

Interim Procedural Guidance for Core Strategy & Development Management Policies DPD

Affordable Housing Policies CP5 & CP6

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1. Introduction

- 1.1 This procedural guidance has been produced to support the implementation of Core Strategy & Development Management Policies CP5: Affordable Housing and CP6: Dwelling Size & Type until the production of an Affordable Housing Supplementary Planning Document (SPD). Work on an Affordable Housing SPD is due to take place in 2012/2013.
- 1.2 The document does not have the status of SPD but provides guidance to assist applicants in making planning applications where affordable housing is a requirement. The intention is to provide clarity for developers and speed up the planning process.
- 1.3 The Council considers that the majority of queries will relate to the following issues and this document is formatted to deal directly with these frequently asked questions:
- Under what circumstances will the policy apply?
 - What types of development does the policy apply to?
 - When is affordable housing required on-site?
 - What tenure mix of units will the Council expect to be provided?
 - What type and size of units will the Council expect to be provided?
 - What will a Registered Provider pay for the completed affordable units?
 - When is a financial contribution required and how is it calculated?
 - What if it is not viable to meet policy requirements?
 - What is the process for submitting a planning application?

2. Core Strategy Policy CP5: Affordable Housing

- 2.1 Housing need is extremely high in the Borough and evidence suggests a requirement for some 632¹ affordable dwellings per annum on top of the affordable housing targets adopted in the Core Strategy². This is mainly due to the nature of the Borough's housing supply, with a large proportion delivered on sites below the previous affordable housing threshold requirement³. Issues with delivering new housing whilst protecting sites of nature conservation importance⁴ has also led to a decrease in sites which would have qualified for affordable housing under Local Plan Policy H10. This has led to a subsequent decrease in affordable housing delivery.
- 2.2 Policy CP5: Affordable Housing introduces a varying affordable housing requirement on all sites above two net additional dwellings. This aims to increase the overall delivery of affordable housing taking account of the nature of sites that contribute to the Borough's housing land supply. The policy has been subject to extensive consultation throughout the preparation of the Core Strategy and offers a sound basis for the delivery of affordable housing. It has been subject to rigorous viability testing to ensure it is pitched at the correct level and does not stifle development.⁵

¹ Surrey Heath, Hart & Rushmoor Strategic Housing Market Assessment (2009) DCA. Available at: <http://www.surreyheath.gov.uk/Surrey%20Heath%20Borough%20Council/Planning%20Policy%20and%20Conservation/StrategicHousingMarketAssessment2009.pdf>

² 35% of overall housing target of 3,240 dwellings to be affordable (2011-2028)

³ Policy H10 of the Surrey Heath Local Plan 2000 (as saved)

⁴ Thames Basin Heaths Special Protection Area

⁵ Affordable Housing Financial Viability Study Update (2010) Adams Integra. Available at: <http://www.surreyheath.gov.uk/Surrey%20Heath%20Borough%20Council/Planning%20Policy%20and%20Conservation/SurreyHeathBCViabilityStudyUpdatewithAppendicesFin.pdf>

- 2.3 The policy sets out a clear long term approach that seeks to maximise the delivery from a wide range of sites whilst adopting a practical, responsive approach and being sufficiently flexible to deal with changing circumstances or scheme viability issues.

3. Core Strategy Policy CP6: Dwelling Size & Type

- 3.1 Not only is the need for affordable housing in the Borough acute, but also the type of affordable housing required in terms of both tenure and size. Policy CP5: Affordable Housing requests that affordable dwellings are delivered in an even split between social rented dwellings (occupied by social tenants who pay rent to Registered Providers) and intermediate dwellings (shared ownership or shared equity).
- 3.2 Policy CP6: Dwelling Size and Type, sets out the size and tenure of affordable housing expected to come forward with development. The size and tenure splits are based on evidence in the Strategic Housing Market Assessment (2009)⁶ and are set out in the table below Policy CP6. This also sets out the size of market dwellings which are encouraged to come forward. Until such time as the Strategic Housing Market Assessment (or its equivalent) is updated, housing mix will be requested in line with the table below Policy CP6.

