



June 2023

Supplementary Guidance:
Affordable Housing
EAST RENFREWSHIRE COUNCIL



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INTRODUCTION

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Introduction

The Council's Supplementary Guidance on Affordable Housing (2015) was prepared under Section 22 of the Planning etc. (Scotland) Act 2006 and formed part of the Local Development Plan (LDP1 2015). This part of the Act has now been repealed and the status of Supplementary Guidance changed under the Planning Scotland Act (2019). However, transitional arrangements set out in the Chief Planners Letter published on 8th February 2023 state that the Planning (Scotland) Act 2019 (Commencement No.11 and Saving and Transitional Provisions) Regulations 2023 provide for local authorities to continue to prepare and adopt supplementary guidance associated with LDPs. Supplementary guidance adopted under those provisions is to be treated as forming part of the development plan for the area to which the LDP relates. This SG has been prepared under these regulations and will form a statutory part of LDP2.

This guidance supplements Policy SG4 of the East Renfrewshire Local Development Plan 2 (LDP2) in relation to the delivery of affordable housing and sets out how the planning system can facilitate the development of affordable homes. It should be read in conjunction with the Policies and Proposals of the Local Development Plan, National Planning Framework 4 and Scottish Government Planning Advice Note 2/2010: Affordable Housing.

National Planning Framework 4 defines affordable housing as “**housing of a reasonable quality that is affordable to people on modest incomes**”.

The Council's Local Housing Strategy (2017-22) identifies a significant need for affordable housing throughout East Renfrewshire. This guidance aims to assist in meeting this need by increasing the supply of affordable homes, whilst providing clear guidance to housing developers on the terms of the affordable housing policy.

The policy will be applied to the consideration of all new housing proposals in East Renfrewshire.

The policy requires an affordable housing contribution from all new residential developments of **4 or more units**. The desired outcome is to increase delivery of affordable homes on the ground, to increase tenure choice for our residents and to respond flexibly to changes in the wider economy and in the residential market. The Council also wants to see the creation of mixed and diverse communities where there is a choice of good quality housing to rent or buy, available to all residents, including those on modest incomes.

The Council considers that policies on affordable housing provision should be realistic and take into account considerations such as development viability and the availability of funding. Therefore in practice each site will be examined on a **case by case basis** in order to determine the most appropriate affordable housing provision in that specific location to meet local circumstances and housing needs.

Experience of implementing our affordable housing policy has shown it is essential that the policy allows flexibility and provides discretion for Council staff to explore, negotiate and secure different and innovative solutions to affordable housing delivery.

Developers and landowners should take this affordable housing policy requirement into account in their financial appraisal of sites, therefore consultation with the Council early in the development process is advisable.

POLICY CONTEXT

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Policy Context

This Supplementary Guidance has been developed in the context of the following policy and strategy frameworks and government advice, and any subsequent updates/replacements:

- National Planning Framework 4
- Planning Advice Note 2/2010: Affordable Housing & Housing Land Audits (2010)
- Planning Circular 3/2012: Planning Obligations and Good Neighbour Agreements (2012)
- East Renfrewshire Local Housing Strategy 2017-22 (2017)
- Adopted East Renfrewshire Local Development Plan 2 (2022)

Further information is available on the Scottish Government Website: www.scotland.gov.uk/Topics/Built-Environment/planning

Local Context

The current Strategic Housing Need and Demand Assessment identified ongoing significant pressure for affordable housing throughout the Council area, particularly for social rent.

House prices have risen significantly, making home ownership less attainable or not affordable for many residents, especially older people, one person households and young families. The Housing Need and Demand Assessment estimates that in East Renfrewshire there is a total need for 880 affordable homes during the period 2012 to 2029, although this does not always have to be from new build homes. Both the Local Housing Strategy and the Local Development Plan 2 will continue to address this issue.

East Renfrewshire has two distinct housing market areas within the Council boundary, Eastwood and Lavern Valley, and although there are significant affordable housing needs in each, the scale of the problem is greatest in the Eastwood area.

The Council will continue to apply a flexible policy approach to the provision of affordable housing and work actively with developers to find and apply appropriate solutions to affordable housing delivery on a case by case basis. The Council will also continue to work closely with affordable housing providers to provide new affordable homes throughout the Council area.

