



Affordable Housing

Supplementary Planning Guidance
December 2016



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Part One: Introduction

1. Introduction

1.1. This Supplementary Planning Guidance (SPG) provides further advice on the Development & Planning Authority's policy for the provision of affordable housing as set out in the Island Development Plan (2016) in Policy GP11: Affordable Housing.

1.2. The guidance is designed to complement and support the Island Development Plan (2016) with which it should be read in conjunction. Policy GP11: Affordable Housing requires that the guidance is taken into account by the Authority in determining planning applications for relevant housing development schemes.

1.3. For the first time in Guernsey, in certain circumstances, housing development schemes will be required to make provision for an element of affordable housing to seek to address the challenge that appropriate housing is available to meet all of the Island community's housing needs.

1.4. Our approach to affordable housing relies on larger private market housing schemes, supported by the public and third sectors, providing a number of properties for use as affordable housing. It is central to this approach that the development of private market housing schemes remains viable and continues to be delivered. To achieve this, the affordable housing policy must be workable and deliverable and our overall approach must be transparent, pragmatic and applied consistently. This is so that all stakeholders, at each stage of the development process, can meet, and have a clear understanding of, policy expectations.

1.5. This Supplementary Planning Guidance (SPG) will therefore:

- Provide further detailed guidance on our approach to affordable housing as set out in the Island Development Plan (2016) and on the interpretation and practical implementation of those policies in this respect;
- Provide information on our procedures for managing housing proposals where a proportion of affordable housing is required;
- Advise on when affordable housing is required in accordance with the Island Development Plan (2016) and how the requirement can be met;
- Provide guidance on the affordable housing policy in the Island Development Plan

(2016) for all stakeholders at each stage of the development process, including landowners, developers, agents, the public, Housing, the Planning Service and the Authority;

- Identify the likely matters requiring agreement and how the affordable housing requirement will be determined for individual sites;
- Provide information on how planning covenants and planning conditions will generally be used to secure affordable housing supply.

2. What is Affordable Housing?

2.1. In general terms, affordable housing is for those households whose needs are not met by, or who cannot afford accommodation in, the private sale or rental market ¹, without assistance. It is normally provided through the Committee *for* Employment & Social Security or registered housing associations and is built to lifetime home standards ².

2.2. Affordable housing is defined by Section 2(1) of the Land Planning and Development (Planning Covenants) Ordinance, 2011, and is comprised of **Social housing** and **Intermediate housing**, which are also defined in the Ordinance. In general terms:

- **Social Housing** is owned and controlled by the States of Guernsey Committee *for* Employment & Social Security or a registered housing association or other person or legal arrangement and is generally reserved for households on low incomes or with other needs identified by the Committee *for* Employment & Social Security and includes specialised housing;
- **Intermediate Housing** is owned or controlled by the States of Guernsey Committee *for* Employment & Social Security or a registered housing association or other person or legal arrangement and can be offered on a basis that includes partial ownership or similar schemes mainly for households that do not qualify for social housing but cannot meet the full cost of renting or buying appropriate housing on the private market without some form of subsidy. Partial ownership housing, shared equity or low cost ownership or similar schemes are schemes where eligible households can purchase a dwelling or a share of a dwelling below the market rate subject to satisfactory arrangements being put in place to ensure that in the event of the resale of the unit in the future, the resale price restrictions reflect the initial price reduction.

2.3. To qualify for **social or intermediate housing**, a household must meet certain eligibility criteria and be registered on the appropriate list as managed by Housing. From

¹ This is unrelated to the established 'Open' and 'Local' market housing regime.

² Lifetime Homes are ordinary homes designed to incorporate design criteria that from the outset can be universally applied to new homes at minimal cost which supports the changing needs of individuals and families at different stages of life.

time to time the States of Guernsey may introduce other types of affordable housing falling within the definition.

2.4. The third type of tenure, **Private Market** housing, is owner-occupied housing and higher-cost private rental accommodation housing; this is not affordable housing. Any household that can afford to buy or rent above the lowest quartile is considered to be in the private housing market.

2.5. Affordable housing policy requirements will not be applied to residential proposals that incorporate a 'care' element where it is shown the proposal would not remain viable if affordable housing is also provided on the site. For the purposes of clarity, typical sheltered, supported and assisted housing are not considered to incorporate a care element.

3. Why do we need Affordable Housing in Guernsey?

3.1. The States of Guernsey undertakes a number of surveys from time to time to help identify how much housing is required to accommodate our Island's current and future households. The most robust model for this is currently the Housing Needs Study 2011. This notes that, while the majority of the Island's population is able to access its housing requirement, other households may be unable to attain housing of a minimum adequate standard without some form of assistance.

