

Part S:

General and Local Housing Needs

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This part of the Development Requirements SPD provides further detailed guidance on the interpretation of the following Core Strategy policies, as appropriate:

- CS.9 Design and Distinctiveness
- CS.15 Distribution of Development
- CS.19 Housing Mix and Type
- CS.20 Existing Stock and Buildings
- CS.25 Healthy Communities
- AS.10 Countryside and Villages

This section of the SPD provides guidance and advice on how applicants can help ensure that housing needs of the District are met for the full range of types and tenures of housing. It will be used by Stratford-on-Avon District Council to help reach decisions on whether to approve or refuse planning applications. Making sure that applications comply with the guidance contained within SPD will make it easier for the Council to grant planning permission. The Council's planning policies are set out in the Core Strategy, available at:

www.stratford-dc.gov.uk/corestrategy

Key words or terms which appear throughout the document are included in the Glossary.

S1. Introduction

The Development Requirements SPD provides detailed advice and guidance to applicants when submitting planning applications. The guidance in this SPD is also consistent with national planning policies set out in the NPPF.

It should be read in conjunction with other parts of the SPD, in particular:

- Part A: Achieving Good Design
- Part B: Character and Local Distinctiveness
- Part C: Access and Connectivity
- Part D: Buildings and Layout
- Part E: Architectural Style, Construction and Materials
- Part F: Residential Amenity
- Part J: Self-Build and Custom-Build Housing and Modular Housing
- Part O: Parking and Travel
- Part T: Specialised Housing
- Part U: Section 106 Planning Obligations

The Housing Strategy 2015-2020 (and any successor documents) is also a good source of information and guidance about local housing issues.

<https://www.stratford.gov.uk/homes-properties/housing-strategy.cfm>

S2. Local Needs Housing Schemes

S2.1 The Importance of Local Needs Schemes

Local Needs Schemes help to meet the housing needs of the District. The District Council is supportive, and actively encourages, communities to take the lead in promoting housing schemes that meet identified local needs. It is to this end that the Core Strategy supports the principle of Local Needs Schemes (also commonly known as 'Local Choice' schemes) in locations otherwise considered unsuitable for general market housing. Core Strategy Policy CS.15 (G) supports in principle Local Needs Schemes in any settlement across the District, including within the Green Belt.

The Council is the strategic housing authority for Stratford-on-Avon District and the successful delivery of rural housing schemes is important to the fulfilment of its statutory housing functions. The Council prepares a Housing Strategy that sets out the Council's vision in respect of housing: to offer *'more people the opportunity to live in good quality housing of their choice'*. The priority that the Council gives to the delivery of affordable housing and to meeting local needs is also reflected in the Council's Corporate Strategy objectives.

S2.2 Key Components of Local Needs Schemes

Policy CS.15 sets out a number of important components to Local Needs Schemes:

- Have the support of the local community (i.e. town or parish council);
- Respond to an identified need;
- Be available to people with a 'local connection' to the parish;
- Be small-scale.

It should be noted that Local Needs Schemes can include 'affordable housing' (as defined in Annex 2 of the NPPF) and/or 'local market housing'. Local market housing is housing sold at prevailing market values but ring fenced for local people.

S2.2.1 Support of the Parish or Town Council

Bringing forward a Local Needs Scheme can be a long and complex process and the promotion of a Local Needs Scheme requires considerable commitment from the local community. As such, in applying Policy CS.15, Stratford-on-Avon District Council will attach significant weight to the fact that a parish or town council is supportive of a Local Needs Scheme. Whilst consideration of other housing in the 'supply pipeline', is important (i.e. is the need likely to be met via other schemes in the near future), the fact that a community wants a Local Needs Scheme weighs significantly in its favour.

A parish or town council can bring forward a freestanding Local Needs Scheme at any time or as part of a Neighbourhood Plan. It is for the local community to determine what the best approach is taking into account local circumstances. Parish and town councils can decide that schemes should meet all or just some identified housing needs.

The support of the local community will ordinarily be demonstrated by the written support of the town or parish council or a Neighbourhood Plan.

S2.2.2 Respond to an Identified Need

Evidence of the identification of needs for a Local Needs Housing Scheme will usually be in the form of a local housing needs survey, prepared as a standalone project or as part of the evidence for a parish or neighbourhood plan. Housing needs surveys are an inexact science but they provide the best available evidence. As a general rule of thumb, and like Strategic Housing Market Assessments (SHMAs), housing needs surveys are usually considered to be valid for at least five years.

The Council's Housing Waiting List can also provide an indication of need but is only ever one indicator of need because not all households in need join the List. Experience has shown that the construction of local affordable housing generates additional demand as it creates awareness in the community that those in housing need can have their needs met in situ.

