



Northumberland County Council

Affordable Housing Scheme Checklist and Example

July 2024

This guidance note provides a checklist for submitting Affordable Housing Schemes. They are required by the legal Section 106 agreement for planning applications involving a mix of market and affordable housing on larger sites.

S106 Affordable Housing Scheme checklist

S106 Agreements for larger development sites providing a proportion of affordable homes require the developer to submit an Affordable Housing Scheme. This must be submitted to and approved by the Council before development commences. It should detail the proposed provision of affordable housing units on the site.

An example template of an Affordable Housing Scheme for a hypothetical site is set out at Appendix A.

The Affordable Housing Scheme should set out the following:

Planning application site details

- Planning application number. State the original reference and any relevant reserved matters and variation reference numbers.
- Date of grant of planning consent(s).
- Development proposal description (as per the planning application).
- Site name/location.
- Development marketing name (if different from site name).
- S106 agreement date of approval.
- S106 Schedule number and Part number setting out the owner's covenants with the Council in respect of Affordable Housing.
- Total number of on-site Affordable Homes.

- The Affordable Homes percentage of the total number of homes on the site.
This should be as per the approved planning application.

Affordable housing details

- The agreed numbers, dwelling types, sizes, tenures and location of all affordable housing units on the site.
- A site plan at an appropriate recognised scale. This should clearly show the plot numbers of the proposed affordable housing units. It should also show their tenures.
- Any potentially acceptable alternative tenures of affordable housing.
- The proposed timing of the construction of the affordable housing units. This should be set out in relation to the construction and occupation of the open market dwellings on the site.
- Details of arrangements to ensure any affordable housing units that are subject to public funding remain as affordable homes in perpetuity. These homes should be affordable to first and all later occupiers. Information should include details of any restrictions on title to secure the affordable housing in perpetuity.
- Arrangements for marketing of the affordable housing units. For Discounted Market Value (DMV) units (including First Homes), set out their market sales value and the proposed discounted selling price.
- The basis on which any of the affordable housing units may be occupied. Both in respect of them first being occupied and for later occupations or disposals. Detail any occupancy criteria to be used for approving the occupiers of the affordable homes.
- Arrangements for the transfer of the affordable homes to a Registered Provider upon completion.

Notes

- The submitted Affordable Housing Scheme should be signed and dated. All necessary information (including site plans) must be enclosed.
- Once we have approved the Affordable Housing Scheme, it will be known as the Approved Affordable Housing Scheme.
- The Approved Affordable Housing Scheme must not be amended or replaced without the prior written approval of the Council. Such consent will not to be unreasonably withheld or delayed.
- The owner must carry out the development in line with the terms of the Approved Affordable Housing Scheme. Also, in line with the terms of the relevant S106 Schedule.
- Where the current freehold owner of the site is not a Registered Provider, once any affordable rented units have been completed, the owner should transfer the affordable rented units to a Registered Provider as soon as possible. We acknowledge that nothing will prevent the landowner from selling the land upon which the affordable rented units are to be built to a Registered Provider before practical completion.

Appendix A: Example Template Affordable Housing Scheme

Introduction

The purpose of the Affordable Housing Statement is to address the affordable housing provision for our site at [development name], [location address].

This statement includes the details of:

- The dwelling units/plots to be put forward as affordable housing;
- The tenure, type and size of the affordable units proposed;
- Any conditions regarding when the units need to be built.

Affordable Housing Provision

[Developer name] will deliver # affordable housing units. This equates to #% of the total # dwellings to be constructed on the site, and is in accordance with the provisions set out in Policy HOU 6 of the Northumberland Local Plan.

As agreed with the council's Affordable Housing Enabler, #% of the affordable housing will be delivered as affordable rent/shared ownership/ discount market sales/first homes in partnership with a Registered Provider.

[Delete those tenures not applicable...]

Affordable Rent is a product which must be owned and managed by a Registered Provider at 80% of open market rent to assist those needing a rented property.

Shared Ownership is a scheme that allows purchasers to buy a share of a property and pay rent on the rest. It is designed to help people with small deposits and lower incomes get on the property ladder.

Discount Market Sales and First Homes are home ownership products which give preference to those with a local connection or are first time buyers. The occupier will be given a percentage discount which will assist in making a property more affordable in an area which would not have been otherwise.

Affordable Housing Units

The details of the proposed units to be delivered as affordable housing on the site are summarised below (EXAMPLE):

Dwelling Type Name	Size and Type of Dwelling	Tenure Type	Number of Units	Plot Numbers	Open Market Value (OMV)	Discount Sale Price (70%)
Type A	2 bed terraced/semi	Shared Ownership	3	Plot 6 Plot 9 Plot 10	£180,000	£126,000
Type B	3 bed terraced/semi	Shared Ownership	2	Plot 7 Plot 8	£245,000	£171,500

The locations of the affordable units within the site are shown on the site layout plan at Appendix A. They are situated in the north/south/east/west of the site and are highlighted by red dots for reference.

Details of the proposed plans and elevations for each of the affordable dwelling types that have been included in the application are shown in Appendix B.

Delivery

The Section 106 agreement states that the timing of delivery of the affordable units in relation to the overall development will be as follows:

- First # Affordable units upon the occupation of the # Open Market Dwelling;
- # more Affordable units upon the occupation of the # Open Market Dwelling;
- All Affordable units will be completed before the occupation of # Open Market Dwellings.

Appendix 1: Site layout plan showing the location of all Affordable units

Appendix 2: Plans and elevations for all Affordable dwelling types

Type A:

Type B: