

CABINET

COUNCILLOR MARINA MUNRO
PLANNING AND ECONOMY PORTFOLIO
HOLDER

17 SEPTEMBER 2019

REPORT NO. EPSH1946

KEY DECISION? YES

ADOPTION OF THE AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT

SUMMARY AND RECOMMENDATIONS:

The purpose of the Affordable Housing Supplementary Planning Document (SPD) is to provide further guidance to support the implementation of the affordable housing policy contained in the recently adopted Rushmoor Local Plan and the housing delivery objectives of the Rushmoor Housing and Homelessness Strategy 2017-2022.

A draft version of the Affordable Housing SPD was subject to six weeks public consultation. Following the public consultation minor amendments have been made to the document.

It is recommended that Cabinet, adopt the Affordable Housing Supplementary Planning Document.

1. INTRODUCTION

- 1.1. The purpose of this report is to present to Councillors the Affordable Housing Supplementary Planning Document (SPD) (attached as Appendix A) and recommend that it be adopted. A draft version of the Affordable Housing SPD was subject to six weeks public consultation between the 3 June 2019 and 15 July 2019. A summary of the representations received to the consultation is detailed within the Consultation Statement (attached as Appendix B)
- 1.2. The purpose of the Affordable Housing SPD is to provide further guidance to support the implementation of the affordable housing policy of the Rushmoor Local Plan (Policy LN2: Affordable Housing) and the housing delivery objectives of the Rushmoor Housing and Homelessness Strategy 2017-2022.
- 1.3. Upon adoption the Affordable Housing SPD will supersede the affordable housing guidance (2014).
- 1.4 The adoption of this document is a key decision as it is likely to *be significant in terms of its effects on communities living or working in an area comprising two or more wards within the Borough.*

2. BACKGROUND

- 2.1. The purpose of an SPD is to build upon and provide more detailed advice or guidance on policies contained in an adopted Local Plan. SPDs are a material consideration in decision-making but cannot introduce new planning policies into the development plan or add unnecessarily to the financial burdens on development.
- 2.2. To support the Implementation of Local Plan Policy LN2: Affordable Housing the SPD provides further guidance on:
 - how to undertake early engagement with expertise within the Council
 - how an appropriate mix of affordable units will be calculated
 - the Council's rent setting framework in relation to the Local Housing Allowance
 - procuring a registered provider
 - grant funding available to support affordable housing schemes
 - vacant building credit
 - commuted sums to fund off site affordable housing provision.
- 2.3. The supporting text to Local Plan Policy LN2 (paragraph 10.18) commits the Council to publishing and adopting guidance in the form of an SPD to provide further detail on the type and mix of affordable housing to best meet local needs. The adoption of the Affordable Housing SPD will satisfy this commitment.
- 2.4. A draft version of the Affordable Housing SPD (2019) was subject to six weeks public consultation between the 3 June 2019 and 15 July 2019. During the consultation period 5 responses were received which are detailed in the Consultation Statement (Appendix B). As a result of the consultation responses several changes have been made to the SPD which are summarised below:
 - clarified that the updated National Planning Policy Framework (NPPF) affordable housing definition and policy requirements (such as the expectation that at least 10% of homes to be available for affordable home ownership) applies to planning decisions in the Borough.
 - ensured consistency in the use of terms throughout the document such as subsidised rent (social rent or affordable rent models) and intermediate housing (low cost home ownership).

3. DETAILS OF THE PROPOSAL

- 3.1. The proposal is that Cabinet adopt the Affordable Housing SPD which will supersede the current affordable housing guidance (adopted 2014).

Alternative Option

- 3.2. The alternative option would be not to adopt an Affordable Housing SPD. However, this would mean that the Council will not have published up to date guidance on securing affordable housing delivery, potentially undermining the Council's ability to implement the Affordable Housing policy of the recently adopted Local Plan.

Consultation

- 3.3. The draft Affordable Housing SPD was subject to six weeks public consultation in accordance with the Council's adopted Statement of Community Involvement. A Consultation Statement summarising the responses received is attached as Appendix B.
- 3.4. Officers presented the Affordable Housing SPD to Strategic Housing and Local Plan Group (SHLPG) on 28 August 2019.

4. IMPLICATIONS

Risks

- 4.1. There are not considered to be any risks associated with the implementation of the recommendations of this report.

Legal Implications

- 4.2. There are legal issues to consider in adopting the SPD, specifically satisfying Part 5 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). Any person with sufficient interest in the decision to adopt the SPD may apply to the High Court for permission to apply a judicial review of that decision no later than 3 months after the date on which the SPD was adopted.

Financial and Resource Implications

- 4.3. There are not considered to be any financial implications arising from the decision.

Equalities Impact Implications

- 4.4. The adoption of the Affordable Housing SPD is likely to lead to positive equalities implications, as it will ensure that affordable housing provision secured from development meets local needs.

5. CONCLUSIONS

- 5.1 The Rushmoor Local Plan (February 2019) commits the Council to adopting guidance in the form of an SPD to provide further detail on the type and mix of affordable housing to best meet local needs. The adoption of the SPD will provide up to date guidance to support the delivery of the Local Plan and the housing delivery objectives of the Rushmoor Housing and Homelessness Strategy 2017-2022.

BACKGROUND DOCUMENTS:

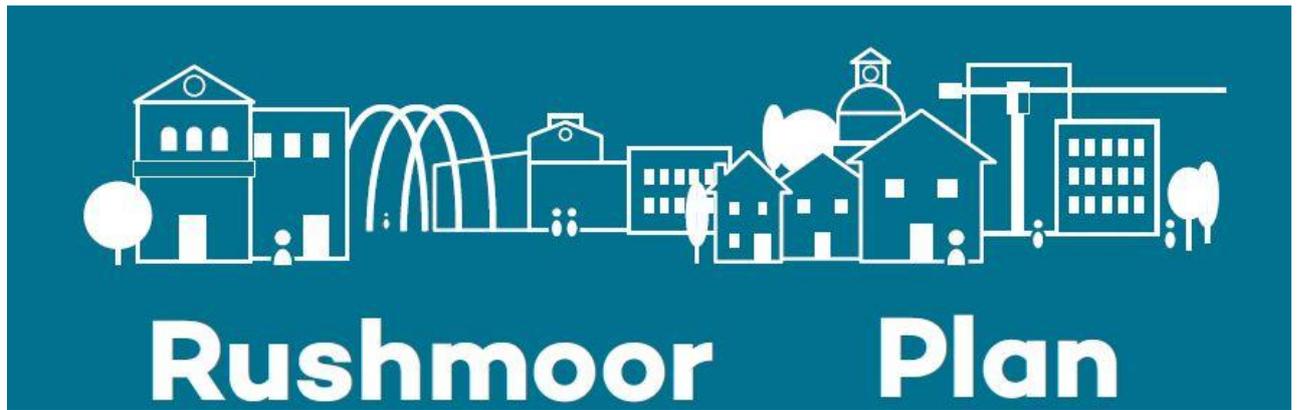
Appendix A – Affordable Housing Supplementary Planning Document.

