

## APPENDIX 2

### MAKING THE CASE FOR AFFORDABLE HOUSING OUTSIDE SETTLEMENTS – INFORMATION NOTE FOR APPLICANTS

The Cairngorms Local Plan Policy 22: Housing Developments Outside Settlements states that:

- “Developments for new affordable housing outside settlements will be considered favourably where there are no suitable sites within settlement, where the development does not detract from the landscape setting, and they meet a demonstrable local need in the rural location”

More information on the policy and the supporting text is available on pages 57 -58 of the Cairngorms Local Plan on the following weblink:

<http://cairngorms.co.uk/park-authority/about-us/publications/?publicationID=265>

This note offers step by step guidance on the information which the Planning Authority will require in order to assess whether any planning application meets the above policy requirements. The questions to be addressed, together with a summary of the type of information which could be submitted to address these questions is as follows.

(Please note that all applications for new development in the National Park must meet *all* relevant planning policies contained in the Local Plan. This information note focuses on affordable housing matters only.)

#### I. Will the house be ‘affordable’?

Scottish Government planning policy defines affordable housing as “*housing of a reasonable quality that is affordable to people on modest incomes*”. In practice, therefore, the Planning Authority will be seeking evidence so they can compare the likely cost of the proposed development with either:

- (a) purchasing a house of reasonable quality and modest size to meet the applicant’s housing needs, and located in the same locality or
- (b) purchasing a house plot in the same locality and building a modest house on it to meet the applicant’s housing needs

If the applicant’s proposed development costs (plot price +site preparation and servicing costs +build costs + associated professional fees) are greater than either (a) or (b) then the proposed development is likely to fail the ‘affordability’ test.

To help answer this question, the following information will be required:

- Floor plan details
- Costing of new development (including plot price, site preparation and servicing costs, build costs and associated professional fees) to enable comparison to be made with the existing housing options available
- Information on how the costs of the existing properties/sites in the area compare to the cost of the proposed new development,
- Applicant's personal/financial circumstances – applicants may be asked for detailed financial information to assess their ability to afford the house. For example Scottish Government guidelines on shared equity schemes use two elements to assess this (1) mortgage based on 2.5 to 3 times the households annual income plus (2) savings /parental gift etc with £5,000 and 10% of the savings retained by applicant<sup>1</sup>

*Note: Any financial information will be kept confidential.*

## **2. Are there any other suitable sites or houses available within settlements?**

“Suitable” means that an alternative site or house would be as economic to buy, service and develop for the same or similar type of house as the one proposed by the applicant. “Within settlements” means located within the boundaries of nearby settlements (villages or town) as defined in the Local Plan . “Available” means available to purchase.

If there are other suitable sites or houses available within the settlement then the proposed new development is likely to fail this test.

To help answer this question, the following information will be required:

- Demonstration that no suitable sites or houses exist within nearby settlements, or on land designated in the Cairngorms Local Plan for development. (The Local Plan has designated land for housing within most settlements –more information on this link or contact the local Planning Service for advice <http://cairngorms.co.uk/park-authority/about-us/publications/?publicationID=265>
- If there are sites or houses available an explanation of why these are not suitable.
- Information on whether there are any Local Authority or Housing Association rented houses available in the area;

*Note: It should be noted that personal preference is not a valid material planning consideration*

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<sup>1</sup> For example if the applicants have £30,000 savings then they would be allowed to retain £5,000 plus 10% of the remaining £25,000 (£2,500) allowing a total retention of £7,500 which leaves £22,500 available for the project.

### **3. Will the house meet a demonstrable local need in the rural location ?**

This is a two part test

1. whether the applicant has a demonstrable need for affordable housing and
2. whether the applicant has good grounds for wanting to make their new home in the particular locality.

Information will be sought which confirms whether or not one or more members of the applicant's household has a need for affordable housing (Housing need refers to households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance)

Supporting evidence will also be required that the applicant has a local need. This could be 'residential' (because they already live, or have lived for some years, in the locality) or 'family' (because they want to live close to a family member who already lives in the locality and requires care support) or 'workplace' (because they work or have an offer of work in the locality).

If the applicant is unable to show that they have a demonstrable local need then the application would be likely to fail this test.

To help answer this question, the following information will be required:

- Is the applicant on a housing waiting list (either Local Authority or Registered Social Landlord) or living in substandard accommodation? (Provision of information from the relevant authority/Registered Social Landlord to confirm the development will result in a reduction in their waiting list would be helpful)
  - Information to demonstrate that the need for housing of this type been identified by community needs assessments, housing needs and demand assessments and other information. (The relevant Local Authority Housing Service may be able to provide information to assist)
  - Information on the applicant's links to the local community, such as working in the area, living in the area, family/friends in the area.
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***Please note that due to the level of information required an application for full planning permission will be required. You are therefore strongly advised to discuss your proposal with planning officers and get their advice before putting in an application - they will be very happy to provide further advice and try and help you***

- ***Applicants are also advised that once the above information on your case for affordable housing is provided the Planning Authority will seek the advice of independent assessors (such as Local Authority Housing Officer, Highland Small Communities Housing Trust) to consider whether a case has been made for an affordable house.***
- ***Failure to provide all the necessary information may result in the application being refused based upon lack of the information required to decide whether it meets policy.***