

WORTHING BOROUGH COUNCIL
FINAL DRAFT AFFORDABLE HOUSING SPD

February 2024

	Section	Page
1	Introduction	2
2	Legislative and Policy Context	3
3	What is Affordable Housing	4
4	Housing Need in Worthing	8
5	Local Policy	9
6	When On-site Provision Cannot be Achieved	12
7	Development Viability	13
8	Vacant Building Credit	16
9	Design and Layout	18
10	Provision of Serviced Plots	20
11	Delivery and Management	21
12	Monitoring	22
13	Contacts	23
	Glossary	24
Appendix A	Method for Calculating Off-site Contributions	26
Appendix B	Vacant Building Credit	28
Appendix C	Checklist for Viability Assessments	29

1. Introduction

The need for subsidised housing provision has long been recognised. The cost of private sector housing, compared with average income levels, means that significant numbers of households lack the resources to obtain private sector housing. Without subsidised housing many households remain in substandard accommodation and in significant housing need.

Whilst it is acknowledged that there are many areas of the country with high levels of affordable housing need, the available evidence demonstrates that this situation is acute in Worthing. As a result, one of the biggest issues that the town faces is ensuring that there is sufficient access to decent and affordable housing to meet current and future needs.

The Council is committed to deliver high quality affordable housing for people who are unable to access or afford market housing as well as helping people make the step from social or affordable-rented housing to home ownership. To achieve this aim the Council will continue to work with public bodies and Registered Providers to maximise the delivery of affordable housing on appropriate sites.

Scope of this document

The purpose of this Supplementary Planning Document (SPD) is to provide advice on the Council's affordable housing policy, as set out in Worthing Local Plan Policy (DM3) and how it should be interpreted and implemented. It does not introduce new policies but supplements and supports existing policies in the Council's adopted Plan.

A key aim of Policy DM3 is to increase the amount of affordable housing delivered through the planning system. This document provides advice for landowners, developers, agents and affordable housing providers. It should be used to inform pre-application proposals and planning applications to ensure high quality and successful applications are made which deliver affordable housing reflecting local needs.

The SPD sets out the mechanism for securing affordable housing on major residential development sites (including mixed use sites) and financial contributions for affordable housing to be secured off-site where required. Section 5 sets out the Affordable Housing policy (DM3) in full and goes on to summarise elements of other related policies. Affordable housing requirements will need to be met in full and there will be a strong expectation that this requirement is embedded into the related land values. However, in exceptional circumstances, and subject to robust viability evidence, the Council may consider a reduced percentage or an off-site contribution and this SPD explains the process involved.

Status and Use of this Document

This SPD has been prepared in accordance with relevant legislation (The Town and Country Planning (Local Planning)(England) Regulations 2012), and is a material consideration in the determination of planning applications. It should be taken into account during the preparation of proposals for residential development from the inception stages and therefore when negotiating site acquisitions and undertaking development feasibility.

2. Legislative and Policy Context

The National Planning Policy Framework (NPPF) 2021 provides the overarching national planning policy with which local planning documents must conform. Affordable Housing is defined as: *'Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with set definitions'* (see section 3).

The NPPF seeks to significantly boost the supply of housing and to achieve healthy, inclusive and safe places. Specifically, paragraph 63 of the NPPF requires local planning authorities to identify where affordable housing is needed and set policies for meeting this need on site (unless off-site provision or a financial contribution can be robustly justified and leads to creating mixed and sustainable communities).

Adur and Worthing Council Housing Strategy

Local authorities must comply with statutory duties to provide housing for households in local housing need and to prevent and relieve homelessness. The Council's Housing Strategy ([Adur and Worthing Council Housing Strategy 2020-2023](#)) includes 'improving the levels of Affordable Housing supply' as one of its key priorities.

To help meet this objective, and in recognition of the increasing need for affordable homes and the issues faced in their delivery, the Councils are creating a Development Strategy to help increase the number of affordable homes across Adur and Worthing through self-delivery and by working closely with developers and development partners.

Worthing Local Plan

The Worthing Local Plan includes Strategic Objectives to:

- deliver high quality accessible and sustainable new homes that best reflect the identified needs within the Borough (in terms of size, type and tenure).
- ensure that developments provide an appropriate level of affordable housing to help those in housing need.

To help achieve these aims the Local Plan includes a specific policy relating to Affordable Housing (DM3) which reflects the Council's commitment to increase and maximise the delivery of affordable housing to help meet significant local needs. The Local Plan also includes a number of other relevant policies such as:

- DM1 - Housing mix
- DM2 - Density
- DM5 - Quality of the Built Environment
- DM16 - Sustainable Design

Section 5 of this document sets out the Local Policy in more detail and explains in detail how policies related to affordable housing (particularly DM3) will be interpreted and delivered.

3. What is Affordable Housing

The most commonly referred to definition of affordable housing is set out in NPPF Annex 2 and this is used by local planning authorities when making provision within their areas to meet local demand/need for affordable housing. At the time of writing, the NPPF (2021) defines a number of different types of affordable housing including Affordable Housing for Rent, Starter Homes, Discount Market Sales and other routes to home ownership such as Shared Ownership homes. The different forms of tenure are explained below.

The NPPF says where major development includes the provision of housing, at least 10% of the housing provided should be for affordable home ownership, subject to some exceptions. There is no minimum level of provision of affordable rented housing – this is for local planning authorities to determine.

The government may introduce new affordable home ownership initiatives and products that may be considered when determining planning applications and which may differ from those specified in this document. New initiatives will be given due consideration subject to the existence of detailed planning guidance and subject to the product being genuinely affordable to those with a local housing need.

Affordable Rented and Social Rented Homes

Affordable and Social Rented housing relates to housing let by Affordable Housing Providers to eligible households via the Council's Housing Register. The Council accepts both Social Rented and Affordable Rented homes owned and managed by Affordable Housing Providers as meeting local need, albeit rents under the Affordable Rent regime must be affordable for those on the Housing Register in order for them to meet need.

Affordable Rented and Social Rented housing, which should be made available in perpetuity, remains the Council's preference for meeting the needs of households seeking rented housing as this provides long term assured tenancies and the administration and management arrangements are transparent and subject to national government regulations.

