

Conwy Local Development Plan 2007 – 2022



SUPPLEMENTARY PLANNING GUIDANCE

LDP13: Affordable Housing

Adopted August 2017

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Statement of Consultation

This Supplementary Planning Guidance document was issued for a period of six weeks public consultation between 6 March 2017 and 18 April 2017.

It was adopted by Cabinet on 15 August 2017.

Copies of the representations received, together with the Council's response are available to view on-line at <http://conwy.jdi-consult.net/ldp/>

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1. EXECUTIVE SUMMARY

- 1.1 This Supplementary Planning Guidance (SPG) sets out the Local Planning Authority's (LPAs) requirements for affordable housing, to ensure new developments help to meet the County's housing needs and create mixed, sustainable communities. This SPG expands upon the planning policies set out in the adopted Local Development Plan and outlines how the LPA expects affordable housing to be delivered as part of new residential developments. A glossary of terms used in this document is attached as Appendix 1.
- 1.2 This SPG will be a material consideration in the determination of all planning applications for residential development including applications for the renewal of consents.
- 1.3 Developers are encouraged to enter into early discussions on their proposals with the Planning Policy, Development Management and Housing Strategy sections of the Council. The contact details are set out in Appendix 2.
- 1.4 The costs, income, rent, Acceptable Cost Guidance (ACG) levels and housing need figures will change over the life of the SPG. Applicants should ensure that applications are prepared using the most up-to-date figures.



2. POLICY CONTEXT

2.1 National Policy Guidance

Planning Policy Wales (PPW) provides the overarching national strategic guidance with regards to land use planning matters in Wales. It states that Local Planning Authorities should, “ensure that all local communities - both urban and rural – have sufficient good quality housing for their needs, including affordable housing for local needs and for special needs where appropriate, in safe neighbourhoods.”

2.2 Technical Advice Note (TAN) 2: Planning & Affordable Housing

The purpose of Technical Advice Note (TAN) 2: Planning and Affordable Housing (June 2006), is to provide practical guidance on the role of the planning system in delivering affordable housing. The TAN gives a strong presumption that affordable housing will be provided on the application site so that it contributes to the development of socially mixed communities. The TAN advises that targets and thresholds should be set for affordable housing, but balanced against the need to ensure site viability. It is acknowledged that housing market conditions can alter quickly which justifies a flexible approach to targets and thresholds.

2.3 Conwy Local Development Plan (LDP)

The delivery of affordable housing through the planning system will be through the implementation of Policy HOU/2 – Affordable Housing for Local Need which states:

POLICY HOU/2 – AFFORDABLE HOUSING FOR LOCAL NEED

1. The Council will require the provision of AHLN in new housing development as identified in The Local Housing Market Assessment and the Conwy Affordable Housing and First Steps Registers. The delivery of AHLN will be guided by Table HOU2a, the Housing Delivery and Phasing Plan and the following hierarchy:
 - Giving AHLN provision a high priority through negotiating with developers to include AHLN on-site in all housing developments within the settlement boundaries of the Urban Development Strategy Area and Tier 1 Main Villages, according to the following distribution:

Llandudno and Penrhyn Bay, Rhos on Sea	35%
Conwy, Llandudno Junction, Glan Conwy, Llanrwst	30%
Llanfairfechan, Penmaenmawr, Colwyn Bay,	
Dwygyfylchi, Llanddulas & Llysfaen	20%
Abergele, Towyn and Kinmel Bay	10%
 - A lower provision may be acceptable where it can be clearly demonstrated and supported by the submission of evidence including completion of a Viability Assessment Pro-Forma. Off-site provision or commuted payments will be acceptable for development proposals consisting of 3 or

less dwellings, and may be acceptable for proposals consisting of 4 or more dwellings provided there is sufficient justification. It is expected that the AHLN units will be provided without subsidy.

- At the edges of the Urban Development Strategy Areas, development will not be permitted outside the settlement boundaries, apart from exception sites providing 100% AHLN adjoining Llanrwst.
- Windfall sites in Tier 1 Main Villages will reflect levels of need and consist of no more than 10 dwellings.
- Within the Tier 2 Main Villages, the Council will seek to achieve 100% AHLN on allocated and windfall sites within the settlement boundaries. Market dwellings may be permitted in exceptional circumstances on allocated and windfall sites where it is essential to assist the on-site delivery of affordable housing and where supported by the completion of a Viability Assessment Pro-Forma. Windfall sites will reflect levels of need and consist of no more than 10 dwellings.
- Outside Tier 1 and Tier 2 Main Village settlement boundaries, as an exception, small scale 100% AHLN will be acceptable on the edge of settlements up to 5 dwellings, giving first priority to Previously Developed Land, to encourage the creation of sustainable communities in line with Policies DP/2 – ‘Overarching Strategic Approach’, and HOU/6 – ‘Exception Sites for Affordable Housing for Local Need’.
- Within the Minor Villages, the Council will seek to achieve 100% AHLN only through single and small scale developments within the confinements of the settlement and where proposals represent a form of infilling and relate physically and visually to the settlement. Market dwellings may be permitted on such windfall sites in exceptional circumstances where it is essential to assist the on-site delivery of affordable housing and where supported by the completion of a Viability Assessment Pro-Forma. Windfall sites will reflect levels of need and character of the settlement and consist of no more than 5 dwellings.
- At the edge of Minor Villages, only justified small-scale schemes (up to 3 dwelling) providing 100% AHLN, or where it represents a Rural Enterprise Scheme or a Low Impact Development, will be permitted in line with Policies DP/6 and HOU/6.

- Within Hamlets, development will only be permitted in exceptional circumstances to provide an individual single justified AHLN dwelling in an acceptable and sustainable location in line with Policy HOU/6.
 - Within the open countryside, AHLN will be guided in line with Policy DP/6.
2. All developments will be required to achieve an appropriate mix in terms of housing types and house sizes of AHLN within a development, determined by local circumstances at the time of the submission of a development proposal in line with Policy HOU/4.
 3. AHLN units should be fully integrated within a development and indistinguishable from non-affordable housing in line with Policy DP/3.
 4. The Council will seek to achieve higher levels of AHLN on Council owned sites in line with Policy HOU/7.
 5. The Strategic Planning Policy Service will seek to establish a Plan Area-wide register of land holdings in public ownership for AHLN, in line with Policy HOU/8.

The following LDP Policies are also relevant in the consideration of residential development schemes within the Plan area:

- DP/1 – Sustainable Development Principles
- DP/2 – Overarching Strategic Approach
- DP/3 – Promoting Design Quality and Reducing Crime
- DP/4 – Development Criteria
- DP/5 – Infrastructure and New Developments
- DP/6 – National Planning Policy and Guidance
- DP/7 – Masterplans and Community Appraisals
- DP/8 – Colwyn Bay Urban Regeneration Masterplan
- HOU/1 – Meeting the Housing Needs
- HOU/3 - Phasing Housing Development
- HOU/4 – Housing Density
- HOU/5 – Housing Mix
- HOU/6 – Exception Sites for Affordable Housing for Local Need
- HOU/7 – Council and Government Owned Sites in the Plan Area
- HOU/8 – Register of Land Holdings
- HOU/10 – Houses in Multiple Occupation and Self contained flats
- HOU/12 – Re-use and adaptation of redundant rural buildings for residential use

LDP policies should also be read in conjunction with the relevant adopted Supplementary Planning Guidance

The policies and guidance mentioned above are available on the Council's website via the following link - www.conwy.gov.uk/ldp

2.4 Community Infrastructure Levy

The Community Infrastructure Levy (CIL) was introduced by the 2008 Planning Act, and has been brought into operation by the Community Infrastructure Regulations 2010. The CIL is designed to be a mechanism whereby new development would contribute to the provision of the new or improved infrastructure. Affordable housing will remain subject to Section 106, and is not included within the scope of CIL. Negotiations on affordable housing will therefore continue as previously. However, in the circumstances where a developer submits a financial viability assessment to seek reduction in the required proportion of affordable housing, this should take into account the cost of any CIL liability and other site-specific Section 106 obligations required to make the proposed scheme acceptable in planning terms.