Whilst the District Council encourages parishes to prepare and keep up-to-date housing needs surveys, such surveys can be costly and take many months to prepare. However, like all technical evidence, housing needs surveys are a snapshot in time. New housing needs will continue to arise and in exceptional circumstances, a need may be identified outside of a formal survey (e.g. for business or welfare purposes). In such cases, the applicant will need to demonstrate the local needs justification for the scheme. Such justification will require the written support of the town or parish council, and comply with other relevant policy criteria, including being available to those with a local connection.

Find out more:

Stratford-on-Avon District Council funds a Rural Housing Enabler employed by Warwickshire Rural Community Council who can provide guidance on promoting schemes, collecting evidence of local needs, the preparation of parish and neighbourhood plans and how to deliver schemes. Find out more at www.ruralwarwickshire.org.uk.

S2.2.3 Be Available to People with a 'Local Connection' to the Parish

A key feature of Local Needs Schemes is that they provide homes to local people. To ensure that the homes remain available to people with a local connection to the parish, a planning obligation/legal agreement will be sought. For Local Needs Housing it is for the local community to determine what constitutes a local connection. However, for consistency and ease of administration, the following criteria in use by the District Council are recommended and will be used unless a Neighbourhood Plan expressly requires the use of alternative criteria:

- i. Was born in the parish where the site is located or whose parent(s) were ordinarily residents in that parish at the time of birth;
- ii. Currently lives in the parish and has done so for at least the past twelve months;
- iii. Used to live in the parish and did so for a continuous period of not less than three years;
- iv. Currently works in the parish and has done so for at least the past twelve months and for an average of not less than 16 hours per week;
- v. Currently has a close family member (i.e. mother, father, brother, sister, son, daughter) living in the parish and has done so for a continuous period of not less than three years.

Cascade clauses may be applied, for example in relation to neighbouring parishes (see Section S5).

Examples of planning obligation model clauses currently in use may be found on the Council's website. The clauses are periodically reviewed to reflect good practice and changes in circumstances.

The tenure and occupancy of all affordable and all local market homes (including single local market dwellings) will be controlled in perpetuity via a planning obligation. This will normally be drafted using standard model clauses prepared by the District Council. Such controls will apply to all initial and subsequent occupants, except in a few tightly defined circumstances. At least one member of every household will be required to satisfy one or more 'local connection' criteria.

In the case of 'local market' properties, the local connection requirement will apply in relation to the host parish only but with a waiver mechanism to appropriately manage development risk. Where local market housing is to be provided, the planning obligation will also specify special procedures for the marketing and sale of the properties concerned on both initial sale and subsequent re-sales.

S2.2.4 Be Small-Scale

It is not possible to define 'small-scale' as it will vary upon individual circumstances. However, in applying the 'requirements' criteria in Policy CS.15, the District Council will take into account the in-principle support in the Core Strategy for Local Needs Schemes, including the fact that the scheme is meeting an identified need and the fact that it has the support of the parish or town council. Given that Local Needs Schemes are supportive in locations otherwise considered unsuitable for open-market housing, the scale of the proposed scheme is unlikely to be the dominant determining factor in granting or refusing planning consent. This is particularly relevant given the likelihood of 'cluster schemes' (see below).

S2.3 Cluster Schemes

Ordinarily, local needs will be met where they arise as Stratford-on-Avon District Council accepts that local people want to remain in their local communities. However, the reality of bringing Local Needs Schemes to fruition means that it is not always possible to achieve this (e.g. availability of land, complexities of funding, economics of development etc.) As such, if supported by the parish or town council, needs arising from more than one location may be grouped i.e. clustered on a single site and met through a single Local Needs Scheme.

The principle of cluster schemes is well established in the District and clustering is also supported by paragraph 78 of the NPPF. Stratford-on-Avon District Council supports the principle of Local Needs Cluster Schemes.

S2.4 Delivery of Schemes

Local Needs Schemes can be delivered on behalf of a local community e.g. by working with a housing association which will own and manage any affordable homes. To date, all such schemes in this District have been delivered in this way.

Alternatively, a local community could choose to adopt an even more hands on approach e.g. establish a community land trust to own and manage the homes in perpetuity. Such schemes are identified, promoted, delivered, owned and managed by residents.

Local Need Schemes could also consist of, or include, 'self-help' housing of all tenures; that is to say schemes where one or more households with a qualifying local connection come forward with a 'self-help' housing solution where such households are willing and able to build accommodation for their own occupation. Such schemes could, for example, involve family-owned land and/or custom or self-build housing (including multiple dwellings developed by a self-build co-operative). Single local market homes are one form of self-help.