4. Under what circumstances will the policy apply?

- 4.1 The Core Strategy, including Policies CP5: Affordable Housing and CP6: Dwelling Size & Type will be applied to all planning applications determined after 1st February 2012. As well as full and outline applications this includes:
- Amendments to existing planning permissions – where the amendment is deemed to be significant;
 - Renewal of unimplemented planning permissions;
 - Reserved Matters applications – where the principle of affordable housing provision has not been considered at the outline stage;

5. What types of development does the policy apply to?

- 5.1 Policy CP5 applies to the net number of units proposed on all housing sites, mixed use sites that incorporate an element of residential development, private retirement, sheltered and extra care schemes (falling under Use Class C3)⁷, where there is a net increase in the number of residential units on the site. For example, where it is proposed to demolish 5 houses and build 10, the policy would be applied to 5 units. The policy does not apply to developments where there is a net increase of less than 3 units on a site e.g. 3 dwellings being replaced with 5 dwellings or replacement dwellings ('one for one's'). Where additional units are being provided on a site where there are existing units, which will remain, the policy will apply to the net increase only.
- 5.2 The size of the development should not be artificially reduced in order to reduce or eliminate the affordable housing requirement, for example by sub-dividing sites or reducing the density of all or part of a site as this would be contrary to Core Policy CP5. The Council will have

⁶ See reference 1.

⁷ Uses falling within Use Class C1 or C2 are not subject to Policies CP5 or CP6.

regard to other policies within the Core Strategy to ensure the efficient use of land and delivery of development that meets local need⁸.

- 5.3 Where sheltered or extra care schemes are required to make a contribution, the Borough Council will, in consultation with Surrey County Council, consider the type and tenure of units based on current need.
- 5.4 Where the application of Policy CP5 results in partial units the Council's approach will be to round up or down to the nearest whole unit i.e. decimals of 0.01 to 0.49 round down and 0.5 to 0.99 round up).
- 5.5 In terms of Policy CP6, there is no threshold for the size of site or number of dwellings which qualify. As such, all planning applications for new dwellings (Use Class C3) are subject to Policy CP6 (calculated on gross number of dwellings). Policy CP6 does not however apply to replacement dwellings.
- 5.6 On schemes of less than 10 units (gross) the Borough Council will take a pragmatic view as to the final mix of units in terms of size for market and affordable units as it may not be possible to provide all housing types or sizes. As with Policy CP5 results in partial units will either be rounded up or down. In coming to a conclusion on the size and type of housing required, the Borough Council will have regard to housing demand and need in that particular locality and consult the Borough Council's Housing Team.
- 5.7 With respect to sheltered or extra care units the final mix of units in terms of type and size will be negotiated on the basis of need.

6. When is affordable housing required on-site?

- 6.1 On sites of 5 or more units (net) the presumption will be for affordable housing to be provided on-site and only in exceptional circumstances will an alternative to on-site provision be acceptable. In such situations the onus will be on the developer to clearly demonstrate that on-site provision would result in insurmountable management or other problems that would compromise viability e.g. Registered Provider (RP) is not willing to manage the properties.
- 6.2 In these instances, the first priority would be to seek provision on an alternative site within Surrey Heath. Where this provision is agreed, sites should be in the same locality as the application site, and the arrangement will need to reflect the fact that the facilitating site will be developed for 100% market housing. The affordable housing target will be applied to the combination of both sites to ensure a pro-rata contribution since, in effect, two sites will be developed. In instances where a financial contribution is accepted in lieu of on-site provision this will be equivalent to the proportion that would have been sought on-site.
- 6.3 It is expected that all new affordable housing that is required under policy CP5 will be delivered without any public subsidy (Social Housing Grant). This is in accordance with the recent national affordable housing programme published by the HCA⁹.

⁸ CP2, CP3, CP6 and CP14A & B

⁹ 2011-15 Affordable Homes Programme – Framework (HCA) - www.homesandcommunities.co.uk/affordable-homes

What tenure mix of units will the Council expect to be provided?