Appendix B – Affordable Housing SPD Consultation Statement

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**AFFORDABLE HOUSING SUPPLEMENTARY PLANNING
DOCUMENT**

September 2019

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1. Introduction

What is a Supplementary Planning Document?

- 1.1. A Supplementary Planning Document (SPD) elaborates upon policies in the Development Plan, in this instance the Rushmoor Local Plan 2014-2032¹ (adopted February 2019). SPDs are one of the material considerations that can be taken into account when determining a planning application.
- 1.2. This SPD elaborates upon Local Plan Policy LN2: Affordable Housing and was subject to six weeks public consultation between 3 June 2019 and 15 July 2019 and adopted by the Councils Cabinet on 17 September 2019.

What is the purpose of this SPD?

- 1.3. The purpose of this SPD is to provide further guidance to support the implementation of the affordable housing policies of the Rushmoor Local Plan and housing delivery objectives of the Rushmoor Housing and Homelessness Strategy 2017-2022².
- 1.4. A core purpose of this SPD is to ensure the delivery of affordable housing that meets residents' needs and aspirations, and which supports the delivery of sustainable, inclusive communities.

National Policy Context

- 1.5. Chapter 5 of the National Planning Policy Framework (NPPF), 2019 confirms the importance of significantly boosting the supply of homes and delivering housing needed for different groups in the community, including those who require affordable housing.
- 1.6. Paragraph 62 states that planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:
 - a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and
 - b) the agreed approach contributes to the objective of creating mixed and balanced communities.
- 1.7. Paragraph 63 states that *'the provision of affordable housing should not be sought for residential developments that are not major developments... To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.'*

¹ <https://www.rushmoor.gov.uk/rushmoorplan>

² <https://www.rushmoor.gov.uk/housingstrategies>

- 1.8. The national planning policy definition of affordable housing is included in the Glossary of the NPPF which is repeated in the Glossary of this document. However, an extract of the definition is provided below:

Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

- a) *Affordable housing for rent*
- b) *Starter homes*
- c) *Discounted market sales housing*
- d) *Other affordable routes to home ownership*

Local Policy Context

- 1.9. To support the provision of the overall level of housing required, and the mix of housing types and tenures, the Council jointly commissioned a Strategic Housing Market Assessment (SHMA)³ with Hart and Surrey Heath councils. The SHMA (2016) identifies a need in Rushmoor for 160 affordable subsidised rented homes per annum (social or affordable rent). In addition, there is a need for 220 intermediate (subsidised home ownership) homes a year.
- 1.10. The SHMA and Local Plan Viability Evidence have informed the Local Plan Affordable Housing Policy (LN2) detailed below:

Policy LN2 - Affordable Housing

The delivery of affordable housing will be supported by requiring developments, subject to site viability, to provide:

- a) *On sites of 11 or more dwellings, a minimum of 30% of dwellings as affordable homes;*
- b) *On sites within Aldershot and Farnborough town centres of 11 or more dwellings, a minimum of 20% of dwellings as affordable homes;*
- c) *A site appropriate mix of dwelling sizes designed to meet local needs, as set out in the SHMA (2016) or any subsequent update;*
- d) *Predominantly subsidised rented affordable housing, in order to best meet local needs as set out in the SHMA (2016) and any subsequent update, with a smaller proportion of intermediate affordable housing, to help create mixed communities;*
- e) *The integration of affordable housing with market housing, unless the development is 100% affordable housing;*

³ <https://www.rushmoor.gov.uk/shlaa>

- f) On sites of 15 or more dwellings, on-site provision of affordable housing, unless there are exceptional circumstances, in which case a commuted sum of equivalent value will be required;*
 - g) On sites of 11 to 14 dwellings, either on-site provision of affordable housing or a commuted sum of equivalent value; and*
 - h) Subject to site suitability, affordable dwellings to be built to accessible and adaptable standards to meet the requirements of Building Regulations M4(2) and, where evidenced by local need, a proportion of affordable dwellings to be built as wheelchair user dwellings to meet the requirements of Building Regulations M4(3).*
- 1.11. On site affordable housing provision in accordance with Local Plan Policy LN2 will be secured by a Planning Obligation (Section 106 Legal Agreement) unless the developer can demonstrate that the development would be made unviable as a result of the policy requirements or the developer has difficulty procuring a Registered Provider (see paragraphs 2.15-2.17 for further information).
- 1.12. The Rushmoor Housing and Homelessness Strategy 2017-2022⁴(2017) aims to ensure that Rushmoor's residents have access to good-quality homes that are affordable and appropriate to their needs. It identifies the need for housing for different groups and includes actions in relation to the delivery of specialist housing. These groups include those leaving the Army and their families, who have priority status for home ownership schemes and 'local connection' status with any local authority to which they present as homeless, and the Nepali community, many of whom are former Gurkhas and their families who have settled in the Borough. The Council works in partnership with providers to meet the specialist needs of disabled veterans and the older population through the Housing and Homelessness Strategy and to address issues of access to housing.

When does this guidance apply?

- 1.13. This guidance applies to all schemes in the Borough that generate a need to provide affordable housing in accordance with Rushmoor Local Plan Policy LN2 – Affordable Housing.

Early Engagement

- 1.14. We recommend that development proposals be discussed with the Council's Housing Strategy and Enabling Team before a planning application is submitted to identify and resolve any issues at an early stage. The Housing Strategy and Enabling Team can advise on the tenure mix and design of policy compliant schemes, which meet housing need, as

⁴ Housing and Homelessness Strategy <https://www.rushmoor.gov.uk/housingstrategies>

well as capital funding available to support scheme viability. There is no charge for this advice.

