

Affordable Housing Glossary

Main definitions applicable to the Sevenoaks District.

<p>Affordable Housing - local generic term</p>	<p>Used for all types of publicly subsidised housing (i.e. council and housing association homes) and is a term used a lot more now as some people view the term 'social housing' as negative.</p>
<p>Social Housing - generic term</p>	<p>Used for publicly subsidised affordable housing, i.e. council housing and housing association housing. Typically used from the start of stock transfers, as the term was adapted from the previous 'council housing' term.</p> <p>The term is defined in S68 of the Housing and Regeneration Act 2008.</p>
<p>Social Rent Housing (local definition)</p>	<p>Housing owned by housing associations, for which rents are determined through the National Rent Regime. This is usually equivalent to 50-60% of Open Market Rents.</p> <p>Homes are let on an Assured Tenancy and are allocated to applicants from the Sevenoaks District Housing Register.</p> <p>Most of our affordable housing stock is comprised of Social Rent Housing.</p>
<p>Affordable Rent Housing (local definition)</p>	<p>Housing owned by housing associations or other Providers approved by the District Council (e.g. Quercus Housing).</p> <p>Homes are let on an Assured Tenancy and are allocated to applicants from the Sevenoaks District Housing Register.</p> <p>Homes are expected to be provided at a rent which does not exceed the relevant Local Housing Allowance, inclusive of service charges, i.e. Genuinely Affordable Housing (see below).</p>

	<p>The Government allows rents of up to 80% of the local Open Market Rent. Any housing association or Provider proposing this level of rent requires the specific approval of the District Council (Cabinet approved this policy).</p>
<p>Genuinely Affordable Housing (local definition)</p>	<p>Homes provided as Social Rent Housing and most homes provided locally as Affordable Rent Housing are considered to be “genuinely affordable”, as rents (including any service charge) are within Local Housing Allowance levels. This means those in receipt of housing benefit/Universal Credit can “afford” to live in their home, as their housing costs are covered in full. It also ensures those in low paid work can afford the rent.</p>
<p>Help to Buy</p>	<p>A range of Intermediate Housing products (including Shared Ownership) available to Eligible Persons who have registered with the local Help to Buy agent - Radian (appointed by Homes England). A household income cap of £80,000 per annum applies.</p> <p>NB. The Government’s Help to Buy Equity Loan scheme that is available on various new build developments, is a form of shared equity housing but it is <u>not</u> classed as Affordable Housing. The maximum purchase price is £600,000. There are no income caps applying to the purchaser. The purchaser buys 80% of the home (through deposit and mortgage funding) and the Government holds the remaining 20% share on an interest free loan basis for 5 years. After 5 years, the purchaser either buys the 20% share or pays interest charges on the loan. Full details and be found at</p>

	<p>https://www.helptobuy.gov.uk/wp-content/uploads/Help-to-Buy-Buyers-Guide-Feb-2018-FINAL.pdf</p> <p>The current Government scheme runs until March 2021. After this time, a new scheme will run until March 2023 but it will only be open to first-time buyers and have regional property price caps.</p>
Eligible Persons	<p>Persons who are unable to afford suitable housing accommodation on the open market (whether by renting or purchasing) within the District and who are:</p> <p>a) on those registers retained or referred to by the Council from time to time in the discharge of the Council's housing function, or</p> <p>(b) otherwise have proved to the Council that they cannot afford to buy locally at current house prices within the limits of the disposable income available to them.</p> <p>i.e. applicants will come from the Sevenoaks District Housing Register or Help to Buy Register.</p>
Kent Homechoice	<p>The choice based lettings system operated throughout Kent on behalf of the subscribing local authorities, including Sevenoaks District Council, and Registered Providers, in the allocation of Social Rent and Affordable Rent housing.</p>
Local Housing Allowance (LHA)	<p>The allowance (housing benefit/Universal Credit) paid to claimants, set by the Valuation Office Agency, which takes into account the size and make up of a claimant's household and the location of the home.</p>