S2.5 Supporting Information for Planning Applications

In addition to the normal requirements in respect of accompanying documentation, it is especially important that the application is accompanied by:

- A statement explaining the evidence of local need that has been relied upon as providing the basis for the proposed scheme;
- Evidence of the support of the local community, including pre-application community consultation and engagement;
- An undertaking to enter into a planning obligation (S.106 Agreement) to regulate the development and its future use/occupation.

S2.6 Approach to Single Dwellings

In the majority of cases it is expected that Local Needs Schemes will comprise a number of dwellings. However, there may be instances where single dwellings are promoted as Local Needs Schemes. These could include custom or self-build homes (see Part J). The distinguishing factor is the existence of a legal agreement/planning obligation ensuring that the dwelling is, and remains, available to people with a local connection (see above).

Where such an agreement is not proposed, the dwelling should be considered as an open-market dwelling and should be determined in accordance with other general housing policies in the Core Strategy, in particular AS.10 Countryside and Villages.

S3. General Needs Housing Mix and Type

S3.1 Introduction

The promotion of sustainable development is the 'golden thread' that permeates both national and local planning policy. 'Sustainability' is a multi-dimensional issue, but a key requirement (as per Core Strategy Policy CS.1) is that all new development should contribute to the well-being of those who live in the District and towards the maintenance of sustainable communities therein.

Part A of Policy CS.19, emphasises the importance of decisions about the size and mix of new homes.

Part B of Policy CS.19 covers the size profile of all new general needs i.e. conventional market and affordable housing. There is no minimum threshold above which the Policy applies. The table in Part B of the Policy sets out the preferred proportions (expressed as percentage ranges) of market and affordable homes, respectively, according to dwelling size (expressed in terms of the number of bedrooms).

Part B of Policy CS.19 does not extend to specialised housing which is covered by Part C of the policy and subject to its own set of criteria – see Part T.

S3.2 Monitoring

A total of 3,562 homes (including 1,089 affordable homes) have been built across Stratford-on-Avon District between the start of the plan period in April 2011 and 31 March 2017. The size mix of these homes is as follows compared to the overall preferred size mix set out in Policy CS.19²:

Table 1: Core Strategy Policy CS.19 Preferred Type and Mix of Homes

Dwelling Size	CS.19 Market Mix	CS.19 Affordable Mix	Overall CS.19 Mix	Built ² 2011 – 2017
1 bed	5-10%	15-20%	9-14%	7%
2 bed	35-40%	35-40%	35-40%	30%
3 bed	40-45%	35-40%	38-43%	30%
4+ bed	15-20%	5-10%	12-17%	27%

As can be seen, of the homes built to date there is significant overprovision of larger (4+ bed) homes and under-provision in all other sizes of dwellings, most notably 2 and 3 bed homes. However, whilst the above table provides a useful summary, there have been important differences in the provision of affordable and market homes.

Whilst the Council has been successful in broadly achieving its preferred affordable housing mix (including 4+ bed affordable homes for which there is often a shortage of accommodation for larger families in housing need), the overall completion figures have been skewed by the significant overprovision of 4+ bed market homes.

² For some 5% of the homes, the number of bedrooms was unknown. Figures may not sum due to rounding.

Whilst provision of 1 bed homes is lower than expected, this is understandable in light of the issues associated with providing 1-bed affordable homes. It should also be noted that the vast majority of homes built in the six year period from 1 April 2011, were based on emerging planning policy. It is only since July 2016 that Policy CS.19 has had full effect.

Notwithstanding this, the delivery of an appropriate size and type mix of affordable homes is complex as consideration needs to be given to the tenure in the context of wider on-going changes to national policy e.g. welfare reform. For example, in respect of the provision of one-bedroom affordable homes, there is a tension between sustainability considerations and the operational constraints affecting housing associations on the one hand (which generally indicate against developing such properties) and affordability and accessibility considerations of potential occupiers on the other hand (which indicate the desirability of including a proportion of such units within schemes mixes). The Council's partner housing associations are reluctant to develop a high proportion of one bed homes as these are generally unpopular due to their lack of flexibility (they cannot cater for families with children, or easily provide opportunities to work from home if a second bedroom is to be utilized as a study).

S3.3 Applying the Preferred Mix

Monitoring clearly shows a significant under-provision of 2 and 3 bedroom market homes coupled with an over-provision of 4+ bedroom market homes. Smaller homes generally cost less to buy than larger homes and, therefore, are more affordable to young families and people on lower incomes. Ensuring a supply of smaller market homes will enable more people to access home ownership and will divert some pressure from limited, and much in demand, affordable housing. Consequently, the Council will seek to apply the size mix set out in Policy CS.19 to 'rebalance' the housing mix of the District.