- 6.4 The most recent amendment to Planning Policy Statement 3 (PPS3): Housing, dated June 2011¹⁰, introduces Affordable Rent, as a new type of affordable housing, to sit alongside social rented and intermediate affordable housing.
- 6.5 Policies CP5 and CP6 refer to the Council's most up-to-date Strategic Housing Market Assessment (SHMA) for the tenure mix of affordable units. The Council is planning to undertake further work in order to identify the mix of tenure required to meet local need, taking account of the introduction of affordable rent, and will include this within a Supplementary Planning Document (SPD).

What will a Registered Provider pay for the completed affordable units?

- 6.6 In return for building the affordable housing units on site a developer will agree and receive a payment from an RP for the affordable units. This will not be equivalent to the full market value of the property but will be at a discounted rate. The developer/applicant should enter into early negotiations with an RP in order to determine the transfer price of the units (see Section 9 and Appendix 4).
- 6.7 Given the flexibility in charging rent levels associated with Affordable Rent, developers and landowners are recommended to take account of the guidance on rent levels and to liaise with RPs prior to submitting any applications, to understand how the rent levels can impact on the price that RPs can offer to either purchase the affordable housing or to enter into a management agreement to run it.
- 6.8 Given the high rent levels in the Borough it should not be assumed for the purposes of negotiating RP payments that it will be acceptable for all rented units to be let at full affordable rents (i.e. 80% of market rents). The mixture of affordable and social rented units and level of any affordable rents should be determined and demonstrated as part of a viability assessment.

7. When is a financial contribution required and how is it calculated?

- 7.1 In developing Policy CP5, the Council has acknowledged that for reasons of housing management, on-site provision of affordable homes on sites of 3-4 dwellings can be problematic. Therefore, on such sites, a financial contribution equivalent to 20% affordable housing provision will be required as considered in the Affordable Housing Financial Viability Study¹¹. Contributions will be ring-fenced and used to provide affordable housing in partnership with RPs and where possible in the same locality as the facilitating site. However contributions could be directed to other schemes which make a positive contribution to facilitating delivery of affordable housing through other mechanisms. An indicative list of schemes are set out in Appendix 5 and these will be confirmed in an Affordable Housing SPD.
- 7.2 The Council will seek a financial contribution, that would allow affordable housing providers to secure the land in lieu of and equivalent to on-site provision. The proposed approach involves approximating the land value that needs to be replaced elsewhere and allowing for the cost of acquiring and servicing that land e.g. providing access and utilities. The affordable housing

¹⁰ PPS3: Housing, Annex B - www.communities.gov.uk/publications/planningandbuilding/pps3housing

¹¹ See reference 5

percentage is then applied to this figure i.e. 20%. This methodology is similar to that within the Affordable Housing Financial Viability Study (2007)¹². The methodology can also be used to calculate financial contributions where, in exceptional circumstances, this is agreed in lieu of on-site provision and the appropriate percentage equivalent to that which would have been sought on-site i.e. 20% for sites 5-9 units, 30% sites 10-14 units, 40% sites 15+ units (net).

- 7.3 The methodology is described in more detail below and Appendix 1 includes a worked example. It is recognised, however, that this represents only one method of calculating such provision and it is recommended that you may wish to seek advice from a suitably qualified independent surveyor should you wish to put forward an alternative method of calculation. The Council will usually require financial contributions to be paid on commencement of the development.

