



# **Technical Advice Note**

## **Affordable Homes with New Development**

Version 1.0

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# 1 Introduction

- 1.1 This Technical Advice Note (TAN) provides guidance on the provision of affordable homes when preparing a planning application. It supports Policy H2 Affordable Housing of the [Hart Local Plan \(Strategy & Sites\) 2032 \(HLP32\)](#) which sets out the levels and types of affordable homes that are required with eligible developments.
- 1.2 The aim is to ensure that affordable homes are considered early in the planning process and that the optimum quantity and mix of affordable homes, that meet local needs is delivered.
- 1.3 The Council offers [pre-application advice](#) which can help to identify and overcome potential issues before submitting a planning application and can speed up the planning application process. Further guidance is set out in Section 5.
- 1.4 This TAN is not adopted policy, but it is guidance designed to help applicants meet the requirements for affordable homes set out national and local planning policies, supporting pre-application discussions and the submission of planning applications.
- 1.5 If the viability of development is an issue please see [Viability Appraisals for New Development SPD](#) adopted in 2023.
- 1.6 This TAN does not specifically address rural exception sites but some of the guidance will nevertheless be helpful to those schemes.

# 2 Background

- 2.1 The delivery of mixed and balanced communities is a key element of good planning. The provision of a choice of new homes, including well-integrated affordable homes is integral to this.
- 2.2 The Council recognises the importance of meeting a wide range of housing needs, including 'affordable homes' i.e. homes for those whose needs are not met by the market. Affordable housing is defined in Annex 2 to the [National Planning Policy Framework](#) (NPPF) and in [Planning practice guidance](#) (PPG).
- 2.3 The Corporate Plan sets three areas of focus over the four-year period 2023-2027:
  - Planet - make all areas directly under the control of the Council carbon neutral by 2035 and make Hart a carbon neutral district by 2040,
  - People – fair treatment for all, help for those in need, and a sustainable economy that makes Hart a great place to live, work and enjoy, and
  - Place - delivering warmer, better homes in sustainable locations that people can afford to live in.

2.4 The Corporate Plan includes the priority under Place to 'delivering warmer, better homes in sustainable locations that people can afford to live in'. It highlights that 'the home in which we live has a huge influence on the quality of all our lives and health. Access to safe, secure, and affordable housing really is fundamental to supporting wellbeing and creating sustainable communities where people can live and work.'

2.5 The Corporate Plan includes the ambition to:

*"Deliver more affordable homes within the district, including in our main villages and provide homes which support independent living as well as homes for other specialist groups".*

2.6 Two of the Council's four-year goals within the Corporate Plan are to:

*"Provide more social rented homes, and more affordable market rented homes for local people and our key workers".*

*"Ensure an effective and transparent planning service, holding developers and our delivery partners accountable for providing infrastructure and affordable housing".*

2.7 The [Hart District Council Housing Strategy 2020-2025](#) sets out the Council's commitment for everyone living within the district to enjoy a good quality of life with access to suitable, and affordable housing regardless of their income. A key Housing Strategy Objective is:

*"Maximising delivery of high quality, suitable and affordable new homes throughout the district"*

2.8 Housing Strategy actions to deliver this Objective include:

*"Negotiate the delivery of 40% affordable homes on all eligible sites where viability is proven" and*

*"Work in partnership with housing providers and planners to deliver an appropriate mix of affordable housing based on evidence of housing need within the district, including data from the strategic housing market assessment (SHMA) and Hart's Housing Register."*

2.9 In April 2021 the Council declared a climate emergency and pledged to make the district carbon neutral by 2040, and areas under the full control of Hart District Council carbon neutral by 2035. The Corporate Plan also identifies that tackling climate change is central to all of the Council's activities and the Council has agreed that significant weight will be given to the climate emergency declaration in all planning decisions.