<p>Rural Exceptions Housing</p>	<p>Usually small sites, which are developed to provide affordable housing in response to an independently assessed evidenced need (i.e. Parish Needs Survey undertaken by the Rural Housing Enabler). The homes are provided for local people (local connection is strictly controlled and set out in the S106 Agreement), in perpetuity (i.e. there is no opportunity to purchase the home outright), in locations where planning constraints (e.g. Green Belt) mean development would not normally be permitted.</p> <p>Core Strategy 2011 Policy SP4 and the December 2019 policy update to the Affordable Housing Supplementary Planning Document, set out full details.</p> <p>Also known as “local needs housing”.</p>
<p>Sevenoaks District Housing Register (SDHR)</p>	<p>The housing register for applicants who are eligible under the Sevenoaks District Housing Register Allocations Scheme and who wish to apply for Social Rent and Affordable Rent housing in the Sevenoaks District. Vacancies are advertised through Kent Homechoice.</p>
<p>Shared Ownership Housing</p>	<p>Also known as “part rent/part buy” housing. Purchasers buy a share of a home of between 25% and 75% of the Open Market Value. A discounted rent is paid on the remaining share held by the housing association.</p> <p>Purchasers can generally “staircase” to 100% ownership unless the home is located on a Rural Exceptions Housing site or is in a Designated Protected Area.</p>

	The purchaser has sole residency, i.e. the home is not “shared” with another household.
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All definitions - in alphabetical order

<p>Affordable Housing</p>	<p>This is defined in full in the National Planning Policy Framework Annex 2 Glossary (NPPF 2019). https://www.gov.uk/government/publications/national-planning-policy-framework--2</p> <p>It includes Social Rent Housing, Affordable Rent Housing and Intermediate Housing.</p> <p>Affordable housing should assist those whose housing needs are not met by the market.</p> <p>If public funding is provided, provision should be made to ensure the housing remains at an affordable price for future eligible households or, if these restrictions are lifted, for any public subsidy to be recycled for alternative affordable housing provision.</p>
<p>Affordable Housing - local generic term</p>	<p>Used for all types of publicly subsidised housing (i.e. council and housing association homes) and is a term used a lot more now as some people view the term 'social housing' as negative.</p>
<p>Affordable Private Rent Housing (local definition)</p>	<p>This is tenure of affordable housing provided on Build to Rent schemes. The affordable housing remains in the single ownership of the Build to Rent provider. The housing is let on an Assured Shorthold Tenancy. Rents are capped at 80% of the Open Market Rent, including any service charges. Homes may be one and two bedroom accommodation only, unless we agree otherwise.</p> <p>This is a new tenure and no such housing has yet been developed in the District.</p>
<p>Affordable Rent Housing (local definition)</p>	<p>Housing owned by housing associations or other Providers approved by the District Council (e.g. Quercus Housing).</p> <p>Homes are let on an Assured Tenancy and are allocated to applicants from the Sevenoaks District Housing Register.</p> <p>Homes are expected to be provided at a rent which does not exceed the relevant Local Housing</p>

	<p>Allowance, inclusive of service charges, i.e. Genuinely Affordable Housing (see below).</p> <p>The Government allows rents of up to 80% of the local Open Market Rent. Any housing association or Provider proposing this level of rent requires the specific approval of the District Council (Cabinet approved this policy).</p>
<p>Almshouses (local definition)</p>	<p>A traditional and often ancient form of affordable housing for the “poor and needy”.</p> <p>An almshouse is a home that belongs to a charity and is provided exclusively to meet the charity’s purpose, such as the relief of financial need or infirmity. They are often provided for older people in housing need but newer almshouse developments are also catering for younger people and families. The home is occupied under a licence by a “qualified beneficiary” (e.g. local person to a parish, etc.) who may be required to contribute a weekly sum towards its maintenance.</p> <p>Vacancies are not advertised through Kent Homechoice and we do not have specified nomination rights. They may be advertised through the local parish or church. If an older persons’ scheme, they may be advertised through the Elderly Accommodation Council. The Charity may approach our housing advice team/housing register team regarding potential nominees.</p>
<p>Assured Tenancy</p>	<p>A form of residential tenancy that grants a degree of security of tenure to the tenant (e.g. this can mean a lifetime tenancy or a fixed term tenancy).</p> <p>The District Council’s Tenancy Strategy encourages housing associations and other Providers to use fixed term tenancies. This means homes can become available if a tenant’s circumstances improve and they no longer need a social housing tenancy. Homes may then be re-allocated to someone else in housing need which will help to reduce waiting times for applicants on the Sevenoaks District Housing Register.</p>

