

This is one of a series of local planning guidance notes amplifying local planning proposals in a clear and concise format with the objective of improving application standards.



# 28. AFFORDABLE HOUSING

This leaflet provides a guide to supplementary information required in connection with applications for Affordable Housing.

## Introduction

This guidance note amplifies Unitary Development Plan policies aimed at securing affordable housing through the planning system. It will form a material consideration in the determination of all relevant planning applications.

This revised guidance note was adopted by the Council in February 2013, following extensive public consultation.

## Background

Some local people have genuine difficulties in securing affordable housing. The problems associated with affordability are caused by a range of factors - influencing supply and demand. Supply has become more restricted due to a significant decline in the numbers and availability of council housing, rises in house prices, accessibility of mortgage finance and limited supply and relatively high rent levels in the private rented sector. At the same time demand has increased due to newly forming and smaller households, growing numbers of older people and inward migration. The planning system is one of the

most important mechanisms to secure affordable housing to meet the needs of those unable to compete in the local housing market.

## Planning Policy Context

The Wrexham Unitary Development Plan (UDP) sets the local planning policy context for the delivery of affordable housing in the County Borough. This Local Planning Guidance Note amplifies the following UDP policies:

Policy H7 requires an element of affordable housing to be provided on developments of 25 or more dwellings. The Council will normally expect that 25% of the total site capacity to be provided as affordable housing. It will not be acceptable to deliberately subdivide or phase the total development in an attempt to avoid this threshold.

**Policy H7:** Affordable Housing

**Policy H8:** Affordable Housing (Rural Exception Sites)

In rural areas where it can be demonstrated that local affordable housing needs cannot be met within existing settlement limits policy H8 allows for up to 5 affordable homes to be accommodated on rural exception sites located on the edge of settlements provided the site forms a logical extension to settlement pattern and the proposed development reflects the surrounding townscape and landscape. Such sites are not intended for individual self-build homes or for cross-subsidy schemes where dwellings sold at full market value to subsidise the provision of affordable housing elsewhere.

## What Is Affordable Housing?

Affordable housing is defined by the Welsh Government in Technical Advice Note 2: Planning and Affordable Housing as: [housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers.](#)

Affordable housing includes:

[Social rented housing](#): Housing provided by local authorities and Registered Social Landlords (RSLs)

[Intermediate Housing](#): Housing where the prices or rents are above those of social rented properties but are below market house prices or rents. Options for intermediate housing can include:

[Intermediate Rent](#): Properties purchased at a discount by an RSL and let at a rent that is greater than social rent but less than market rent levels on an assured or assured short hold tenancy.

[Shared Equity](#): Properties where an RSL owns a percentage of a property and the remainder is purchased by the occupier. If the occupier subsequently sells the property the RSLs receives a share of the sale price equivalent to its share of the property. It may also possible for the occupier to buy part or all of the RSL's share over time. The RSL's share of the sales proceeds is recycled to support the provision of affordable housing elsewhere.

The Council expects affordable housing to be delivered through planning obligations, provided at nil public subsidy. However Social Housing Grant, which is provided by the Welsh Government, may be available for some developments. Developers are advised to contact Affordable Housing Officer prior to the submission of a formal planning application to discuss the availability of Social Housing Grant.

The affordable housing tenures required for individual developments should reflect local housing need. It is likely that the Council will seek to secure a mix of social rent and intermediate affordable dwellings in many cases.

## Affordable Housing Need And Delivery

The Council relies on housing needs surveys to determine the amount of affordable housing required across the County Borough. These are updated regularly and developers should contact the Council to ensure that their development proposals take account of the most up to date information (see contact details below).

Affordable housing required under policy H7 should be provided, in order of preference, in the following ways:

1. [On-site provision](#) as an integral part of the development proposed. The Council will normally expect affordable housing to be provided on site however off site provision or the payment of commuted sums in lieu of on or off site provision may be considered where;

- it has been demonstrated that on-site provision is unfeasible; or
- it will better meet the affordable housing needs of the area.