## 3 National and local planning policy context

### National Planning Policy and Guidance

- 3.1 The National Planning Policy Framework (NPPF) December 2023 sets out the Government's objective of significantly boosting the supply of homes with the overall aim being to meet as much of an area's identified housing need as possible, including with an appropriate mix of homes for the local community.
- 3.2 Local authorities should establish the size, type and tenure of housing needed for different groups in the community including those who require affordable housing.
- 3.3 The NPPF also requires that local plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required.
- 3.4 The Planning Practice Guidance (PPG) provides extra detail and guidance to support the national planning policies set out in the NPPF, including how to assess the need for market and affordable homes and how to enable their delivery. It is updated periodically but should always remain consistent with NPPF policy.
- 3.5 Design of new development is also a key consideration. National guidance includes:
  - Building for a Healthy Life, 2020 – as referenced in paragraph 138 of the NPPF 2023; and,
  - National Design Guide, 2021.

### Development Plan Policy and Guidance

#### Hart Local Plan (Strategy & Sites) 2032 (HLP32)

- 3.6 The [HLP32](#) was adopted in April 2020. The requirements for affordable homes with new development are set out in Policy H2 and its supporting text.
- 3.7 In addition to Policy H2, applicants are advised to be aware of other Local Plan requirements that may be relevant to their application. These include policies on the mix of sizes for market homes and making provision for self and custom build (Policy H1).
- 3.8 Policy H3 allows for Rural Exception Sites. Many of the design requirements set out in this TAN will be relevant to delivering these sites.

### Neighbourhood Plans

- 3.9 Hart district currently has a number of Neighbourhood Plans. These form part of the development plan and may include their own requirements for affordable

homes. Applicants should check the content of Neighbourhood Plans on [the Council's plans and policies webpage](#).

### **Supplementary guidance**

- 3.10 Applicants should also have regard to the requirements set out in adopted Supplementary Planning Documents and informal guidance in Technical Advice Notes published by the Council. These cover various topics including viability appraisals, cycle and car parking, biodiversity, and can be found at [the Council's planning guidance webpage](#).

## 4 Applying policy to ensure the delivery of affordable homes

### When will Policy H2 apply?

- 4.1 Policy H2 of the HLP32 will be applied to all self-contained dwellings (except for developments under the trigger threshold), i.e. all uses that fall within Use Class C3. A dwelling under Use Class C3 is described as a building that ordinarily affords the facilities required for day-to-day domestic existence, i.e. all the rooms (including kitchen, bathroom and toilet) in a household's accommodation are behind a single door which only that household can use. This can also include, but is not necessarily limited to:
- self-contained accommodation which is intended to be occupied by students (either as a single person or single household occupation),
  - extra care housing,
  - sheltered housing and
  - retirement homes (in these cases it may be more appropriate for the provision to be affordable retirement, sheltered or extra care housing).
- 4.2 The Policy applies to the gross development within the red line indicated on the plans submitted to support a planning application. The Council considers that a site will include all existing elements of built development that are being materially modified (e.g. extended, reconfigured, or converted). As such, any existing homes or other building(s) on a plot proposed for development will only be excluded if there is no material alteration to that building proposed. If there are changes to the access, garden/open space or parking to an existing home or building(s) that is necessary for the wider development to go ahead, the Council is likely to conclude that the land and building(s) in question form part of the same development site. The Council will be mindful of Policy H2 which states that developers may not circumvent the policy by artificially subdividing sites.

### Qualifying sites

- 4.3 The trigger requirement for the provision of affordable homes is set out in Policy H2 of the HLP32 and reflects national policy set out in paragraph 65 of [NPPF](#), i.e.:
- major developments (i.e. developments where 10 or more homes will be provided, or the site has an area of gross 0.5 hectares or more).
- 4.4 The 10-dwelling threshold relates to the gross (not the net) number of homes proposed.
- 4.5 The threshold of 0.5 hectares relates to the gross area of the proposed development taking into account any adjacent land which might have been



capable of being part of the development and subsequent or earlier phases of development or sub-divisions.