The main requirement is for new social rented housing, with homes of every type and size required in Eastwood, and a mix of specific property types and sizes required in Lavern Valley to meet existing gaps in provision. There is also need for affordable homes to buy for first time buyers and older people.

These priorities are reflected in the Local Housing Strategy and Strategic Housing Investment Plan. The Council will continue to target Affordable Housing Investment Programme funding to those areas of greatest need.

GUIDANCE

Policy SG4: Affordable Housing

The Council will require residential proposals of 4 or more dwellings, including conversions, to provide a minimum 25% affordable housing contribution. This contribution may be made on site; or by means of a commuted sum payment; or off site. The affordable housing must be well integrated into the overall development. All proposals will require to comply with Strategic Policy 2 and Policy D1.

Further detailed information and guidance is provided in the Affordable Housing Supplementary Guidance.

The Council will support the implementation of the affordable housing sites listed in Schedule 16.

Policy SG4 is considered to set a realistic and achievable framework that will maximise provision to meet identified local housing need, without threatening the viability of sites or delivery of affordable and private housing in general.

General

Information on Housing Needs and the justification for Policy SG4 is set out in the Local Development Plan 2 (2022) and Local Housing Strategy 2017-22 (2017).

The policy will apply to all planning applications for residential developments of 4 or more units, including applications for conversion of buildings to residential use. The policy seeks to achieve a minimum 25% affordable housing contribution, based on the total number of new housing units proposed on a site. For the avoidance of doubt the policy will be applied to the gross number of units proposed within the planning application.

The affordable housing policy will apply without exception for renewals, revisions and amendments. Although there is a shortened application process for a renewal, the assessment of the application has to be in full (de-novo). First-and-foremost the application is to be assessed against the Development Plan as it stands at the time that the new application is assessed; thus against all up-to-date policies including Policy SG4 Affordable Housing. The concept of an affordable housing requirement has been part of Scottish planning policy since the introduction of Scottish Planning Policy 3 Planning for Housing (2003) and Planning Advice Note 74 Affordable Housing (2005) and has been the subject of Supplementary Planning Guidance in East Renfrewshire since January 2006. Therefore this requirement has been long established and any permission originally granted before the policy was first approved (19th January 2006) has not only had its original permission, but has had more than 1, if not several, renewals. All applicants in this situation have therefore had ample opportunity to implement their permission, without having to provide affordable housing.

The Council will adopt a realistic approach to the provision of affordable housing whilst continuing to recognise the pressing need within this area to improve the range and choice of affordable housing for the residents of East Renfrewshire. It is at the discretion of Council staff to negotiate with applicants and determine an appropriate, fair and reasonable contribution taking all matters, including development viability into account.

The affordable housing contribution should normally be delivered on site, however in some cases off site provision or payment of a commuted sum in lieu of on site provision may be appropriate.

In all cases planning applications should clearly set out proposed mechanisms for contributing to local affordable housing needs. We would encourage pre-application discussions in all cases, but particularly where developers wish to discuss proposals for developer led affordable housing with limited or no public sector subsidy, or where there are no proposed Registered Social Landlord partners.

Sites of less than 4 dwellings

On sites with capacity for less than 4 dwellings there will be no requirement for an affordable housing allocation. However, where sites of this size conjoin, and the cumulative capacity exceeds 4 dwellings, the developer or developers will be expected to combine to make provision for affordable housing in line with the stipulations for large or small housing sites.

Where a proposal is for fewer than 4 units but is clearly part of a phased development of a larger site which would be subject to the affordable housing policy, an affordable housing contribution will be required.

Where it is proposed to split a site into individual house plots, it is expected that an application for Planning Permission in Principle (PPP) will be submitted. This will then be assessed and where appropriate, the terms of the affordable housing policy will be applied and a legal agreement entered into to secure an appropriate affordable housing contribution, should 4 or more housing plots be created.

Where a PPP application has not been submitted, and planning applications are instead submitted separately for residential units on individual plots, or for fewer units than can clearly be accommodated on site, the first application to be submitted (if minded to grant) will be subject to the successful conclusion of a legal agreement with the landowner(s) covering the entire site allocated / area of land involved. This will ensure that appropriate development contributions are secured should 4 or more housing plots be created and applied for and that the requirement for development contributions is directed at the landowner creating the plots and not individual applicants/home owners.