Social Rented housing is owned and managed by Affordable Housing Providers and is for eligible households whose needs are not met by the market, for which guideline target rents are determined through the national rent regime.

Affordable rented housing is let by local authorities or Registered Social Landlords to households who are eligible for social rented housing. Affordable rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable) and affordable rents must be set at this level or the level of the prevailing Local Housing Allowance for the size of unit, whichever is the lower.

Starter homes

A Starter Home is expected to be well designed and suitable for young first time buyers and is not expected to be priced after the discount significantly more than the average price paid by a first time buyer. It should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

Discounted Market Sales housing

Discount Market Sales housing is a route to affordable home ownership where the property is discounted by at least 20% below local market levels. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households and the Council will seek to ensure that the homes are not purchased by buy-to-let investors, or sublet at any future point. To ensure Discount Market Sales homes are affordable and remain so, a restriction on the disposal price to an amount not exceeding a specified percentage of the market value will be imposed, together with an obligation requiring any subsequent purchaser to enter into a similar restriction. This is achieved through a Section 106 (S106) agreement.

First Homes

First Homes are a specific kind of discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes. First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations. Specifically, First Homes are discounted market sale units which:

- a) must be discounted by a minimum of 30% against the market value;
- b) are sold to a person or persons meeting the First Homes eligibility criteria;
- c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,
- d) after the discount has been applied, the first sale must be at a price no higher than £250,000.

This requirement does not currently apply because the Worthing Local Plan was formally submitted to the Secretary of State on 11 June 2021 for independent examination. The Written Ministerial Statement on First Homes (published 24 May 2021) says that local plans submitted for examination before 28 June 2021 are not required to reflect the First Homes policy requirements. Where local plans are adopted under the transitional arrangements, the First Homes requirements will also not need to be applied when considering planning applications in the plan area until such time as the requirements are introduced through a subsequent update to the plan. It was for the Planning Inspector to consider through the

examination whether a requirement for an early update of the local plan is appropriate. The Inspector in his report into the Worthing Local Plan did not require an early update of the local plan.

Other affordable routes to home ownership

This includes housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. This is often referred to as 'intermediate housing' and as summarised below, it includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). The NPPF makes it clear that where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to the relevant authority specified in the funding agreement.

- **Shared Ownership** - the purchaser buys a proportion of the value of the home and the remaining share is kept by the freeholder (usually a registered provider). A subsidised rent is paid for the remainder of the equity. The initial equity share must be between 25% and 75%. Shared Ownership homes must be genuinely affordable based on local incomes and secured through S106 agreements.
- **Shared Equity** - the purchaser acquires the whole of the property through a conventional mortgage but effectively only pays a proportion of the value; the remaining value is secured by an equity loan but without any rental obligation. The Affordable Housing Provider retains a mortgage or charge on the property for the remaining equity and there is no rent or interest charged on this share. Purchasers are able to staircase to 100% ownership. Upon resale, if the purchaser has not staircased to 100% ownership, the equity loan is paid to the new purchaser in relation to the percentage share retained. With a shared equity scheme the purchaser owns all of the property (albeit with a loan on a part of the deposit) - whereas with a shared ownership scheme the purchaser owns a portion of the home with the chance to buy back more from the housing association when they can.
- **Rent to Buy** - can be provided by private sector housing or by Affordable Housing Providers and made available in a form which is equivalent to Affordable Rented homes provided by Affordable Housing Providers in terms of affordability. The monthly rent is capped at 80% of market rents or the Local Housing Allowance, whichever is the lowest. Households must earn less than £80,000 a year and an affordability check will be carried out to ensure that the applicant can afford the rent from the start and can realistically purchase a share in the property in the future.
- **Intermediate rent** – housing available at a rent above social rent but below market rent levels. Generally intermediate rented properties are reserved for specific groups of tenants and short term tenancies. The Council requires that rents are no more than 80% of the local market rents.

- **Build to Rent (BTR)** - Defined as a distinct housing category in the NPPF and the Government has published Planning Practice Guidance covering the delivery and management of this type of accommodation. The NPPF defines BTR as: *'Purpose built housing that is typically 100% rented out. It can form part of a wider multi-tenure development scheme comprising either flats or houses, but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more, and will typically be professionally managed stock in single ownership and management control.'* The Council will expect that BTR schemes also provide affordable housing in line with national guidance. The NPPF and PPG currently indicate that affordable housing in build to rent schemes should normally be provided in the form of 'affordable private rent' with the rents set at a level that is at least 20% less than the private market rent (inclusive of service charges) for the same or equivalent property.

4. Housing Need in Worthing

Worthing has a total stock of over 52,000 homes. The majority (90%) of the stock is in private sector ownership, which is slightly above the Coastal West Sussex average. The remaining 10% of the stock is owned by Registered Providers. There is no local authority owned stock.

House prices in Worthing have continued to rise, with median house prices reaching £360,000¹. Notably, entry-level house prices are now more than 12 times the average earnings of younger households in Worthing, pointing to significant barriers to households being able to buy a home. This has put home ownership beyond the reach of many households. The growth in rental values across all property sizes has been strong, particularly for three and four bedroom homes.

Government guidance on Strategic Housing Market Assessments sets out a model for assessing housing need. A definition of housing need is given as the number of households who lack their own housing or who live in unsuitable housing and who cannot afford to meet their housing needs in the market (through home ownership or affordable market rents). This model was used within the [Worthing Strategic Housing Market Assessment \(2020\)](#) which calculated an affordable housing need of 490 dwellings per annum up until 2039. This high level of affordable housing need is further evidenced with the number of households on the Worthing Housing Register (1747 households in December 2022).

To help address this, the Council is committed to taking all opportunities to deliver high quality affordable housing for people who are unable to access or afford market housing. The Council will achieve this by continuing to work with public bodies and Registered Providers to maximise the development of affordable housing on appropriate sites. Private house builders will also have a crucial role to play in ensuring affordable homes are delivered alongside market homes as the majority of affordable homes in the Borough are delivered by developers of private sites through S106 Agreements (see Section 5 - Local Policy).

