

## **AFFORDABLE HOMES NOMINATION POLICY**

### **Sept 2007**

#### **1. Introduction**

It is important that everyone in the district has access to housing in an area where they want to live and a price they can afford. The council is committed to assisting local people who cannot gain access to such accommodation.

A key priority within the Housing Strategy is to supply - Affordable Housing – providing quality and choice. The Council is therefore obliged to have a policy in relation to these homes ensuring that properties are allocated to those most in need.

In August 2006 the Council agreed the current Affordable Housing Policy with an agreement that this policy would be reviewed after one year.

A Housing Needs survey completed on behalf of the Council by DCA consultants suggested that to meet the future housing needs 30% of any new developments should be made affordable.

#### **2. Policy Context**

Affordable housing is defined by Planning Policy Statement (PPS) 3 as both social rented housing and other 'intermediate' housing products that are below market prices or rents. It is designed for those who cannot access or afford market housing ranging for example from vulnerable people to key workers.

The objective of this Policy is to contribute to the creation of sustainable communities by ensuring that a proportion of affordable homes for sale, within new private developments, are allocated to those people with the greatest need, in a fair and transparent manner at an affordable price.

Policies for affordable housing must consider:

- Households whose incomes are well below the levels required for homeownership and who are likely to need to rent their homes on a long term basis.
- Households who aspire to homeownership but can only afford properties in lower price ranges.
- Households with special needs who may require both subsidised accommodation and appropriate support in order to live in it successfully.

This Policy ensures a better mix of housing tenures, as this is important if we are to ensure a sustainable future for housing and areas. It is equally important to ensure that diversity exists in all new housing developments and we must seek to develop social housing alongside housing built for homeownership and private renting. If communities are to grow and prosper, people need opportunities to meet their aspirations, including homeownership, in the areas where they have grown up. At the same time, such communities must be able to attract new people to join them.

### **3. What is Affordable Housing**

Affordable Housing is housing designed for those households whose income would normally deny them the opportunity to purchase houses on the open market. This could include both social rented accommodation or properties to purchase.

There are 3 main tenure options:

- **Shared Ownership** – This scheme allows the purchaser to buy a share of the home, usually 50% and then leases the remaining 50% from a RSL and pays rent on the remaining share.
- **Discount Home Ownership** – The purchaser buys the property at a fixed discounted price. In the event of a resale the purchaser must sell at the same level of discount.
- **Affordable Homes to rent** – These are homes that are owned and managed by a Registered Social Landlord (RSL). These will provide a good standard of rented accommodation for those on lower incomes and not able to purchase property.

### **4. Planning Applications**

The Council is committed to the development of balanced and mixed communities and acknowledges the one way of achieving this is by providing affordable housing within any new development throughout the Chester-le-Street District.

The district plan states where a development site has a capacity of 15 or more dwellings (or the site exceeds 0.5 hectares regardless of the number of dwellings) provision of affordable housing will be sought on the basis of the initial indicative target figure of 30%.

In order to deliver the mixed communities as advocated in PPS3 the Council will not support any planning application that does not show 'pepper potting' of the affordable housing units. It is appreciated however that this is not always possible for example in the case of flats or apartments therefore in such cases smaller clusters will be considered appropriate.

The Council will expect the design of the affordable units to be built to a high standard and should be of similar size and quality to those offered on the open market. Essentially the test will be that there should be no distinction between the affordable dwellings and those to be built for private sale. Furthermore, it would be expected that the affordable units will be offered with the same facilities i.e. car parking spaces.

Prospective developers seeking advice on likely affordable housing requirements as part of a development proposal should contact Officers in the Council's Planning Services Team prior to the submission of any planning application.

## **5. Marketing**

The Housing Strategy Team will liaise with the developer or the RSL to discuss the best possible option for marketing the schemes. The Affordable Housing Policy will be promoted together with other Housing Options.