The above Policy applies to all sites of any size. However, for smaller sites, especially those comprising 10 homes or fewer, it may not be practicable for all the house types listed in Policy CS.19(B) to be represented. In such circumstances, the Council will be supportive where such schemes propose a narrower range involving more 2 and 3 bed homes.

Policy CS.19(B) includes a requirement that one and two bed affordable homes should be built with bedrooms satisfactorily accommodating two occupiers in each bedroom (i.e. double or twin bedrooms). Experience indicates that care must be taken to ensure that such bedrooms, however described, are adequately sized. Therefore, when determining whether individual bedrooms in one and two bed affordable properties are capable of "satisfactorily" accommodating two occupiers, this Authority will have regard to whether they achieve the relevant minimum gross internal floor areas and storage benchmarks specified in the Nationally Described Space Standard (March 2015). For this reason it is essential that details of the actual gross internal floor areas and storage (m²) of such dwellings accompany relevant applications.

Where applicants propose an alternative mix that departs from that shown in CS.19(B), the onus will be on the applicant to fully justify any such derogation. Applicants will be expected to include the following information and evidence (to the extent that it is relevant in any particular case and either available to the applicant or otherwise in the public domain) as part of any justification:

1. A comparison table illustrating the difference between the proposed mix and the optimum mix set out in CS.19(B) and indicating the extent of any derogation in terms of both the number of units and percentages;

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2. Evidence of local market circumstances (including local supply and demand and factors such as sale prices and speed of sales for different sizes of dwelling);
3. Evidence of projected likely future demand/aspirations of house buyers in relation to bedroom numbers;
4. Evidence of site/development-specific issues that affect the mix;
5. Evidence from up to date Housing Needs Surveys;
6. Evidence from any relevant Neighbourhood Development Plan, Parish Appraisal or Parish Plan;
7. For large scale schemes with a lengthy build programme over several phases – any proposals to include a 'review mechanism' to allow the mix to be adjusted as necessary for forthcoming phases.

This list is not intended to be exhaustive. In circumstances where variations to the preferred mix are proposed, the Council may appoint suitably qualified consultants to appraise the validity of the information submitted. Applicants will be expected to pay for any such appraisal.

S3.4 Bungalows

The explanatory text to Policy CS.19 notes that bungalows are a consistently popular option. This applies in respect of both affordable and market properties. It is perhaps not surprising given the District's demographic profile. Thus consideration must be given to the scope for inclusion of bungalows as part of the overall housing offer on any given site.

S3.5 Implementation

For outline applications, a table indicating the range of market and (if required) affordable dwellings types proposed should be submitted with the application. It shall be accompanied by a reasoned justification (containing information and evidence as outlined above) if this is to depart from the preferred mix as set out in the Table above. For full or Reserved Matters applications, a schedule containing an analysis of the range of market and (if required) affordable types proposed should be submitted with the application. It shall be accompanied by a reasoned justification (containing information and evidence as outlined above) if the number of any particular type results in a percentage falling outside any of the ranges as set out in the Table 1 above.

Find out more:

The Community Infrastructure Levy (CIL) is a charge applied to residential development to help pay for necessary infrastructure to support development. Find out more at www.stratford.gov.uk/cil.

Further guidance on the application of Planning Obligations can be found at [Part U](#) of this SPD.

S4. Affordable Housing Tenure

S4.1 Affordability of accommodation

The poor affordability of housing for people on middle and low incomes in Stratford-on-Avon District is a continuing cause for concern. High house prices and high private rents make it difficult for many households to access market housing.

Although the demand and cost of market housing varies across the District, both owner occupation and private rented accommodation is very expensive in all areas of the District. Consequently there is an urgent need for genuinely affordable housing across the whole of the District.

The mean District house price was £349,123 in the year ending June 2017; this compares to £206,599 in the West Midlands. In the same period lower quartile house prices were £249,950 in the District and £173,950 in the West Midlands⁵. However, the important point about house prices is their relationship to incomes i.e. the issue of housing affordability and the ability of residents to afford the housing available in the District. The higher the number the higher the disparity. For example, the ratio of lower quartile house prices to lower quartile gross annual income (residence based) was 10.20 in the District compared to only 6.54 in the West Midlands⁶.

In the year ending 30 September 2017 the mean district private rent was £856 per calendar month. This compares to £631 in the West Midlands. During the same period lower quartile private rents were £675 in the district and £495 in the West Midlands (Valuation Office Agency). The majority of private rents in this district are higher than Local Housing Allowance rates i.e. the rents exceed the maximum amount of housing benefit or Universal Credit housing cost element that can be paid (for example see the Housing Strategy Evidence Log):

<https://www.stratford.gov.uk/homes-properties/housing-strategy.cfm>

High market house and market rent prices also mean that some affordable housing tenures are not genuinely affordable and at best will only meet the housing needs of a relatively small number of households.