3.2. The Housing Needs Study (2011) also looked at housing tenure; or the form by which a household is occupying a housing unit. The study identifies three distinct tenures in Guernsey, two of which, social and intermediate housing, when taken together form affordable housing.

3.3. The Housing Needs Study (2011) demonstrates that for the five years to 2016 there will be a forecast 451 households annually in need of housing and that of these 258 (57%) are in need of affordable housing. The States' current target for the provision of new dwellings is 300 dwellings per year although it should be noted that the States target relates to new dwellings whereas the forecast need relates to households. As more than one household can occupy a dwelling, for example through multiple occupation, lodging houses, etc, this will have an impact on calculations.

3.4. All previous Housing Needs Studies undertaken, including the most recent, are available online from the States' website at: <https://www.gov.gg/housing-needs-survey>.

4. What evidence was used to prepare the Affordable Housing Policy?

4.1. To support the preparation of the affordable housing policy the former Environment Department commissioned the independent report 'The Use of Planning Covenants in the Delivery of Affordable Housing in Guernsey', 2012. The purpose of the report was to assess the feasibility of introducing policies in the Island Development Plan to secure the delivery of affordable housing on larger and other general market housing sites and at what levels and how this might be delivered through planning covenants.

4.2. The report provides important recommendations and evidence as to what affordable housing policy requirements would be appropriate and whether these would meet the reasonable expectations of all stakeholders involved in the residential development sector.

4.3. The report builds on earlier work commissioned into the feasibility of securing affordable housing through the planning process as part of the former Housing Department's Corporate Housing Programme (CHP)³ which is now the responsibility of the Committee for Employment & Social Security.

4.4. The report demonstrated that it is feasible to require the provision of a percentage of affordable housing units on larger general market housing developments. The report can be found online at <http://www.gov.gg/planningpolicy>.

4.5. In preparing the affordable housing policy, we also took into consideration the comments and views expressed through two rounds of public consultation and the opinions and comments of other relevant States' Committees and interested bodies.

5. What is the policy context for the provision of Affordable Housing?

5.1. The Strategic Land Use Plan, agreed by the States of Guernsey in November 2011, requires the Island Development Plan to put in place spatial planning policies that foster and promote an inclusive society which supports sustainable communities and removes barriers to social inclusion and social justice, and provides for levels of housing availability to enable people to help themselves become independent where possible.

³ The Corporate Housing Programme is an action plan of housing-related projects carried out by States' Committees and Services, voluntary organisations and the private sector. The CHP is an important part of the Social Policy Plan.

5.2. The Strategic Land Use Plan states that the Island Development Plan will ensure provision is made to meet the requirement for the creation of new homes of an appropriate mix of tenures, housing sizes and types to meet the Island's housing needs. To further this aim, it states that it will be necessary for the Island Development Plan to make an allowance for a proportion of affordable housing to be secured from larger private development sites and to do so using planning covenants or through conditions on the grant of planning permission, established through a specified mechanism.

5.3. In addition to the Strategic Land Use Plan, the Committee *for* Employment & Social Security's Corporate Housing Programme (CHP) translates into action a number of objectives set out in the Social Policy Plan, part of the States' Strategic Plan. Through the CHP, the Committee *for* Employment & Social Security seeks to improve the quality of life of Islanders, particularly for households on a low income or with a need for specialised housing. It is through the CHP that the States' house building programme is established. As part of the CHP, the Committee *for* Employment & Social Security maintains and upgrades existing social housing and delivers new social housing with a registered housing association, currently the Guernsey Housing Association (GHA).

Part Two: Information for Implementation

6. How much Affordable Housing do I have to provide?

6.1. The affordable housing policy is set out in the Island Development Plan (2016) in Policy GP11: Affordable Housing. This guidance document should be read in conjunction with Policy GP11 and the other policies of the Island Development Plan (2016). Policy GP11 is the 'headline' or overall affordable housing policy requirement which is applied to all proposals for housing development and is set out below:

Policy GP11: Affordable Housing

The Authority will require proposals for development resulting in a net increase of 20 or more dwellings to provide a proportion of the developable area of the site for affordable housing in line with the following:

- **20 or more dwellings but fewer than 25 dwellings:** 26% of the developable part of the site, but reduced to 11% in the first year, 16% in the second year and 21% in the third year after States' adoption of this Plan;
- **25 or more dwellings but fewer than 30 dwellings:** 28% of the developable part of the site, but reduced to 13% in the first year, 18% in the second year and 23% in the third year after the States' adoption of this Plan;
- **30 or more dwellings:** 30% of the developable part of the site, but reduced to 15% in the first year, 20% in the second year and 25% in the third year after the States' adoption of this Plan.

In assessing proposals, the Authority will have regard to the provisions of the Supplementary Planning Guidance: Affordable Housing which sets out further advice about how this policy will be applied.

