1. INTRODUCTION

This advice has been written to provide applicants information the provision of affordable housing within the city of Lincoln.

2. DEFINITION OF AFFORDABLE HOUSING¹

Affordable housing is 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.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency (HCA).

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but no affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.

The City Council will seek to ensure that new housing development in the City provides a mix of size and type which is appropriate to the area in which it is located. More specifically, on certain sites the City Council will negotiate for the provision of affordable housing units as part of the development.

3. AFFORDABLE HOUSING REQUIREMENT

The City Council will seek to ensure that new housing development in the City provides a mix of size and type which is appropriate to the area in which it is located.

Applicants will be expected to provide 20% affordable housing on qualifying sites exceeding 15 or more dwellings or 1 hectare or more.

¹National Planning Policy Framework (NPPF) (March 2012)
4. HOUSING NEEDS

Housing needs are assessed through the production of a Strategic Housing Market Assessment, which should be updated at least every 5 years. The Strategic Housing Market Assessment identifies the extent of the housing need for the area and from this the percentage of affordable housing required from developments.

The assessment of need should comply with the latest government guidance for assessing housing need, and may also cover a wider area than the City Council’s administrative boundary, in recognition that housing need is not dictated by administrative boundaries. The City Council works with both North Kesteven District Council and West Lindsey District Council to support the delivery of affordable housing to meet the needs of Central Lincolnshire.

5. PROCESS FOR THE PROVISION OF AFFORDABLE HOUSING

There is an obligation on the landowner and/or developer to provide affordable housing on a site. All discussions regarding affordable housing should take place as early as possible, ideally before an application for planning permission is made. Planning, legal and housing officers will be involved, as will Registered Providers at the earliest opportunity.

The need to contribute to the provision of affordable housing in the City should be considered from the initial stage of developing proposals. Infrastructure which is necessary for the development should also be considered at the initial stages.

6. THE AFFORDABLE HOUSING SCHEME

Developers should provide the City Council with a scheme for the affordable housing giving information about the provision of the affordable homes on site to include:

- Number of affordable housing units
- Details of the design and internal layout of the units including floor area
- Plan showing the location of the affordable homes, site layout, garden amenity spaces and parking arrangements
- Unit types
- Tenure mix
- Details of the ownership of the units/management processes upon completion
- Nomination rights and procedures – it is the City Council’s preference that lettings are all through the Central Lincolnshire Allocations Policy or any such successor to this document

The City Council expects all affordable homes are provided on site. Only in exceptional circumstances would the provision of affordable homes on an alternative site or equivalent financial contribution be considered.

7. ON-SITE PROVISION

Working in partnership with Registered Providers, such as housing associations, is the preferred way of delivering affordable housing, as they have established and approved occupancy criteria and are governed by the rules of the Homes and Communities Agency (or any such successor to this organisation), making further occupancy controls generally unnecessary. The City Council must ensure that if a Registered Provider is introduced, the affordable housing provided will meet the needs outlined in the Strategic Housing
Market Assessment (SHMA), and other data held by the City Council regarding housing need and demand.

On site provision can be achieved in one of two ways:

i) The developer builds the dwellings and transfers them to the housing association (in accordance with the terms referred to below); or

ii) Where appropriate to the type of development proposed, (e.g. shared ownership housing) the transfer of a fully serviced site, with full access rights, to a housing association.

For rented housing, the price paid by the housing association to the developer will depend on the availability of funding from the HCA or other relevant or subsequent organisation.

The appropriate relative proportions of rented and shared ownership housing will need to take account of site and market conditions.

Whilst the involvement of a Registered Provider is considered to be the preferred way of ensuring affordability, if it can be demonstrated that an alternative method can meet the objectively assessed need for affordable housing effectively, the City Council will consider the proposal with equal weight.

8. OFF-SITE PROVISION / COMMUTED SUMS

A major objective of affordable housing provision is to overcome and avoid social exclusion, as such, the City Council would expect affordable housing provision to be located on site.

The City Council will take account of the suitability of the site for affordable housing. The provision of affordable housing on an alternative site or a commuted sum will only be considered in exceptional circumstances.

9. VIABILITY

Where the provision of affordable homes would make the development of the site unviable, for example on brownfield sites where redevelopment costs would be unusually high, or where other requirements for planning benefits take priority over the need to provide affordable housing, the City Council will adopt a flexible approach to the provision of affordable housing. However, abnormal development costs will usually be reflected in the land price paid by the developer.

In cases where development costs are shown to be abnormally high, the developer will need to provide justification, in a form that can be independently verified to the satisfaction of the City Council, that the provision of affordable housing on the site would be unviable. The City Council will ensure that information which is commercially confidential is not made public. This approach should permit a proper evaluation of the particular circumstances influencing the development of individual sites.

Developers are advised to take affordable housing provision into account in negotiating the purchase of land for development. Standard development costs such as demolition works, landscaping, noise bunds, archaeological and ecological surveys and works, drainage and flood prevention measures will not be considered as abnormal site costs.
General information and guidance on planning matters may be obtained from Planning Services at the address below.

Department of Development & Environmental Services
Planning Services
City of Lincoln Council
City Hall, Beaumont Fee
LINCOLN
LN1 1DF

Tel: (01522) 873738