

How Affordable Housing is Developed

There are a number of ways the Council can develop affordable housing, including Supplementary Planning Guidance, Social Housing Grant & Private Finance, Recycled Capital Grant or Strategic Capital Investment Funding

Supplementary Planning Guidance

In 2006 the Council adopted Supplementary Planning Guidance (SPG) that sets out the Council's requirements for the provision of affordable housing.

At present both the Unitary Development Plan (UDP) and SPG require the provision of at least 30% affordable housing on sites that can accommodate more than 10 dwellings. This forms part of a section 106 agreement and can be satisfied by providing units of accommodation or finance for the required affordable housing provision.

There are limitations to this method of securing affordable housing; on small sites the number of dwellings planned often falls below the threshold to secure affordable housing. This is most acute in rural communities where the capacity of development sites falls considerably below that which is currently required.

Also, there is evidence to suggest that on some sites a maximum target of up to 40% affordable housing units would be justified. However, in practice this may be unachievable because of site viability.

Social Housing Grant & Private Finance

Social Housing Grant (SHG) is public money which is used to invest in affordable housing. Essentially the capital subsidy provided by SHG enables rents to be set at a cost to the resident which is below market levels.

Increasing pressure on the Social Housing Grant programme has impacted heavily on the potential to deliver increasing numbers of publicly subsidised affordable housing units within the Vale of Glamorgan.

The Councils Housing Strategy team works closely with Registered Social Landlords (RSL's) and developers to identify and maximise innovative affordable housing schemes where public subsidy is not available, including looking at the possible use of RSL's own financial resources.

In addition the importance of securing additional affordable housing opportunities through S106 agreements is given added importance by the work of the S106 officer who strengthens the enabling role.

Recycled Capital Grant

Recycled capital grant is funding that has previously been made available by the Welsh Government to Housing Associations to purchase land or to build affordable housing in the Vale of Glamorgan. If the land or property is subsequently sold, the money acquired from the sale must then be recycled to provide new affordable housing either by using it to part fund a new housing development or to purchase additional units.

Strategic Capital Investment Funding

The Strategic Capital Investment Fund (SCIF) was capital funding made available from the Welsh Assembly Government's Strategic Capital Investment Framework. SCIF monies were made available to Local Authorities via a bidding system for suitable investment projects which delivered real sustainable benefits for Wales through the delivery of strategic, cross cutting projects.

Through the SCIF regime, the Welsh Assembly Government intends to drive forward the One Wales agenda.

Find out how the Vale of Glamorgan has utilised its [SCIF allocation](#).