Where the provision of land is not feasible, the Authority will consider the provision of completed units or off-site provision in accordance with the scale set out above. The density, mix, and type of units proposed must be consistent with all the relevant policies of the Island Development Plan.

Where the Authority is satisfied that the application of this policy, including all provisions for options such as those relating to the mix of unit type and tenure and the provision of land or units on or off site to the States of Guernsey or a housing association, and/or the particular site constraints, would result in it not being viable to proceed with a housing development, the above percentage requirement may be reduced. In these circumstances the Authority will consider the circumstances of the particular proposal and will require the maximum percentage of affordable housing provision which is viable for that site, up to the maximum amount identified above.

The Authority will consider the imposition of conditions on grant of planning permission or entering into a planning covenant to ensure the provision of the appropriate level of affordable housing.

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6.2. In summary, the affordable housing policy requires housing proposals resulting in a net increase of 20 or more dwellings to contribute towards affordable housing. For example, proposals of 20 dwellings would be required to provide 26% of the developable part of the site (or 5 completed dwellings where the provision of land is not feasible - see paragraph 7.2(b)). Proposals of 25 dwellings would be required to provide 28% of the developable part of the site (or 7 completed dwellings where the provision of land is not feasible - see paragraph 7.2(b)). The percentage contribution required will be rounded down to the nearest whole unit in each case.

6.3. The requirement will be applied to the developable portion of the site in each case. This may be smaller in size than the overall site. We will not accept the division or piecemeal development of sites and will consider carefully the development of sites in terms of density and mix of residential types to ensure the proposals are appropriate for the site concerned. Proposals that, in our opinion, represent the underdevelopment of a site are likely to result in the refusal of planning permission. However, in particular circumstances, allowances may be considered which are explained in Section 10.

6.4. To support the introduction of this policy and to aid all parties involved to adapt to the revised situation, a transition period of 3 years shall be implemented from the date of adoption of the Island Development Plan by the States of Guernsey (2nd November 2016). This transition period will phase in the full application of the headline percentage requirement as set out in Policy GP11 on a sliding scale as shown in the table below:

No. dwellings	Year 1%	Year 2 %	Year 3 %	Year 4%
20 or more but fewer than 25	11	16	21	26
25 or more but fewer than 30	13	18	23	28
30 or more	15	20	25	30

6.5. In summary, during the transition period, the affordable housing requirement is reduced by 15 percentage points in Year 1; by 10 percentage points in Year 2; by 5 percentage points in Year 3; with the full rate applying in Year 4 (all fractions rounded down). For further guidance on the transitional arrangements and how they impact your site, please contact the Planning Service.

7. In what way can I provide Affordable Housing?

7.1. The affordable housing requirement is to be met by the provision of land for affordable housing development on the subject site.

7.2. However, we will, having regard to what is feasible in each case, consider accepting the following types of contribution, in the following order of preference:

a. **Transfer of Land:** In the first instance, land for affordable housing should be provided on the subject site. The land would then be developed for affordable housing by the States of Guernsey or a registered housing association. Where land is to be provided, the percentage required of the developable area will be transferred to the Committee *for* Employment & Social Security/Housing Association at nil cost.

b. **Provision of Units:** Where the transfer of land is not feasible, the provision and transfer of completed affordable housing units built by the applicant/developer will be considered. Examples of where the provision of land may not be feasible include developments comprising the conversion of existing buildings, or developments comprising higher density apartment blocks. Under this option, the units will be purchased by the Committee *for* Employment & Social Security/housing association at cost and, in the case of intermediate housing, the Committee *for* Employment & Social Security/housing association will then arrange for a buyer from the intermediate housing waiting list.

c. **Off-site provision:** In exceptional cases, to meet some or all of the policy requirement, we may consider the provision of land or units, including appropriate existing dwellings or other premises at another location which is in the same ownership as the principal site. The terms of the transfer for each are the same as explained above in (a) and (b). Premises off-site will be considered on a case-by-case basis. In this scenario, the premises proposed to meet the policy requirement must be capable of development for those purposes within the terms of the policies of the Island Development Plan (2016), or have outline or full planning permission for an appropriate amount and form of housing to enable the affordable housing policy requirement to be met. In these circumstances we may require the 'off-site' affordable housing, or a proportion of it, to be constructed and/or made available ahead of the development of the general market housing.

7.3. The option proposed by an applicant to meet the affordable housing requirement, whether part of the subject site or an alternative site, must be fully capable of meeting

the other requirements of the Island Development Plan (2016) as further explained in this supplementary planning guidance. In addition, we may not accept land, premises or sites that in our opinion would involve works, redevelopment or remediation, or would otherwise be unsuitable for housing or would not be feasible for the Committee *for* Employment & Social Security or a registered housing association to develop.