Summary methodology for calculating a financial contribution equivalent to the cost of 20% of the gross number of dwellings on sites of 3-4 dwellings

- Step 1 – Open Market Value (OMV) of the relevant or comparative development
 Step 2 – Multiply the OMV (Step 1) by the residual land value percentage (see para 7.9)
 Step 3 – Add 15% of the result of Step 2 to reflect site acquisition and servicing costs.
 Step 4 – Apply the affordable housing policy percentage

Step 1 – OMV of the relevant or comparative development

- 7.4 This is the expected sale price of the market property, or properties, proposed on the development site, divided by the size of the property and multiplied by the affordable housing size that would have been required on-site.
- 7.5 It is recognised that property values vary even within the same postcode and that across the Borough there will be areas of higher and lower value. The Affordable Housing Financial Viability Study Update of 2010 recognises that different areas give rise to different market values across the Borough and has considered affordable housing viability based on ‘value points’. This is explained further in paragraph 7.9.
- 7.6 The Council will look to the applicant to inform the Council of the anticipated OMV of the proposed development. This should reflect the location, size and type of the property, or properties, and should be supported by appropriate market evidence.
- 7.7 The affordable housing property size equivalents (i.e. relevant or comparative development) that will be applied have been based on those used within the Viability Study¹³ and are reproduced in the table below:

Property size equivalents

No. of bedrooms	Size (sqm)
1-bed flat	50
2-bed flat	67
2-bed house	75
3-bed house	85

¹² Affordable Housing Financial Viability Study (2007) Adams Integra. Available at: <http://www.surreyheath.gov.uk/Surrey%20Heath%20Borough%20Council/Planning%20Policy%20and%20Conservation/SurreyHeathBCViabilityStudyUpdatewithAppendicesFin.pdf>

¹³ See reference 5.

4-bed house	100
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7.8 Whilst there are variations in the nature of market units the above indicates the nature of affordable units that should be provided.

Step 2 – Multiply the OMV (Step 1) by the residual land value percentage

7.9 This is the value of the land to the developer after all of the development costs associated with planning and constructing the property, or properties, including the developer’s profit, are subtracted from the anticipated sale price of the development. In Surrey Heath, the average land value as a percentage of gross development value (GDV) is 27.5%. However, as explained above, different areas of the Borough have different values ranging from a land value as a percentage of GDV of 11.6% to a land value as a percentage of GDV of 43.1%. Current land values as a percentage of GDV for different areas of the Borough are as follows, although it should be recognised that these may be subject to change: -

- Mytchett/lower end Frimley – 11.6%
- Bagshot/Lightwater/Frimley – 21.4%
- West End/Bisley/Frimley Green/lower end Camberley – 28%
- Windlesham/upper end Camberley – 33.3%
- Chobham – 43.1%

7.10 The calculation therefore applies the specific percentage to the OMV of the proposed development (result of Step 1) to establish the indicative base land value depending on location. In terms of percentage figures for Camberley and Frimley, the average between the lower and upper figures will be used. This equates to 30.7% for Camberley and 16.5% for Frimley.

Step 3 – Add 15% of the result of Step 2 to reflect site acquisition and servicing costs.

7.11 To accurately reflect the cost of going elsewhere and replacing the land on which the affordable housing would have been provided on-site, an additional 15%, as recommended in the Viability Study¹⁴, is added to the resulting plot value (Step 2) to reflect the costs associated with the acquisition and servicing of an alternative site.

Step 4 – Apply the affordable housing policy percentage (i.e. Step 3 x 20%)

7.12 In order to calculate the appropriate financial contribution, the affordable housing policy percentage is applied to the result of Step 3, in this case 20%.

8. What if it is not viable to meet policy requirements?

8.1 The Council particularly recognises the need for flexibility in applying Policy CP5 in the short term, to take account of instances where land has been purchased prior to the policy being introduced on 1st February 2012. Where this can be evidenced, and it is clear that the application of the policy affects the viability of a scheme, the Council will seek to negotiate. However, going forward developers and landowners are expected to consider the overall cost of development prior to negotiating the sale or purchase of land or the acquisition or sale of an

¹⁴ See reference 5, Appendix IIe

option. The price of land will not be accepted as a reason for non-viability where it has been purchased after 1st February 2012.