Assured Shorthold Tenancy	A form of Assured Tenancy with limited security of tenure, which was introduced by the Housing Act 1988, e.g. the tenancy can be terminated after 6 months.
Build to Rent	Developments comprising self-contained, private rented homes only, held in single ownership and provided solely for the rental market.
Community Land Trusts (CLTs)	<p>CLT's are non-profit community based organisations run by volunteers that develop housing, work spaces, community facilities and other assets that help meet the needs of communities. Sometimes a Parish Council will decide to form a CLT in order to deliver rural exceptions housing. The assets developed by a Community Land Trust are owned and controlled by the community and are made available at permanently affordable levels.</p> <p>Locally, Sundridge Village CLT has been formed and the CLT plans to deliver various community facilities, including new affordable housing for local people.</p>
Designated Protected Area (DPA)	<p>Established under the Leasehold Reform Act 1967. If a shared ownership home is located within a DPA, the maximum share that can be purchased is limited to 80%. The housing association /Registered Provider retains the remaining 20% share. Alternatively a lessee can purchase 100% of their home but the housing association has first refusal to buy back the home at point of sale.</p> <p>This means the Registered Provider can influence and manage the future occupancy of the home, ensuring it can be used in perpetuity. This is very important for Rural Exceptions Housing.</p>
Discounted Market Housing for Sale (DMHfS)	<p>Housing sold at a discount of at least 20% below local Open Market Value and sold to Eligible Persons.</p> <p>Provisions are in place to ensure the housing remains at a discount for future eligible households, i.e. the home is always sold at discount of at least 20%.</p> <p>This is a new tenure and no such housing has yet been developed in the District.</p>

	<p>NB. this definition may change if DMHfS is superseded by the Government's "First Homes" product. These homes will be sold to local first time buyers and key workers at a discount of at least 30%, secured in perpetuity.</p>
Eligible Persons	<p>Persons who are unable to afford suitable housing accommodation on the open market (whether by renting or purchasing) within the District and who are:</p> <p>a) on those registers retained or referred to by the Council from time to time in the discharge of the Council's housing function, or</p> <p>(b) otherwise have proved to the Council that they cannot afford to buy locally at current house prices within the limits of the disposable income available to them.</p> <p>i.e. applicants will come from the Sevenoaks District Housing Register or Help to Buy Register.</p>
Genuinely Affordable Housing (local definition)	<p>Homes provided as Social Rent Housing and most homes provided locally as Affordable Rent Housing are considered to be "genuinely affordable", as rents (including any service charge) are within Local Housing Allowance levels. This means those in receipt of housing benefit/Universal Credit can "afford" to live in their home, as their housing costs are covered in full. It also ensures those in low paid work can afford the rent.</p>
Help to Buy	<p>A range of Intermediate Housing products (including Shared Ownership) available to Eligible Persons who have registered with the local Help to Buy agent - Radian (appointed by Homes England). A household income cap of £80,000 per annum applies.</p> <p>NB. The Government's Help to Buy Equity Loan scheme that is available on various new build developments, is a form of shared equity housing but it is <u>not</u> classed as Affordable Housing. The maximum purchase price is £600,000. There are no income caps applying to the purchaser. The purchaser buys 80% of the home (through deposit and mortgage funding) and the Government holds the remaining 20% share on an</p>

