

**Appendix A. Use of commuted sums Received for Affordable Housing [extract from the Council's Planning Obligations Supplementary Planning Document, adopted January 2016]**

- B3.5 Payments received in lieu of Affordable Housing on site will be held by the Council to be used for capital funding to enable the provision of Affordable Housing within Rutland. Unless the commuted sum is required to be set aside explicitly for a specific scheme, it may be pooled with other commuted sums for Affordable Housing and will be utilised to enable timely and efficient provision of Affordable Housing as determined by Rutland County Council. The Council may operate more than one 'pool', so that separate pools might be used if appropriate for different localities, initiatives or schemes. If a commuted sum is set aside for a specific scheme, the Planning Obligation may include provision for that sum to be pooled with other commuted sums for Affordable Housing, if the specific scheme cannot be delivered within a reasonable timescale.
- B3.6 The Council will seek to make the most effective use of any commuted sums received, taking into account the availability of suitable opportunities at the time commuted sums become available. The following list of potential spending options is not exhaustive, and may change over time, depending on needs and opportunities. Expenditure may be directly by the Council, or by other providers of Affordable Housing, which may or may not be registered.
- B3.7 Examples of how resources in the fund may be spent include:
- developing, or contributing to the development of, Affordable Housing which may be new build, or converted, or existing private sector properties purchased for use as Affordable Housing;
  - purchase of land, or options to purchase land, intended for the future development of Affordable Housing;
  - provision of necessary extensions or adaptations to existing affordable homes to make them suitable for use by some households who would otherwise have unsuitable housing.
- B3.8 'Affordable Housing' may include the provision of Gypsy and Traveller sites, where the site is suitable and there is a strongly identified local need, provided these proposals fall within the definition of 'Affordable Housing' used in this SPD.
- B3.9 'Affordable Housing' can also include the payment of funds to assist residents with the purchase of their own properties if this creates a new or vacant affordable home in Rutland that can be used for someone in need of Affordable Housing, provided these proposals fall within the definition of 'Affordable Housing' used in this SPD.

- B3.10 Policy CS11 states: “Commuted sum payments will be used where possible for the provision of affordable housing within the vicinity of the development site within a reasonable time frame. In other circumstances contributions will be pooled to provide affordable housing elsewhere in Rutland.” Normally this will be affordable housing in the local area (defined as the parish) provided it appears to the Council (acting as housing authority) that there is a reasonable prospect of construction of the affordable housing commencing within 2 years of the commuted sum being received and provided that the proposed provision would constitute good value for money. If this is not the case, the Council will consider whether provision in immediately adjacent parishes would be appropriate, practicable and good value. If provision is not readily achievable in an immediately adjacent Parish, then other locations will be considered.
- B3.11 The Council, in its role as the housing authority, will consider locations where the financial contributions may be spent (subject to planning consent where needed), depending on the availability of suitable sites or existing properties, other funding that may be required, cost and feasibility of development, sustainability, local housing need and the amount of time needed to complete the scheme.
- B3.12 It is not the Council’s intention for commuted sums received from one development to be used to finance the minimum affordable housing contribution on another development, unless the commuted sum is to be spent on a site where the housing is wholly affordable or where the commuted sum allows the construction of more rented affordable homes than would have been viable otherwise.
- B3.13 The Council will use documents such as the Local Investment Plan, the Homelessness Strategy, the Housing Strategy, the local need for Affordable Housing and the Strategic Housing Market Assessment to assist in identifying the priorities for the expenditure of commuted sums on affordable housing.