- 1.15. In addition, the Council's Development Management Team can provide pre-application planning advice; this is a fee charging service. Further information on pre-application can be found here: <https://www.rushmoor.gov.uk/article/3433/Pre-application-advice>

2. Affordable Housing: On Site Provision

Mix of affordable units

- 2.1. The Local Plan is based on evidence contained in the Hart, Rushmoor and Surrey Heath Strategic Housing Market Assessment (SHMA) 2014-2032. Affordable housing should secure 70% for subsidised rent (social rent or affordable rent models) and 30% for intermediate housing (low cost home ownership). As private market rents are high in Rushmoor compared to local incomes, social rents should be offered wherever possible to support low-income households who live and work in the Borough.
- 2.2. The Local Plan identifies the following house size mix to enable the Council to meet affordable housing need in the longer term:
- One-bedroom: 30%
 - Two-bedrooms: 30-40%
 - Three or more bedrooms: Around 30%, with 10% sought as 4 bedrooms.
- 2.3. To best meet housing needs, the two-bed requirement should provide a mix of houses and flats. To offer maximum flexibility, two-bed homes should be able to accommodate occupation by four people.
- 2.4. The Council recognises that the full house type mix may not be appropriate on all sites, however, the Council's objective is to secure policy compliant development wherever possible. The developer must evidence where this is not appropriate and consult with the Housing Strategy and Enabling Team before submitting a planning application.
- 2.5. The Local Plan and its supporting evidence base identify that greatest need for affordable homes in the Borough is for social rented properties. Therefore, the starting point for a developer is to assume that tenure mix requirements will be 70% for subsidised rent and 30% for intermediate products (e.g. shared ownership). The National Planning Policy Framework (2019) states that where major development involving the provision of housing is proposed, decisions should expect at least 10% of the homes to be available

for affordable home ownership⁵ as part of the overall affordable housing contribution from the site, unless this would significantly prejudice the ability to meet the identified affordable housing needs of specific groups or where the development is a type that is exempt⁶. However, the exact affordable mix will be dependent upon site-specific circumstances (e.g. site size and location), local needs and viability. All affordable tenures must meet the definitions set out in Annex 2 of the National Planning Policy Framework (repeated in the Glossary of this document).

Affordability of rented units

- 2.6. Affordable homes must be genuinely affordable to those whose incomes do not allow them to rent or buy a home that is suitable for their needs on the open market. Importantly affordable and social rented homes in the Borough must be affordable to the households in the Rushmoor Housing Allocation Pool (those residents who the Council nominates to rented homes). Local income data informs the Council's approach to rent setting.
- 2.7. The measure of affordability that developers should consider when appraising schemes is that rents should not exceed 30% of lower quartile gross household incomes.
- 2.8. Income data can be accessed at www.ons.gov.uk. In addition, income data for those waiting for affordable housing in Rushmoor is available on request from the Housing Strategy and Enabling Team.
- 2.9. The Council's preference is for social rent, wherever possible, Homes England capital grant is available to subsidise the delivery of social rent in Rushmoor (see Section 4 for more details). Social rented units delivered in Rushmoor should be calculated using the National Guidance on Rents available at www.gov.uk/government/publications/guidance-on-rents-for-social-housing
- 2.10. Where Affordable Rents are used the Councils preferred rent-setting framework is:
 - One-, two- and three-bed properties: 70% of the open market rent or the Local Housing Allowance, whichever is the lower;
 - Four- and five-bedroom properties: 65% of open market rent or the Local Housing Allowance, whichever is the lower;
 - A rent cap in the region of £250 per week for a four-bed property;
 - Other such rents as agreed with the Council.

⁵ Affordable home ownership includes starter homes, discounted market sale housing, and other affordable routes to home ownership (including shared ownership and shared equity), as set out in Annex 2 of the NPPF.

⁶ NPPF (February 2019), Paragraph 64 provides further detail on the exemptions

- 2.11. Local Housing Allowance rates are available at:
<https://www.rushmoor.gov.uk/article/3079/Local-Housing-Allowance-LHA-for-private-tenants>

Procuring a Registered Provider

- 2.12. Registered Providers own and / or manage the affordable housing stock (social rent and shared ownership) in the Borough. Therefore, early engagement with Registered Providers (RPs) that operate in the Borough is actively encouraged as this will potentially reduce design related issues with the dwellings, but also in the longer-term early engagement of an RP could result in reduced management costs to future residents. The Council's Housing Strategy and Enabling Team maintain a list of RP partners that are active in the Borough, which can be provided upon request.
- 2.13. Once a Registered Provider has been secured for a development, the Council will enter into a nomination agreement with them. This is a contract, which allows the Council to nominate those in housing need to affordable homes as they become available.
- 2.14. It is important to note that Registered Providers let their properties in accordance with their own tenancy policies. However, the Borough Council encourages RPs to take account of the Council's Tenancy Strategy⁷ when setting their policies.

Difficulty Procuring a Registered Provider

- 2.15. The Council recognise that for some development, particularly on smaller sites, a situation may arise where the developer is unable to fulfil the affordable housing obligations as, despite all reasonable efforts, no Registered Provider (RP) is willing to procure the affordable dwellings. This may be due to a number of factors, such as the tenure proposed does not fit the RPs business model or the financial offer submitted by the RP may not cover the developers reasonable build costs.
- 2.16. In these circumstances and where provision has been made within the Section 106 legal agreement the developer may apply to the Council to commute onsite provision of affordable housing to a financial sum. The Council will need to be satisfied that the developer has made all reasonable efforts to dispose of the affordable housing to an RP and they will be required to evidence details of any offers received from RPs or correspondence with RPs. This may also include financial information on the sum the developer is seeking for the affordable dwellings to ensure that cost is not the overriding factor in the failure to procure an RP.

⁷ www.rushmoor.gov.uk/housingstrategies

- 2.17. If the Council agrees, the affordable housing obligations may be commuted to a financial payment to fund off site provision (see below). However, it is important to note that the Council's priority remains the provision of affordable housing on the application site and this cascade to a financial sum is the last resort. Before considering requests, the Council will first explore with the developer whether an amended affordable housing scheme, including changes to the number, type, tenure and location within the site, will make on site provision possible.

Accessible and Adaptable Homes

- 2.18. Rushmoor Local Plan Policy LN2 (criteria h) requires affordable housing to be accessible and adaptable standards to meet the requirements of the Building Regulations M4(2), unless the site is unsuitable. This is to support the ageing population and the specific needs of people with mobility problems.
- 2.19. In addition, where evidenced by local need, a proportion of affordable dwellings should be built as wheelchair-user homes to meet the requirements of Building Regulations M4(3). The Housing Strategy and Enabling Team can advise on the level of need.
- 2.20. Standards for accessible and adaptable homes are contained within Building Regulations Approved Document M: Volume 1 (2015). This is available online at: <https://www.gov.uk/government/publications/access-to-and-use-of-buildings-approved-document-m>

Internal Space Standards

- 2.21. To achieve a satisfactory living environment, homes should meet the internal space standards set out in Local Plan Policy DE2 – Residential Internal Space Standards. These standards reflect the nationally described space standard, which was published by the government in 2015.