¹ Source ONS HPSSA dataset9 released 20/09/23 median price paid for residential properties by property type and admin geographies - Annual data - Table 2a- March 23 - £360,000
<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/medianhousepriceforationalandsubnationalgeographiesquarterlyrollingyearhpssadataset09/current>

5. Local Policy

The aim of Local Plan policy DM3: Affordable Housing (set out below) is to provide a proportion of affordable housing on major (10+ dwellings gross) residential and mixed-use development sites to address the needs of residents who cannot afford to buy their own home or afford private market rents. Informed by evidence of development viability, the percentage of affordable housing to be delivered on site differs according to the type and location of development.

Local Plan Policy DM3 - Affordable Housing

- a) New residential development (including conversions and changes of use) with the capacity to provide 10 or more self-contained units will be expected to provide an appropriate mix of affordable housing according to the following site size thresholds:
 - i) Sites on previously developed land involving the development of flats there will be a requirement for 20% affordable housing
 - ii) For all housing schemes on previously developed land there would be a requirement for 30%
 - iii) For all development on greenfield sites there would be a requirement for 40%
- b) Affordable housing should be delivered on-site. In exceptional circumstances a financial contribution may be accepted by the Council in order to provide affordable housing off-site where the other sites may be more appropriate to provide affordable housing than the site of the proposed development.
- c) Affordable housing should incorporate a mix of tenures and sizes prioritising rented affordable homes at social rent levels. To most effectively meet the borough's housing needs the Council will require the following mix of tenure as a minimum: 10% of homes to be available for affordable home ownership (as defined in the NPPF) as part of the overall affordable housing contribution. Exceptions to this will only be considered in accordance with national policy. Remaining affordable housing should be split as 75% social / affordable rented housing and 25% intermediate housing. The exact tenure split and size of units on each site will be a matter for negotiation, taking account of up-to-date assessments and the characteristics of the area.
- d) A minimum of 3% of affordable homes (for which the Council is responsible for allocating or nominating a person(s) to live in that dwelling) constructed should be built to Building Regulation Standard M4(3) Category 3: Wheelchair Accessible Standards, taking account of the suitability and viability of the site.
- e) Affordable housing should be appropriately distributed throughout a new development and should be designed to a high quality, with the same or a consistent external appearance as for market housing.
- f) Where a developer states that exceptional development costs mean it is not possible to meet the full requirements for the delivery of affordable housing the onus will be on them to demonstrate this to the Council and this must be supported by robust financial viability evidence (through an open book approach).

The Local Plan policy and supporting text clearly establish the Council's expectations. However, some additional clarity on a number of points is set out below:

- Affordable housing secured through a planning obligation will ensure the provision of the necessary units as part of the overall scheme generally through 'developer built homes'. This involves the developer building the affordable housing in accordance with the design standards and requirements of the nominated Registered Provider and then transferring the ownership and management of the housing to the Registered Provider at a price that reflects nil land value and nil public subsidy.
- Where the percentage of affordable housing to be delivered on site does not equate to a whole dwelling the Council will use the Affordable Housing Financial Contribution calculation (see Appendix A) to calculate the appropriate contribution for a 'part dwelling' (to be paid in addition to the dwellings delivered on-site).
- The policy requirements apply to all types of residential development falling within Use Class C3, including the conversion or change of use to residential use, sheltered and Extra Care Housing. The policy requirements will also apply to mixed use housing incorporating live/work units.
- In line with policy requirements, the Council will seek to maximise the amount and quality of affordable housing provided on site. However, as set out in criterion b), there may be exceptional circumstances where the Council may accept a reduced percentage or may agree to a financial contribution to secure off-site provision. These processes are explained in detail within Sections 6 & 7.
- The proposed development should be of an appropriate form of development that makes efficient use of its potential to deliver additional housing. Advice relating to design, integration, phasing and accessibility are addressed in Section 9.
- Where existing affordable housing, or sites previously used for affordable housing, are to be redeveloped the Council will expect, as a minimum, the same number of affordable units to be replaced.
- In terms of tenure split the policy sets out that the Council will require the following mix of tenure as a minimum: 10% of homes to be available for affordable home ownership (as defined in the NPPF) as part of the overall affordable housing contribution. The remaining affordable housing tenure split should be 25% Intermediate Housing and 75% Social/Affordable Rent. The NPPF does allow for non compliance with the 10% homeownership requirement where Councils can demonstrate that it would undermine housing that best meets local needs. Given that the greatest housing need in Worthing is for rented accommodation where this delivery would be undermined by seeking to deliver the 10% homeownership the Councils preference would be to not deliver the 10% homeownership.
- Ultimately the precise scale, type and size of affordable housing will be a matter for negotiation. The precise mix and tenure of provision should be agreed with Council

as the scheme is being prepared. This normal tenure split would only be varied if there are specific needs to be addressed, which could include for instance a requirement for provision of specialist or older persons' accommodation. Such requirements will be secured in a planning obligation.

Prior Consultation

Any proposals for new residential development that may trigger the Council's affordable housing policies should be discussed with the Council's Housing and Development Management Teams as early as possible, although advice can be given at all stages of the planning process. The Council works with Affordable Housing Providers and is best placed to provide advice on the affordable housing requirements that best meet local needs. The Council offers a formal pre-application advice service. Details of this service are set out on the Council's website:

- <https://www.adur-worthing.gov.uk/media/Media,141883.smxx.pdf>

Applicants are encouraged to prepare and submit an Affordable Housing Statement, having regard to the contents of the Worthing Local Plan and this SPD. The statement should address: the number of dwellings; types and sizes of dwelling; tenure split; design standards; the timing of affordable housing delivery; and the location & distribution of affordable dwellings.

6. When On-site Provision Cannot Be Achieved

The Council aims to achieve mixed, balanced and sustainable communities and consequently expects affordable housing to be provided on site and landowners and developers need to make provision for this requirement. There may, however, be some exceptional circumstances in which the Council seeks a broadly equivalent financial contribution in lieu of on-site provision. The reasons that could prevent the delivery of on-site provision that the Council may consider include:

- Where the objectives of achieving a mixed and balanced community could be better met in an alternative more sustainable location (however, this is unlikely within a relatively condensed urban area). For example, where the appropriate form of affordable housing cannot be provided within a scheme.
- Where providing a small number of units affordable housing is not deliverable because an Affordable Housing Provider cannot be secured.
- Where on-site provision is not viable, but an equivalent or lesser financial contribution can be made for off-site provision (see Section 7).