Sites of 4-19 dwellings (small housing sites)

Planning Advice Note 2/2010 recognises that on smaller sites, on site provision will often be possible. However where sites may be unsuitable for affordable housing for example due to the small scale of the proposal, practical or locational circumstances, or where there are advantages to considering the payment of a commuted sum (for example where this would achieve more, higher quality, or better-located affordable housing elsewhere; help support the delivery of a preferred tenure or type of affordable housing elsewhere; or where it would support the delivery of non-new build affordable housing projects throughout the area) the Council may accept the payment of a commuted sum, or off site provision.



Sites of 20 or more dwellings (large housing sites)

On sites, capable of accommodating 20 or more dwellings, the developer will normally require to make provision for a minimum capacity of 25% affordable dwellings on site, therefore applicants should refer to the guidance for on-site delivery set out below.

It is accepted that on site provision may not always be possible, and the Council may need to consider the payment of a commuted sum or off site provision. This may be appropriate where sites are unsuitable for affordable housing; where conversions do not lend themselves to affordable housing; where the site is not ideally located for affordable housing provision; or where there are advantages to considering the payment of a commuted sum (for example where this would achieve more, higher quality, or better-located affordable housing elsewhere; help support the delivery of a preferred tenure or type of affordable housing elsewhere; or where it would support the delivery of non-new build affordable housing projects throughout the area).

It may also be appropriate on some larger sites for the contribution to form a mixture of on site provision and commuted sums, to ensure that diverse, mixed communities result.

The policy allows flexibility for applications to be assessed on a case by case basis, and it will be at the discretion of Council staff to determine and secure the most appropriate form of contribution for each particular case, taking all matters, including development viability, into account ¹.

¹ The Director of Environment has delegated authority and flexibility to negotiate and agree an affordable housing package in relation to each application and to secure it through planning condition(s) or legal agreement(s) as appropriate.





DELIVERY APPROACH

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Affordable Housing Delivery Approach

All cases will be assessed on an individual basis, and a balanced and realistic view will be taken when making a recommendation on the appropriateness of affordable housing contributions, ensuring that any affordable housing burden placed on the site is reasonable and does not prevent the successful delivery of the market housing on the site.

It will be at the discretion of Council staff to determine and secure the most appropriate form of contribution for each particular case, taking all matters, including development viability, into account and ensuring that the solutions agreed will meet housing needs and be affordable to those on modest incomes².



² The Director of Environment has delegated authority and flexibility to negotiate and agree an affordable housing package in relation to each application and to secure it through planning condition(s) or legal agreement(s) as appropriate

On Site Provision

The Council retains the aim of achieving affordable housing delivery **promptly** and **on site** as this encourages mixed and diverse communities. The approach to on site delivery will respond to the different needs of the two local housing market areas. Within the **Eastwood** housing market area, the greatest need is for on-site delivery of social rented accommodation.

On site provision can either be in the form of integrated development or the transfer of serviced land. It will be based on the **total capacity** of the site, with the minimum percentage requirement (25%) being applied to the total number of units proposed, for example, if the application for the entire site proposes 100 units, 25 of these must be acceptable as affordable. The Council will remain open to pre-application discussions on the forms of delivery that may be acceptable on a site by site basis and applicants are encouraged to adopt this approach.

Integrated Development

A successful affordable housing delivery mechanism in East Renfrewshire has been where developers have worked with Registered Social Landlords to deliver affordable housing units on site, through a negotiated contract (within the Scottish Government's quality standards, subsidy & development cost benchmarks). Here the developer builds the units as an integral part of the wider development, and the units are then sold to the Registered Social Landlord for onward management and maintenance. In this case the Council does not have a direct input into the valuation of the units transferred; rather this is agreed between the two parties involved, however, the land element involved should be valued based on its end use for affordable housing, or lower. Where this option is proposed, we would encourage developers to engage early with the Council and local Registered Social Landlords.

Where the integrated affordable housing is to be delivered by the developer for the Council as part of the Council's New Build Programme, it is likely that the Council

would require to purchase completed affordable housing units on an 'off the shelf' basis³.

The Council has a stated aim of creating mixed and diverse communities and for this to succeed, it is recognised that there is a need to provide a range of housing choices that meets the needs of a range of households within the area, including first time buyers, those seeking to move, the needs of the increasing elderly population and those with particular needs. Therefore where the option of social rented housing is not deliverable, perhaps through lack of public sector subsidy, or is not practical, the Council will consider other models where it can be clearly demonstrated that they will meet the needs of, and are affordable to, groups of households identified through the strategic Housing Need and Demand Assessment.