7.4. The potential for the provision of a financial contribution towards affordable housing in lieu of direct provision of land or completed units is not currently possible. The Authority will continue to investigate the potential for financial contributions and will bring forward suitable amendments to the affordable housing policy and supplementary planning guidance in light of any changes to the existing legal framework relating to affordable housing as considered appropriate by the States of Guernsey.

8. What type of Affordable Housing am I expected to provide?

8.1. As set out above, the housing market broadly comprises three types of housing tenures: private market (not affordable housing), intermediate and social (both being types of affordable housing). Within intermediate housing there are the sub categories of partial ownership and part share of equity as well as low cost ownership and similar schemes.

8.2. Once the overall requirement for the site has been established, the mix in each case would be informed by the most recent Housing Needs Study in the first instance, and where relevant, other research and data available to the States of Guernsey, as well as the Committee *for* Employment & Social Security's housing waiting lists. It will be necessary to vary the mix of social, intermediate and private market housing on a case-by-case basis, as well as the mix of intermediate housing (be it partial ownership, part share of equity or low cost ownership and any similar schemes) in order to respond to housing need at any specific time and in order to ensure the development is most appropriate for a particular location. Housing's criteria for assessment of the required mix of housing will be made available to inform pre-planning application discussions.

8.3. Where it is successfully demonstrated through evidence that it is not feasible or practical for a particular site to provide a particular type or mix of affordable housing, we will take a flexible and pragmatic approach to how the affordable housing requirement could be met in terms of type and tenure. The Authority's approach in this regard is discussed further in Section 10.

9. Who do I work with to provide or deliver Affordable Housing?

9.1. Whether the policy requirement is to be met through the provision of land, completed units, or other premises at another site, the provision proposed needs to be deemed acceptable and appropriate by the Authority in consultation with Housing and, where appropriate, the registered housing association which is to construct and/or manage the affordable housing element of a proposal.

9.2. Only a housing association that is registered with the Committee *for* Employment & Social Security can fulfil this role. A register of housing associations will be published by Housing who will also control the registration and management of housing associations.

9.3. Discussions between the land owner and Housing on how the details of a particular proposal can best satisfy the Committee *for* Employment & Social Security's / registered housing association's requirements for affordable housing can be held prior to and during the planning application process and are encouraged, although the decision on any planning application is ultimately that of the Authority taking into account the Plan policies and other material planning considerations. Pre-application discussions are recommended between any prospective applicant and the Planning Service before an application is submitted to provide guidance on the likely interpretation of the relevant policies in the Island Development Plan (2016) although we will keep an open mind on any planning application until the full information is before us. The final details of the agreement between the land owner and Housing will be taken into account in the drawing up of any planning covenant to be entered into by the land owner with the Authority, which will be finalised and signed at the end of the planning application process and the details of the proposed planning covenant will be a material consideration when the planning application is assessed.