It should be noted that a developer's preference for a commuted sum, without clear justification, would not be an acceptable reason for a commuted payment in lieu of on-site provision.

Where the Council considers that on site provision would not be the most appropriate or viable provision, a financial contribution in lieu will be sought. The scale of financial contribution will be calculated using the figures and methodology outlined in Appendix A, which is designed to be broadly equivalent to the cost of on-site affordable housing provision.

The value of the off-site financial contribution will be specified in the planning obligation, and index linked at the point in time where payment is due. The planning obligation will also include a trigger for timing of the payment of the financial contribution.

7. Development Viability

A Council priority is to increase the number of affordable homes within the Borough and for major housing developments to provide the number and mix of affordable homes in line with Local Plan Policy DM3. The Council expects that the full quota of affordable housing will be provided on the development site where the provision could reasonably be made without making the development unviable. Developments that meet all policy requirements and deliver the requisite number of affordable homes would not require a viability assessment.

With the Council's expectation in mind, the Local Plan policy requirements should be fully considered as part of the development costs embedded into the relevant land values. As such, land negotiations should be conducted with full account being taken of the affordable housing policy requirements which will inform the value of the land being purchased. As set out in national guidance, the price paid for the land is not a relevant justification for failing to accord with relevant policies in the plan (all of which were tested within a Whole Plan Viability Assessment as the final version of the Local Plan was being prepared). Furthermore, developers should make themselves aware of any abnormal costs prior to purchasing a site so this can be taken into account in the purchase price agreed.

When a Viability Assessment is required

It is acknowledged that, for a number of reasons, some brownfield sites present exceptional viability challenges. Whilst the Council will continue to seek to maximise the delivery of affordable housing this must be balanced against ensuring that the policy requirements do not render development unviable. Therefore, to provide a degree of flexibility, in exceptional circumstances, the Council will consider negotiating a lower provision of affordable housing (either delivered on-site or through a financial contribution) but only if it can be clearly demonstrated and evidenced that the requirement cannot be met in full.

Where viability challenges are faced the Council encourages applicants to discuss this at the earliest possible stage (see 'prior consultation' in section 5). Council Officers are happy to discuss viability concerns at the pre-application stage with the aim of achieving a viable and policy compliant scheme, while acknowledging the expectations of the landowner and developer for a reasonable and competitive return (subject to specific site considerations at the time of the application).

As set out in Local Plan policy DM3, where a developer states that exceptional development costs mean it is not possible to meet the full requirements for the delivery of affordable housing (in number and/or tenure split) the onus will be on them to demonstrate this to the Council and this must be supported by robust financial viability evidence (through an open book approach). Where appropriate, and at the cost of the developer, the Council will engage the services of an independent viability specialist to assess the submitted evidence to determine whether the cost assumptions and conclusions reached reflect prevailing market conditions and industry practice.

What a Viability Assessment should include

As set out in the NPPF, all viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available. When considering viability, the Council uses the Residual Land Value methodology to determine the underlying land value. This is important as it forms the basis on which a developer should be able to agree a price for the land once the costs of the development, including the developer's profit, have been deducted from the gross development value. As set out in Planning Practice Guidance 'Viability' the Council then expects that the benchmark land value will then be established on the basis of the Existing Use Value of the land plus a premium for the landowner. A checklist for viability assessments is included as Appendix C.

Negotiation

Where a scheme is demonstrated to be unviable with the policy-compliant level of affordable housing, the Council will consider a range of alternative options in negotiation with the applicants to secure the maximum level of affordable housing. These options will vary depending on site specific circumstances and constraints, but will include:

- accepting a reduced percentage of affordable housing delivered on site;
- amending the schemes in terms of the mix of dwelling sizes, types and tenures – for example increasing the proportion of Intermediate Housing can improve viability;
- flexibility on the phasing of affordable housing provision – early delivery of some open market homes can improve cash flow early on;
- the use of public subsidy (see 'Grant Funding' section below);
- accepting serviced plots in lieu of dwellings (see Section 11); or
- accepting an off-site financial contribution (see Sections 6 & 7 and Appendix A)

Where a reduced percentage of affordable dwellings or a financial contribution below the full policy equivalent may be accepted, the Council will consider using a number of mechanisms to reappraise viability and, where appropriate, enable 'clawback' at a later stage. This will ensure that a review will be applied to the scheme to ensure that any uplift in values are captured to enable the delivery of the maximum amount of affordable housing or additional financial contributions later or at the end of the development process. The viability review will assess actual build costs and sales values to determine any additional development value over that originally envisaged. If surplus profit is generated additional affordable housing or financial contributions will be required up to the policy compliant requirement.

Grant Funding

In circumstances where a developer is unable to meet the full policy requirements for affordable housing due to viability, reasonable endeavours must be taken to see whether a higher level of provision can be achieved. This should include requests for grant funding either to meet abnormal development costs or to deliver the affordable housing required.

The starting point for delivery of affordable housing should be on a nil subsidy basis. The Homes England Affordable Housing Programme can, however, provide grant funding to

Affordable Housing Providers to develop affordable homes in certain circumstances. The programme seeks to:

- Increase the supply of new affordable housing – for Affordable Rent, Social Rent, and affordable home ownership (Shared Ownership).
- Maximise the number of new affordable homes delivered with the available grant funding, supplemented by bidders' own contributions.
- Build homes that address the demographic challenges facing social housing, including the need for more one and two bedroom homes that match the needs of smaller households.
- Maximise delivery within the programme period.

Guidance for the type of properties and criterion required are set out in the Homes England Capital Funding Guidance. Developers must have regard to this to ensure the affordable homes developed comply and are eligible for grant funding.

8. Vacant Building Credit

To encourage re-use of brownfield land, any affordable housing contribution may be off-set by the amount of existing gross floor space, provided that vacant buildings are being reused or redeveloped. Vacant Building Credit offers developers a financial credit based on the existing gross internal floor area of any vacant building on the development site. However, this will not apply to a building that has been deemed abandoned.