3. DEFINING AFFORDABLE HOUSING AND AFFORDABILITY

3.1 Affordable Housing

The term affordable housing for the purpose of the land use planning system is defined in TAN 2 as “*housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers*”.

There are two main types of affordable housing as defined by TAN 2:

- Social rented housing – provided by local authorities and registered social landlords (RSLs) where rent levels have regard to the Welsh Government’s guideline rents and benchmark rents; and
- Intermediate housing - where prices or rents are above those of social rented housing but below market housing prices or rents. This includes intermediate rental and low cost home ownership models such as assisted purchase, shared equity schemes and other emerging intermediate products. Intermediate housing differs from low cost market housing, which the Welsh Government does not consider to be affordable housing for the purpose of the land use planning system.

All other housing is classified as “market housing”, which includes private rent or sale in the open market, where no occupancy restrictions are in place.

3.2 It is intended that Affordable Housing delivered in Conwy will fall broadly into the 2 sectors detailed above with the split between the sectors informed by Conwy’s Local Housing Market Assessment (LHMA), Affordable Housing registers, surveys and locality specific circumstances.

3.3 Self-build housing

As part of the process of submitting a planning application for a self-build affordable home, the applicant will be required to submit at least two independent valuations of the open market value of the proposed house (the valuations must state that the value is to the Royal Institute of Chartered Surveyors definition of Open Market Value ignoring all Section 106 restrictions relating to affordable housing). Any valuation undertaken will be based on the plans drawn up for the proposed house which must be in accordance with the relevant maximum internal floor space sizes as indicated below and further set out in the SPG. This valuation will need to be certified by a suitably qualified chartered surveyor and should be sent with the application. The financial costs in relation to obtaining the valuation will be borne by the applicant.

3.4 Initial and future affordability in relation to the self-build affordable home will be secured through a Section 106 Planning Obligation which shall restrict the initial affordable price

and the affordable price in all subsequent re-sales to a level based on a defined fixed discount (percentage) below normal market value, which will be set against the prevailing open market value of the house. In determining the level of percentage discount required, the LPA shall give consideration to the information received through the process referred to in the above paragraph, along with house price information published by HM Land Registry where the housing development is proposed, and information on median income levels for the dependency catchment area in question from the most recently published CACI Paycheck data. All future re-sales will be in accordance with the procedures stated above.

3.5 Planning applications for self-build affordable housing under Policies HOU/2 and HOU/6 must be based on genuine proven need for such housing and should not be submitted on a purely speculative basis. The dwellings will need to remain affordable in perpetuity through a S106 agreement.

3.6 Low Cost Market Housing

The LPA acknowledges that Low Cost Market Housing is part of the overall housing provision within a housing market. Such housing provision is private housing for sale or rent where the price is set in the open market and their occupation is not subject to control by the LPA. This type of housing does not comply with the National and Local planning policy definition of affordable housing, and will not therefore be included in any calculation. If low cost open market housing is proposed, the LPA will need to be satisfied that the size and type of housing reflects the housing requirements in the area, thus contributing to creating a balanced and sustainable community.

3.7 Specialist Housing

There are a number of people living in the County Borough that have specific housing requirements as a result of learning/physical disabilities and/or medical conditions. In certain circumstances, particular housing needs cannot be addressed within the existing housing stock and therefore new purpose built special needs units may be required. Where there is evidence of need and it is considered appropriate, special needs housing may be provided as part of the affordable housing contribution through the involvement of a RSL to ensure these units remain affordable.

3.8 It is recognised that the development costs of providing specific needs housing may be higher than general needs affordable housing and therefore it may be acceptable for a lower proportion of affordable units to be provided, subject to an assessment of viability and further discussions with the Council's Housing Strategy.

3.9 In the case of proposed developments for market sector special needs housing, such as retirement apartments or sheltered housing, it is expected that a proportion of this housing should be affordable, subject to the need for special needs housing. The proportion will be determined on a site-by-site basis, taking into account economic viability and need.



3.10 Affordability

It is essential that all the approved affordable housing remains 'affordable' in perpetuity. It is important that proposals consider the future and contribute to the long term needs of the whole community, i.e. the property should be suitable to meet future needs as well as the first occupier's needs.

3.11 Affordable housing should only be available to people who are not able to satisfy their housing needs with their own resources at open market prices. Limits on rents and sale prices of affordable housing will be set that reflect local incomes. Affordability will be ensured through the use of affordability levels, both for homes for rent and homes for purchase. These affordability levels will be established biannually via the LHMA (published by CCBC Housing Strategy – refer to Appendix 2), basing them on a methodology linked to the median house income levels of the area in question.

3.12 The LPA will, in accordance with Policies HOU/2 and HOU/6 restrict the occupancy of the affordable dwellings to local persons as defined in the said local Policies.

3.13 It is certain that the type, size and design of the house will affect its affordability for the first occupier as well as future occupiers. Details of what the LPA considers acceptable in terms of size and type is provided later in this guidance.

3.14 Type and size of Affordable Housing for Local Need

All social rented developments will have to conform to the acceptable size in accordance with:

- the Design Quality Requirements Guidebook published by the Welsh Government for both new dwellings and existing rehabilitated buildings

- the Welsh Housing Quality Standards published by the Welsh Government
- the Lifetime Homes Standards
- the RSL Design Brief
- Secured by Design (UK Police flagship initiative)

Early engagement with CCBC Housing Strategy and RSLs is strongly recommended.

3.15 Developments with no RSL involvement or not in receipt of WG Capital Grant Funding will need to ensure that the dwellings are of an appropriate size and tenure and respond to a specific need as advised by the Council's Housing Strategy Department and highlighted in the Local Housing Market Assessment.

3.16 The size of dwellings must not be excessive in relation to the size of the property required to meet the target need (or it may not be affordable to other people). For social rented properties, the dwellings must be in line with DQR standards and reflect the current needs of the occupants. For intermediate housing, dwellings may have one extra bedroom, in addition to the existing need. To ensure that people do not misuse the policy the maximum size of affordable units with no RSL involvements or not in receipt of WG Capital Grant Funding must not exceed the Welsh Governments Design Quality Requirements (DQR) plus 20% net floor areas.

3.17 In determining the number of bedrooms required by an applicant for affordable housing, consideration must be given to the following, in discussion with Housing Strategy:

3.18 Separate bedrooms should be ensured for:

- Husband/wife or similar partnership
- Each person aged 18 years or over
- Children aged 8 or over of different sex from children of any age
- No more than two persons should occupy one bedroom

3.19 In relation to Rural Enterprise and Agricultural/Forestry workers dwellings the above-mentioned DQR plus 20% net floor area standards will also be applied. Consideration may be given to the minimum additional floor space that may be required in relation to a genuine and reasonable business related need, e.g. office, shower/boot room, etc.

4. HOUSING NEED

4.1 Planning Policy Wales states that:

'Local authorities must understand their whole housing system so that they can develop evidence-based market and affordable housing policies in their local housing strategies and development plans. They should ensure that development plan policies are based on an 'up-to date' assessment of the full range of housing requirements across the plan area over the plan period.'

And recommends that:

'Local Housing Market Assessments provide the evidence base supporting policies to deliver affordable housing through the land use planning system.'

- 4.2 Conwy has prepared its Local Housing Market Assessment (LHMA), in line with Welsh Government methodology, to provide a robust evidence base to inform the Local Housing Strategy (LHS) and Conwy Local Development Plan (CLDP). The LHMA assesses current and future housing need within Conwy, looking specifically at 'Local Housing Market Areas' which are not determined by administrative boundaries, such as wards, but are defined by functional housing markets, for example where people live and work, areas of high and low housing demand and patterns of relocation by households.
- 4.3 Conwy's LHMA provides an up to date evidence base of Housing Needs across the County. The LHMA sets out the need for additional housing in Conwy for the period, split between the Social Rented and Intermediate Sectors.

