

Affordable Housing Briefing Note

Appendix 3

Glossary

Affordable Housing: social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Definitions of affordable housing products (types) of affordable homes are provided in Section 2 of this SPD.

Affordable Housing Products: A term used to describe types of affordable home – there are various different products, or types of affordable home.

Cornwall Housing Register: a register of applicants in housing need. The register is called Cornwall 'Homechoice' and is a choice based lettings system – homes are allocated to those in most need. Partner landlords advertise their vacant properties on the **Homechoice website** and in newsletters available in the Councils' One Stop Shops and libraries.

Dwelling: a dwelling under Use Class C3 is defined as a building that ordinarily affords the facilities required for day to day domestic existence i.e. all the rooms (including kitchen, bathroom and toilet) in a household's accommodation are behind a single door which only that household can use.

Economic Viability Appraisal: a report to establish the profit or loss arising from a proposed development. It will usually provide an analysis of both the costs inputted and output values together with other matters of relevance. An assessment will normally provide a judgment as to the profitability (or loss) and thereby the economic viability of a development.

Holiday Occupancy Conditions: a planning condition used to restrict occupancy of a building or buildings to holiday use i.e. non-permanent residency. The condition requires that the accommodation will be occupied for holiday purposes only and will not be occupied as a person's sole or main place of residence. Typically this may place limits on the number of consecutive days or total months in a year that the accommodation can be occupied by any one family or individual. Any subsequent proposal to remove holiday occupancy restrictions may be subject to planning obligations at that time. See also **Occupancy Conditions**.

Housing Benefit: a means tested benefit that is intended to help people with low incomes pay for rented accommodation.

Housing Mix: the **National Planning Policy Framework** requires local authorities to plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such

as but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes).

- House Size: size of the house. The average size of a dwelling is 76 sq. m;
- House Type: types the main types of houses in England are detached, semi-detached, terraced and flats (apartments). Houses come in all shapes and sizes and vary from one part of the country to the next - see also Dwellings;
- House Price: the value placed on a dwelling for sale;
- House Tenure: provides information about whether a household rents or owns the accommodation that it occupies.

Housing Need: the **National Planning Policy Framework** defines households as being in housing need if they are unable to access a suitable home in the open market. That is, a household that cannot access a home suitable for their needs in the right location at an affordable price. Cornwall Council define housing need as someone being 'homeless or threatened with homelessness; or living in accommodation which in the opinion of the Council is insecure or unsuitable; and being unable to purchase or rent reasonable suitable accommodation in the open market for property in the locality taking into account the person's income and capital and other financial circumstances. Accommodation may be unsuitable on the grounds of cost, overcrowding, unfitness or lack of basic amenities or because of a person's infirmity, physical disability, mental health or specific or social care needs'.

Local Connection: eligibility for affordable homes generally requires conformity with Local Connection Criteria which are applied as part of the Homechoice lettings process (see **Cornwall Housing Register**) and typically a Section 106 legal agreement (see **Planning Obligations**). A connection can be established either through residence or employment and the criteria also makes provision for other exceptional circumstances. In towns a connection with the town is required. In rural areas, homes will be let or sold initially to households with a parish connection; then to households with a connection to any adjoining parishes; and then with the same connection to Cornwall.

Local Housing Allowance: the Local Housing Allowance (LHA) system is a form of housing benefit to provide Housing Benefit entitlement for tenants renting private sector accommodation. A flat allowance is used to decide the eligible rent of all claimants with similar sized households living in a broad rental market area

Local Needs / Local Needs Housing: housing requirements that are generated by the indigenous population rather than by in-migration. See also **Housing Need** and **Local Connection**.

Local Plan: a Local Plan is the plan for the future development of the local area drawn up by the local planning authority in consultation with the community. The government has now returned to using this term to refer to LDF documents as a whole and is discouraging councils from producing too many separate documents. In law this is described as the development plan document adopted under the Planning and Compulsory Purchase Act 2004.

Market Housing: is housing for sale or rent at open market prices. It generally refers to housing for those households who can afford to pay the full market price to buy or rent their home.

Neighbourhood Plans / Neighbourhood Development Plans: a land use plan prepared by a Parish Council or Neighbourhood Forum for a particular neighbourhood area. It can contain policies and site allocations, reflecting the needs and priorities of the local community, and following an independent examination and local referendum, it is adopted and forms part of the statutory development plan.

Occupancy Conditions: are planning conditions or obligations placed by the Council upon a planning permission. For example this would include an agricultural occupancy condition for a house built in the open countryside where development would not normally be permitted. The 'tie' seeks to restrict occupancy of the dwelling to those employed in certain jobs. The planning permission will only have been granted because someone was able to demonstrate an essential need to live close to their place of work in either agricultural, forestry or equestrian employment.

Phasing: is used to refer to any distinct period or stage in a sequence of development. For example, a housing development can be split into several phases and will be developed one phase at a time. Phasing may be controlled by planning conditions attached to the planning permission.

Planning Conditions: a condition imposed on a grant of planning permission (in accordance with the Town and Country Planning Act 1990). Planning conditions set out the actions that are needed to make the development acceptable in planning terms.

Planning Obligations: a legally enforceable obligation entered into under Section 106 of the Town and Country Planning Act 1990 to mitigate against the adverse impacts of a development proposal. 'Section 106' obligations must be related to the development (site specific) and are a well-established route for collecting developer contributions towards infrastructure and the only means of securing affordable housing.

Rural Exception Sites: small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites primarily seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of open market homes may be allowed at the local authority's discretion when in accordance with Policy 9 of the Cornwall Local Plan, for example where essential to cross subsidise the delivery of affordable units without public subsidy.

Value Zones: house prices vary across Cornwall and each parish has been classified into five value zones. Zone 1 being the highest priced and zone 5 the lowest priced. This was undertaken as part of the Cornwall Strategic Housing Viability Assessment (SHVA). See the Appendix 2 for a list of Parishes and their value zones.

Zone 1 50% Affordable Housing

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| Zone 2 | 40% Affordable Housing |
| Zone 3 | 35% Affordable Housing |
| Zone 4 | 30% Affordable Housing |
| Zone 5 | 25% Affordable Housing |

Viability: an individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.