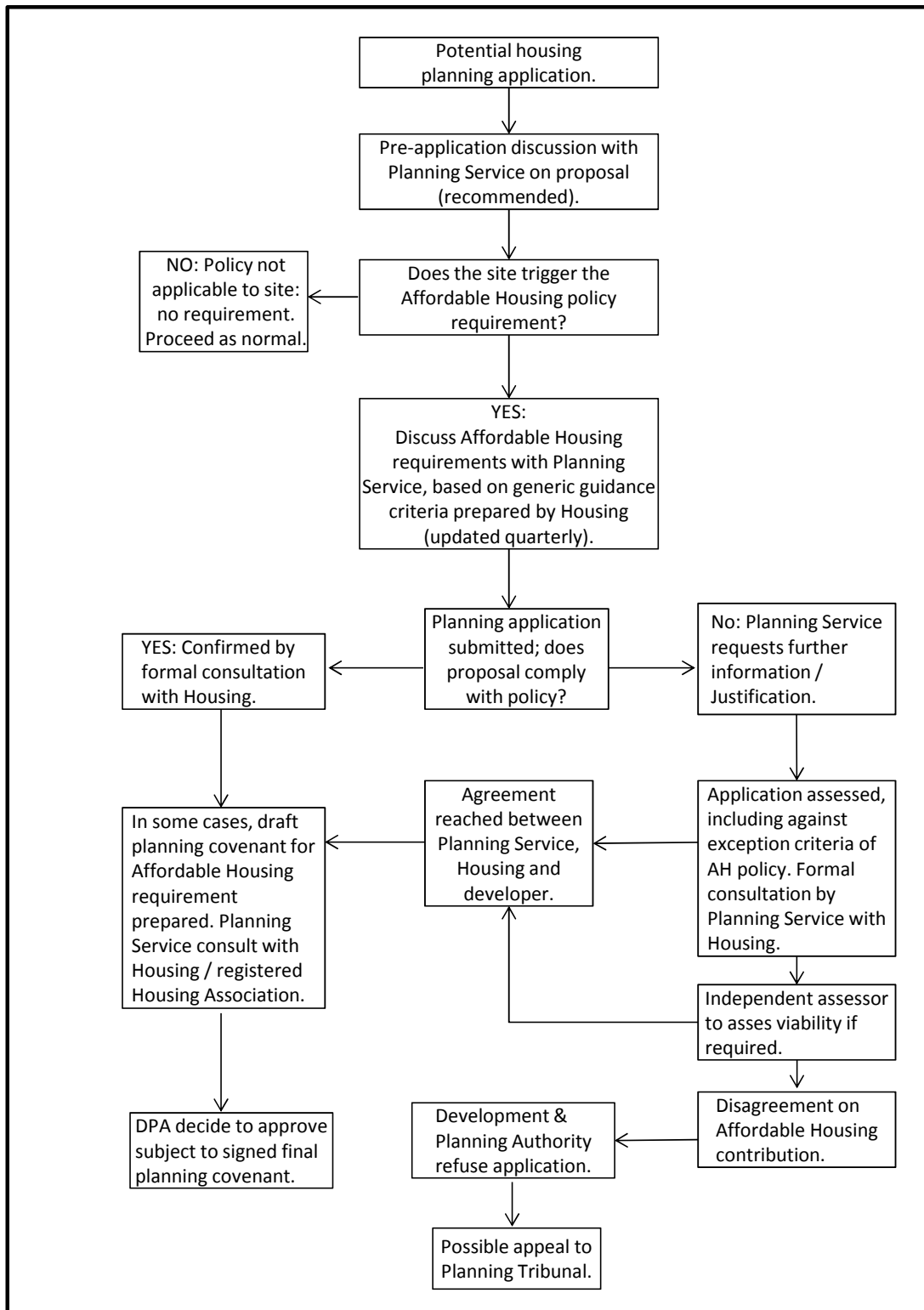
9.4. A planning covenant is a binding legal document generally entered into as an agreement between the owner of any land and the Authority, which can restrict the development or use of land in any specified way, can require any specified operations or activities to be carried out on the land, and can require land to be used, maintained or managed in a specified way. Planning covenants may be used for the purpose of securing affordable housing, however, in some instances the use of planning conditions on any planning permission granted may be the appropriate mechanism to secure affordable housing. Planning covenants will usually be entered into as part of the planning application process and signed before a planning application is determined, thereafter a Planning Covenant will be enforceable against the owner who has entered into it and any person

buying the land from the owner unless it is modified or discharged by agreement with the Authority as provided for under the planning legislation. Section 8(2) of the Land Planning and Development (Guernsey) Law, 2005, requires the Island Development Plan to set out, where appropriate, policies for facilitating development by the promotion of planning covenants.

9.5. An outline of the approach we are likely to take, in consultation with Housing, to manage proposals for housing development that incorporates affordable housing is set out in Figure 1 ⁴:

⁴ This figure only relates to the application of the Affordable Housing mechanism. It should be noted that planning applications may be refused for reasons other than failure to satisfy the affordable housing policy.

Figure 1: Approach to managing proposals that incorporate affordable housing



10. Are there any exceptions to the requirement?

10.1. The percentage requirement of Policy GP11 may be reduced where it can be demonstrated that the application of this policy, including all provisions for options such as those relating to the mix of unit types and tenure and the provision of land or units on or off site to the Committee *for* Employment & Social Security or a housing association, the level of affordable housing required and/or the particular site constraints, would make the development otherwise unviable. In such circumstances, we will assess economic viability by using recognised financial viability models and may consult independent viability assessors as part of the assessment process, particularly where there is dispute over viability issues. As the costs of consulting an independent viability assessor will be expected to be borne by the applicant, these costs can be included in the viability appraisal of their proposal.

10.2. Appendix 1 sets out the viability assessment pro-forma. This sets out the information required to demonstrate viability, however it may need to be adapted for larger or more complex schemes. The pro-forma addresses each of the variables in modelling financial viability including:-

Residential density (4,000 sq.m. per hectare)

Construction costs (£2,400-£2,900 per sq.m.)

Professional fees (9-15% of overall cost of the project, mid point of 12% applied)

Sales costs and marketing (1.5%-3% of the sales value, mid point 2.25% applied)

Finance/borrowing rates (6% of overall cost of the project)

Sales values (£2,300 to £5,800 per sq.m. representing range of lower and upper ends of the market)

Developer's profit (20% of sales value)

Land values (£70k-£90K per hectare for open land; in excess of £2million plus per hectare for development value)

The current industry standards as at September 2015 are indicated above. In assessing these pro-forma inputs, the Planning Service will use industry standards for each of these variables applicable at the time. These details will be regularly updated by the Authority and this guidance updated accordingly. Applicants should consult with the Planning Service at pre-application submission stage for additional guidance in this regard.