Residential Amenity Space Standards

- 2.22. Access to outside green space is important to people's health and well-being, particularly children. To achieve a satisfactory living environment, homes should meet the standards set out in Local Plan Policy DE3 – Residential Amenity Standards.
- 2.23. Amenity space can be in the form of private or communal gardens, balconies, and/or roof terraces. The minimum requirements for private outdoor space are:
- Flatted development: a balcony of a 5 sq m which is accessible from the main habitable room
 - 1 or 2 bed houses: 15 sq m garden

- Residential units of Two bedrooms or more: 30 sq m garden space

2.24. For flatted developments, if it is not possible to provide external balconies, Juliet balconies with compensating internal space in the living area may be acceptable. Ideally, balconies should have enclosures that are safe, offer some degree of privacy, and be robust enough to take clothes-drying equipment and furniture.

Other Design considerations

2.25. Housing design must be genuinely tenure blind, therefore affordable and market dwellings must be completely indistinguishable across the different tenures. It is preferable if affordable units are dispersed throughout the development.

2.26. The Council has analysed the outcome of new-build affordable housing schemes in the borough, and it is our view that consideration of the issues set below can reduce housing management issues in completed properties. The council therefore requires:

- Circulation space near the entrance to allow space to accommodate outside items, such as prams, umbrellas, coats and shoes.
- Direct entry from the outside into a living room should be avoided.
- Clear circulation space provided in bathrooms, that meet (or preferably exceed) the standards set in Optional technical Standard M4(2) of building regulations. This will allow properties to be used by a wide range of occupiers, including those with mobility problems.
- In larger homes, careful thought should be given when designing open-plan living and dining and kitchen areas, taking into account the number of potential occupiers and the need for some quiet space.
- All rooms, except internal bathrooms, should have natural light.
- Double and twin bedrooms must be capable of being used interchangeably to reflect the occupancy rates expected of affordable housing. A minimum width of 2.75 metres allows this to be achieved.
- Layouts should be planned so that the effect of noise from adjoining properties is minimised in sound-sensitive rooms (for example, bedrooms).

2.27. In addition, lack of internal and external storage space is frequently identified as an issue in new dwellings. The provision of internal built-in storage space in excess of the nationally described space standard will therefore always be welcomed.

2.28. Good design can incorporate bin storage into a scheme so that bins are easily accessed from the home but do not harm the appearance of the development. Arrangements that require rubbish to be taken through the home should be avoided. Consideration should be given to the size of the bin stores and how bins will be collected. Further information is available online at: www.rushmoor.gov.uk/article/3434/Rubbish-and-recycling-bins-at-new-or-converted-properties

High-density developments (flats)

- 2.29. Although high density usually results in the development of flats, concentrations of similar housing types should be avoided, and developers should aim to provide a mix of housing types wherever possible, although it is acknowledged that site specific factors (such as location) will influence the type and density of residential units provided.
- 2.30. To enable the effective management of residential buildings containing flats, the number of units served by a single entrance should be limited. The Council and its partners have found that no more than 12 units served by a single entrance point works well.

3. Affordable Housing Off Site Provision (Commuted Sums)

- 3.1. Local Plan Policy LN2 enables the use of commuted sums (a financial contribution) towards off site affordable housing provision for schemes of between 11 and 14 dwellings or schemes greater than 15 units in exceptional circumstances.
- 3.2. The Council's preference is to deliver affordable housing units on-site. As noted above, in exceptional circumstances, the Council may agree that the local housing need can best be met by a financial contribution for off-site provision.
- 3.3. The financial contribution will be calculated using the following formula:

$$\text{Gross Development Value (with 100\% market housing)} - \text{Gross Development Value (with 30\% affordable housing)}$$

In Aldershot and Farnborough Town Centres, the financial contribution will be calculated as follows:

$$\text{Gross Development Value (with 100\% market housing)} - \text{Gross Development Value (with 20\% affordable housing)}$$

Note: that the calculation of Gross Development Value with affordable housing should be based on 70% subsidised rented and 30% intermediate tenure.

- 3.4. It is important to note that the developer will be asked to provide financial appraisals to support the inputs / assumptions for determining the financial contribution. The Council will submit this appraisal for an independent financial assessment, with the costs borne by the developer. All commuted sum funding received is ring-fenced for affordable housing delivery.
- 3.5. A worked example of how to calculate commuted sums is shown below for a 160 unit residential scheme in a part of the Borough where the 30% affordable housing requirement applies is set out overleaf:

Step 1 - Calculate Gross Development Value of the scheme with 100% market housing as shown below:

Dwelling Type	Number of units	Open Market Value Per Unit	GDV per dwelling unit type
1 bedroom	38	£230,000	£8,740,000
2 Bedroom	42	£300,000	£12,600,000
3 bedroom	80	£400,000	£32,000,000
			£53,340,000

Step 2 – Calculate the number of affordable units by dwelling type required by Local Plan Policy DE2 with a split of 70% Subsidised Rent and 30% Intermediate.

Dwelling Type	Total Number of units	Total Number of affordable units (30%)	Subsidised Rent units	Intermediate units
1 bedroom	38	11	8	3
2 Bedroom	42	13	9	4
3 bedroom	80	24	17	7
	160	48	34	14

Step 3 – Calculate the Development Value of the Affordable Housing units on the assumption that subsidised rented units are valued at 45% of the Open Market Value (OMV) and Intermediate units are valued at 35% of the OMV.

Dwelling Type	Open Market value	Subsidised Rent Value (45% OMV)	Intermediate Value (35% OMV)
1 bedroom	£230,000	£103,500	£80,500
2 Bedroom	£300,000	£135,000	£105,000
3 bedroom	£400,000	£180,000	£140,000

Step 4: Calculate the Gross Development Value of a policy compliant scheme using the four steps below:

a) Market Homes (70%)

Dwelling Type	Market Units	Market Value	Total value
1 bedroom	27	£230,000	£6,210,000
2 Bedroom	29	£300,000	£8,700,000
3 bedroom	56	£400,000	£22,400,000
			£37,310,000

b) Subsidised rented units

Dwelling Type	Number of subsidised rent units	Subsidised rent units value	Subsidised Rented total value
1 bedroom	8	£103,500	£828,000
2 Bedroom	9	£135,000	£1,215,000
3 bedroom	17	£180,000	£3,060,000
			£5,103,000

c) Intermediate units

Dwelling Type	Number of intermediate units	Intermediate rent units value	Intermediate total value
1 bedroom	3	£80,500	£241,500
2 Bedroom	4	£105,000	£420,000
3 bedroom	7	£140,000	£980,000
			£1,641,500

d) GDV of policy compliant scheme = £44,054,500 (£37,310,000+£5,103,000+£1,641,500)

