing provision off-site needs to be 'geared up'. The formula to be applied is:

$$A = 30/70 \times M$$

Therefore, in the example, the requirement would be $30/70 \times 100 = 3000/70 = 43$.

Therefore out of the total of 143 new dwellings, 43 will be affordable. $43/143 = 30\%$

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