	<p>interest free loan basis for 5 years. After 5 years, the purchaser either buys the 20% share or pays interest charges on the loan. Full details and be found at https://www.helptobuy.gov.uk/wp-content/uploads/Help-to-Buy-Buyers-Guide-Feb-2018-FINAL.pdf</p> <p>The current Government scheme runs until March 2021. After this time, a new scheme will run until March 2023 but it will only be open to first-time buyers and have regional property price caps.</p>
Intermediate Housing (local definition)	<p>This includes Help to Buy housing products such as shared ownership and Rent to Buy, as well as shared equity housing, intermediate rented housing, Discounted Market Housing for Sale, Build to Rent - Affordable Private Rent and Starter Homes.</p> <p>It is expected these homes will be allocated in accordance with the Sevenoaks District Intermediate Housing Protocol, unless otherwise agreed by us.</p>
Intermediate Rented Housing	<p>Rented housing provided on an Assured Shorthold Tenancy, whereby rents do not exceed 80% of the local Open Market Rent (including any service charge, where applicable) and let to Eligible Persons.</p>
Kent Homechoice	<p>The choice based lettings system operated throughout Kent on behalf of the subscribing local authorities, including Sevenoaks District Council, and Registered Providers, in the allocation of Social Rent and Affordable Rent housing.</p>
Local Housing Allowance (LHA)	<p>The allowance (housing benefit/Universal Credit) paid to claimants, set by the Valuation Office Agency, which takes into account the size and make up of a claimant's household and the location of the home.</p>
Local Lettings Plans	<p>Plans for the allocation and letting of homes to which we have nomination rights, within an agreed location. Often used for new developments to ensure that a sustainable community is achieved.</p>
Nomination Rights	<p>Housing associations provide us with nominations to their vacant housing stock to help us meet our</p>

	<p>housing needs (i.e. to rehouse those in priority need on the SDHR).</p> <p>New developments will have specified nomination rights set out in the planning agreement (Section 106 Agreement).</p> <p>For our largest housing association partners - WKHA and Moat, we have generic agreements in place.</p> <p>Generally, we have 100% nomination rights at first letting and 75% thereafter. For rural exceptions housing, we have 100% nomination rights in perpetuity.</p>
Open Market Rent	A term that indicates the amount of money that a given property would command, if it were available for rent at the moment.
Open Market Value	A term that indicates the amount of money that a given property would command, if it were available for sale at the moment.
Provider	<p>Organisations who own and/or manage affordable housing but who are not Registered Providers. These organisations include Quercus Housing, Almshouses and local landowners.</p> <p>Organisations will be approved to deliver new affordable housing at our sole discretion. Approval is dependent on qualifying standards being met, including the ability of the organisation to provide and manage affordable housing on terms which are comparable to those of a Registered Provider.</p>
Registered Provider	Registered Providers (RP) of social housing are subject to regulation by the Regulator of Social Housing. Private RPs are also known as housing associations.
Rent to Buy	New homes to rent by eligible households for a specified rental period (minimum of 5 years) which may be renewed, with the option for the sitting tenant to buy the property (or a share of it) at the end of the rental period. During the rental period, the rent is set at up to 80% of the Open Market Rent, inclusive of any service charges.

<p>Right to Acquire</p>	<p>Introduced by the Housing Act 1996, this is a statutory scheme that enables eligible housing association tenants, whose homes have been built or acquired since March 1997, to purchase their home with a discount of up to £16,000. Under the Act, certain geographical locations are exempt so that the Right to Acquire does not arise.</p> <p>This is a critical consideration when deciding on where new rural exceptions housing can be located.</p>
<p>Right to Buy</p>	<p>Introduced by the Housing Act 1980, this is a statutory scheme that enables eligible council housing tenants to purchase their current home with a discount of up to £82,800.</p> <p>If someone was a secure housing tenant of Sevenoaks District Council when the stock was transferred to WKHA in 1989, they may have a preserved form of the Right to Buy. In this case, the tenant can buy their home under the scheme in the same way as if they were still a Council tenant. Due to the elapse of time, this Right applies to a diminishing number of tenants and homes in the District.</p>
<p>Rural Exceptions Housing</p>	<p>Usually small sites, which are developed to provide affordable housing in response to an independently assessed evidenced need (i.e. Parish Needs Survey undertaken by the Rural Housing Enabler). The homes are provided for local people (local connection is strictly controlled and set out in the S106 Agreement), in perpetuity (i.e. there is no opportunity to purchase the home outright), in locations where planning constraints (e.g. Green Belt) mean development would not normally be permitted.</p> <p>Core Strategy 2011 Policy SP4 and the December 2019 policy update to the Affordable Housing Supplementary Planning Document, set out full details.</p>