The latest Conwy LHMA can be viewed at - <http://www.conwy.gov.uk/lhma>

4.4 Rural Housing Enabler (RHE)

Welsh Government guidance on undertaking Local Housing Market Assessments states that in the context of rural settlements an additional survey at the community level is the practical way to proceed to assess housing needs due to the potentially highly localised nature of housing need in rural settlements.

- 4.5 A Rural Housing Enabler operates in rural Conwy, the role of the Enabler is to:
- Raise awareness of the shortage of affordable housing for local people in rural areas.
 - Gather information regarding the needs for affordable housing within rural communities.
 - Empower communities so that they can explore innovative options.
 - Assist communities in forming appropriate partnerships.
 - Offer support to residents in relation to sustainable communities.
 - Work with communities so that they can register the needs of local people.
 - Improve the relationship between voluntary and statutory authorities and communities.
- 4.6 Developers are encouraged to engage with the RHE at an early stage, and where primary sources (LHMA, Common Housing and First Steps Registers) don't support a need for Affordable Housing in a rural locality there will be a requirement for a RHE study to be undertaken. It should be noted there may be a charge for this service.

5. AFFORDABLE HOUSING PROVISION

- 5.1 Settlement boundaries have been provided for all settlements falling within the Urban Development Strategy Area and the Tier 1 and 2 Main Villages. These settlements are better equipped with the services and employment opportunities to support new housing. They are also considered to have the capacity to accommodate development without detriment to the position of the Welsh language. Within the Minor Villages and Hamlets no settlement boundaries are drawn.
- 5.2 The Tier 1 Main Villages will provide a combination of market value and AHLN from existing commitments, on allocated sites and from windfall development. Within the Tier 2 Main Villages, the LPA will seek to deliver 100% AHLN only on allocated and windfall sites within the settlement boundaries. In exceptional circumstances market dwellings will be permitted in the Tier 2 Villages within the settlement boundaries on allocated and windfall sites where it is essential to assist the delivery of affordable housing and where supported by the completion of a Viability Assessment Pro-Forma. Such windfall schemes will generally be smaller than those permitted in the Urban Development Strategy Areas (no more than 10 dwellings on windfall sites). Small scale (up to 5 dwellings) 100% AHLN exception sites may be permitted outside, but on the edge of, the settlement where it meets local need.
- 5.3 There are no settlement boundaries for Minor Villages and no allocations are made for new dwellings. To meet the needs of the community, the LPA will seek to deliver 100% AHLN only on windfall sites within the confinements of the settlement or where single or small groups of new dwelling estates (up to 5 dwellings) represent a form of infilling and relate physically and visually to the Minor Village. The level of development should represent the level of facilities and services and safeguard the Welsh language. To provide an element of flexibility, market dwellings may be permitted in exceptional circumstances on allocated and windfall sites only where it is essential to assist the delivery of affordable housing and where supported by the submission of evidence including a completed Viability Assessment Pro-Forma. Small scale 100% AHLN (up to 3 dwellings) exception sites may be permitted outside, on the fringe of, the village confinements, where it meets local need.
- 5.4 The needs of the Hamlets will be met through appropriate development. Rural Enterprise Dwellings, Agricultural or forestry worker dwellings, conversions to dwellings and single AHLN developments may be permitted in appropriate locations subject to the criteria outlined in this guidance.
- 5.5 In line with the findings of the Affordable Housing Viability Study (AHVS) and the LPA's priority objectives to contribute to affordable housing delivery, policy HOU/2 seeks a viable contribution from all housing developments of varying percentages within the Urban Development Strategy Area (as per the table below) and Tier 1 Main Villages. Within the Tier 2 Main Villages, Minor Villages and Hamlets, development should only

take place to meet evidenced local need for affordable housing – in some circumstances and subject to viability, market housing may be permitted where necessary to bring forward the affordable housing development.

Llandudno and Penrhyn Bay, Rhos on Sea	35%
Conwy, Llandudno Junction, Glan Conwy, Llanrwst	30%
Llanfairfechan, Penmaenmawr, Colwyn Bay, Dwygyfylchi, Llanddulas & Llysfaen	20%
Abergele, Towyn and Kinmel Bay	10%
Tier 2 Main Villages, Minor Villages & Hamlets	Target 100% (see Appendix 4)

5.6 Off-site Provision of Affordable Housing

Welsh Government advice in TAN 2 advises that affordable housing should normally be provided on site. Offsite provision of affordable housing, or a financial contribution towards providing affordable housing, will only be allowed in exceptional circumstances. Exceptions could include instances where it would be unfeasible, unsuitable or otherwise inappropriate to have onsite provision.

5.7 The onus will be on the developer to set out the exceptional circumstances as to why provision may not need to be on site and how their alternative proposal will address the affordable housing need identified by the LPA. The level of financial contribution sought will be calculated through the implementation of the Development Appraisal Toolkit (DAT). The exception should be based on the nature of the site rather than the circumstances of the applicant/developer; that the development is the minimum required to address the established need and that there is a clear balance of advantage to the community in allowing the exception.

5.8 Off site provision on an alternative site will only be allowed where the principle of residential development has been agreed on both the application site and the alternative site(s) and where at least one of the following apply:-

- a. There is no defined need for low cost home ownership in the immediate locality – but there is on an alternative site
- b. Where a sequentially better alternative site (transport and facilities) has come forward which would not otherwise have done so, has been secured and itself possesses no affordable housing planning obligation
- c. At least the same level of provision, if not increased or enhanced, is proposed and will lead to better integration across a community
- d. The application site meets a separate special or particular housing need i.e. OAP/sheltered – which takes precedence over affordable housing
- e. The application site is unsuitable based on adverse geography, hostile site characteristics, and a satisfactory alternative site has been secured
- f. The alternative would entail bringing existing housing stock into use for affordable housing.

5.9 Commuted Sums

The strong presumption is that AH units will be provided on the application site. However, in cases where on site provision of affordable housing is not considered appropriate and/or viable and units cannot be delivered off-site, the LPA will consider whether to accept a commuted sum, where this option is viable. The commuted sum should be of the equivalent value to the developer contribution if the affordable units were being provided on site.

5.10 There are four situations when a commuted sum may be payable:

- 1 When the number of dwellings proposed generates the requirement for a 'partial' affordable dwelling.
- 2 When a viability appraisal for a development demonstrates that the residual value from a development is insufficient to provide the full requirement of on-site affordable dwelling(s) but is viable for a reduced provision.
- 3 When planning officers and housing strategy officers agree that a commuted sum would be more appropriate than on-site affordable housing on a particular site.
- 4 On removal of a condition or S106 which restricts occupancy

1 **Commuted sum in lieu of a 'partial' affordable dwelling**

In many instances, a proposed development will generate the requirement for 'partial' affordable dwellings, as shown in the examples below. Some affordable dwellings may also be provided on site, but the developer would have the option to pay a commuted sum in lieu of the on-site provision for any remaining 'partial' AH requirement. In this case, one affordable (intermediate) dwelling is assumed to cost £50,000, in line with evidence from previous DAT calculations.

If the applicant would prefer, they may provide an on-site AH dwelling instead of paying a commuted sum, resulting in higher AH provision than required by policy.

Example 1: Single dwelling in Llanfairfechan
AH Requirement: 20% (0.2 dwellings)
Commuted sum requested: £10,000

Example 2: 8 dwellings in Rhos on Sea
AH Requirement: 35% (2.8 dwellings)
2 AH dwellings provided on-site
Commuted sum requested: £40,000
Alternatively the developer may wish to provide 3 on-site AH dwellings.