S4.2 Preferred affordable housing tenure profile

The tenure profile of affordable homes is important because it directly affects the ability of households to access accommodation appropriate to their needs. Affordable housing tenures are defined in the NPPF (July 2018). However, locally some affordable tenures are unacceptable because they are unaffordable; they fail to meet identified needs and thus frustrate effective delivery of Policy CS.18.

Policy CS.18(C) sets out the 'default' preferred tenure profile based on technical work undertaken through the Strategic Housing Market Assessment (SHMA) i.e.:

- Minimum 60% Social Rented Housing;
- Maximum 20% Affordable Rented Housing;
- Maximum 20% Intermediate Housing.

Owing to the high cost of housing across Stratford-on-Avon District, the greatest need is for Social Rented Housing.

The recent evidence about the poor affordability of market housing (owner occupation and private rented) outlined in 'Affordability of accommodation' above confirms that the Council's preferred affordable housing mix remains appropriate.

⁵ Figures from ONS House Price Statistics for Small Areas.

⁶ ONS 2016 figures.

S4.2.1 Social Rent

This housing is let at rents determined in accordance with the 'Target Rent' regime. As Social Rent is the cheapest affordable housing tenure, it provides a housing affordability benchmark in a local context. The District Council will always seek a minimum of 60% of affordable homes to be let at Social Rent levels.

S4.2.2 Affordable Rent

Rents are set at a level not exceeding 80% of local market rent levels for the relevant type of accommodation. This tenure suffers from the serious deficiency that rent levels are benchmarked to prevailing market rent levels, which in turn bear no direct relationship to affordability. Affordable Rents at 80% of market rents often exceed Local Housing Allowance rates i.e. the maximum amount of housing benefit or the Universal Credit housing cost element payable to households. The problem is exacerbated by the impact of other welfare reforms e.g. the overall benefit cap. Therefore, Affordable Rents will only be allowed in Stratford-on-Avon District if the Rents are capped at Local Housing Allowance levels.

S4.2.3 Build to Rent (Affordable Private Rent)

Build to Rent properties let at or close to 80% of local market rents are not considered to be affordable in this District.

S4.2.4 Shared Ownership

This is the most common Intermediate tenure product. It involves the sale of properties on a long lease, in a form approved by the Homes and Communities Agency (or successor body), to eligible purchasers who buy an initial percentage of the equity of a property and pay a fixed rent on the remaining unsold equity. Buyers have the option to buy further tranches of equity (a process known as 'staircasing') with the possibility of eventually progressing to outright ownership. Shared ownership is expensive because costs are linked to prevailing property market values but it is a popular option for some households who are renting privately (see [Housing Strategy Evidence Log](#)). The provision of shared ownership on any site is subject to an assessment of market conditions.

To enable more people to become home owners in this high house price District, buyers must be able to purchase minimum initial shares of 25% to 40% of such homes. Shared ownership properties must not be offered for sale at over 40% of the sale price. The residual rent on such properties will also be taken into account when assessing whether total housing costs are likely to be genuinely affordable.

S4.2.5 Fixed Equity Sale (Discounted Market Sales)

Fixed equity sales (discounted market sales) can in exceptional circumstances be substituted for the more conventional tenure products outlined above. Evidence must be provided that no Registered Provider has expressed an interest in partnering the delivery of the required affordable housing on a given site. In addition, this tenure will only be considered if all the following conditions are met:

- The development and sale of an agreed mix and range of properties within a given site at no more than 60% of their open market value;
- Sales will be initially limited to purchasers with a qualifying local connection;
- The development and sale of the properties to be undertaken directly by the developer of a scheme;
- No rent to be charged on the remaining unsold equity (at least 40%);
- The above terms will apply to any and all subsequent resales in perpetuity.

Fixed equity sales (discounted market sales) at 80% of market value are not considered to be an appropriate housing option in this District.

S4.2.6 Starter Homes

Starter Homes are homes for sale sold at 80% of local market rates. The Government in its Reforming developer contributions (December 2018) technical consultation has stated that Starter Homes are not mandatory and that local authorities can determine which affordable home ownership tenures are most appropriate to meet local housing needs. Starter Homes are not considered an appropriate affordable housing option in this high house price District (e.g. the lower quartile house price to lower quartile gross annual income is 10.2).

S4.3 Delivery

The final decision as to the most appropriate affordable housing tenure profile on any particular site will be determined by a consideration of need, the existing affordable housing stock profile and commitments, market conditions and a host of external factors beyond the remit and scope of the planning system (e.g. welfare reform).