- 8.2 In the exceptional circumstances where it is considered that the delivery of affordable housing in accordance with the policy is unviable, this must be demonstrated through the submission of a financial appraisal. The Council will adopt an 'open book' approach to this assessment and the applicant will be expected to provide all relevant financial and other information sufficient to enable the Council or independent valuer to assess the nature, extent and impact of the constraints upon the viability of the scheme. The Council will also require the applicant to pay for an independent review of the information submitted if this is considered necessary. This is standard practice and is recognised by the HCA¹⁵.
- 8.3 If, following the review, the Council concludes that it is in fact economically viable to provide for the affordable housing requirement in accordance with Policy CP5, this could lead to the application being refused. However, if the Council is satisfied that affordable housing cannot be provided in accordance with the policy, it will seek to negotiate alternative provision. This could involve provision off-site or a financial contribution in lieu of on-site provision, reviewing the approach to rounding or seeking a financial contribution where rounding results in partial units, altering the tenure or size mix of the units, reducing the overall amount required or supporting a case for seeking public subsidy.

9. What is the process for submitting a planning application?

- 9.1 Appendix 2 includes a flow diagram illustrating the process for submitting a planning application where affordable housing provision is required either on-site or as a financial contribution. The Council expects to reach agreement on the provision of affordable housing and the content of a Section 106 agreement prior to a planning application being submitted. Applicants are therefore strongly recommended to approach the Council early on for any relevant pre-application discussions, particularly if viability is an issue. Details of the pre-application process can be found on the Council's website¹⁶. This will enable early consideration of funding implications and opportunities, flag any viability issues and provide a greater degree of certainty as the application moves forward. Key steps that should be undertaken prior to the submission of an application are:
- Clarify the amount, type, size and tenure of affordable housing or the level of financial contribution required;
 - Where on-site provision is required, identify and contact the RP with whom to deliver and manage the affordable housing element;
 - Reach agreement with RP partner with regards to the design and specification of the affordable units taking account of the HCA guidance¹⁷;
 - Negotiate and agree with the RP the transfer price for the affordable units;
 - Agree S106 obligation, which may be submitted unilaterally to the local authority with the Council's Planning Team.
 - Applicants will be liable for the Council's legal fees incurred in the preparation of the legal agreement (charged at an hourly rate).

¹⁵ HCA Good Practice Note – Investment and Planning Obligations – Responding to the Downturn, August 2009 - www.homesandcommunities.co.uk

¹⁶ Pre-application enquiries -

<http://www.surreyheath.gov.uk/planning/adviceforms/preappandpermdevadvisorynote.htm>

¹⁷ HCA Design and Quality Standards – www.homesandcommunities.co.uk/ourwork/design-and-sustainability-standards

- 9.2 Appendix 3 includes a list of useful Council contacts, sources of further information and the contact details of our Preferred Development Partners.
- 9.3 The information in Appendix 4 will be required in order to validate a planning application. However, in order to avoid delays in the processing of planning applications, it is recommended that this information be provided at an early stage to inform any pre-application discussions, particularly where provision in accordance with the policy is being challenged. Where a challenge arises, applicants can agree to pay for an independent review when applications are submitted, and this will take place as the application is processed. However, once an application is submitted, discussions regarding the affordable housing provision will not be permitted to delay the determination of the planning application within the statutory timescale.

Appendix 1 - Calculating a financial contribution equivalent to the cost of 20% of the gross number of dwellings on sites of 3-4 dwellings (net) - Worked Example

Example A: Replacement of 1 no. 3 bed house with 2 x 4 bed houses and 2 x 3 bed houses in Camberley (net 3 dwellings)

1 x 4-bed house Size – 150 sqm OMV - £404,000
Guide size for relevant or comparative affordable home – 100 sqm

1 x 4-bed house Size – 150 sqm OMV - £404,000
Guide size for relevant or comparative affordable home – 100 sqm

1 x 3-bed house Size – 108 sqm OMV - £344,000
Guide size for relevant or comparative affordable home – 85 sqm

Step 1 – Open Market Value (OMV) of a relevant or comparative development

Market value of proposed property / size of the property x affordable housing size that would have been required on-site.