10.3. We will take a pragmatic and flexible approach when calculating the required level

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of affordable housing provision where the continued viability of the proposal is threatened. This could be because parts of a site could not be reasonably or cost effectively developed (for example, due to constraints such as topography, irregular shape, water bodies, infrastructure, contamination or features of natural or heritage interest) or because of legitimate economic and financial factors affecting development viability. We will also take into account where parts of a proposal would be for the provision of main roads, strategic infrastructure, structural and other significant landscaping areas and public open space. This will typically be relevant to larger sites only.

10.4. With regard to infrastructure costs, the Committee *for* Employment & Social Security may contribute towards the costs for public infrastructure associated with, and to be provided as part of, developing a site. This will be determined by that Committee on a case-by-case basis. Applicants should consult with Housing at pre-planning stage for additional guidance in this regard.

10.5. Applicants are expected to negotiate in good faith and on an 'open book' basis. Cases where applicants are unwilling for third party verification of viability or valuations, or in the opinion of the Authority have not provided accurate or complete information, may be considered not to meet the relevant exception criterion. We will consider whether any financial or commercial information provided as part of the planning application process should be treated as confidential. If an applicant considers that any such information is confidential they should highlight this at an early stage, as, in general, information submitted as part of the planning application process may be made publicly available. Such confidential information will be disclosed in full to States' officers, and to an independent expert for review if required. A summary of the information provided will be disclosed to the Committees and any objectors as part of the Officer's recommendations, in order that it can be taken into account by the Authority when making a decision on the planning application or by the Appeals Tribunal in the event of an appeal. This is to ensure that all financial information required to fully assess a planning application is provided to the Authority, without infringing upon the confidentiality of financial or commercial information.

10.6. The affordable housing policy does not apply to staff accommodation provided as part of a recognised visitor accommodation establishment. For mixed use proposals, taking into account matters such as density, site size and developable area, the policy would only apply to the portion of the proposed floor space which comprises residential development with a net increase of 20 or more units.

11. Who is responsible for Affordable Housing once it is developed?

11.1. Once provided, dwellings or land will generally be transferred to the States of Guernsey Committee *for* Employment & Social Security or a registered housing association and retained for affordable housing in perpetuity. This may be achieved through the use of planning covenants between the land owner and the Authority and may also involve other legal agreements between owners / tenants and the Committee *for* Employment & Social Security or housing associations as appropriate.

Social Housing

11.2. Social housing is owned and controlled by the Committee *for* Employment & Social Security or a registered housing association or any other person or legal arrangement, and is generally reserved for households on low incomes. Only households who satisfy eligibility criteria approved by the Committee *for* Employment & Social Security can occupy a social housing property. The contractual relationship between the Committee or a registered housing association, as landlord, and the social housing tenant, is defined in a tenancy agreement. Except in circumstances outlined in the tenancy agreement, the cost of managing and maintaining units of social housing rest with the provider.

11.3. Specialised housing such as extra-care accommodation, nursing and residential homes and other accommodation for people in need of care or a need identified by the Committee *for* Employment & Social Security are also social housing and are brought forward from time to time on the Island. Generally, care staff operate on-site and residents tend to live in single room accommodation.

Intermediate Housing

11.4. Under the partial ownership scheme, households buy, from a housing association, a percentage of a property and pay the association a reduced rent in respect of the balance. Households can adjust the percentage of the property that they own, within a certain range. Partial ownership eligibility criteria are set by registered housing associations in conjunction with the Committee *for* Employment & Social Security. Broadly speaking, the householder enjoys the benefits, and is subject to the same responsibilities, as a typical homeowner, however the cost of maintenance is shared between the housing association and householder.

11.5. Partial ownership households can only sell their share of a property to the housing

association who owns the remaining share of the property. The price will be a fair market value, calculated by an independent valuer appointed by the housing association. The householder retains a proportion of the sale value equivalent to the proportion they own at the time of sale. If, for example, the householder owned 50% of a property, they would receive 50% of the total sale value, regardless of whether that represents a gain or a loss since the property was originally part-purchased. The housing association will then find another purchaser from their partial ownership waiting list to occupy the unit.

11.6. Other schemes may be developed in the future to meet different intermediate housing needs and the details of those will be published at that time.

12. Review and update of Affordable Housing Policy and Guidance

12.1. We will monitor the quarterly and annual delivery of both general market and affordable dwellings as set out in the Review and Monitoring section of the Island Development Plan.