It is accepted that developer led affordable delivery will be important in a time of restricted public sector funding. The Council will adopt a collaborative approach, exploring new methods of delivery and encouraging long term economic sustainability. The development industry has shown an understanding of the need for on-site delivery but has stressed that the Council should be flexible in approach and take account of development viability. The Council has responded positively to this, however, to avoid any ambiguity, the Council retains the aim of achieving prompt delivery of affordable housing on site, the benchmark 25% affordable housing contribution will remain and each site will be considered on a case by case basis, ensuring that the solutions agreed will meet housing needs and be affordable to those on modest incomes.

Guidance on the **mix of tenures, dwelling types and sizes needed to meet the affordable housing needs** of the area can be obtained from the Planning and Housing Services and early consultation is advised. The proposal should aim to meet identified need in the locality as set out in the Local Housing Strategy, the Strategic Housing Investment Plan, and the strategic Housing Need and Demand Assessment. The range of affordable tenures that can contribute to the range and choice available within East Renfrewshire are set out in Appendix 1.

In line with Planning Advice Note 2/2010, the affordable housing component should be **well integrated into the overall development and should, as far as possible, be indistinguishable from the general mix of other housing on a site in terms of style and layout, use of materials, architectural quality and detail**. Planning Advice Note 2/2010 advises that both 'pepper potting' of individual affordable housing throughout a development and large groupings of housing of the same tenure are best avoided. Concentrating affordable housing for rent in small groups will ease the subsequent management of the homes by a Registered Social Landlord and contribute towards providing mixed communities.

In most cases the affordable housing contribution will be secured by legal agreement, usually under section 75 of the Town and Country Planning (Scotland) Act 1997. The contents of the agreement will vary depending on what type of affordable housing is to be delivered, however the terms could include:

- The mechanism and timescales for delivery (to ensure the affordable housing is not back loaded);
- Standard specifications and definitions for the number type and tenure of housing to be provided;
- If unsubsidised for sale or rent - agreed sales prices or max rental prices (in line with the Strategic Housing Need and Demand Assessment), eligible purchasers, and methods for retaining contributions in over the medium if not long term;
- Provision for an alternative contribution, for example the payment of a commuted sum if for any reason the agreed method of delivery cannot be achieved.

This is not an exhaustive list and contents will vary depending on the specifics of the case. Discussions with applicants on appropriate heads of terms will take place throughout the application process.

³ East Renfrewshire Council has to conduct all procurement activity in line with its Contract Standing Orders and Public Contract Scotland Regulation

Transfer of Serviced Land for Affordable Housing

On site delivery can also be achieved through the transfer or sale of **serviced** and **accessible** land **within** a housing development to a Registered Social Landlord or the Council. The area of land to be transferred or sold must be accepted by the Council as capable of providing a minimum of 25% of the number of residential units contained within the application as affordable dwellings. This refers to the situation where the entire site is held by one developer and the land to be transferred will come from within that one site. This will be calculated by assessing the total capacity of the site (based on the total number of units proposed within the planning application) and ensuring that the site to be transferred can accommodate the required number of affordable homes, of a size and mix to meet local housing need and demand. To be clear this means if for example the total on site capacity (market units plus affordable units) is 100 units, the land transferred must be deemed capable of accommodating an appropriate mix of 25 affordable units. Care will be taken in assessing a reasonable area of land to be transferred and how this is assessed is a matter for the Council to negotiate on a site by site basis, taking into account the particulars of the specific proposal.

It should be noted that it will be for the Council/Registered Social Landlord to determine the appropriate end use of the site transferred i.e. the type, mix, size and number of affordable units to be developed on the land transferred or sold.

The serviced land transferred or sold must be **free from constraint⁴** and be **capable of being developed promptly** and at least in the same timeline as the market units. The Council's overall aim is to see integration of the affordable units within the overall development and wider community. It is appreciated, however,

⁴ Planning Advice Note 2/2010: Affordable Housing and Housing Land Audits sets out more fully the measure of effective sites
www.scotland.gov.uk/Publications/2010/08/31111624/5

that this desire must be balanced against practical requirements for the efficiency of the development and effective housing management. Where a serviced land transfer/sale is proposed, the Council will accept that a defined part of the site, rather than a mix throughout the site, may be the best option. This is particularly the case where each 'part' of the site will be developed by two separate companies. Nevertheless, design will remain important and as far as possible, there should be no discernible difference between affordable housing and market housing.