2 **Commuted sum payable following DAT assessment**

Developers and landowners are expected to be realistic in agreeing land values, which should take into account known additional costs and constraints (see 11.5). However, when a proposed residential development raises issues of viability which would prevent the developer from providing the full complement of planning obligations on the site and the land value cannot be reduced to accommodate the planning obligations, the LPA will conduct a DAT assessment of the proposal (see section 11). If the LPA accepts the land value, costs and assumptions made, and agrees that the level of affordable housing provided on site may be reduced, a commuted sum may be payable.

This will be equal to the remaining residual value (taking account of any on-site AH, if viable) after taking off the land value.

Committed sum = Residual Value – Land Value

Example 1: 5 dwellings in Glan Conwy

Land Value:	£400,000
AH Requirement:	30% (1.5 dwellings)
RV @ 0% AH:	£430,000
Committed sum requested:	£30,000

Example 2: 12 dwellings in Llanddulas

Land Value:	£550,000
AH Requirement:	20% (2.4 dwellings)
RV @ 8.3% AH: (1 on-site AH unit)	£577,000
Committed sum requested:	£27,000

3 Committed sum requested by officers

On the advice of Housing Strategy, planning officers may consider that payment of a committed sum would be more appropriate than providing on-site affordable housing on a particular site. Where the developer is in agreement with this approach, the committed sum will be calculated as follows:

Committed sum = RV 100% - RV AH%

RV 100% = Residual Value at 100% market housing

RV AH% = Residual Value at the AH% required by HOU/2

Example: 30 dwellings in Colwyn Bay

AH Requirement:	20% (6 dwellings)
RV @ 0% AH:	£1,100,000
RV @ 20% AH:	£650,000
Committed sum requested:	£450,000

4 Removal of occupancy condition/S106

A commuted sum is liable to be paid in accordance with the mechanism set out in a S106 when an application is made for its removal, or on removal of a Rural Enterprise Dwelling/Agricultural occupancy condition (section 7).

5.11 Expenditure of Commuted Sums

Commuted sums should be used to provide affordable housing within the same Town/Community Council area as the application site. If this is not possible, then the money should be used within the same market area. If neither of these options are available within an appropriate timeframe, the LPA will require that the money be spent elsewhere in the County Borough.

5.12 The LPA may also decide that any financial contributions collected may also be used for the following:

- Purchase and refurbishment of long-term empty properties which an RSL will manage as affordable housing
- The provision of Homebuy loans
- Delivery of the Mortgage Rescue Scheme
- Supplementing on-site provision on other developments in the area
- Development of supported/adapted housing
- The purchase and refurbishment of properties to meet special needs housing requirements
- Any other measures that can be categorised as affordable housing.

5.13 In order to ensure that commuted sums reflect economic conditions at the time they are payable, the Section 106 agreement will include an indexation formula to calculate any increases/decreases to be paid as part of the commuted sum.

5.14 Council and Government Owned Sites in the Plan Area

The disposal of Local Authority and Government owned land for AHLN will also add to the certainty of delivery. As a result of the level of housing need within the County Borough, and the priority issue to protect the natural and historic environment, Council owned land is identified in the Housing Delivery and Phasing Plan. Where there is an identified need and the proposal is deliverable, viable and suitable to the character of the area, the LPA will seek to accommodate a higher AHLN provision on-site than the minimum standard set for privately owned sites in line with Policy HOU/7.

5.15 Register of Landholdings

To maximise the use and deliverability of exception sites and potential future 100% allocations for AHLN, the LPA will seek to establish a County Borough-wide register, alongside other CCBC departments, neighbouring authorities where cross-boundary issues exist, and the Welsh Government. Land will be appraised on a regular basis to ensure that a land-bank of potential deliverable and suitable sites are available to meet the affordable needs of the community.

6. EXCEPTION SITES

6.1 Rural Exception Sites for Affordable Housing for Local Need

In line with Policy HOU/6, housing schemes providing 100% Affordable Housing for Local Need may be acceptable on suitable sites adjoining an existing settlement and complying with other criteria in the Policy. Such sites are known as 'rural exception sites.'

6.2 The delivery of the Affordable Housing need is also to be supported through rural exception sites based on the findings in the LHMA and Local Rural Enabler studies as evidence base. The special provision of rural exception sites must be considered in meeting the overall needs of the communities in Conwy and to ensure viability. To maximise the use and deliverability of exception sites and accommodate affordable housing need, the LPA will establish a County wide register, alongside other CCBC departments, listing land in public ownership which is not required for operational use now or in the foreseeable future.

6.3 Exception sites should form a logical extension to the existing village and should not be viewed as scattered development in the open countryside. Settlements should ideally be supported by local services and a public transport service. The map below provides an example of sites that are well related to a settlement and some that are not well related to the settlement which would be considered unsuitable. It is also important for sites to comply with other considerations, such as highway safety, landscape/biodiversity impact, etc, even if they are well related to the settlement.



6.4 Rural exception sites will be assessed on the basis of proven need, the suitability of the site, local requirements, affordability and Development Principles. The density, setting, design, materials, landscaping, etc, must make a positive contribution to the character of the village or area.

6.5 Replacement dwellings in the open countryside

The LDP encourages housing in the open countryside to focus on the use of existing buildings. Such proposals on previously developed sites in the countryside for the replacement or sub-division of existing residential dwellings are likely to be small scale and potentially high cost. Replacement dwellings are unlikely to be viable for AH contributions and as they do not result in the net gain of dwellings they are exempt from affordable housing requirements.

6.6 Rural conversions

Policy HOU/12 supports the conversion of suitably constructed buildings to residential use provided there is no proven demand for a commercial use (including holiday accommodation) of the building in the first instance. Subsequently, residential use may be acceptable in compliance with other policy criteria and national planning guidance. Reference should be made to LDP12: Rural Conversions SPG.

7. RURAL ENTERPRISE DWELLINGS (REDS)

- 7.1 The provision of dwellings within the open countryside to serve rural enterprise workers may be acceptable, subject to assessment, in line with LDP Policies HOU/1, HOU/2, DP/6, Planning Policy Wales and Technical Advice Note (TAN) 6: 'Planning for Sustainable Rural Communities'. In the event that planning permission is granted for a temporary or permanent rural enterprise dwelling, the future occupancy of that dwelling will be controlled by attaching a RED planning condition to the permission. This will require the dwelling to be occupied by a worker (and/or dependant(s) or widow/er) directly associated with the rural enterprise or a similar qualifying enterprise in the locality, or, if there is no such eligibility, by a person meeting the local authority's affordable housing eligibility criteria, as per TAN 6 Practice Guidance.
- 7.2 The use of the RED condition is intended to reduce the scope of these excepted dwellings to move into the general housing market so that they can be continually recycled between rural enterprise workers and eligible affordable housing. A Section 106 Legal Agreement will also be required to ensure that the dwelling remains at an affordable level in perpetuity thereafter.
- 7.3 As previously stated the Rural Enterprise and Agricultural/Forestry workers dwellings DQR plus 20% standards (including garages) will also be applied. To allow reasonable space for family expansion, the 'starting point' for such dwellings should be the 3 bed 5 person DQR level (94 sq m) plus 20%. A higher DQR level can be applied where the family circumstances of the applicant means there is already a requirement for more space (see 3.18). Consideration will be given to the minimum additional floor space that may be required in relation to a genuine and reasonable business need, e.g. office, shower/boot room, etc. The size of the curtilage should be the minimum necessary for reasonable domestic/business use and householder permitted development rights may be withdrawn so that control can be exercised over the enlargement or alteration of the dwelling in ways that would change their affordability for future occupiers.
- 7.4 Removal of agricultural/forestry occupancy conditions/legal agreements
See flow chart attached as Appendix 3.

Changes to farming and agricultural practices may result in agricultural dwellings no longer being required for their original purpose. The LPA will resist the removal of any occupancy condition imposed on the dwelling that would result in the dwelling being available to the open market, unless a detailed assessment clearly shows that the condition has legitimately outlived its usefulness and that no long term need exists for the accommodation.