Step 5 – Calculate Commuted sum

Gross Development Value (with 100% market housing) – Gross Development Value (with 30% affordable housing)

£53,340,000 (Step 1 output) – £44,054,500 (Step 4 output) = **commuted sum £9,285,500**

4. Viability

Viability Appraisals to justify a departure from Policy LN2

- 4.1. The Local Plan is supported by Evidence base including the Local Plan and Community Infrastructure Levy Economic Viability Study (2017)⁸ that has considered the effect of the requirements in the Local Plan to ensure that the combined total impact of such requirements does not threaten the viability of the sites and scale of development identified in the development plan.
- 4.2. Where schemes do not meet the policy requirements for potential viability reasons (such as those set out in Policy LN2: Affordable Housing), the Council will require applicants to submit an open book viability assessment in line with [government guidance](#) as part of the planning application submission. It is important to note that this information will be made available in the public domain. In such cases, the Council will commission an independent review of the viability assessment, the cost of which should be met by the applicant.
- 4.3. Where the viability case is supported by the independent review and the Council accepts that meeting the full affordable housing requirement makes the scheme unviable, flexible arrangements relating to the timing and level of planning obligations may be considered if the scheme would otherwise not be able to proceed.
- 4.4. A Financial Viability Assessment (FVA) is only current at the time it is prepared. Financial viability will vary over time with the changing economic and property markets. Therefore the council will require viability review mechanisms through s106 agreements where policy requirements are not met in full at the time permission is granted.
- 4.5. On large sites that are expected to be built out over a period of time or in phases, viability may need to be re-assessed at different points (such as prior to the commencement of each phase). In order to ensure that appropriate affordable housing provision is secured in circumstances where there is a change in viability of a development scheme during its implementation, the associated Section 106 agreement will contain a requirement for re-assessment at later stages in its construction. The Council would expect that all large

⁸ <https://www.rushmoor.gov.uk/article/10136/Background-evidence-on-viability>

developments including residential development would include at least an out turn retest 75% of the way through the development to compare actual costs and values with those assessed at the application stage and that if viability has improved, for additional affordable housing to be provided on site wherever possible, and an in lieu contribution to off site affordable housing otherwise

Grant Funding

- 4.6. The Council may be able to provide capital grant funding in support of affordable housing schemes. Affordable housing must therefore comply with the space standards; these standards also ensure development meets the grant conditions of Homes England. In addition, each scheme must also:
- Meet the standards set out in this SPD;
 - Provide homes for rent that comply with the Council's rent-setting formula (see paragraph 2.10);
 - Provide the Council with nomination rights;
 - Provide an opportunity for chain lettings; and
 - In the case of shared ownership, offer additional units to the shared ownership requirement of an s106 agreement or offer a return to the Council in the form of a ground rent or a share in capital growth.
- 4.7. To assist with the pre-application process, the Council has an online pre-application checklist. This can be found at:
www.rushmoor.gov.uk/article/3433/pre-application-advice-for-developers

Vacant Building Credit

- 4.8. The National Planning Policy Framework (NPPF) (paragraph 63) provides an incentive for brownfield development on sites containing vacant buildings. National Planning Practice Guidance⁹ (NPPG) requires that where a vacant building is brought back into any lawful use, or is demolished to be replaced by a new building, the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. Affordable housing contributions may be required for any increase in floorspace.
- 4.9. The Local Plan acknowledges that the Vacant Building credit is intended to incentivise brownfield development on sites with empty or redundant buildings, and that if applicable a 'credit' should be then applied which is the equivalent of the gross

⁹ NPPG Paragraph: 021 Reference ID: 23b-021-20160519 <https://www.gov.uk/guidance/planning-obligations>

floorspace of any relevant vacant buildings being brought back into use (converted) or demolished.

4.10. The Local Plan makes it clear that in considering Vacant Building Credit applications, the Council will have regard to the national policy, which is to incentivise brownfield redevelopment and not simply to reduce the affordable housing requirement of schemes that would have come forward anyway. Sites allocated for development within the Local Plan in Aldershot and Farnborough Town Centres may not be eligible for Vacant Building Credit, as the Affordable Housing requirements have already been reduced in these locations to reflect the higher costs associated with redeveloping brownfield land.

4.11. It is important to note that the vacant building credit does not apply to buildings that have been abandoned. The Council will determine on a case by case basis whether building is vacant or abandoned. As a general principle to qualify for the vacant building credit a building should be vacant at the time a planning application is registered. The credit is only applicable to relevant vacant buildings; the Council will not accept for example sheds and non-permanent buildings for the purposes of vacant building credit.

4.12. In instances where the Council considers that a proposed development qualifies for Vacant Building Credit, the following formula should be used for schemes providing on-site affordable housing provision:

Step 1 - Calculate the number of dwellings that should be provided as affordable housing on a given site in accordance with Local Plan Policy LN2: Affordable Housing

Step 2 - Calculate as a proportion, the extent of existing floorspace compared against the proposed floorspace.

Step 3 - Make a deduction to the number of affordable dwellings to be provided based on the proportion identified at Step 2.

4.13. This will be calculated by the formula $RAH = AH - (AD \times E / P)$ where:

RAH = Revised number of affordable housing units to be provided

AH = Expected number of affordable housing units to be provided prior to application of credit in accordance with Local Plan Policy LN2

E = Existing floorspace to be demolished

P = Proposed floorspace to be created

Glossary

Affordable Housing (National Planning Policy Framework 2019 definition): housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Chain Lettings: Chain letting is an important approach in managing and securing the best use of affordable housing. It ensures that as many tenants as possible are housed in accommodation that is suitable for their needs and encourages mobility of tenants into the right sized home.

For example:

A housing association tenant currently under-occupying moves into a new build one-bed property releasing their property to house an overcrowded household. The smaller property

released by the overcrowded household can be allocated as a management move to another household OR be used to house an applicant in the housing allocation pool and so on. Using this approach can achieve several right sizing moves through a single new build property.

Intermediate Housing: Homes for sale and rent provided at a cost above social rent but below market levels. They can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing.

Nomination Rights: Allow the local authority to send referrals (nominations) to RPs to fill a certain percentage of their vacant at the beginning of a new development and as vacancies arise (re lets). Households or individuals nominated must come from the council's allocations scheme. Nomination Rights are relevant for both rented and intermediate tenures.