The value of the land to be transferred will be independently assessed by the District Valuer (or other) and the **value based on its end use for affordable housing**. In any event it should be transferred at less than the value for mainstream housing for sale in line with Planning Advice Note 2/2010 (para 19).

The transfer of serviced land will be secured by legal agreement, usually under section 75 of the Town and Country Planning (Scotland) Act 1997. The trigger points for the land transfer will be clearly laid out in the agreement to ensure the affordable housing is not back-loaded.



Off Site Provision

When an application proposes off site provision, it must be demonstrated that the alternative site is within the same housing market area as the principle development site, is within the developer's ownership or control and is in a location where housing is supported in principle. The proposed alternative site will require to make an equally satisfactory contribution to meeting unmet local housing needs as the principal development site, and there will need to be an agreed mechanism for delivering the requisite number of affordable units (for example through an agreed partnership with an Registered Social Landlord).

Off Site Provision Example:

The proposed alternative site must be capable of accommodating the transferred requirement as well as any requirement arising from its own development:

The principle development site proposes 20 units (Site A). The developer owns another development site within the same housing market area, which proposes a total of 40 units (Site B). The developer proposes that the affordable contributions from both Sites A & B be located on Site B.

Content of the two applications:

Site A proposes 20 market units

Site B proposes 25 market units and 15 affordable units (25% of 20 + 25% of 40)

Detailed proposals for both sites would require to be put forward simultaneously for assessment by the Council. The developer would require to guarantee the delivery of off site provision within a timescale agreed with the Council. The development of both sites would require to be linked by means of a legal agreement (usually under section 75 of the Town and Country Planning (Scotland) Act 1997), to secure the delivery of affordable housing at the alternative site.

We would strongly advise that developers wishing to propose this option seek early pre-application advice before embarking on any firm plans or proposals that include off site provision of affordable housing.

Commuted Sums in Lieu of On Site Provision

The policy allows flexibility to allow the Council to accept the payment of a commuted sum (paid by the applicant/developer to the Council) in lieu of on-site provision of affordable housing. This will usually be on sites which are unsuitable for affordable housing, or where there are advantages to the Council accepting commuted sums - for example where this would achieve more, higher quality, or better-located affordable housing elsewhere; help support the delivery of a preferred tenure of affordable housing elsewhere; or support the delivery of non-new build affordable housing projects throughout the area.

In cases where the payment of a commuted sum is deemed acceptable, in line with Planning Advice Note 2/2010, the Council will seek a commuted sum **of a value equivalent to the cost of providing the percentage of serviced land required by the policy**, and at a reasonable density for the end use as affordable housing. Commuted sums will be used to help meet an identified need in the same housing market area.

The tables below show average densities for all completed residential development in East Renfrewshire from 2012-2022. This will provide guidance to the valuer. Data is from the East Renfrewshire Council Housing Land Audit.

Densities			
<ul style="list-style-type: none"> Gross figures based upon total area and total number of completions Only completed sites included 2012-2022. 			
ERC Density			
	Total Completions	Total Ha	Density DPH*
ERC	2597	131.2	19.79

House Density			
	Total Completions	Total Ha	Density DPH*
ERC	777	53.8	14.44
EW	584	42.89	13.62
LV	193	10.91	17.69

Flat Density			
	Total Completions	Total Ha	Density DPH*
ERC	462	9.26	49.88
EW	400	6.8	58.81
LV	62	2.46	25.2

Mix Density			
	Total Completions	Total Ha	Density DPH*
ERC	1358	68.14	19.93
EW	1090	54.15	20.13
LV	268	13.99	19.16

*DPH - dwellings per hectare

In line with Planning Advice Note 2/2010, the value of the commuted sum will be determined **independently by the District Valuer** unless the applicant requests otherwise, in which case it will be determined by a chartered valuation surveyor suitably experienced in the type of property and the locality and appointed by mutual agreement between the parties, failing which the chairman of the Royal Institution of Chartered Surveyors in Scotland. The Council believes this to be a robust approach to the question of equivalent value.

In agreement with the applicant, the Council will request the valuation at the earliest opportunity after the planning application has been submitted and has been determined that the affordable housing requirement should take the form of a commuted sum.