- 7.5 If the dwelling is a suitable size for AHLN (DQR+20%), the condition will be replaced with a Rural Enterprise Dwelling (RED) occupancy condition.

- 7.6 The submitted information must show that the property has been actively marketed by a minimum of 2 local estate agents for sale or rent at an appropriately discounted price (30% below open market value) for a continuous period of 12 months during the previous two years and that no demand exists for occupation by a similarly eligible person or persons.
- 7.7 If the proposal is to remove the existing occupancy condition to allow the dwelling to be occupied by a person who would be eligible under the Rural Enterprise Dwelling condition, the RED condition will be applied without requiring the applicant to market the property.
- 7.8 If the information clearly demonstrates that the original controlled occupancy is no longer required and the dwelling is a suitable size for AHLN (DQR+20%), the condition will be replaced with a Rural Enterprise Dwelling (RED) occupancy condition.
- 7.9 If the dwelling is of a size which makes it unviable for AHLN the condition can be removed subject to a Section 106 legal agreement for payment of a commuted sum of 30% of the open market value towards AHLN.
- 7.10 In cases where disputes remain, the services of the District Valuer Service will be sought to resolve such disputes with the costs to be borne by the applicant.
- 7.11 Removal of Rural Enterprise Dwelling (RED) occupancy conditions/legal agreements
See flow chart attached as Appendix 3.

In support of such applications the applicant must provide a detailed assessment which clearly shows that the condition has legitimately outlived its usefulness and that no long term need exists for the accommodation. The submitted information must show that the property has been actively marketed by a minimum of 2 local estate agents for sale or rent at an appropriately discounted price (30% below open market value) for an eligible rural enterprise worker, or dependent, for a continuous period of 12 months. In the event no eligible rural enterprise worker requires the property for sale or rent it should then be marketed on the First Steps register with Grŵp Cynefin at an appropriately discounted Affordable Housing for Local Need price in line with the LHMA requirements for a continuous period of 6 months. The AHLN marketing can run concurrently with the last 6 months of the RED marketing and should take place within the previous two years. In relation to the AHLN marketing, this should be carried out in conjunction with the Council's Housing Strategy Department and the local Rural Housing Enabler.

- 7.12 If it can be clearly demonstrated, following the above-mentioned marketing activity and assessment, that the property is not required as a RED or AHLN dwelling then the condition can be removed, subject to payment of a commuted sum towards AHLN based on the following formula:

Open Market Value – (3.5 x median Local Housing Market area income +5%) =
Commutated Sum

For example:

Open market value of a Rural Enterprise Dwelling: £200,000

Median income of LHMA area: £25,000

$3.5 \times £25,000 = £87,500 + 5\% (£4375) = £91,875$

$£200,000 - £91,875 = £108,125$ commuted sum

7.13 In cases where disputes remain, the services of the District Valuer Service will be sought to resolve such disputes with the costs to be borne by the applicant.

8. DESIGN

8.1 As set out in Planning Policy Wales, good design can protect the environment and enhance its quality, help to attract business and investment, promote social inclusion and improve the quality of life. These objectives apply equally to market housing and to affordable housing, the overriding principle being to establish a sense of place and community. For small sites the visual integration of old and new development is of particular importance. Affordable housing should also be indistinguishable from market housing provided on the same site, in terms of external design quality and materials.

8.2 Developers should refer to national planning guidance and development plan policies on design and sustainability in Planning Policy Wales, Technical Advice Note 12: 'Design', Conwy Local Development Plan policies and Supplementary Planning Guidance LDP09 – 'Design'.

8.3 To ensure that the affordable housing provided meets local housing needs, the type and size of the property to be provided will be based upon advice from one or a combination of the following: the Council's Housing Strategy Service, Affordable Housing Officer, from Registered Social Landlords and also from results of the relevant housing needs surveys undertaken or other accredited sources of information.

8.4 All Social Rented units will have to conform to the design standards as required by Welsh Government and set out in:

- Design Quality Requirements
- Welsh Housing Quality Standards
- Lifetime Homes
- Secured by Design

- 8.5 Householder permitted development rights may be withdrawn so that control can be exercised over the enlargement or alteration of dwellings in ways that would change their affordability for future occupiers.

9. HOUSING DENSITY & MIX

- 9.1 National Planning Guidance and LDP Policy HOU/4 – ‘Housing Density’ (and the Affordable Housing Viability Study – Background Paper 9) suggest that building at moderate to high densities enables best use to be made of development sites, and helps safeguard the countryside from unnecessary development.
- 9.2 In order to deliver the required affordable housing need in Conwy, the LPA will encourage a broad mix of housing density to reflect the diverse needs of the Borough’s residents, the nature and character of the development in question and the location of the development proposed. Residential developments should make best use of land by achieving average densities of at least 30 dwellings per hectare unless there are exceptional circumstances for lower densities. To meet an identified need in certain areas, higher densities of up to 50 dwellings per hectare may be acceptable subject to the overall character of the area and the sustainability and accessibility of the site, and which results in no unacceptable impact on the locality.
- 9.3 The housing mix of a development should have regard to LDP Policy HOU/5 – ‘Housing Mix’.
- 9.4 The LPA advise prospective developers to seek clarification on the number, tenure, type and size of affordable housing required in the course of pre-application discussions with Strategic Planning Policy, Development Management and the Housing Strategy Department. Such collaboration is considered to be important in order to establish an appropriate and well-integrated mix of housing types and tenures which will contribute to the identified need for affordable housing, and to the objective of achieving mixed and sustainable communities. The findings of the LHMA and other policy documents will be utilised to inform initial discussions.

10. ELIGIBILITY

- 10.1 Eligibility for and allocation of Social Housing will be in line with Conwy’s Housing Allocation Policy. Contact the Council’s Housing Strategy Department for further information.

10.2 Intermediate Housing

The household can't afford to buy or rent in the locality in which they live or with which they have a connection and conforms to one of the following criteria.

- Currently homeless or threatened with homelessness
- Establishing a new household for the first time
- Have been living in rented accommodation for at least the last 3 years
- Their current house is deemed by the Local Authority to be in sub-standard condition and converted/upgraded to meet their need or the property is not affordable
- Their existing house is too small for the family's needs
- Has an essential need to live close to another person who meets A, B or C of the Local Connection Criteria.
- Has a specialist housing need
- Is providing key work or service and has a full time permanent offer in the qualifying area
- Tied housing is ceasing to be available for occupation
- Other circumstance resulting in a housing need, as agreed by CCBC Housing Strategy and RSL.

An affordability assessment will also be carried out prior to any offer being made.

10.3 Local Connection Criteria

In line with National guidance, it is important to ensure that affordable housing is allocated to local people, thus ensuring that the housing effectively meets its purpose in providing for local need in accordance with the cascade as set out by Housing Strategy (see below). In addition to being in housing need, proposed occupiers of affordable housing must satisfy the definition of a local person as follows:

Priority A

A person is local if they have lived or worked in full time permanent employment for a minimum and continuous period of 10 years, within the Community Council area or within a three mile radius of the affordable dwelling.

Where a person does not meet this criterion the priority B criteria will be implemented

Priority B

A person is local if they have lived or worked in full time permanent employment for a minimum and continuous period of 5 years, within the Community Council area or within a three mile radius of the affordable dwelling.

Where a person does not meet this criterion the priority C criteria will be implemented

Priority C

Where a local connection had been established for other reasons (not in priority order):

- Where a person is moving into the area to look after a close relative who qualifies as either Priority A or B and is in need of daily care and assistance. This must be evidenced.
- They need to move to the area so that a member of their household with a disability can attend a school or receive specialist support, but are unable to do so because of the difficulty in finding adequate accessible/affordable housing in the area. The need must be as a consequence of the disability and the need to move to that area must be evidenced.
- They are serving in the Armed Forces or are former members of the Armed Forces who are not currently employed or resident in the area but have previously been resident in the area, including residency as a result of a former posting in the area while serving in the Armed Forces. This must be evidenced.
- They are a 'key worker' moving into the community to take up permanent, full time employment within the community to which the settlement belongs. This must be evidenced. An example of a key worker is as follows:
 - A teacher in a school or in a further education establishment or sixth form college;
 - A nurse or other skilled health worker in the National Health Service
 - A police officer;
 - A fire officer;
 - Any other person whose employment fulfils an important role in the provision of key services within the area.