Registered Providers: Government-funded not-for-profit organisations that provide affordable housing. They include housing associations, trusts and co-operatives. They work with local authorities to provide homes for people who meet the affordable homes criteria. As well as developing land and building homes, they undertake a landlord function by maintaining properties and collecting rent.

Social rented Housing: Owned by local authorities and private registered providers, as defined in Section 80 of the Housing and Regeneration Act 2008, for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental agreements to the above, as agreed with the local authority or with the Homes and Communities Agency (HCA).

Strategic Housing Market Assessment: An evidence base document that:

- Estimates housing need and demand in terms of affordable and market housing
- Determines how the distribution of need and demand varies across the Hart, Rushmoor and Surrey Heath Housing Market Area; and
- Consider future demographic trends and identify the accommodation requirements of specific groups.

The Rushmoor Plan: Affordable Housing Supplementary Planning Document (SPD)

Consultation Statement

Regulation 12 Town and Country Planning (Local Development) (England) Regulations 2012

Persons consulted when preparing the supplementary planning document

The Draft Affordable Housing SPD was subject to public consultation for a period of 6 weeks between 3 June 2019 and 15 July 2019. Copies of the draft document and supporting information (namely a Strategic Environmental Assessment Determination and the Statement of Matters and Availability (see Appendix 1)) were made available to view at the following locations during opening hours:

- Rushmoor Borough Council Offices
- Aldershot Library
- Farnborough Library

The SPD and supporting information was also made available to view online at <https://www.rushmoor.gov.uk/planningpolicyconsultations> (see Appendix 2) and also promoted on the Council's homepage (Appendix 3) and Planning service homepage (Appendix 4).

Representations were invited via post or via email.

Consultation emails

The Council notified all registered members on the Rushmoor Local Plan consultation database. The database covers a wide range of stakeholders including local residents, businesses, statutory bodies such as English Heritage and civic groups such as the Farnborough Society and Aldershot Civic Society. In total, there are approximately 900 contacts on the database. All members were contacted via email (see Appendix 5).

Documents available on the Council's website

Copies of the draft SPD and the Strategic Environmental Assessment Determination were made available to view/download on the Council's website at <https://www.rushmoor.gov.uk/planningpolicyconsultations>

Summary of the main issues raised by those persons

A total of five individuals and organisations responded to the draft SPD. The comments made are set out in full in the schedule attached as Appendix 6.

There was general support for the SPD with recognition that truly affordable homes can help to reduce inequalities and support broader health, social and economic benefits. In addition, support was expressed for the affordable homes to be tenure blind, although it was expressed that the requirement for even dispersal of affordable units across the site to be strengthened.

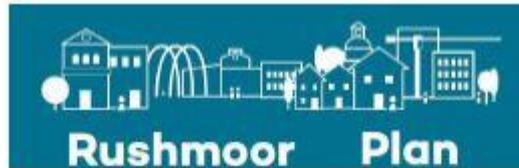
Concern was expressed that the recently adopted Local Plan is based on the 2012 NPPF and a SHMA published in 2016. As a result, neither relate to the revised version of the NPPF and specifically the definitions of affordable housing now set out in Annex 2.

A respondent suggests that the Council should consider producing a SHMA addendum, considering the extent of needs for affordable rent to buy, and how the SPD can better implement Policy LN2 in the context of the updated NPPF.

How those issues have been addressed in the supplementary planning document

The Officer comments relating to these concerns and how they have been addressed in the final version of the SPD can be found in Appendix 6.

Appendix 1 Statement of SPD Matters and Availability



Draft Affordable Housing Supplementary Planning Document (SPD)

Statement of SPD Matters and Availability

Regulation 12 Town and Country Planning (Local Development) (England) Regulations 2012
(as amended)

Title: Draft Affordable Housing Supplementary Planning Document (SPD)

Area Covered: Rushmoor Borough

Subject Matter: The Affordable Housing SPD seeks to provide further guidance to support the implementation of the affordable housing policy of the Rushmoor Local Plan (Policy LN2: Affordable Housing) and the housing delivery objectives of the Rushmoor Housing and Homelessness Strategy 2017-2022.

Representation Period: 03 June 2019 – 5pm 15 July 2019

Copies of the draft documents and the supporting information are available to view at:

- **Rushmoor Borough Council Offices** between 8:30am and 5pm Monday to Thursday, and between 8:30am and 4:30pm Friday
- **Aldershot Library**, 109 High Street, Aldershot, Hampshire GU11 1DQ at the following times:
 - Monday to Wednesday - 9.00am - 5pm
 - Thursday 9.00am - 7pm
 - Friday and Saturday 9.00am - 5pm
- **Farnborough Library**, Pinehurst, Farnborough, GU14 7JZ at the following times:
 - Monday to Thursday - 9.30am - 6pm
 - Friday - 9.30am - 7pm
 - Saturday 9.30am - 5pm
- **Online at** www.rushmoor.gov.uk/planningpolicyconsultations

Representations to be sent to:

Planning Policy, Rushmoor Borough Council, Council Offices, Farnborough Road,
Farnborough, Hants GU14 7JU

Or by email to planningpolicy@rushmoor.gov.uk

Adoption Notification: If you wish to be notified of the adoption of this SPD, please request this as part of your submissions.

Appendix 2 Planning Policy Consultations webpage

Planning policy consultations

You are in Planning
Planning policies
The Rushmoor Local Plan
Supplementary planning documents and advice notes
Get involved in developing our planning policies
Statement of Community Involvement
Planning policy consultations
Community Infrastructure Levy and planning obligations
National, regional and county planning policy documents
Neighbourhood planning
Former local plans and policies

We are consulting on the Draft Affordable Housing Supplementary Planning Document (SPD) and the Draft Statement of Community Involvement (SCI).

Current consultations

Draft Affordable Housing Supplementary Planning Document (SPD)

The purpose of the Draft Affordable Housing SPD is to provide further guidance to support the implementation of the affordable housing policy of the recently adopted Rushmoor Local Plan (Policy LN2: Affordable Housing) and the housing delivery objectives of the Rushmoor Housing and Homelessness Strategy 2017-2022.

You can read the The draft Affordable Housing SPD, Statement of Matters and Availability, and Strategic Environmental Assessment (SEA) Screening Assessment / Habitats Regulations Assessment (HRA) Screening Assessment below.

-  [Affordable Housing SPD - Consultation Draft \[729kb\]](#)
-  [Affordable Housing SPD - Statement of Matters and Availability \[151kb\]](#)
-  [Affordable Housing SPD - SEA HRA Screening \[322kb\]](#)

Draft Statement of Community Involvement (SCI)

The production of a Statement of Community Involvement (SCI) is a legal requirement and its purpose is to set out how people and groups can engage with the planning system in the best way.