The valuer will be asked to value the commuted sum in line with Planning Advice Notes 2/2010 and the Council's Supplementary Planning Guidance on affordable housing.

Throughout the area the percentage requirement of the Council's policy is 25% of the total units applied for and at a reasonable density for the end use as affordable housing. For the avoidance of doubt, where the application of the 25% requirement results in fractions of units, no rounding will occur and the Council will ask the valuer to use the exact number, for example 1.75 units, in the commuted sum valuation.

The valuer will be asked to produce a report detailing the commuted sum required, a copy of which will be sent to the applicant.

Where a developer wishes to dispute a valuation by the mutually agreed valuer, the Council will be prepared to consider a further valuation by a mutually agreed valuer.

In all cases, instructions to valuers will be provided by the Council or jointly by the Council and developer. Valuation costs will be borne by the developer/applicant.

Viability & Reduced Contributions

It is expected that the developer will have accounted for both the costs involved with any site constraints, and the requirements of the affordable housing policy in the purchase of a site.

A reduced affordable housing contribution will only be considered favourably where the policy requirement is demonstrated to threaten the viability of the development due to either the small scale of the proposal (where less than 20 houses) or to exceptional development costs resulting from unusual site constraints such as decontamination, reclamation requirements or access difficulties.

The developer will be required to **provide evidence in the form of a full development appraisal** in support of this argument. The Council will refer this to the District Valuer for an independent assessment by the District Valuer (or other agreed valuation surveyor). The valuer will take account of any legitimate extraordinary costs and this will be reflected in the final valuation of the contribution required. Advice on the content of a development appraisal can be provided. Valuation costs will be borne by the developer/applicant.

Exceptions

Exemptions to the requirement for a minimum 25% Affordable Housing may be acceptable where higher components of owner occupied housing may be required to improve tenure choice or to facilitate the regeneration of Barrhead. This will be determined by the Council in discussion with the developer and **must be supported by appropriate evidence**. Based on the evidence submitted, the Council may decide that an affordable housing contribution is not required, or accept a reduced contribution. This will be subject to the final approval of the Director of Environment.

Legal Agreements

Affordable housing contributions (on site, off site, and commuted sums) will normally be secured by means of a legal agreement required as part of the planning process, usually in the form of a section 75 agreement under section 75 of the Town and Country Planning (Scotland) Act 1997. This can include a unilateral obligation.

Where possible, examples of agreements used may be provided upon request early in the application process so that developers are aware of the style of legal agreement required. However the appropriate terms of the agreement will vary depending on the specifics of the application, the type of affordable housing contribution agreed, the way in which affordable housing is to be provided and retained (if appropriate).

To ensure that the requirement for a legal agreement does not unduly delay the processing of the planning application, heads of terms will be agreed prior to the determination of the application.

Legal agreements relating to commuted sums will specify the exact sum involved and when it is to be paid, including indexation from the date of valuation to the date of payment. Phasing of payments can be discussed with the Council on a case by case basis.

Retention of Affordable Housing

The retention of affordable housing can most effectively be achieved through the delivery of social rented housing. Where other types of affordable housing are proposed, they should include mechanisms to retain the affordable housing, over the medium, if not long term. These mechanisms will be set out in a legal agreement.

In cases where unsubsidised discounted for sale units are proposed, legal agreements will include clauses to ensure that either:

- a) the discount on market value remains in perpetuity - secured by way of the legal agreement and the title, the wording of which would be agreed with the Council and a copy supplied; or
- b) the affordable housing contribution is not lost upon resale – instead the percentage discount would be repaid to the Council upon resale secured by a standard security in favour of the Council (this sum would then be recycled into the affordable housing fund and used for delivery of affordable housing elsewhere in the housing market area).

The particulars of each proposal, including the proposed mechanisms and duration of retention, will be assessed on a case by case basis. It will be at the discretion of Council staff to determine the suitability or otherwise of each proposal.

Priority Client Groups

Affordable housing for rent will be directed at priority client groups. Existing mechanisms include the allocations policies of the Council and Registered Social Landlords which are regulated by The Scottish Housing Regulator.

Where possible affordable housing for sale should be directed towards local people (or people with a local connection) in housing need and on modest incomes, who would not be able to purchase a property on the open market in the local area.