4-bed house – £404,000 / 150 sqm = £2,693 per sqm

£2,693 x 100 sqm = £269,300 x 2 = £538,600

3-bed house - £344,000 / 108 sqm = £3,185 per sqm

£3,185 x 85 sqm = £270,725

Total OMV of relevant or comparative development = (£538,600 + £270,725) £809,325

Step 2 - Multiply the OMV (Step 1) by the residual land value percentage (30.7%)

£809,325 x 30.7% = £248,463

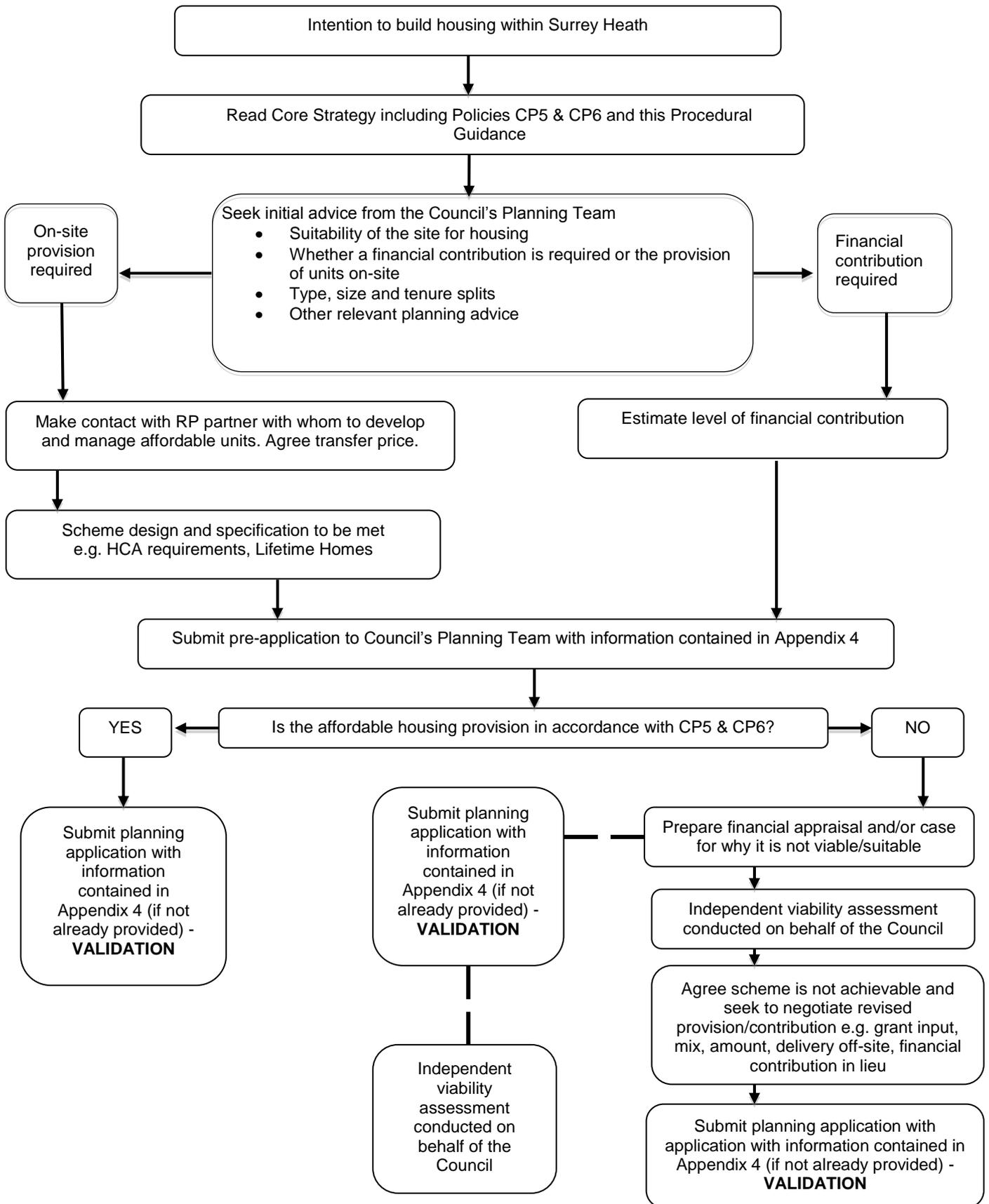
Step 3 – Add 15% of the result of Step 2 to reflect site acquisition and servicing costs