Following the adoption of the Rushmoor Local Plan, we have produced a consultation draft SCI (2019), which you can read below:

-  [Draft Statement of Community Involvement 2019 \[855kb\]](#)
-  [SCI 2019 - Statement of Availability \[150kb\]](#)

Upon adoption, the Statement of Community Involvement (2019) will supersede the current SCI (2013).

Have your say

You will need to send your comments on the draft documents to us by using one of the methods below.

Email

planningpolicy@rushmoor.gov.uk

Post

Planning Policy
Rushmoor Borough Council
Council Offices
Farnborough Road
Farnborough
Hampshire
GU14 7JU

The closing date for both of the consultations is 5pm on Monday 15 July.

Related documents

-  [Affordable Housing SPD - Consultation Draft \[729kb\]](#)
-  [Affordable Housing SPD - Statement of Matters and Availability \[151kb\]](#)
-  [Affordable Housing SPD - SEA HRA Screening \[322kb\]](#)
-  [Draft Statement of Community Involvement 2019 \[855kb\]](#)
-  [SCI 2019 - Statement of Availability \[150kb\]](#)

[▶ Help with PDF documents](#)

Contacts

Planning policy

planningpolicy@rushmoor.gov.uk

Tel: 01252 398735

[▶ View full details](#)

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Appendix 3 Council homepage

The screenshot shows the Rushmoor Borough Council website in a browser. The address bar displays 'https://www.rushmoor.gov.uk/home'. The navigation menu includes: Home, Your Council, Environment, Planning, Housing and Benefits, Community and Leisure, Business and Licensing, Travel and Parking, Health and Support, Education, and About Rushmoor. A search bar is located in the top right corner with the text 'Do it online', 'A-Z', 'Enter a keyword', and 'Search'. The Rushmoor Borough Council logo is prominently displayed on the left side of the header.

Planning policy consultations

Have your say on planning policies about affordable housing and community involvement.

▶ Read more about Planning policy consultations

The banner features a background image of a public consultation display with various informational posters and a printer. Below the main text, there are four colored buttons: Aldershot Lido (pink), Planning policy consultations (blue, highlighted with a red border), Our parks and open spaces (orange), and Aldershot and Farnborough (green).

Latest news

Zero tolerance on littering leads to expensive court date for Farnborough man

A Farnborough man has been ordered by the courts to pay ...

Antisocial behaviour must stop

Unreasonable antisocial behaviour caused by a few ...

▶ See all news stories

In my area

Please enter your details below to find information about your area

Enter house number

Enter postcode

▶ Don't know your postcode?



Do it online

Pay for it	Council tax	Parking fine	Planning fees
	Apply for it		
Report it	Garden waste recycling	Business rates	Invoices

▶ See all online services

Top tasks

- ▶ Bin collections
- ▶ Planning
- ▶ Looking for a home
- ▶ Council tax
- ▶ Leisure facilities
- ▶ Registering to vote
- ▶ Jobs
- ▶ नेपालीमा जानकारी

Contact us

Appendix 4 Main Planning Service Webpage

https://www.rushmoor.gov.uk/planning

File Edit View Favorites Tools Help

Planning Suggested Sites

Skip to main content | Languages | Help using this site | Contact us

RUSHMOOR BOROUGH COUNCIL

Do it online A-Z Enter a keyword Search

Home Your Council Environment Planning Housing and Benefits Community and Leisure Business and Licensing Travel and Parking Health and Support Education About Rushmoor

[Home](#) > [Planning](#)

Planning policy consultations

Have your say on planning policies about affordable housing and community involvement.

[Read more about Planning policy consultations](#)

Planning policy consultations

Recent planning applications

Do I need permission?

Public notice advertising



Do I need planning permission?

Find out if you need planning permission for building work, household projects and larger home extensions.



Planning applications

Find out about, and apply for, planning permission, search and view planning applications and decisions and make appeals.

Planning

In this section, you will find details about planning applications - including how to apply for planning permission and how to find out about applications - and building control.

You can also find out about our planning policies, Farnborough Airport, conservation areas, listed buildings and protected trees.

Appendix 5 Email to Consultees

From: Rushmoor Council Planning Policy Sent: Mon 03/06/2019
To:
Cc:
Subject: Rushmoor Borough Council Planning Policy Consultations

Message  SCI 2019 Statement of availability.pdf (154 KB)  Draft Affordable Housing SPD Statement of Matters and availability.pdf (155 KB)
 Rushmoor Borough Council Planning Policy Privacy Notice.pdf (152 KB)

Dear Sir / Madam,

We are contacting you as you have previously asked to be notified of planning policy consultations undertaken by Rushmoor Borough Council.

Current Planning Policy Consultations

The Council is currently consulting on the following planning policy documents for a period of six weeks:

- Draft Affordable Housing Supplementary Planning Document
- Draft Statement of Community Involvement (2019)

Details of where the documents can be viewed and how to respond can be found in the attached documents. Comments should be received by **5pm on Monday 15 July 2019**.

Future notifications

Following the adoption of the [Rushmoor Local Plan](#) on the 21st February 2019, we are also contacting you to confirm that you still wish to be kept informed of planning policy consultations undertaken by Rushmoor Borough Council. Please find attached our Privacy Notice of how we will use your information.

If you wish to remain on our planning policy consultation mailing list, please respond to this email by 5pm Monday 15 July 2019. If you do not contact us by this date, your details will be removed from our mailing list.

Regards

Planning Policy and Conservation Team
Council Offices
Famborough Road
Famborough
Hampshire
GU14 7JU

Appendix 6 Draft Affordable Housing Supplementary Planning Document – Consultation Responses and Officer Comments

Respondent	Response	Officer Comment
East Hampshire District Council	Thank you for consulting East Hampshire District Council. Officers have assessed the document and have no comments to make.	Comments noted.
Hampshire County Council – Public Health	<p>Truly affordable homes can help to reduce inequalities and support broader health, social and economic benefits. We therefore welcome and strongly support the proposed Affordable Housing SPD. We specifically note and support the following, with our additional recommendations added where relevant:</p> <ul style="list-style-type: none"> • Mix of affordable units – especially the requirement for two-bedroom homes to be able to accommodate up to four people to aid greater flexibility and the requirement for a tenure mix of 70% for social rent and 30% for intermediate products, as we believe that socially rented homes will benefit the most vulnerable in Rushmoor. • Affordability of rented units – we note and support the inclusion of a definition of “affordability” • Procuring a Registered Provider – we note and support the recommendation that developers embark on early engagement with registered social housing providers. We would also welcome a requirement that developers involve social housing providers in the earliest design stages so that innovative options for land use can be explored. A good example of this is Whitehill & Bordon Healthy New Town, where early engagement with the RP (Radian) resulted in the development of a 	<p>Support noted.</p> <p>It is not usually feasible for Registered Providers to be involved in the design stages of a development. However, we would be supportive of such an approach being taken for strategic residential led schemes that will deliver a mix of dwellings.</p>