In order to apply for the Vacant Building Credit (VBC) seeking a reduced affordable housing contribution, the following information will need to be provided by the applicant to demonstrate that the building is genuinely vacant:

- evidence that the building is currently vacant and has not been in continuous use for any 6 month period within the preceding 3 years from the day the planning application is validated
- the whole building must be vacant at the time of the application to apply for the VBC; and
- evidence that any building within the red line application boundary is not an 'abandoned building' or artificially made vacant solely for the purpose of redevelopment (consideration of factors such as physical condition of the building; the length of time the building has not been used; whether it has been used for any other purposes and the owners intentions).
- VBC would not apply if the building is covered by an extant or recently expired planning permission for the same development.

The Council will determine on a case by case basis whether a building is vacant or abandoned. Outline planning applications may present challenges in quantifying whether the vacant building credit will be applicable as the actual number of dwelling or size of dwellings may be determined during Reserved Matters applications. The Council will scrutinise planning applications to ensure that sites are not artificially subdivided to avoid the site size thresholds in Policy DM3.

If the VBC is applicable to the proposed site, the amount of vacant floor space will inform the level of reduction in affordable housing contributions. The methodology used to calculate the contribution, along with a worked example, is set out in Appendix B

Interaction with the Community Infrastructure Levy (CIL)

Applicants need to be careful about the interaction of CIL credit for 'in use buildings'. Existing 'in-use buildings' act as a credit on the 'chargeable development' CIL charge. Each square metre of existing building on the site, reduces the CIL by one square metre, providing it meets the 'lawful use' definition. The CIL regulations define the credit as applying to 'in-use buildings' and buildings meet this definition if the buildings are:

- present on the day that planning permission first permits the development; and

- contain a part that has been in lawful use for a continuous period of at least six months within the period of three years ending before the planning permission first permits the chargeable development.

The day planning permission first permits the chargeable development is the day the last reserved matter is approved (unless the applicant and LPA agree to defer until pre commencement conditions are discharged).

This approach will ensure that development cannot benefit from CIL relief on the basis that a building is in use, whilst simultaneously benefiting from VBC on the basis that the building is vacant. Applicants will need to consider both credits carefully and plan their development accordingly.

9. Design and Layout

Development proposals that include affordable housing are expected to address all relevant requirements, particularly the Council's policies on good quality development, including Local Plan Policy DM5 (Quality of the Built Environment).

Density

In line with Local Plan Policy DM2: Density, all housing proposals will be expected to make efficient use of land. Any proposal that appears to have an artificially low density in order to avoid the required thresholds for affordable housing will be scrutinised and may be refused planning permission. The same applies to any site that appears to have been deliberately sub-divided as a possible measure to avoid the required affordable housing threshold.

New dwellings across all tenures will be expected to meet as a minimum, the nationally described space standards (or any subsequent Government update) for internal floor areas and storage space. The policy clearly states that the Council will only consider any variation to these standards 'in exceptional circumstances'. The Council's local standards continue to apply for external space.

Integration

The Council recognises that grouping together a number of affordable homes is practical from a construction and management perspective yet it is vital that affordable housing is dispersed throughout a development to a certain extent to ensure that new communities are both mixed and sustainable. Affordable housing should therefore be fully integrated into a development and provided in clusters of no more than 10 dwellings (unless in high density flatted schemes where clusters of more than 10 units may be allowed). Consideration of the grouping of affordable housing in the overall scheme will include how the provision relates to other phases of the same development including where there is a degree of separation provided by roads, open space or landscape features.

Phasing

The delivery of affordable housing must keep pace with that of market housing. On larger schemes, the Council will control phasing in the planning obligation. The Council will not support the phasing of a development which sees the affordable housing being delivered in the later stages of the site's development taking into account site specific viability.

Design Quality

Affordable housing units must be 'tenure blind' so that affordable and private homes are indistinguishable from one another in terms of design, build quality, amenity areas, appearance, materials and site location. This will help to avoid visual separation between private and affordable housing and would not artificially constrain provision by a design approach based on the separation of market and affordable units when additional affordable housing would otherwise be viably achieved.

Developers must be able to demonstrate that completed units meet any relevant design and amenity standards prevailing at the time, and any additional requirements of the partnering Affordable Housing Providers.

Accessibility

Development of adaptable / adapted homes contributes to the aims of the Council's Housing Strategy and will be encouraged in light of up to date evidence of need on the Housing Register. In line with Local Plan Policy DM1 c) housing developments should provide flexible, socially inclusive and adaptable accommodation to help meet the diverse needs of occupants over time. The Council will expect all new build dwellings (including affordable housing) to meet the optional higher Building Regulations Standard M4(2) for Accessible and Adaptable dwellings unless it can be demonstrated that this would be unachievable, impractical or unviable.

Occupants of affordable housing may also have particular accessibility requirements and account should be taken of Local Plan policy DM3 which requires a minimum of 3% of affordable homes (for which the Council is responsible for allocating or nominating a person(s) to live in that dwelling) constructed should be built to Building Regulation Standard M4(3) Category 3: Wheelchair Accessible Standards, taking account of the suitability and viability of the site. The requirement for wheelchair provision will be secured through a planning condition.

In order to properly accommodate these requirements developers will need to allow additional space when designing wheelchair user dwellings, over and above that which is required by Nationally Described Space Standards. This should be approximately 20% of the Gross Internal Area in the case of flats and 30% of the Gross Internal Area in the case of houses.

Appropriate provision should be made for car parking for the affordable housing units, in line with that for open market housing. Parking for dwellings designed for wheelchair users should be conveniently located with clear access to the property entrance and must comply with the relevant standards.

10. Provision of Serviced Plots

In accordance with Local Plan policy DM3 the Council expects completed affordable dwellings to be delivered on site as part of the wider development. However, in some circumstances, and at its discretion, the Council reserves the right to require the affordable housing obligation to be satisfied onsite through the transfer of an appropriate number of serviced plots of land. These are to be transferred to an approved Affordable Housing Provider at nominal value and free from any encumbrances. This may be an option that could assist or resolve viability challenges but this would need to be fully evidenced and negotiated in accordance with Section 7 of this document.

‘Serviced Plots’ are defined as ‘shovel ready’ sites with planning permission, where plots or parcels are laid out and the land is ready for construction. They should be freehold cleared, remediated land with all services and connections and infrastructure (e.g. footpaths and roads to an adoptable standard etc.) necessary for development right up to the boundary of the land. There must be no legal, physical or financial barriers to the servicing of the land by the developer constructing the affordable housing or ongoing commuted payments for the off-site maintenance of infrastructure.