Council Assistance

Where necessary and appropriate, and to assist housing providers in the delivery of affordable housing the Council will undertake the measures outlined below.

The Council will work in partnership with other third parties including other public agencies and housing providers to secure the delivery of affordable housing.

The Council will assist housing providers in establishing priority client groups and forms of affordable housing which will best meet housing need.

The Council will consider the possibility of making unallocated surplus Council owned land available for affordable housing at the appropriate value relating to its end use as affordable housing. The Council will consider using compulsory purchase powers to secure opportunities for new supply and regeneration where a suitable housing provider underwrites the acquisition costs. However this can only be considered when Council resources are available.

The Council will engage early in the development process with developers and housing providers to discuss identified housing needs in the area, advise on the availability of subsidy and resources and the suitability of development proposals for meeting local housing needs.

The Council will negotiate with developers and housing providers on any necessary legal agreements for the provision and retention of affordable housing as a condition of planning permission being granted.

Where any development is proposed that comprises or includes housing, early contact with the Council is highly recommended.

Contact Details

For further advice on the affordable housing policy and its application, please contact:

Strategic Planning
Planning & Building Standards
Environment Department
2 Spiersbridge Way
Spiersbridge Business Park
Thornliebank, G46 8NG
Email: ldp@eastrenfrewshire.gov.uk

APPENDIX

1



Affordable Housing Tenure Types

In accordance with Planning Advice Note 2/2010, East Renfrewshire Council will accept the following categories of development as falling under this definition of affordable housing:

Social Rented

Housing provided at an affordable rent and usually managed locally by a Registered Social Landlord such as a Housing Association, Housing Co-operative, local authority or other housing body regulated by The Scottish Housing Regulator.

Subsidised Low Cost Housing for Sale

Subsidised low cost sale - A subsidised dwelling sold at an affordable level⁵. Discounted serviced plots for self build can contribute. A legal agreement can be used to ensure that subsequent buyers are also eligible buyers.

Shared ownership - The owner purchases part of the dwelling and pays an occupancy payment to a Registered Social Landlord on the remainder.

Shared equity - The owner pays for the majority share in the property with the Registered Social Landlord, local authority or Scottish Government holding the remaining share under a shared equity agreement. Unlike shared ownership, the owner pays no rent and owns the property outright⁶.

Unsubsidised Low Cost Housing for Sale

Entry level housing for sale - A dwelling without public subsidy sold at an affordable level⁷. Conditions may be attached to the missives in order to maintain the house as an affordable unit to subsequent purchasers.

Shared equity- The owner purchases part of the dwelling with the remaining stake held by a developer⁸

Mid-market or Intermediate Rented

Private rented accommodation available at rents below market rent levels in the area

and which may be provided either over the medium or long term⁹.

The Council will in principle accept the 'National Housing Trust model for Registered Social Landlords' as counting towards the requirements of the affordable housing policy, provided that the units are available as affordable housing over the medium or long term (the majority of housing provided should be provided for a period greater than 5 years). The suitable timeframe and mechanism for securing the units as affordable would require to be agreed with the Council.

Other Proposals

The policy provides flexibility to enable new and innovative ideas to be considered; therefore the Council welcomes discussion with developers on any new and innovative ideas for affordable housing delivery, including developer led solutions with limited or no subsidy requirement, or non new build proposals.

The Council will carry out affordability assessments in line with the Strategic Housing Need and Demand Assessment to ensure that any proposals would be affordable to local people on modest incomes.

The particulars of each proposal, including the proposed mechanisms and duration of retention, will be assessed on a case by case basis. It will be at the discretion of Council staff to determine the suitability or otherwise of each proposal.

⁵ For such housing to count as affordable housing, the appropriate sale price should be informed by the Strategic Housing Need and Demand Assessment and agreed by the local authority

⁶ In the Eastwood area of the authority due to pressured nature of the housing market, there will be a requirement for a 'golden share' in order to retain the property as affordable in perpetuity as long as a need remains in the local housing strategy. This means that purchasers will not be able to purchase 100% equity in the property over time, and the Registered Social Landlord/Council/ Scottish Government will always retain an equity share in the property.

⁷ See footnote 5

⁸ See footnote 4

⁹ For such housing to count as affordable housing the appropriate rent should be informed by the Strategic Housing Need and Demand Assessment and agreed by the local authority or be in line with Scottish Government Requirements.