Total affordable housing costs (rents and sale prices together with any applicable service charges) must be set at levels that will ensure that the accommodation is genuinely affordable to all households on low incomes, including those in work and/or with special needs. It also needs to take into account the *size* and *type* of homes to be provided: not simply their tenure alone.

All affordable tenure profiles will only be considered acceptable if they:

- Foster the development of cohesive and stable communities;
- Ensure the needs of households are met by ensuring housing costs are genuinely affordable;
- Ensure that any homes provided remain affordable for future eligible households (unless subsidy recycling arrangements apply);
- Include delivery arrangements to ensure the delivery of *all* agreed affordable tenures within any given scheme.

The preferred tenure mix set out in Policy CS.18(C) represents a *starting point* for determining an acceptable mix on each site, and so there is scope for flexibility over the exact tenure mix *provided* it meets the principles set out in the Policy. Early advice on the most appropriate tenure mix should be sought from the Council's Housing Policy and Development Team. It is also essential to consult potential partner Registered Providers at pre-application stage.

For advice and a list of our partner Registered Providers contact:

Stratford-on-Avon District Housing Policy and Development Team via email at:
housing.policy@stratford-dc.gov.uk

S5. Management of Affordable Housing

S5.1 Implementation

The delivery and management of affordable housing will be secured through a planning obligation which is commonly known as a Section 106 Agreement. Experience has shown that the use of planning conditions has been unsatisfactory.

See the Council's website for examples of current model affordable housing clauses. The Council reserves the right to amend these clauses to reflect changes in circumstances.

All planning applications that include affordable homes must be accompanied by an affordable housing statement. This should include confirmation that the applicant is prepared to enter into a planning obligation based on this Authority's model S106 clauses.

For full and Reserved Matters applications, the affordable housing statement

must include confirmation that the estate layout and detailed design of all dwellings proposed as affordable homes has been discussed with, and is considered satisfactory by, a named partner Registered Provider.

The early involvement of Registered Providers will expedite the delivery of affordable homes and minimize the risk of Providers not taking on the homes because the detailed design and specification of the homes is unacceptable.

The Council recognizes that the identity of the named partner Registered Provider may change between the submission of the Affordable Housing Statement and the submission of the Affordable Housing specification.

Amongst other things, the required planning obligation will prescribe:

- The overall proportion or number of affordable homes to be provided (determined in accordance with Policy CS.18);
- The overall tenure profile of the proposed affordable homes;
- That the site developer submits for approval by the District Council one Affordable Housing Specification for all the agreed affordable housing. The specification is a mechanism for determining key delivery and management details, including the identity of the Registered Provider who is to develop or partner the development of the scheme;
- For outline applications, this Specification must be submitted prior to or simultaneously with the consequential Reserved Matters application. For full applications, the Specification must be submitted (and approved) prior to the commencement of development;
- A requirement to deliver *all* the affordable homes, irrespective of tenure.

The involvement of a named Registered Provider (termed a "Qualifying Developing Body" for the purposes of the Council's model clauses) as a delivery partner is expected on all market-led sites. The only exception (which will be rare) is the provision of an affordable housing Fixed Equity Sale scheme directly by a developer.

S5.2 Nomination Rights

All affordable homes must only be let or sold to tenants or purchasers with a need for such accommodation. The District Council currently has the right to nominate tenants (within a set period of time) to all Social Rent and Affordable Rent properties. Shared ownership properties can be sold directly by Registered Providers and Fixed Equity sale properties (as defined in Section S4) can be sold directly by the developer. For all other affordable housing tenures, the Council reserves the right to determine whether it will make nominations to the properties.

Irrespective of who is letting or selling affordable homes, all the affordable homes must be let to tenants or sold to purchasers who satisfy at least one local connection criterion defined with reference to:

1. Residency at the time of birth;
2. Current and immediate past residency for a minimum period;
3. Previous residency for a minimum period;
4. Current work location subject to minimum qualifying periods;
5. Current close family residency for a minimum period.

The minimum qualifying periods will be defined through the Section 106 Planning Obligation secured as part of the planning permission. Examples of the model clauses currently in use can be found on the Council's website.

Normally precedence of the qualifying local connection will be determined in accordance with the following five-tier cascade:

1. In the first instance, the host parish *or* in the case of market-led sites in Stratford town and the Main Rural Centres, local connection can be extended to include people who the District Council deems to have a *Priority Nomination status* i.e. an urgent need for housing;
2. In the second instance, neighbouring parishes to the host parish within Stratford-on-Avon District;
3. In the third instance, the remainder of Stratford-on-Avon District;
4. In the fourth instance, a defined strategic housing market area (if any);
5. In the fifth and final instance, the remainder of England.

Slightly different arrangements may occasionally apply e.g. for new settlements (Gaydon Lighthorne Heath and Long Marston Airfield) where the first two tiers of the above cascade will be combined.

