

## AFFORDABLE HOUSING - A DEFINITION

The definition of **Affordable Housing** used by the government and Wiltshire Council is:

*'Social rented, affordable rented and intermediate housing, **provided to eligible households whose needs are not met by the market.** Eligibility is determined with regard to local incomes and local house prices.*

**a. Social rented housing** is owned by local authorities and private registered providers for which guideline target rents are determined through the national rent regime.

**b. Affordable rented housing** is similar to Social Rented but is subject to rent controls that require a rent of no more than 80% of the local market rent.

**c. Intermediate housing** is homes for sale and rent provided at a cost above social rent, but below market levels **subject to the criteria in the Affordable Housing definition above.** These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

*Homes that do not meet the above definition of affordable housing, such as "low-cost market" housing, are not considered as affordable housing for planning purposes.'*

The 3 categories of affordable housing above are available only to the households that Wiltshire Council consider eligible for socially provided housing, allocation of this social affordable housing is controlled by the council on a needs basis.

Wiltshire Core Strategy policy is that in new developments of more than 5 or more houses there should be a 30% provision of affordable housing and a suitable mix of housing types. Developers are able to reduce this % if they can show that their development may provide insufficient profit to be viable (Core Policy 43). At developments of less than 5 houses the developer normally makes a financial contribution towards affordable homes elsewhere in the county.