

- **Gross affordable supply** comprises of social rent, intermediate rent and low cost home ownership and includes both new build and acquisitions.¹ Payments for new build affordable homes are based on matching the average national council tax band of the unit built plus an additional £350 per unit per annum. Payments for acquisitions to the affordable stock are equal to £350 per unit per annum.² Also rewarded are **traveller pitches** consist of all new annual supply of pitches on traveller sites owned and managed by local authorities or Registered Social Landlords.³

- **Empty homes** refer to the number of long term empty homes brought back into use annually in your local authority. This was previously measured by Lines 12, 14 & 15 of the CTB form, and in recent years, line 16. If there is an increase in the number of empty homes, this is presented as a negative number. Payments are based on matching the average national council tax band of the unit brought back into use.

- **If the calculated components result in a negative change** in net supply (demolitions and/ or an increase in empty homes outweigh other factors), the gross incentive payment for that year's delivery is capped at zero, before the affordable housing premium is added. Payments for previous delivery will not be affected.

Example: Local authority X has a reduction in effective stock of -10, which would give a negative payment. The payment is capped at zero. As part of its reduction in overall units, however, the authority has delivered 10 affordable units (subject to a £350 premium). This gives a total payment for the year's delivery of £3,500 (see below).

Local Authority X:	Net additions	-10	Then....	Affordable units	10
	Empty homes back into use	0			
	Total	-10		Total	10
	Set to zero as negative	0		Payment	£3,500

Option 2 on the calculator does not take into account previous/ subsequent delivery or cumulative payments. This is presented in Option 1.

5. Estimate Illustrations of Payment by Band (Option 3)

Please select your local authority or county and **enter your estimates for each of the parameters into the green boxes**. The resulting estimated payments, including the tier split, are indicated on the right hand side.

(Note: it is not necessary to complete all boxes.)

- **Net additions** refer to the net supply of homes within a year. Please enter estimates, including affordable housing units delivered but excluding empty homes brought back into use. Do not include traveller pitches as these are separately included lower down. Demolitions should be entered as negative figures.

- **Gross affordable supply** comprises of social rent, intermediate rent and low cost home ownership and includes both new build and acquisitions. Payments for new build affordable homes are based on matching the average national council tax band of the unit built plus an additional £350 per unit per annum. Do not include traveller pitches as these are separately included lower down.

- **Empty homes** refer to the number of long term empty homes brought back into use annually in your local authority. If there is an increase in the number of empty homes, please enter this as a negative figure. Payments are based on matching the average national council tax band of the unit brought back into use.

- **Traveller pitches** consist of all new annual supply of pitches on traveller sites owned and managed by local authorities or Registered Social Landlords.⁴ Payments are based on national average band A plus an additional

¹ <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/affordable-housing-supply> (Livetable 1008)

² Payments do not include the council tax element, as acquisitions do not qualify as new supply of housing.

³ <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/gypsy-and-traveller-caravan-count>

⁴ <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/gypsy-and-traveller-caravan-count>

£350 per pitch per annum. Please note that this year the number of additional permanent traveller pitches has been included in the published Affordable Housing Supply figures.

- ***If the calculated components result in a negative change*** in net supply (demolitions and/ or an increase in empty homes outweigh other factors), the gross incentive payment for that year's delivery is set to zero before the affordable housing premium is added. Payments for delivery in previous years will not be affected.