The applicant would be required to identify the plots or provide areas of land sufficient to accommodate the Council’s preferred housing mix. For full or reserved matters applications, developers will be expected to provide details of specific location of the serviced plots within the site. The Council will usually expect the plots to be clustered and the appropriateness of proposed locations for affordable housing will be determined by the Council as part of the planning process.

11. Delivery and Management

The Council generally welcomes new Affordable Housing Providers working in the area provided that they meet the Council's criteria as set out below, including signing up to any Partnership Agreement that may be operated by the Council at the time.

Should a new Affordable Housing Provider wish to work in Worthing Borough, the Council will expect them to fulfil the following requirements:

- be an Affordable Housing Provider with Homes England (or its successor) and approved by the Regulator of Social Housing.
- be eligible to bid for and receive housing subsidy.
- have experience and a good track record of managing the same or similar tenure type.
- where an Affordable Housing Provider does not have an existing local management presence, they should be able to demonstrate how an effective local housing management and maintenance service will be provided.
- be willing to enter into nomination arrangements or let their homes in accordance with the Council's Allocations Scheme to ensure homes are provided for the benefit of the local community.
- be willing to enter into a Partnership Agreement with the Council, which may include the requirement to pay enabling fees.

For these reasons, where appropriate, planning obligations will include a mechanism for the Council to approve an Affordable Housing Provider against the above criteria.

Nominations and Local Connections

The Council maintains the Housing Register for the Borough, and receives applications for housing accommodation, processes and prioritises them, and nominates households from the Housing Register to rented housing association homes in the area. The Housing Register is administered in accordance with the Council's Allocations Scheme.

In addition to the Housing Register, households looking to access subsidised home ownership can make an application to the Help to Buy Agent who advertise Intermediate Affordable Housing products on behalf of developers and Affordable Housing Providers. Both the Council and the Help to Buy Agent assess the eligibility of households and ensure that applications are from people who qualify to join the respective waiting lists.

Occupancy of affordable housing is restricted to eligible households in housing need and affordable/ social rented housing is allocated in accordance with Worthing Borough Council's Scheme of Allocation. Intermediate housing, such as shared ownership, shared equity and discount market schemes are allocated through the Help to Buy Agent in accordance with the eligibility criteria.

12. Monitoring

How Financial Contributions Will Be Spent

Typically the financial contributions will be defined in the Section 106 (S106) agreements as being sought to assist in the delivery of affordable housing in Worthing. The financial contributions are held in the Capital Programme specifically to deliver affordable housing in Worthing.

The Council will actively monitor the provision and delivery of affordable housing to ensure that the procedures for implementing affordable housing are up to date and meeting the Council's targets. Market conditions and levels of affordability will also be kept under review.

The Council will monitor the performance of Affordable Housing Providers to ensure high standards of service delivery. In particular, the Council will require annually from the Affordable Housing Providers information relating to:

- Social and affordable rents
- Rent increases
- Staircasing and other sales receipts
- Management standards

Monitoring this SPD and the delivery of Affordable Housing

This SPD will be monitored, and reviewed and updated, if required, to ensure that it remains relevant and in accordance with the Worthing Local Plan and national guidance / legislation.. It will be monitored via the Annual Monitoring Report (AMR) which the council prepares each year covering a wide range of planning matters. Annual Monitoring Reports can be found on the Council's website:

- <https://www.adur-worthing.gov.uk/worthing-ldf/annual-monitoring-report/>.

The Council includes information about its performance on affordable housing provision as part of its annual reporting process. This relates to the number of new affordable units permitted and built in Worthing as well as the delivery of financial contributions. These will be reported on in the annual Infrastructure Funding Statement (IFS), which can be found on the council's website at:

- <https://www.adur-worthing.gov.uk/planning-policy/worthing/worthing-developer-contributions/developer-contributions-data-worthing/>

13. Contacts

To discuss affordable housing policies and affordable housing development opportunities, please contact the Council's Housing Services:

- Email: housing-accommodation@adur-worthing.gov.uk
- Telephone: 01903 221063

To discuss development proposals for specific sites, contact the Council's Development Management Team:

- Email: planning@adur-worthing.gov.uk
- Telephone: 01903 221065

To discuss planning policies and their influence on development proposals for specific sites, contact the Council's Planning Policy Team:

- Email: planning.policy@adur-worthing.gov.uk
- Telephone: 01273 263000

GLOSSARY

Please note that, for a full definition of some of the items below, there will be a need to refer to the relevant legislation, which may change over the lifetime of this SPD.

Affordable housing - Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the definitions in Annex 2 of the NPPF.

Affordable Housing Statement - A statement submitted as part of a planning application to cover the matters set out in this document.

Affordable private rent - An affordable housing product specific to build to rent schemes, offered for rent by the private landlord of the build to rent development at up to 80% of market rates.

Affordable rent - An affordable housing product offered for rent by a Registered Provider at up to 80% of market rates.

Alternative use value - The value of land for uses other than its existing use. These uses should be limited to uses that comply with relevant development plan policies in full.

Benchmark land value - For the purposes of viability assessment, benchmark land value is in most circumstances the existing use value (EUV) of a site plus a minimum premium at which a reasonable landowner would be willing to sell their land. Alternative use value will be considered where it can be demonstrated these are fully compliant with relevant Council policies, there is evidenced demand for the uses and a full explanation provided as to why this use is not being pursued.

Build to rent - Purpose built housing that is typically 100% rented out. Schemes will usually offer longer tenancy agreements of 3 years or more, and will typically be professionally managed stock in single ownership and management control.

Community Infrastructure Levy - A charge which local authorities can charge on most new types of development in their area, to be spent on infrastructure to support the development of the area. CIL was introduced in Worthing in 2015.

Consumer Prices Index (CPI) - The official measure of inflation in consumer prices.

Deferred contribution - Financial contribution by a developer based on a reassessment of scheme viability either prior to implementation or at a late stage in the development and subject to an upper limit in potential contributions equal to the shortfall on policy compliance

Existing Use Value (EUV) - The value of a site in its existing use.

First Homes - An affordable housing product proposed by the government that would be homes for sale to first-time buyers at a minimum 70% discount.