Respondent	Response	Officer Comment
	<p>community café, operated by the RP, which is run for community benefit and incorporates a range of community uses.</p> <ul style="list-style-type: none"> • Accessible and Adaptable Homes - we note and support the requirements for affordable homes to be built to Building Regulations M4(2) • Internal Space Standards - we support the requirement for homes to be built to nationally described standards. There is good evidence that adequate space benefits health and wellbeing, not least through prevention of overcrowding. • Residential Amenity Space Standards - we support the requirement for affordable homes to meet the same residential amenity standards and those designed for private sale/rent. <p>Other Design considerations - we support the requirement for affordable homes to be built “tenure-blind”. We would like to see the requirement for even dispersal across a site to be strengthened. We also welcome and support the range of requirements outlined in points 3.26, 3.27 and 3.28 of the draft SPD.</p> <p>We question whether the SPD should include reference to existing policy on car parking. We would also like to see requirements for secure, covered cycle parking for all</p>	<p>Even dispersal is not always possible to disperse affordable units within a development and for management reasons such an approach may not be supported by Registered Providers. It is for this reason that the SPD states that ‘it is preferable if affordable units are dispersed throughout the development’.</p> <p>Appendix A of the Councils Car and Cycle parking standards Supplementary Planning Document (2017) sets out the parking standards that apply to residential dwellings. Principle 18 of the SPD states that ‘parking for cycles must be</p>

Respondent	Response	Officer Comment
	affordable homes, especially for flats, to avoid the storage of bicycles in hallways or on balconies.	secure, weather proof and accessible' with paragraphs 8.2 to 8.6 providing further guidance.
Historic England	We have no comments to make on the proposed SPD in historic environment terms. If any specific heritage issues arise as a result of the consultation, please not hesitate to contact us.	Noted
Natural England	Whilst we welcome the opportunity to give our views, the topic of the Supplementary Planning Document does not appear to relate to our interest to any significant extent. We therefore do not wish to comment.	Noted
Tetlow King Planning (on behalf of Rentplus UK Ltd)	<p>The recently adopted Local Plan is based on the 2012 NPPF and a SHMA published in 2016. As a result, neither relate to the revised version of the NPPF and specifically the definitions of affordable housing now set out in Annex 2.</p> <p>The Local Plan states that a large proportion of intermediate (subsidised home ownership) housing is met through the private rented sector, but as agreed by PRS cannot truly meet needs due to inherent insecurity and myriad quality issues.</p> <p>The introduction of rent to buy in the national definition of affordable housing brings with it a recognition that many of those families previously assessed as requiring affordable rented housing may also have their needs met through rent to buy.</p>	<p>To ensure consistency with the updated NPPF, paragraph 2.1 (previously 3.1) of the SPD has been amended to state:</p> <p><i>The Local Plan is based on evidence contained in the Hart, Rushmoor and Surrey Heath Strategic Housing Market Assessment (SHMA) 2014-2032. Affordable housing should secure 70% for <u>subsidised rent (social rent or affordable rent models)</u> and 30% for intermediate housing (<u>low cost home ownership</u>). As private market rents are high in Rushmoor compared to local incomes, social rents should be offered wherever possible to support low-income households who live and work in the Borough.</i></p>

Respondent	Response	Officer Comment
	<p>We note the text at para 3.6 which seeks affordable rented housing that is genuinely affordable to local people – Rentplus homes are specifically tailored to meet local affordability constraints, working directly with each planning authority to set rent levels that meet local needs.</p> <p>We recommend that the Council seek an additional review of local affordability and how tenures such as rent to buy can help meet the full range of local housing needs.</p>	<p>To ensure greater consistency with the updated NPPF, paragraph 2.5 (previously 3.5) of the SPD has been amended to state:</p> <p><i>The Local Plan and its supporting evidence base identify that greatest need for affordable homes in the Borough is for social rented properties. Therefore, the starting point for a developer is to assume that tenure mix requirements will be 70% for <u>subsidised rent</u> and 30% for intermediate products (e.g. shared ownership). <u>The National Planning Policy Framework (2019) states that where major development involving the provision of housing is proposed, decisions should expect at least 10% of the homes to be available for affordable home ownership¹ as part of the overall affordable housing contribution from the site, unless this would significantly prejudice the ability to meet the identified affordable housing needs of specific groups or where the development is a type that is exempt². However, the exact affordable mix will be dependent upon site-specific circumstances (e.g. site size and location), local needs and viability. <u>All affordable tenures must meet the definitions set</u></u></i></p>

¹ Affordable home ownership includes starter homes, discounted market sale housing, and other affordable routes to home ownership (including shared ownership and shared equity), as set out in Annex 2 of the NPPF.

² NPPF (February 2019), Paragraph 64 provides further detail on the exemptions

Respondent	Response	Officer Comment
	<p>The (Local) Plan is not considered out-of-date simply because it does not reflect the tenures in the revised NPPF, but it is important for this SPD guidance to reflect the widened definition, as demonstrated in a recent appeal decision.</p> <p>We ask that the Council seek to produce a SHMA addendum, considering the extent of needs for affordable rent to buy, and how the SPD can better implement Policy LN2 in the context of the NPPF. The emphasis on meeting local affordable needs for rented accommodation can be met through a combination of social rent, affordable rent and affordable rent to buy, providing clear choice to local people.</p> <p>Text elsewhere in the SPD on ‘intermediate’ affordable housing should be updated, as the term is now almost obsolete – the NPPF no longer refers to home ownership options in this way, and continued use of the term will cause confusion and uncertainty for developers over the long term.</p>	<p><u>out in Annex 2 of the National Planning Policy Framework (repeated in the Glossary of this document).</u></p> <p>The Local Plan was recently examined and found to be sound by a planning inspector. The plan was subsequently adopted by the Council in February 2019. It is important to note that SPDs can not conflict with the Local Plan.</p> <p>The Council will update its housing evidence base to support a future review of the Local Plan.</p> <p>Changes to paragraphs 2.1 and 2.5 detailed above address this issue.</p>