In order to future proof detailed arrangements for any affordable homes to which to the Council will make nominations, the developer of the affordable homes must submit a Local Lettings Plan (and, if appropriate, a Sales Plan) to the District Council for approval. The Local Lettings Plan will set out key operational nomination and allocation arrangements (and possibly sales arrangements). The plans must be submitted and approved prior to the occupation of any of the properties to which they relate. The plans can be varied from time-to-time by agreement.

The Council reserves the right to amend the above nomination rights.

For advice contact:

Stratford-on-Avon District Housing Policy and Development Team via email at:
housing.policy@stratford-dc.gov.uk

S6. Integrating Affordable and Market Housing

The proper integration of different housing tenures within individual sites is an integral and indivisible aspect of good planning, and one means by which sustainable and successful development can be assured. The outcome should be the physical and social integration of affordable and market housing within any given site, so as to promote community cohesion, as required by Policy CS.18 (D).

To ensure that market and affordable homes are functionally and visually indistinguishable, the following considerations should be applied to both market and affordable homes:

- **Size and type of home** - ensuring a balanced stock profile of both affordable and market homes will assist in their integration. For example, a format of small affordable homes in lengthy terraces in the context of a format of larger detached market houses would usually be inappropriate;
- **External materials** - both market and affordable homes should be built in the same general style and materials (including boundary and surface treatments);
- **External and garden spaces** - the same type of market and affordable homes should have the same amount of external space;
- **Access arrangements** - affordable homes should use the same highway access as market homes and buildings must not have separate entrances for affordable and market residents;
- **Parking** - the same type of market and affordable homes should have the same siting and level of car and cycle parking.

Find out more:

See [Part D: Design Principles](#) and [O Part: Parking and Travel](#) of this SPD for further guidance on good design:

Policy CS.18 (D) also requires affordable homes to be "*dispersed across the site in clusters appropriate to the size and scale of the development*". Generally speaking, the Council will expect to see small clusters of affordable homes dispersed throughout the site. The size of such clusters will depend on the overall size of the scheme but clusters of around 6 units work well and should rarely exceed 10. In the case of outline planning applications – where the detailed layout and appearance of a site will not necessarily be known – a masterplan (or equivalent) should indicate how the above considerations will be taken account of in the subsequent detailed design process. Planning obligations will contain a requirement that clusters of affordable homes shall comprise no more than 9 units, unless justified by reference to specific circumstances and with the agreement of the District Council. Flats and specialized housing will be given special consideration.

For advice contact:

Stratford-on-Avon District Housing Policy and Development Team via email at:
housing.policy@stratford-dc.gov.uk

S7. Offsite Affordable Housing

S7.1 Background

As part of its aim to deliver mixed and sustainable communities that cater for a range of accommodation needs, types and tenures, the Council seeks to provide affordable housing on-site alongside general market housing. This approach is endorsed in the NPPF. The requirement for on-site provision is also borne out of the obligation to meet affordable housing needs given the practical challenges and risks associated with delivering affordable homes via off-site contributions. These difficulties include:

- The need to find suitable land or property to purchase for delivery of alternative provision, including the risks, uncertainty and delay involved with sourcing sites or properties on the open market;
- The need to prepare and submit schemes for approval within the budget provided by any such contribution, and to ensure that the value of contributions are not eroded by inflation;
- The limitations and risks associated with open-market purchases of existing dwellings;
- The time and resources required to design and secure the necessary planning permissions for new build housing schemes, and attendant risks.

S7.2 Application of Policy CS.18

Core Strategy Policy CS.18 (A) sets out the Council's approach to delivering affordable housing i.e.

All new residential development that incorporates or comprises use as a dwelling house within Use Class C3 will be required to contribute to the provision of affordable housing in accordance with the following thresholds:

In the parishes of Alcester and Kinwarton, Bidford-on-Avon, Henley-in-Arden and Beaudesert, Kineton, Shipston-on-Stour, Southam, Stratford-upon-Avon, Studley and Mappleborough Green, Tanworth-in-Arden, and Wellesbourne; development providing:

- 11 or more dwellings; or
- 6 or more dwellings with a combined floorspace of more than 1,000sqm.

In all other parishes: development providing 6 or more dwellings.

Policy CS.18 (B) also permits in exceptional circumstances off-site provision of affordable housing on schemes proposing more than 10 homes.

The Council acknowledges that the application of the affordable housing requirement of 35%, may result in a fractional level of provision. Given the distributional strategy of this Plan and the preference for smaller sites, fractional provision assumes greater importance for reasons of equitability. In terms of the fractional requirements:

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- On sites of fewer than 11 homes, the fractional requirement will be provided as an off-site contribution;
- For sites proposing between 11 and 20 homes the requirement for on-site provision will be rounded down to the nearest whole unit (unless the applicant proposes rounding up), with the balance to be provided as an off-site contribution;
- For sites proposing 21 homes or more, affordable housing will be provided on-site to the nearest whole unit.