£248,463 + 15% = £285,732 (base plot/land value)

Step 4 – Apply the affordable housing policy percentage (i.e. Step 3 x 20%)

£285,732 x 20% = £57,146

Appendix 2: Planning application process



Appendix 3 - Key Council Contacts, Useful Links and Preferred Development Partners

Planning Contacts

For general enquiries about this guidance or other planning issues relating to the Local Development Framework please contact:

John Devonshire
Senior Planning Officer (Planning Policy & Conservation)

For enquires relating to this guidance note and issues such as the delivery of affordable housing, RP involvement and possible funding sources please contact:

Clive Jinman
Housing Services Manager

For general enquiries relating to the development of a specific site / pre-application enquiries please contact the **duty planning officer**.

The above can be contacted at the following address and telephone number: -

Planning, Development & Homes
Surrey Heath Borough Council
Surrey Heath House
Knoll Road
Camberley
GU15 3HD
01276 707100

For **pre-application enquiries** please view the Council's procedures - <http://www.surreyheath.gov.uk/planning/adviceforms/preappandpermdevadvisorynote.htm>

Further information:

Other information relating to the Council's Housing and Planning functions can be found on the Council's website – www.surreyheath.gov.uk

This includes the Core Strategy, Homelessness Strategy, Viability Study and Surrey Heath, Hart & Rushmoor Strategic Housing Market Assessment.

Further useful information, including the design standards and specification for affordable units, can be found on the Homes and Communities Agency website – www.homesandcommunities.co.uk

Registered Providers – Surrey Heath Preferred Development Partners

Accent Peerless	Station House 1 Pembroke Broadway Camberley Surrey GU15 3DX Tel: 01276 852900 www.accentpeerless.co.uk
Sentinel Housing Group	Lismoyne House 11 Church Road Fleet Hants GU13 9RJ Tel: 01252 788788 www.sentinelha.org.uk
Thames Valley Housing Association	Premier House 52 London Road Twickenham Middlesex TW1 3RP Tel: 020 8607 0607 www.tvha.co.uk

Appendix 4 – Information required for validation

The information below will be required in order to validate a planning application and is in line with the adopted Validation of Planning Applications SPD¹⁸. However, in order to avoid delays in the processing of planning applications, it is strongly recommended that this information be provided at an early stage to inform any pre-application discussions, particularly where provision in accordance with the policy is being challenged.

On-site provision

An affordable housing statement is required which should contain the information as set out below for all units proposed (market and affordable). Some exemptions will apply to outline consent, but the details exempted at outline stage will have to be submitted with a reserved matters application.

- Total number of all units and proportion of affordable (dwelling numbers);
- Number of habitable rooms (unless application is an outline and design is reserved)
- Tenure split;
- Type and size in bedrooms and square metres for all market and affordable units (an outline application should state how it will meet Policy CP6 if siting and design issues are reserved);
- Location of units on development site (unless application is an outline and siting is reserved);
- Evidence to show the design and specification of the affordable units meets the HCA standards (unless application is an outline and design is reserved);
- Confirmation of partner Registered Provider and/or whether public subsidy will be sought
- Unilateral Undertaking

Financial contribution

- Financial contribution required calculated as per Appendix 1
- Floor areas of proposed properties (sqm)
- OMV of each unit including evidence to support this
- Unilateral Undertaking

If it is considered it is not viable to meet policy requirements

- Financial appraisal;
- Fee for independent review of information if necessary;
- Statement setting out case for non-viability including whether alternative approaches have been explored i.e. different tenure splits, overall dwelling mix, level of affordable housing which could be achieved etc...