Where a person does not meet this criterion the priority D criteria will be implemented

Priority D

A person is local if they have lived or worked in full time permanent employment for a minimum and continuous period of 10 years, within the Local Housing Market Area (LHMA).

Where a person does not meet this criterion the priority E criteria will be implemented

Priority E

A person is local if they have lived or worked in full time permanent employment for a minimum and continuous period of 5 years, within the Local Housing Market Area (LHMA).

Where a person does not meet this criterion the priority F criteria will be implemented

Priority F

A person is local if they have lived or worked in full time permanent employment for a minimum and continuous period of 5 years, within the Conwy County Borough.

In line with national guidance, it is important to ensure that affordable housing is allocated to local people, thus ensuring that the housing effectively meets its purpose in providing for local need. The definition of local need shall initially be based on the local definition above.

- 10.4 When a property, subject to the condition, is advertised for sale the Authority would require it to be made available to an occupier within the settlement who meets the eligibility criteria specified within the original consent. That being the case the property must be advertised at an affordable price for a minimum of twelve months.
- 10.5 If after twelve months the property, having been marketed as required above, remains unsold the LPA can, upon certification, relax the conditions relating to the occupancy of the property which will allow the property to be offered to other persons in housing need who meet the 'local' definition above starting with a given neighbouring settlement.
- 10.6 If, after a further six months of advertising, the property still remains unsold, it can be offered, after certification by the LPA, to a person in housing need who has lived or worked in full time permanent employment for a minimum and continuous period of ten years within the Conwy County Borough or any neighbouring Local Authority.

11. VIABILITY

- 11.1 Conwy CBC appointed Dr Andrew Golland to prepare an Affordable Housing Viability Study (AHVS) compliant with the requirements of the Welsh Government's Technical Advice Note 2 (TAN2) which emphasises the importance of viability testing policy targets. The study supports the Council's LDP in providing a key piece of evidence on the viability of housing development by setting deliverable affordable housing targets and by assessing an appropriate threshold which should trigger affordable housing contributions. The study is robust for the period of the LDP, although it recognises that the Council will closely monitor delivery through the Annual Monitoring Report (AMR) should there be significant market change.
- 11.2 Developers are encouraged to enter into early discussions on their proposals with the Planning Policy, Development Management and Housing Strategy sections of the Council and RSLs. The contact details are set out in Appendix 2.
- 11.3 Where a developer believes that delivering the level of affordable housing outlined in LDP policies is not economically viable, they will be required to demonstrate to the LPA's satisfaction why the policy requirements cannot be achieved, and indicate what

level of affordability would make a scheme viable and deliverable. A full and detailed financial appraisal would need to show:

- The acquisition price of the site
- Projected construction costs – build costs per square metre based on current industry standard BCIS prices
- Exceptional costs attached to the development
- Proposed final sales value per unit
- Applicant's profit
- Unit types/alternative housing mixes considered
- Finance costs
- Professional fees
- Cost of other planning obligations
- Any other relevant information

11.4 The LPA will then use a Development Appraisal Toolkit (DAT) to examine the economics of the development and determine the viability of affordable housing provision. Where the developer can demonstrate that the provision of affordable housing required would not be viable, a lower percentage may be negotiated. In the event of a dispute over site viability and where agreed by both parties, the local authority will commission an independent consultant and/or the services of the District Valuer Service for a third party appraisal. The cost of this independent appraisal will be met by the developer.

11.5 The latest AHVS was undertaken in March 2011. The assumptions used in the study reflect the market conditions at that time and the LPA considers these assumptions to still be valid at the present time. If it can be demonstrated that there have been considerable changes in market conditions since the study was undertaken, it may be appropriate to reconsider the affordable housing provision requested from a site, based on a site specific assessment of viability. This may result in lower or higher affordable housing provision being required, up to the level set out in HOU/2.

11.6 Flexibility

The LPA expects developers to purchase land for housing in the future having taken into account the need to provide the 'known' planning obligations and any 'known' abnormal costs (e.g. ground remodelling, demolition costs). This step change in purchasing land over time will further assist the delivery of affordable housing as it is anticipated that this reduction in the value of the land will make such sites attractive to Housing Associations seeking to provide affordable housing. However, it is inevitable that changes to the economic climate, site specific issues and the level of need will change over the period of the LDP which could lead to a development becoming more or less viable over time. Viability assessments may therefore be revisited as appropriate. A flexible approach is applied to Policy HOU/2 and trigger points have

been put in place in the Monitoring and Implementation section for when actions need to be taken to release contingency sites or warrant a review of the Plan.

- 11.7 In line with Policy HOU/2 a lower provision of affordable housing will be acceptable on-site where the developer can clearly demonstrate this through supporting evidence base. Therefore, 'sufficient justification' should be provided by developers where the policy cannot be met, making reference to the constraints (flood risk, archaeological remains, design, etc) on-site which make the delivery of the policy unachievable. To assist developers, a Financial Viability Assessment Pro-Forma is set out in the Planning Obligations SPG which should be submitted as part of any planning application to demonstrate the justification for not meeting policy HOU/2.
- 11.8 AHLN must be balanced with other requirements for transport infrastructure, community facilities, open space, skills development and sustainable construction. The viability of housing delivery also needs to be maintained. The LPA will make full use of the DAT to assess the viability of a scheme and the percentage of AHLN provision.
- 11.9 Where an applicant advises that the cost of providing affordable housing means that the site will not be viable to develop they will be expected to prove this by describing the costs and the value of the development fully. This process will include a thorough appraisal of the site economics and will require co-operation and an open book approach between the applicant, developer or landowner and the LPA.
- 11.10 The DAT will be used if necessary by the LPA where there is a dispute about the provision of affordable housing on a site which is the subject of a planning application. The toolkit is software used to arrive at a residual value for the land by comparing the full costs of building a residential development with the revenue generated through house sales and any revenue generated by the affordable housing. The results can then be compared against information about commercial land values to determine whether an individual site is viable. A range of planning obligations, including affordable housing, can be added in to the calculation and their impact on the scheme's residual value can be reviewed. In simple terms it calculates the level of profit a landowner and developer can expect according to different scenarios.
- 11.11 In cases where disputes remain, an independent appraisal and/or the services of the District Valuer Service will be sought to resolve such disputes with the costs to be borne by the applicant.
- 11.12 In line with Policy HOU/2, within Tier 2 Main Villages, the LPA will seek to achieve 100% Affordable Housing on allocated and windfall sites within settlement boundaries. Market dwellings may be permitted in exceptional circumstances on allocated and windfall sites where it is essential to assist the on-site delivery of affordable housing and where supported by the completion of a Viability Assessment. Early involvement

of CCBC Housing Strategy and RSLs is recommended. Proposals of this type will be carefully considered and are required to:

- Be affordable-led i.e. a key objective must be to provide affordable housing to meet identified need rather than to maximise the amount of market housing.
- Work backwards from 100% affordable housing scheme with the proportion of market housing only comprising that which is necessary to cross-subsidise the affordable housing.
- The dwelling and tenure mix must be aligned with local need and not simply driven by viability and maximising value.

12. DELIVERING AFFORDABLE HOUSING

12.1 The strong presumption is that affordable housing will be provided on the application site so that it contributes to the development of socially mixed communities. Affordable Housing will be required on all outline, full, or change of use planning applications where deliverable.

12.2 The LPA will seek to ensure that the affordable homes are actually delivered and built alongside the open market homes. Therefore, it will make provision for 'trigger points' in Section 106 planning agreements to ensure that the affordable housing is provided in step with the market housing or at an agreed time. The LPA will ensure that Section 106 Agreements will deliver the affordable housing provision. The onus will be on the developer and RSL to ensure delivery.