It should be noted that financial contributions for affordable housing fall outside the scope of the Community Infrastructure Levy (CIL), and will therefore continue to need to be secured via S.106 Agreements.

Find out more:

See [Part U: Planning Obligations](#) of this SPD for further guidance on the Council's approach to S106 planning agreements

S7.3 Calculating Off-site Contributions

Contributions for off-site affordable housing provision will be calculated on the principle of securing equivalence of provision at parity. This will:

- Ensure equitability and no inadvertent incentive to favour off-site provision; and
- Provide an additional safeguard against the erosion in value of any contribution.

Whilst the above principles are well-established, their practical and efficient application has historically been hampered by the lack of a published consistent detailed methodology for calculating contributions. To rectify this situation, in 2017 the Council commissioned independent expert consultants 'Three Dragons' to advise on an appropriate methodology for calculating off-site contributions. In making recommendations as to what an appropriate contribution would be, the consultants took full account of values, development costs and planning policy requirements.

Find out more:

View the housing technical evidence on [Affordable Housing Financial Contributions](#).

The consultants' recommendations are considered to be sound. Therefore, the Council will seek the following financial contributions per dwelling in respect of the assessed proportion of affordable homes that would otherwise be provided on-site:

- Stratford-upon-Avon parish = **£103,000** per affordable home includes Alveston and Tiddington.
- Rest of District = **£78,500** per affordable home.

These figures assume that Community Infrastructure Levy (CIL) is chargeable, and will be subject to indexation (as further described below) from a base date of 1 April 2017 until the actual date of payment: this date reflects the data used to inform the consultants recommendations. Please note: these figures will be subject to change on an annual basis as they will be index-linked.

The Council acknowledges that the application of any policy threshold can lead to what is colloquially known as a "cliff edge" where a site immediately below the threshold has a 0% requirement whereas a site immediately above the threshold has a 100% requirement (in this case 5 and 6 units, respectively). Sometimes this can incentivize developers to reduce the scale of development. To overcome this potential issue, the Council will moderate the level of commuted sum according to the scale of development, by applying a 15% reduction to schemes of between 6 and 10 units:

- 9 homes = 85% financial contribution (£87,550 SuA, £66,725 Rest of District)
- 8 homes = 70% financial contribution (£72,100 SuA, £54,950 Rest of District)
- 7 homes = 55% financial contribution (£56,650 SuA, £43,175 Rest of District)
- 6 homes = 40% financial contribution (£41,200 SuA, £31,400 Rest of District).

S7.4 Implementation

As with other financial contributions, it is good practice for a S106 Agreement to include provision for repayment of affordable housing contributions not expended or committed beyond a certain time-limit. Given (a) the risks and uncertainties associated with accepting off-site financial contributions and (b) the importance in ensuring flexibility over decisions on deployment to ensure good value for money, these time-limits must be realistic. The following practice will therefore be applied.

- For schemes involving contributions for sites of 10 or fewer dwellings, contributions will be refundable only if not spent or contractually committed within a period of 7 years from the date of last receipt;
- For schemes involving contributions for sites of 11 or more dwellings (i.e. those to which the 'exceptional circumstances' principle applies) contributions will be refundable only if not spent or contractually committed within a period of 10 years from the date of last receipt.

The Council considers that published RICS BCIS (Royal Institute of Chartered Surveyors Building Cost Information Service index) data represents the best readily available proxy for property and land price inflation; it will therefore be used to calculate indexation. In the (unlikely) event that this data ceases to be published, or other circumstances indicate it is no longer suitable for this purpose, a default practice will be applied of adjusting payments by a flat rate increase of 5% per annum. For the avoidance of doubt, indexation payments will be over and above any interest chargeable due to late payment.

The financial contribution (which may be phased on large developments) will be payable on first occupation, sale or letting (whichever shall occur first) of any dwelling within the relevant development.

For schemes of between 6 and 10 dwellings, planning applications should be accompanied by confirmation of whether or not any *voluntary offer* of on-site provision is made or that an applicant is prepared to enter into a planning obligation to secure a financial contribution.

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For schemes comprising 11 or more dwellings, the applicant should confirm that full provision will be made on site. Alternatively, if 'exceptional circumstances' are considered to apply a detailed reasoned justification must be provided.

All financial contributions will be secured via a S.106 Agreement calculated and payable on the basis set out above. Contributions will be made available to support off-site provision anywhere within Stratford-on-Avon District.