¹⁸ Validation of Planning Applications SPD. Available at:
<http://www.surreyheath.gov.uk/planning/planningpolicyandconservation/validation2.htm>

Appendix 5 – Indicative list of Schemes for In-Lieu Contributions

Local 'Homebuy' product	Assisting first time buyers and others having difficulty accessing the market by offering equity share to allow them to purchase a property.	When properties are sold there would be a recyclable return to the Borough Council.
Under occupation grants	Targeting incentives at residents under occupying RP family homes to move to smaller properties to allow over crowded tenants to move.	Would create movement in the RP stock and free up family housing who in turn free up a smaller home when they move. Also facilitates older residents moving to more appropriate homes. Could be match funded by RPs.
Supporting viability	Contributing to sites that are unviable without support or that would deliver better results with support.	Could potentially attract more grant funding into the Borough.
Empty Properties	Bringing empty homes back into use through grants to owners, management orders or CPOs.	Tackles poor housing conditions and potentially provides additional affordable housing without requiring additional development.
Remodelling existing stock	Some sheltered housing stock in the Borough is unpopular and outdated. This could be improved in terms of size, energy efficiency.	Grant is not often available for such projects.
Housing projects	Funding could be used for projects that increase supply or meets local needs.	

Appendix 6 – Glossary

Affordable Housing – Housing provided to specified eligible households whose needs are not met by the market

Affordable Housing Financial Viability Study – A strategic level study which examines a range of development costs and scenarios to determine whether affordable housing policy targets are viable.

Affordable Rented Housing – Housing let by Registered Providers to households eligible for social rented housing but not determined by the national rent review but other controls. Affordable Rent is not more than 80% of local market rent values.

Extra Care Housing - A style of housing and care for individuals that falls between established patterns of sheltered housing and accommodation, and care provided in more traditional residential care homes. Also known as Assisted Living.

Gross Development Value (GDV) – The value of a housing development when sold on the open market.

Intermediate Affordable Housing – Housing at prices or rents above those of social rent but below market price or rent.

Market Housing – Housing at prices or rents set by the open market

Open Market Value (OMV) – Expected sale price of market property or properties, divided by the size of the property and multiplied by the affordable housing size (in relation to contributions in lieu of affordable Housing).

Private Retirement Housing – Private housing aimed at the actively retired population usually restricted to persons of age 50 or over.

Public Subsidy (Social Housing Grant) – Grant monies provided by the Homes & Communities Agency (HCA) to Registered Providers to subsidise the delivery affordable housing.

Registered Provider (RP) – Registered providers of social housing which can be a profit or non profit making organisation.

Residual Land Value (RSL) – Value a developer can afford to pay for land after all development costs (including developer profit) have been subtracted from the Gross Development Value.

Sheltered Housing - Housing which is purpose built or converted exclusively for sale to elderly people with a package of estate management services and which consists of grouped, self-contained accommodation with an emergency alarm system, usually with communal facilities and normally with a resident warden

Social Rented Affordable Housing – Housing let by local authorities or Registered Providers (RP) to eligible households for which guideline target rents are determined through the national rent regime

Strategic Housing Market Assessment (SHMA) – A study of the local housing market in terms of market and affordable housing including demand and need for different housing types, sizes and tenures. The Surrey Heath SHMA was undertaken with Hart District and Rushmoor Borough Councils in 2009.

Supplementary Planning Document (SPD) – A document which sets out additional planning guidance on an adopted policy or topic.

Tenure – Type of affordable housing provided i.e. Social Rented Affordable Housing

Thames Basin Heaths Special Protection Area (SPA) – An area of heathland designated at European level under the Birds & Habitats Directives for habitat which supports three species of ground nesting birds, Nightjar, Woodlark and Dartford Warbler. The SPA extends across parts of Surrey, Hampshire and Berkshire and covers 23% of the land area in Surrey Heath.

Unilateral Undertaking – A form of legal agreement under Section 106 of the Planning Act 1990 to which the Borough Council is not a party.