4.6 Policy H2 is clear that:

**“Developments which appear to artificially restrict the site area, or level of development proposed in order to avoid the provision of affordable housing will be refused.”**

4.7 In assessing whether the site area has been artificially restricted the Council will consider other land in the applicant’s ownership (within the ‘blue’ line) and whether any ancillary land has been excluded from the site boundary (within the red line) i.e. garden/open space, parking, or other facilities.

4.8 Proposals that do not make efficient use of land (for example, where unusually large homes are proposed), such that the 10-dwelling threshold is not reached, will be refused for sites where the Council considers that the land should be used efficiently. The Council will carefully consider whether the number of homes proposed is an efficient use of the site, taking genuine site constraints into account.

4.9 In assessing whether the level of development proposed has been artificially restricted to avoid the 10-unit threshold, the Council will consider:

- The density of the proposed development: as a rule of thumb, the Council will expect developments to have a net density greater than 30 dwellings per hectare.
- The mix of sizes proposed (in terms of numbers of bedrooms): the start point for the open market housing mix is that set out at Paragraph 125 of the [HLP32](#) i.e. **7% 1-bed; 28% 2-bed; 44% 3-bed; 21% 4-bed.**
- The sizes of the homes when compared to the [Nationally Described Space Standards 2015 \(NDSS\)](#). The NDSS set out minimum gross internal floor areas (GIAs) for 1-bed, 2-bed, 3-bed, 4-bed, 5-bed and 6-bed homes. The minimum GIA varies depending on the number of bed spaces (persons) and the number of storeys.
- If the proposed GIA of the development exceeds the floorspace which would be required for 10 homes by combining:
  - the ‘average minimum GIA’ (i.e., **48m<sup>2</sup> for 1-bed homes; 70m<sup>2</sup> for 2-bed homes; 91m<sup>2</sup> for 3-bed homes; 110m<sup>2</sup> for 4-bed homes**) and
  - the open market housing mix above (**7% 1-bed; 28% 2-bed; 44% 3-bed; 21% 4-bed**),

it would indicate that the site could accommodate a gross development of 10 homes. See **Appendix 1** for how the average minimum GIAs are derived.

- 4.10 In applying the above standards the Council will take into account the context of the site and local character. However, if the site is in an area of low-density development, then it should not automatically be concluded that a higher density development would result in harm.

### Percentage of affordable homes

- 4.11 To ensure the delivery of mixed and balanced communities, and respond appropriately to local housing need, Policy H2 of the HLP32 requires 40% of the new homes on qualifying sites to be affordable homes.
- 4.12 Policy H2 is clear that proposals with less than 40% affordable housing will only be granted when fully justified, supported by evidence in the form of an open book viability assessment. In such cases the Council will commission an independent expert review of the viability assessment, for which the applicant will bear the cost. The Council will then negotiate with the applicant to secure the optimum quantity and mix of affordable housing that is viable and meets the identified housing need.
- 4.13 The Council's [Viability Appraisals for New Development Supplementary Planning Document, November 2023](#) states:

*“4.15 If it were found that a site was not viable with the full provision of affordable homes and other Section 106 requirements, it would be for the Council, through the determination of the planning application, to decide how to prioritise the requirements and secure the optimum mix and quantity of affordable homes that is viable.”*

- 4.14 In the first instance the Council will seek to retain affordable homes for rent in line with the Corporate Plan priorities, with a focus on 2,3 and 4 bed homes.
- 4.15 Policy H2 criterion f) states that **“in cases where the 40% calculation provides a part dwelling a financial contribution will be sought equivalent to that part dwelling.”**
- 4.16 Mathematically the 40% affordable housing requirement rarely results in a round figure for affordable homes to be provided on site. Where a financial contribution is required towards the provision of affordable homes off-site the Council will use its Affordable Housing Financial Contribution calculator based on the method approved by Cabinet on 2<sup>nd</sup> August 2012.