Gross Development Value (GDV) - The market value of a development assuming that the development is complete as at the date of valuation in the market conditions prevailing at that date.

Housing association - A non-profit organisation which provides affordable housing to those in housing need.

Index linking - A method of ensuring that financial sums are linked to an index of prices (such as the Retail Prices Index) to ensure that they take account of inflation and the changing cost of living.

Intermediate housing - Affordable housing provided for sale or rent at levels above social rent but below market levels, and which includes shared ownership.

Local Housing Allowance (LHA) - The rates used by the Valuation Office Agency used to calculate housing benefit for those who are private renting. These vary according to area and dwelling size.

Registered provider - Landlords of affordable housing, including local housing authorities and housing associations, which are registered with the Regulator of Social Housing.

Residual land value - The sum left over after deducting all development costs including benchmark land value and developer profit from anticipated scheme gross development value (GDV).

Retail Prices Index - A measure of inflation published on a monthly basis by the Office for National Statistics (ONS).

Section 106 agreement - A legally binding agreement or obligation entered into by the local authority and a land developer over an issue related to a planning application, under Section 106 of the Town and Country Planning Act 1990.

Shared ownership - An affordable housing product where a proportion of the property is purchased and the remainder rented from the Registered Provider.

Social rent - A rental level set by Central government according to a formula (also known as formula rent).

Starter homes - A dwelling available to purchase only by first time buyers between 23 and 39 years old, to be sold for 80% of market value, up to a set price cap.

Supported accommodation - Accommodation where housing, support and sometimes care services are provided together.

APPENDIX A

METHOD FOR CALCULATING AFFORDABLE HOUSING FINANCIAL CONTRIBUTIONS (AHFCs)

In April 2021, the Council commissioned viability consultants Dixon Searle Partnership (DSP) to undertake a study to inform a review of the method of calculating off-site contributions/payments in lieu of on-site affordable housing provision, known as Affordable Housing Financial Contributions (AHFCs). The aim of the study was to identify a relatively simple means of calculating contributions that met current guidance and best practice, resulting in AHFCs that represent a broadly equivalent level of value / subsidy to the usual on-site Affordable Housing provision. A briefing note was published as part of the Local Plan consultation.

At the end of 2022, and following receipt of the Local Plan Inspector's Report, the Council asked DSP to review the 2021 findings to ensure that they remain appropriate, are consistent with the Local Plan and reflect current conditions as far as possible. The 2021 review informs the figures set out below:

Financial contribution per unit of Affordable Housing that would otherwise be provided on site	
Development of flats only	£55,000
Houses or mixed developments	£100,000

For clarity - "mixed developments" refers to the residential element of a scheme that includes a mix of flats and houses.

Indexation

In order to maintain the contributions at appropriate levels the rates above will be index-linked. The index figure to be applied will be the most recently published Land Registry HPI figure, this will be used in calculating the overall HPI change from Jan '21 in the borough. The value of the off-site financial contribution will be specified in the planning obligation and will be index linked at the point in time where payment is triggered.

Councils "on costs"

The Council's preferred position is for affordable homes to be provided on site and only in exceptional circumstances will an offsite financial contribution be considered. There will be Council time and costs involved in finding an appropriate site and undertaking necessary feasibility work and site assessments. Therefore, the Council will apply a 10% enabling / on-cost to the indexed sum to cover the costs involved in ensuring that the monies are used

to provide much needed affordable homes or fund other projects that assist the delivery of them.

Financial contribution per unit of Affordable Housing that would otherwise be provided on site	
Development of flats only	£74,778
Houses or mixed developments	£135,960

Note: The above 2021 figures have the appropriate indexation to the latest land Registry House Price Index (HPI) figure (Feb 2023) added together with a 10% increase to cover the costs of finding and delivering a site for off site provision ("on costs").

WORKED EXAMPLES OF AFFORDABLE HOUSING FINANCIAL CONTRIBUTIONS (AHFCs)

Scenario 1 - Development of 12 flats (6 x 1 bed / 6 x 2 bed)
Affordable Housing requirement - Local Plan Policy DM3 a) i) - Sites on previously developed land involving the development of flats there will be a requirement for 20% affordable housing.
20% of 12 flats = 2.4
2.4 x £74,778
Total = £179.467

Nb *

Scenario 2 - Development of 30 flats (10 x 1 bed /10 x 2 bed / 10 x 3 bed)

Affordable Housing requirement - Local Plan Policy DM3 a) i) - Sites on previously developed land involving the development of flats there will be a requirement for 20% affordable housing.

20% of 30 flats = 6

6 x £74,778

Total = £448,668

*Nb**

Scenario 3 - Development of 12 x 2 bed houses (PDL)

Affordable Housing requirement - Local Plan Policy DM3 a) ii) - For all housing schemes on previously developed land there would be a requirement for 30%;

30% of 12 houses = 3.6

3.6 x £135,960

Total = £489,456

*Nb**

**Scenario 4 - Development of 100 houses (40 x 2 bed / 40 x 3 bed / 20 x 4 bed)
Greenfield**

Affordable Housing requirement - Local Plan Policy DM3 a) iii) For all development on greenfield sites there would be a requirement for 40%.

40% of 100 houses = 40

40 x £135,960 =

Total = £5,438.400

*Nb**

**Note: The above 2021 figures have the appropriate indexation to the latest land Registry House Price Index (HPI) figure (Feb 2023) added together with a 10% increase to cover the costs of finding and delivering a site for off site provision ('on costs').*

APPENDIX B

VACANT BUILDING CREDIT

Methodology

1. Calculate the required affordable housing contribution on a given site – i.e. the percentage of the total number of dwellings proposed in line with Worthing Local Plan Policy DM3 (Affordable Housing).
2. Calculate, as a proportion, the extent of existing floorspace compared against the proposed floorspace. Such calculations should be based on the Gross Internal Area.
3. Make a deduction to the number of affordable dwellings to be provided based on the proportion identified at Step 2

This is calculated as follows:

$$RAH = AH - ((AH \times EFS) / PFS)$$

- RAH = Revised number of affordable housing units to be provided
- AH = Expected number of affordable housing units to be provided prior to application of vacant building credit (% of total number of dwellings proposed)
- EFS = Existing floorspace to be demolished
- PFS = Proposed floorspace to be created

Note - All measurements will be taken to mean Gross Internal Area as defined by the RICS in its Code of Measuring Practice. Available at:

- <https://www.rics.org/uk/upholding-professional-standards/sector-standards/real-estate/code-of-measuring-practice/>

Worked Example

A development of 50 dwellings creating 5,000 square metres of new floorspace in total, on a site that has a vacant building of 1,000 square metres gross internal area, which is proposed to be demolished as part of the scheme and where it is agreed that VBC can be applied

- ❖ Without VBC the affordable housing contribution would be 15 units (30% of 50)
- ❖ Revised contribution is: 15 units – ((15 units x 1,000m²) / 5,000m²) = 15 units – 3 units = 12 units

Note - the number of affordable housing units is rounded to the nearest whole number. Any rounding takes place at the end of the calculation only.