12.2. Any changes to the headline requirement of Policy GP11: Affordable Housing or other more substantial changes will need a formal amendment of the Island Development Plan and will be subject to a public inquiry and will need to be approved by the States. The SPG will be amended to reflect any such significant changes at the same time.

12.3. This guidance will be reviewed and updated periodically.

Appendix 1 - Viability pro-forma

The viability assessment pro-forma sets out the information required to demonstrate viability. It is to provide a common framework for affordable housing viability assessment on Guernsey, however it may need to be adapted or supplemented for larger or more complex schemes. A version which enables calculations to be performed (i.e. Microsoft Excel) is available from the Planning Service. Applicants should consult with the Planning Service at pre-application submission stage for additional guidance in this regard.

Figure 2: Affordable Housing Viability Pro-forma

DEVELOPMENT VALUE						
Social rented	No. units			£ per sq.m	sq.m	£
Partial ownership	No. units			£ per sq.m	sq.m	£
Specialised	No. units			£ per sq.m	sq.m	£
Private market	No. units			£ per sq.m	sq.m	£
Other uses (please specify)					£	£
GROSS DEVELOPMENT VALUE						£
DEVELOPMENT COSTS						
Construction						
Social rented	No. units			£ per sq.m	sq.m	£
Partial ownership	No. units			£ per sq.m	sq.m	£
Specialised	No. units			£ per sq.m	sq.m	£
Private market	No. units			£ per sq.m	sq.m	£
Other (please specify):					£	£
Contingency (% of total construction)					%	£
Total construction costs						£
Fees						
Professional fees (% total construction costs)					%	£
Planning fees, (total)						£
Building Control fees, (total)						£
Agent (% gross development value)					%	£
Legal (% gross development value)					%	£
Other (please specify):					£	£
Contingency (% of total fees)					%	£
Total fees						£
Site						
Area (Hectares)					Total cost of site	£
Area (Acres)					Total cost of site	£
Area (Vergées)					Total cost of site	£
Finance						
Interest rate on (please specify):			For (years)		%	£
Other (please specify):						£
Total finance						£
TOTAL DEVELOPMENT COSTS						£
GROSS DEVELOPMENT VALUE						£
less						
TOTAL DEVELOPMENT COSTS						£
Developer return (% of gross development value)					%	£

Glossary of terms

The following terms are for guidance purposes only and do not purport to be legal definitions.

Affordable housing: Affordable housing is defined by Section 2(1) of the Land Planning and Development (Planning Covenants) Ordinance, 2011. In general terms, affordable housing is for those households whose needs are not met by, or who cannot afford accommodation in the private sale or rental market without assistance. It is normally provided through the Committee *for* Employment & Social Security or a registered housing association.

Care: 'Care' is defined in the Land Planning and Development (Use Classes) Ordinance, 2007 and means 'personal care for people in need of such care by reason of age, disablement, past or present dependence on alcohol or drugs, or past or present mental disorder.' Certain types of residential development incorporate facilities for the purposes of providing care to residents. These can take different forms, and include extra-care housing, care homes and nursing homes. For the purposes of clarity, sheltered, supported and assisted housing are not considered to incorporate a 'care' element.

Corporate Housing Programme (CHP): is an action plan of housing-related projects carried out by States' committees, voluntary organisations and the private sector. The CHP is an important part of the Social Policy Plan.

Developable area: The net developable area or portion of a site comprises those parts which could be reasonably or cost effectively developed. There are a number of factors which may limit the net developable area, such as topography, the irregular shape of a site and other constraints such as the presence of infrastructure. Net developable area excludes main roads and strategic infrastructure, structural and other significant landscaping areas, public open space, or features of natural or heritage interest. Net developable area includes site access roads, parking areas to serve the development, footpaths, private open space, incidental open space, children's play areas and amenity space. Smaller sites are likely to rely to a greater extent on existing infrastructure and facilities, whereas larger sites are likely to require additional infrastructure and services to be provided as part of the scheme. As a guide, the net developable area of sites of less than 5 acres would typically be 100% of the site area, with this figure likely to be less on larger sites. This will be negotiated on a case by case basis as demonstrated by the applicant.

Housing Needs Study (HNS): At regular intervals the Committee *for* the Environment & Infrastructure will carry out a HNS which looks at Guernsey's existing and future needs for

different types of housing.

Intermediate housing: Intermediate housing is defined by Section 2(1) of the Land Planning and Development (Planning Covenants) Ordinance, 2011. In general terms, it is owned or controlled by the Committee *for* Employment & Social Security, a registered housing association or any other person or legal arrangement and can be offered on a basis that includes partial ownership. For example, it includes partial ownership housing, shared equity or low cost ownership or similar schemes mainly for households that are ineligible for social housing but cannot meet the full cost of renting or buying appropriate housing on the private market without some form of subsidy. Partial ownership housing, shared equity or low cost ownership or similar schemes are schemes where eligible households can purchase a dwelling or a share of a dwelling below the market rate.