## **6. Eligibility Criteria**

In order to be eligible to as a Nominee the Applicant(s) must:

- Live in the District of Chester-le-Street, unless there are insufficient applicants from the District for the number of Nominees required;
- Be aged 18 or over;
- Not be subject to immigration control under the Asylum and Immigration Act 1996 unless granted refugee status or exceptional or indefinite leave to remain with no conditions or limitations;
- Not be guilty of previous unacceptable behaviour which makes them unsuitable to be a Nominee (for example be subject to an ASBO or of a previous Possession Order);
- Demonstrate that their financial position is well below the levels required for homeownership and are therefore unable to purchase suitable accommodation or are likely to need to rent their homes on a long term basis;
- Be able to demonstrate and evidence that they have a local housing need in line with the following points matrix:

<b>NEED</b>	<b>POINTS</b>
Living in Chester-le-Street District for the past 2 continuous years.	20
Lived in Chester-le-Street District previously and has a family connection in the area or; Key worker (i.e. NHS staff, teacher, police, prison service, probation service, fire /rescue service) based within the Chester-le-Street District.	10
Single person living with friends or family.	5
Couple living with friends or family.	10
Single adult or couple with one or more Children living with friends or family.	20
Family with child under 11 living above the ground floor.	5
Current property without inside toilet.	10
Current property without bath or shower.	10
Current property without hot water.	10
Current property without heating.	10
Current property without kitchen.	10
Shortage of bedrooms.	10 points for each bedroom short
Victim of domestic violence, sexual or racial harassment or witness or victim of crime.	20
Need to move to access specialist medical treatment, employment, training, or educational opportunities.	10
Households who are Homeless or threatened with Homelessness	10

## **7. Implementation**

The Strategic Housing Team within the Council is responsible for implementation of the policy.

The Council will:

- Publicise the availability of affordable homes and will invite applications from those persons who consider themselves suitable.

- Maintain a list of suitable applicant(s) 'Nominees' and will provide the names of eligible Nominees to those persons responsible for disposing of the affordable home(s).
- Provide the names of Nominees in accordance with any terms outlined in any contract or agreement to those persons responsible for disposing of the affordable homes(s).

The Council is not required to provide finance or financial advice for the purposes of enabling residents to purchase properties under this scheme.

The Policy will adhere to the principles of the Human Rights Act and is subject to the Data Protection Act.

The Strategic Housing Team will pass on the details of successful Nominees to the developer of the new property, subject to the Nominees meeting the eligibility criteria above, and with priority given to those with the most points according to the points matrix above.

Nominations will be made on the following basis:

- 1 bedroomed properties: single person;
- 2 bedroomed properties: single person, couples or households with a maximum of 2 children (under the age of 11 if mixed sex), or with children who do not live with them but have regular access;
- 3 bedroomed properties: households with 2 or more children or households with 3 or more single adults;
- 4 bedroomed properties: households with 3 or more children or 4 or more single adults.

In the event of any changes to circumstances, at any point up to the completion of the purchase of the property, which might have a material effect on the points to which an Applicant qualifies, the Applicant must inform the strategic housing team at the Council of those changes. Prior to nomination, the Council will amend the points allocated to the Applicant. Between nomination and completion, the Council will reserve the right to do so.

## **10. Appeal of Decision**

Applicants will have the right to appeal to the Housing Options Manager against any decisions made by the Council relating to eligibility or points allocations. In the event the Housing Options Manager having involvement in the original application the appeal will be dealt with by the Housing Strategy Manager.

Any appeal should be in writing by the applicant stating why they think the case has been unfairly treated.

## **11. Review**

The policy will be evaluated, both in terms of impact in contributing to its policy goal of contributing to sustainable communities, and in terms of the way in which it is implemented, on a regular basis, through contact with samples of Nominees to affordable housing and outstanding Applicants.

The Policy will be re-assessed on an annual basis, or more regularly if necessary, and will if necessary be amended to take into account the results of the evaluation process outlined above, as well as any changes in any relevant legislation, Council policy or procedure.

## **11. Complaints**

Complaints can be made at any time through the Council's Complaints and Compliments process.