2. **Off site provision** should be on land in the same Community Council area as the application site or on land in an area of high demand for affordable housing as identified by the Affordable Housing Officer.

3. **Commuted sums** will only be accepted where it has been demonstrated that the developer, either by themselves or in partnership with an affordable housing provider such as an RSL is unable to deliver on or off site provision.

The commuted sum will need to be paid prior to the completion of the facilitating development and will be required to reflect the equivalent provision which should have been provided on the site based on the market value of the dwellings being built. The Council's priorities for spending commuted sums will be (in order of priority):

- To support delivery of the Wrexham County Borough Affordable Housing Project;
- To support direct provision of affordable housing elsewhere in Wrexham County Borough, either with or without Social Housing Grant support, in partnership with RSLs.
- To support shared equity schemes in partnership with RSLs.

In many cases the affordable housing referred to in section 3 above will result in a fraction of a dwelling. For example 25% of 25 dwellings = 6.25 dwellings. Where this occurs the Council will expect the fraction to be provided as a commuted sum calculated as a percentage of the market value of the dwellings being built on the site.

**Viability:** Only in cases where the viability of the whole development is genuinely threatened will the affordable housing requirements reduced. All costs associated

with the development (including requirements for public open space, contributions to schools and affordable housing) should be taken into account at the negotiation stage of land acquisition and be reflected in the purchase price of the site. Developers will be expected to provide the Council with a full viability assessment when proposing to provide affordable housing at a rate less than 25% of the total site capacity or when seeking to vary the affordable housing commitments of existing planning permissions

## Design And Management

The location and design of all affordable dwellings must be shown on the plans submitted with a full planning or reserved matters application. New affordable housing must:

- reflect identified local need in terms of tenure and type of property;
- in the case of housing supported by Social Housing Grant, comply with Welsh Government's Development Quality Requirements in terms of floor space for the property type;
- be visually integrated into a development in terms of design and site layout;
- be distributed throughout a development and not result in all of the affordable housing being concentrated in one part of the site;
- be subject to a legal agreement made under Section 106 of the Town and Country Planning Act 1990 to ensure affordability in perpetuity (see below).



Permitted development rights may be removed from affordable houses in order to maintain the properties at a size likely to ensure they remain affordable - particularly for rural exception schemes delivered in accordance with policy H8. from affordable houses in order to maintain the properties at a size likely to ensure they remain affordable - particularly for rural exception schemes delivered in accordance with policy H8.

## Section 106 Legal Agreements

Section 106 agreements (S106) will be used to secure affordable housing provision and/or commuted sums on all relevant sites. The following heads of terms will be common to all S106 agreements involving affordable housing:

- Type, tenure and mix of affordable housing units proposed (either on or off site);
- The timing of the delivery of the affordable homes in relation to the delivery of the general market housing, including reference to any phasing of development;
- Arrangements for the future management, ownership and retention of the property at an affordable price;
- Nomination rights for the Council to put forward people from the council's housing waiting list and affordable housing register for at least 75% of the affordable dwellings as prospective tenants/purchasers of the dwellings;
- Details of the commuted sum and timing of commuted sum payments at these levels of aid.

## Useful Contacts

### Pennaf Housing Group

72 Fford William Morgan  
St. Asaph Business Park  
Denbighshire  
LL17 0JD  
Tel: 01745 538300  
[www.pennaf.co.uk](http://www.pennaf.co.uk)

### Cymdeithas Tai Clwyd

54 Stryd Y Dyffryn  
Denbigh  
Denbighshire  
LL16 3 BH  
Tel: 0345 2303140  
[www.taiclwyd.com](http://www.taiclwyd.com)

### Wales & West Housing Association

3 Alexandra Gate  
Ffordd Pengam  
Tremorfa  
Cardiff  
CF24 2 UD  
Tel: 0800 052 2526  
[www.wwha.net](http://www.wwha.net)

## contact

Community Wellbeing and Development  
16 Lord Street, Wrexham LL11 1LG

Telephone: 01978 292016

E-mail: [planning@wrexham.gov.uk](mailto:planning@wrexham.gov.uk)

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