12.3 Registered Social Landlords (RSL)

The LPA's preferred approach for controlling the occupancy of affordable housing provided will be for its management to be undertaken by a Registered Social Landlord (RSL). Developers are encouraged to seek a RSL partner at the earliest opportunity. The involvement of a RSL to manage such housing will be an effective way of controlling occupancy and should ensure control over subsequent changes of ownership and occupation.

12.4 Legal Agreements

The future affordability, management and ownership of any affordable dwellings will be ensured in perpetuity through the imposition of planning agreements under Section 106 of the Town & Country Planning Act, which shall be applied to planning permissions. Section 106 agreements will apply to individuals, groups and Registered Social Landlords. The purpose of this agreement is to ensure that:

- the affordable housing is provided in a timely manner and for the purpose intended with the occupancy controlled thereafter
- the homes go to local people most in need of affordable housing,
- and the rents or prices are affordable, and remain so in the future

12.5 Applicants are expected to use the Council's template Section 106 agreement which is set out in the Planning Obligations SPG and available electronically from the LDP website. The LPA will expect to be involved in the negotiation of a Section 106 agreement at an early stage in the process. It is recognised that Section 106 agreements will need to be flexible to respond to changing circumstances. For example, they will need to take into account changing mortgage lending arrangements by banks and building societies.

12.6 It is suggested that Heads of Terms for a Section 106 agreement should be agreed with LPA prior to submission and included within an application.

12.7 To agree Heads of Terms for a Section 106 agreement the following will be required:

- Details of all parties with an interest in the land to which the application relates.
- An accommodation schedule setting out the number, type and tenure of affordable dwellings proposed.
- A layout plan showing the location of the affordable dwellings edged blue.
- Details of sales values for any intermediate affordable dwellings.
- Proposals for timing of delivery of the affordable

12.8 Pre-Emption rights

RSLs will also be required to ensure that they have pre-emption rights on all those newly developed properties in their part-ownership. This will allow the RSL first option to purchase any property in all future re-sales.

13. MONITORING & REVIEW

13.1 This guidance is intended to be robust for the period of the LDP. However, it may be the case that the policy targets cannot be met because of varying site or market circumstances. In these situations the LPA will use the Development Appraisal Toolkit (DAT) to negotiate (if appropriate) a lower level of AH than policy requires. The LPA will continue to maintain the DAT over the LDP period and in doing so will allow the LPA to negotiate schemes with developers using current data as well as re-visit this guidance at an interim point in time should this prove an appropriate step.

13.2 Monitoring of the delivery of Affordable Housing in Conwy will take place as part of the Implementation and Monitoring Framework and the Conwy Annual Monitoring Report (AMR). The LPA is required by the Welsh Government to produce an AMR to be submitted to the Welsh Government by 31st October each year following adoption of the LDP. The AMR will assess the extent to which policies in the LDP are being achieved and will also incorporate the results of the SEA/SA monitoring. The Implementation and Monitoring Framework and AMR (once published) are available on the Council's website.

- 13.3 The state of the housing market in Conwy is also monitored through updates to the Local Housing Market Assessment (LHMA) which is reviewed on a bi-annual basis.
- 13.4 This SPG will be kept under review in light of all material information and guidance. A review may be triggered by national changes in policy, updated information on housing needs or issues raised by the public, private or third sector regarding the operation of the SPG.

Appendices

Appendix 1	Glossary
Appendix 2	Contacts
Appendix 3	Flow Chart
Appendix 4	AH Scenarios

[Appendix 1 – Glossary](#)

Acceptable Cost Guidance (ACG) levels: These are provided by the Welsh Government (WG) as guidance on the likely acceptability of housing scheme costs for Social Housing Grant purposes. It is expected by WG that the majority of schemes are capable of being produced at or below ACG. ACG levels include both development and acquisitions costs.

Affordable Housing: Housing available to people who cannot afford to rent or buy houses generally on the open market.

Development Quality Requirements (DQR): Sets out the minimum quality requirements for new and rehabilitated housing developments funded from the Welsh Government's Social Housing Grant.

Housing Association: An organisation that provides affordable housing either through rent or low cost home ownership.

Housing demand: The quantity and type/quality of housing which households wish to buy or rent and are able to afford. It takes account of both preferences and ability to pay.

Housing need: Refers to households lacking their own housing or living in housing which is judged to be inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some financial assistance.

Housing Needs Survey: A survey of housing need amongst a given population, often within an identified community or across a wider area such as across the entire County.

Intermediate Housing: Affordable housing available to people unable to rent or purchase on the open market but who are not eligible for social rented properties. This is through a range of tenures, including intermediate rental, shared equity, discounted sale and other emerging intermediate products.

Local Housing Market Assessment: Local Planning Authorities' assessments of the requirement for both market housing and affordable housing in their local housing market area(s). These assessments should be carried out in accordance with the Welsh Government's 'Local Housing Market Assessment Guide', 2006. Conwy's LHMA is available from www.conwy.gov.uk/lhma

Occupancy cascade: A mechanism to ensure that occupants who fulfil the occupancy criteria will always be found for affordable housing when such housing is vacated. This mechanism might set out the geographical areas and/or types of households that would be eligible for such housing.

Permitted Development Rights: These are the rights that property owners have to alter or extend the property in certain circumstances without planning consent.

Private Rental Sector Housing: Means property owned by a private, voluntary or not for profit body, where the rental levels are based on local market conditions. Such properties are unlikely to be considered 'affordable'.

Registered Social Landlord (RSLs): The technical name for social landlords that own or manage social housing and are registered with, and regulated by, the Welsh Government. Most RSLs are Housing Associations (independent, not-for-profit organisations which are able to bid for Social Housing Grant funding).

Rural Exception Site: An area of land that immediately adjoins the development boundary for a certain type of settlement which can only be used for providing affordable housing.

Rural Housing Enabler: A person independent of the Council and Housing Associations who works with local communities to identify housing need and provide guidance to communities on the development process.

Section 106 Planning Obligation: Section 106 of the Town & Country Planning Act 1990 as amended by the 1991 Act, enables planning authorities to seek to negotiate a contribution from developers towards the cost of meeting the infrastructure necessary to support their development.

Social Housing: For the purpose of this Guidance means property owned by the Council, a charitable housing trust or a Registered Social Landlord where rents are set at a reduced rate in accordance with a formula set out by the Welsh Government.

Social Housing Grant: Capital grant provided by Welsh Government to Local Authorities to fund Registered Social Landlords to fully or partially fund investment in social housing.

Supplementary Planning Guidance: Formal guidance issued by the LPA which provides further detail in support of planning policies.

Appendix 2 – Contacts

Conwy County Borough Council

Strategic Planning and Communities
Llandudno Library
Mostyn Street
Llandudno
LL30 2RP
Tel: 01492 575461
E-mail: cdll.ldap@conwy.gov.uk

Development Management Section
Civic Offices
Colwyn Bay
Conwy LL29 8AR
Tel: 01492 575251
E-mail: regulatory.services@conwy.gov.uk

Housing Strategy Team
Civic Offices
Colwyn Bay
Tel: 01492 574225
E-mail: housingstrategy@conwy.gov.uk

Rural Housing Enabler

Grwp Cynefin
54 Stryd y Dyffryn
Dinbych
LL16 3BW
Tel: 0300 111 2122

Registered Social Landlords (RSLs);

Cartrefi Conwy
Morfa Gele
North Wales Business Park
Cae Eithin
Abergele
LL22 8LJ

North Wales Housing
Plas Blodwel
Broad Street
Llandudno Junction
Conwy
LL31 9HL : 01492 572727