	Also known as “local needs housing”.
Sevenoaks District Housing Register (SDHR)	The housing register for applicants who are eligible under the Sevenoaks District Housing Register Allocations Scheme and who wish to apply for Social Rent and Affordable Rent housing in the Sevenoaks District. Vacancies are advertised through Kent Homechoice.
Sevenoaks District Housing Register Allocations Scheme.	A scheme by which we determine which applicants (Eligible Persons) may be placed on the SDHR, their priority for housing (Banding) and the process by which applicants are allocated a social housing tenancy to which we have rights of nomination.
Sevenoaks District Intermediate Housing Protocol	A protocol which sets out how it is intended for Intermediate Housing to be allocated. Government policy gives priority to military personnel. Working in partnership with our housing association, the protocol provides a period of marketing exclusivity so that applicants with a local connection to the District also have a degree of priority.
Shared Equity Units	Purchasers buy a share of a home with the remaining share held by the RP or other Provider. Generally the initial share purchased is 75% - 80% of the Open Market Value. There is no rent charged on the unowned share held by the housing association/RP. The purchaser has sole residency, i.e. the home is not “shared” with another household. NB. The Government’s Help to Buy Equity Loan scheme that is available on various new build developments, is a form of shared equity housing but it is <u>not</u> classed as Affordable Housing. The maximum purchase price is £600,000. There are no income caps applying to the purchaser. The purchaser buys 80% of the home (through deposit and mortgage funding) and the Government holds the remaining 20% share on an interest free loan basis for 5 years. After 5 years, the purchaser either buys the 20% share or pays interest charges on the loan. Full details and be found at

	<p>https://www.helptobuy.gov.uk/wp-content/uploads/Help-to-Buy-Buyers-Guide-Feb-2018-FINAL.pdf</p> <p>The current Government scheme runs until March 2021. After this time, a new scheme will run until March 2023 but it will only be open to first-time buyers and have regional property price caps.</p>
Shared Ownership Housing	<p>Also known as “part rent/part buy” housing. Purchasers buy a share of a home of between 25% and 75% of the Open Market Value. A discounted rent is paid on the remaining share held by the housing association.</p> <p>Purchasers can generally “staircase” to 100% ownership unless the home is located on a Rural Exceptions Housing site or is in a Designated Protected Area.</p> <p>The purchaser has sole residency, i.e. the home is not “shared” with another household.</p>
Social Housing - generic term	<p>Used for publicly subsidised affordable housing, i.e. council housing and housing association housing. Typically used from the start of stock transfers, as the term was adapted from the previous ‘council housing’ term.</p> <p>The term is defined in S68 of the Housing and Regeneration Act 2008.</p>
Social Rent Housing	<p>Housing owned by housing associations, for which rents are determined through the National Rent Regime. This is usually equivalent to 50-60% of Open Market Rents.</p> <p>Homes are let on an Assured Tenancy and are allocated to applicants from the Sevenoaks District Housing Register.</p> <p>Most of our affordable housing stock is comprised of Social Rent Housing.</p>
Starter Homes	<p>New homes to buy by eligible first time buyers. The homes are provided with a minimum 20% discount to</p>

	<p>the Open Market Value and are available to purchase within the District for a price not exceeding £250,000.</p> <p>Exact scheme details and eligibility criteria are awaited from Government. No such housing has yet been developed in the District.</p> <p>This may be replaced by the Government’s First Homes product (see Discounted Market Housing for Sale)</p>
<p>Voluntary Right to Buy</p>	<p>A voluntary scheme agreed between the Government and the National Housing Federation (the national body for housing associations) in 2015. Certain, eligible tenants will have the right to buy their home at a discount of up to £82,800. The scheme is being trialled by Government in a pilot in the Midlands and has yet to be rolled out nationwide.</p> <p>Homes built on Rural Exception sites by housing associations will be exempt from the Voluntary Right to Buy, as housing associations are not required to sell certain homes (subject to a decision of their Board) and this includes local needs homes. Instead, an eligible tenant will offer a ‘portable discount’ to enable the tenant to purchase an alternative home from within their stock that is not exempt.</p>