Island Development Plan: is a Development Plan prepared by the Development & Planning Authority and adopted by the States in accordance with section 8 of the Land Planning and Development (Guernsey) Law, 2005. It replaces the Urban Area Plan and the Rural Area Plan.

Open book: an approach to assessing development viability where the applicant sets out to the Authority in detail all the expected costs and receipts arising from a development including the profit margin to which the developer operates.

Planning covenant: Has the meaning in Section 23 of the Land Planning and Development (Guernsey) Law, 2005. It is a legally binding document generally entered into as an agreement by the owner of any land and the Authority which can restrict the development or use of land in any specified way, can require any specified operations or activities to be carried out on the land and can require land to be used, maintained or managed in a specified way. Planning covenants will be considered for the purpose of securing affordable housing and will most usually be entered into as part of the planning application process and signed before a planning application is determined. Thereafter a Planning Covenant will be enforceable against the owner who has entered into it and any other person buying the land from the owner unless it is modified or discharged by agreement with the Authority as provided for under the Law.

Private market housing: In general terms, private market housing is owner-occupied housing and higher-cost private rental accommodation housing.

Quartile: the lowest quartile is the range between the smallest and largest of the bottom 25% of all the private market housing rents offered on the Local Market.

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Registered Housing Association: A housing association which has been registered by and under the terms set out by the Committee *for* Employment & Social Security. Guernsey housing association is currently the only registered housing association on Guernsey.

Social housing: Social Housing is defined by Section 2(1) of the Land Planning and Development (Planning Covenants) Ordinance, 2011. In general terms, Social Housing is owned and controlled by the Committee *for* Employment & Social Security or a registered housing association or any other person or legal arrangement and is reserved for households on low incomes or with other needs identified by the Committee *for* Employment & Social Security and includes specialised housing.

Specialised housing: Specialised housing is housing units with care provided to residents such as extra care accommodation, nursing and residential homes and other accommodation for people in need of care. Generally, care staff operate on-site and residents tend to live in single room accommodation.

Strategic Land Use Plan (SLUP): Has the meaning in Schedule 2 to the Land Planning and Development (Guernsey) Law, 2005. It is a statutory document prepared by the Committee *for the* Environment & Infrastructure and adopted by the States which considers the land use planning implications of the strategic objectives of the States and sets out guidance and directions to the Authority to guide the preparation of new Development Plans in order to achieve those objectives.

Supplementary Planning Guidance (SPG): Guidance documents covering a range of subjects which are provided for under the Island Development Plan or another statutory plan and which provide further guidance for development on specific sites or on particular issues and add further detail based on the policies and proposals in the Island Development Plan or another statutory plan. They assist developers, applicants and planning officers in discussions prior to the submission of planning applications and provide a context for the evaluation of planning applications by the Authority.

Viability: relates to whether it is financially and economically feasible to develop a particular housing scheme on a site.

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Contact Us for further information and advice at: Planning Service, Sir Charles Frossard House, St Peter Port. GY1 1FH Telephone 01481 717200 Email planning@gov.gg

Have you visited our website? Go to www.gov.gg/planning_transport_waste for additional guidance material and other planning information, including how to book a pre-application discussion.

This Supplementary Planning Guidance (SPG) is issued by the Development & Planning Authority to assist understanding of the provisions of the Island Development Plan (2016) and, where applicable, relevant legislation, by offering detailed guidance but is not intended to be exhaustive or a substitute for the full text of legislation or the policies within the Island Development Plan (2016). This SPG does not form part of the Island Development Plan (2016). It represents the Development & Planning Authority's interpretation of certain provisions of States of Guernsey policy or legislation. The guidance is merely indicative of the Development & Planning Authority's likely approach to development proposals in relation to affordable housing and is not binding on the Development and Planning Authority. This SPG does not prejudice the Development & Planning Authority's discretion to decide any particular case differently according to its merits and it does not relieve the Development & Planning Authority of any obligation, restriction or liability imposed by or under the Land Planning and Development (Guernsey) Law, 2005. Copies of the text of the Island Development Plan (2016) are available from Sir Charles Frossard House and also available electronically online at www.gov.gg/planningpolicy. Copies of legislation are available from the Greffe. Electronic copies are also available at www.guernseylegalresources.gg. Substantive queries concerning the guidance or a specific site should be addressed to the Planning Service by telephone on 717200. The Development & Planning Authority does not accept any liability for loss or expense arising out of the provision of, or reliance on, any advice given. You are recommended to seek advice from an independent professional advisor where appropriate.