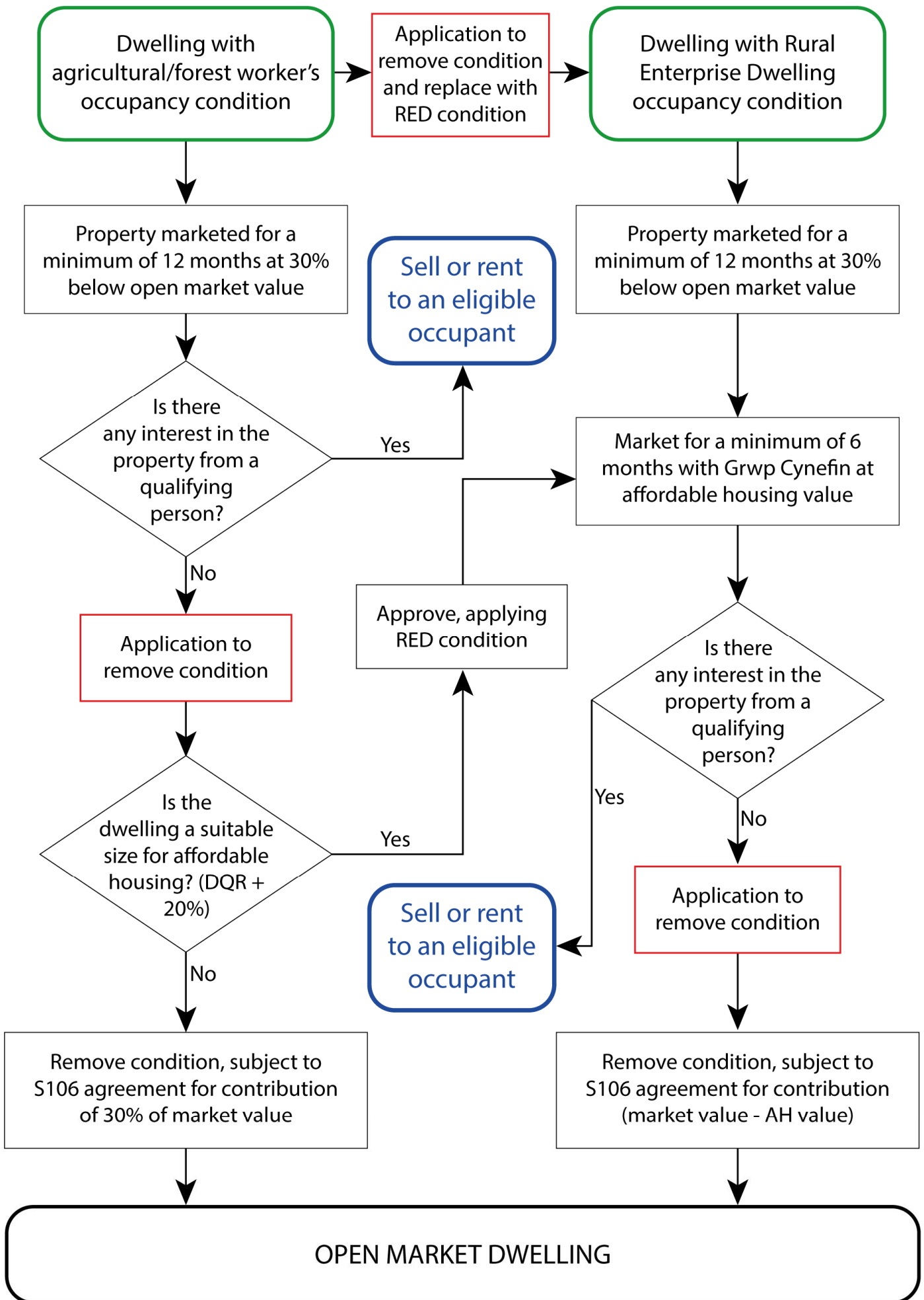
Wales & West Housing
North Wales Office
Unit 2
Acorn Business Park
Aber Road Flint
CH6 5YN
Tel: 0800 052 2526

Grwp Cynefin
54 Stryd Y Dyffryn
Dinbych
LL16 3BW
Tel: 0300 111 2122

Clwyd Alyn Housing Association
72 Ffordd William Morgan
St Asaph Business Park
St Asaph
Denbighshire
LL17 0JD
Tel: 01745 536800

First Choice Housing Association Ltd
Avon House
19 Stanwell Road
Penarth
Vale of Glamorgan
CF64 2EZ
Tel: 02920703758

Appendix 3 – Rural Enterprise Dwelling flow chart



Appendix 4 – Summary of HOU/2 Affordable Housing requirements by settlement

Settlement Hierarchy	1	2	3	4	5	6-9	10	11+	Settlements	
Urban Areas (within)	Commuted sum acceptable, in lieu of on-site provision (subject to viability)						10% on-site AHLN requirement in accordance with LDP Policy HOU/2, subject to viability		Abergele/Pensarn, Towyn & Kinmel Bay	
	Commuted sum acceptable, in lieu of on-site provision (subject to viability)				20% on-site AHLN requirement in accordance with LDP Policy HOU/2, subject to viability			Llanfairfechan, Penmaenmawr, Colwyn Bay, Old Colwyn & Mochdre		
	Commuted sum acceptable, in lieu of on-site provision (subject to viability)			30% on-site AHLN requirement in accordance with LDP Policy HOU/2, subject to viability					Conwy, Llandudno Junction & Llanrwst	
	Commuted sum acceptable, in lieu of on-site provision (subject to viability)		35% on-site AHLN requirement in accordance with LDP Policy HOU/2, subject to viability						Llandudno, Penrhyn Bay/Penrhynside & Rhos on Sea	
Edge of Urban (not Llanrwst)	None permitted								All Urban Areas (except Llanrwst)	
Llanrwst (Edge)	100% AHLN only								Llanrwst	
Tier 1 villages (within)	Commuted sum acceptable, in lieu of on-site provision (subject to viability)				20% on-site AHLN requirement in accordance with LDP Policy HOU/2, subject to viability			None permitted		Dwygyfylchi, Llanddulas & Llysfaen
	Commuted sum acceptable, in lieu of on-site provision (subject to viability)			30% on-site AHLN requirement in accordance with LDP Policy HOU/2, subject to viability				None permitted		Glan Conwy

Settlement Hierarchy	1	2	3	4	5	6-9	10	11+	Settlements	
Tier 1 villages (Edge)	100% AHLN only					None permitted			Dwygyfylchi, Glan Conwy, Llanddulas & Llysfaen	
Tier 2 villages (Within)	100% AHLN only	Seek 100% on-site. Market permitted where essential to provide on-site AHLN						None permitted	Betws yn Rhos, Cerrigydrudion, Dolgarrog, Eglwysbach, Llanfair Talhaiarn, Llangernyw, Llansannan, Tal y Bont/Castell & Trefriw	
Tier 2 villages (Edge)	100% AHLN only					None permitted				
Minor villages (Within)	100% AHLN only	Seek 100% on-site. Market permitted where essential to provide on-site AHLN				None permitted			Bryn Pydew, Glanwydden, Groes, Henryd, Llanbedr y Cennin, Llanddoged, Llanellian, Llangwm, Llanefydd, Pentrefelin, Pentrefoelas, Rhyd y Foel, Rowen, St George, Tal y Cafn & Tyn y Groes	
Minor villages (Edge)	100% AHLN only			None permitted						
Hamlets (Within)	100% AHLN only	None permitted							Bodtegwel, Bryn y Maen, Bryn Rhyd yr Arian, Brymbo, Bylchau, Cefn Berain, Cefn Brith, Capelulo, Dinmael, Glan Rhyd, Glasfryn, Groesffordd, Gwytherin, Hendre, Llanfihangel GM, Maerdy, Melin y Coed, Nebo, Pendy Tudur, Pentre Isa, Pentre-llyn-cymmer, Pentre Tafarn-y-Fedw, Rhydlydan & Tan-y-Fron	
Hamlets (Edge)	100% AHLN only	None permitted								
Open Countryside	National Guidance	None permitted							Elsewhere	