APPENDIX C

CHECKLIST FOR VIABILITY ASSESSMENTS

Basic Information	
Information required	Comments
Site plan	To include building footprints at a scale of 1:500
Gross and net site areas	In hectares (Ha)
Schedule of existing floorspace	Areas measured and provided in accordance with the RICS Code of Measuring Practice, specifying both NIA and GIA.
Schedule of unit numbers and sizes	Including the number of bedrooms and other habitable rooms.
Summary	Short summary (using bullet points where appropriate) why provision of a policy-compliant level of affordable housing can't be provided

Viability Factors	
Information required	Comments
Development Value	
Value of private sale units	Estimated achieved values, for scheme and individual dwellings. Two independent valuations supported by analysed relevant market sales evidence of comparable properties.
Value of private rental units (for build to rent developments)	Estimated capitalised net rental income. This should be supported by relevant evidence of market lettings of comparable properties and analysed comparable market sale of rental investments.
Value of the affordable housing provision, where relevant, together with tenure assumptions and calculation of any commuted sum	Assumptions as to the proposed unit types, tenures and values of providing the affordable housing or the financial contribution proposed including details of tenure assumptions and evidence or estimates of RP offers where appropriate. Detailed assumptions adopted in computing the value of the affordable units should also be provided including rents, yields, discount period, allowances and deductions sufficient to reproduce the valuation.
Details of any grants/non developer financing towards AH provision	e.g. Homes England or local authority grants, charitable funding, direct and indirect funding from the partner registered housing provider.
Other values generated by the scheme	e.g. the value of any non-residential uses, any ground rents, car parking, temporary income, etc.
Gross development value	The total of items above.

Viability Factors	
Information required	Comments
Marketing and sale	Estimated fees for property agents, marketing, legal fees etc.
Net development value	GDV minus marketing and sales costs.
Development Costs	
Estimated construction costs	BCIS costs or, if higher, supported by Tender costs or QS schedule. should be accompanied by a full cost plan. Include contract related fees and itemised/defined 'abnormals'. Include any costs of complying with policy, e.g. sustainability standards, SuDS etc.
Itemised preliminary costs	Site specific costs e.g. demolition, and other works arising from ecological, geotechnical, archaeological and other site investigations, decontamination, stabilisation, land forming/raising, infrastructure and servicing, site set up and contractor/ contract preparation. These would be expected to be reflected within the purchase price. Should be verified by independent cost consultants
Contingency	A development contingency allowance to cover unforeseen costs.
Professional fees	All related professional fees including architects, planners, engineering, QS, ecologists, arboriculturalists, project manager, CDM etc individually listed and costed.
Planning costs	Policy compliant costs under Section 106 agreements and CIL unless otherwise advised.
Financing details	Following valuation convention it is expected the scheme appraisal will reflect an assumption of 100% debt finance reflecting a single overall interest rate.
Estimated profit	It is expected that profit will be expressed in terms of a percentage return on GDV and where more than one use is in the proposal it is expected relevant rates will be applied to each element to reflect the different levels of risk involved including affordable housing.
Residual Land Value	
Residual Land Value (RLV)	The RLV, i.e. the gross development value minus the development costs set out above. There should be a detailed scheme appraisal showing the computation which generates the residual value.
Current / Existing User Value	Value of site in its current use, prior to the deduction of land related costs, supported by an independent valuation, including fully justified assumptions, copy leases etc where appropriate and a fully reasoned justification for the land owner premium proposed.
Land costs	Including legal and agent's fees, site promotion, taxes and duties, together with any exemptions or tax-efficient delivery vehicles. These should be based on the land value benchmark not price paid for the site.

Viability Factors	
Information required	Comments
Premium	Assessed premium to landowners for retaining site in current use. This will vary by site but will generally be within 10% to a maximum of 30%. The premium will be lower where the existing use is to be retained on site. Items such as relocation costs will be excluded.
Benchmark Land Value	The current use value less costs and profit. This should in most circumstances be based on an EUV plus approach. AUV approach will only be accepted where these can be supported by a relevant planning consent, or can demonstrate to the satisfaction of the Council that the proposed use is fully compliant with prevailing policies, where the use is capable of being implemented and demand for the use can be evidenced, and where detailed reasons are provided why the applicant has chosen not to pursue this use.
Other Contextual Information	
Land acquisition price	Including evidence of price paid.
Details of purchase	Details of process e.g. private treaty, open market bid, auction etc.
Basis of purchase	Details of purchase, e.g. outright purchase, option, contract etc.
Terms of acquisition	Details of any terms of acquisition, e.g. subject to planning, soils, ground conditions survey, etc.
Construction timescales, programme and phasing	Should include any proposed phasing, particularly where it would result in phased CIL payments.
Detailed cashflow for the development	Showing the proposed phasing amounts and timings of all the income and expenditure forecasts and payments.

Summary Information	
Information required	Comments
Residual value summary - policy compliant	Summary of calculation of residual value including policy compliant affordable housing contribution.
Residual value summary - as proposed	Summary of calculation of residual value including proposed affordable housing contribution
Evidence of sensitivity testing	Evidence of sensitivity testing being undertaken to verify soundness of the viability judgements e.g. different profit assumptions, comparisons with the sale price of land for similar development, etc.
Comparison of residual valuation with benchmark site values	Site Value should equate to the market value providing that the value has regard to development plan policies and all other material planning considerations.