### Vacant Building Credit

- 4.17 To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due will be reduced by a proportionate amount. This will not apply to a building that is deemed to have been abandoned. Further guidance is set out in **Appendix 2**.

## Tenure mix

- 4.18 Policy H2 criterion c) of the HLP32 requires that ‘the tenure mix of the affordable housing secured through this policy will be 65% affordable homes for rent and 35% affordable home ownership:

<b>Affordable homes for rent</b>	<b>Affordable home ownership</b>
65%	35%

- 4.19 The NPPF defines affordable housing for rent as meeting 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)
- 4.20 The Council’s preference, in line with its Corporate Plan, is for the delivery of Social Rent rather than Affordable Rent. The Council will seek to deliver affordable homes for rent at Social Rent levels and is procuring evidence to support this position in a forthcoming Supplementary Planning Document.
- 4.21 Affordable home ownership includes a range of products but will mainly be shared ownership homes. Shared ownership housing refers to housing which is partly sold to the occupiers and partly rented to them by a Registered Provider (RP). The initial sale can be between 10% and 75% of the open market value of the home and a rental income is then required on the remaining unsold equity. RPs are required by Homes England to sell the maximum share that the purchaser can afford.
- 4.22 The mix of affordable homes should be provided in line with the agreed Section 106 planning obligation and be based on current identified local housing need. This will be discussed via the planning application Case Officer with applicants during the pre-application and/or application stage. The case officer will liaise with the Council’s Housing Strategy & Development team for the affordable housing needs information.

## Specialist housing

- 4.23 Developers should consult with the Development Management Case Officer to check if there will be any requirement for affordable specialist or supported housing e.g. accommodation for older people and vulnerable groups.

## First Homes

- 4.24 The Government's First Homes policy was introduced via a [Written Ministerial Statement](#) in May 2021. Following Government guidance, the Council adopted a [First Homes Interim Planning Policy Statement](#) in December 2021.
- 4.25 The Council's interim policy 'top slices' the 25% First Homes element leaving the 65%/35% tenure split in Policy H2 to apply to the remaining 75% of affordable homes.
- 4.26 The First Homes policy is a material consideration. It is not a requirement of the development plan for Hart i.e. it is not a requirement in the Hart Local Plan 2032, or any neighbourhood plans in Hart.
- 4.27 Experience thus far is that the First Homes model is largely ineffective at addressing local needs in Hart due to the price cap of £250,000 which effectively limits First Homes to 1-bedroom flats. Furthermore, for most sites, adding First Homes into the mix can mean very low numbers of other tenures such as shared ownership, which creates challenges for Registered Providers and risks delivery of the homes needed most.
- 4.28 As yet no First Homes have been secured or delivered in Hart. If an applicant wishes to provide First Homes as part of the affordable housing mix, they should contact the Planning Development Management Team at the earliest possible stage.

## Distribution of affordable homes

- 4.29 Policy H2 criterion (a) of the HLP32 states **“the affordable housing will be provided on site and interspersed and distributed throughout the development mixed with the market housing”**.
- 4.30 As a guide, affordable homes should be distributed throughout the site in clusters of no more than 5 houses on smaller sites and up to 12 houses on larger sites, relative to the size of the development.
- 4.31 Affordable homes of similar tenures should be located together in small groups (i.e. the rented homes in small groups and the shared-ownership homes in small groups).
- 4.32 Where possible and practical pairs of semi-detached properties should be delivered as the same tenure.

- 4.33 Where the affordable homes are provided as flats, a maximum of 12 flats should be provided together in one block. They should be well distributed across the whole site and across any given phase.
- 4.34 Blocks of flats should generally consist of homes of the same tenure, i.e., just rented, or just shared ownership and not a mix.
- 4.35 Concentrations of affordable homes should not be created through placement of large amounts of affordable homes next to one another in adjoining phases.
- 4.36 On larger sites which will be developed in phases, affordable housing should achieve 40% across the whole site. The percentage of affordable housing in each phase will be dependent on the dwelling types, layout and numbers in each phase. There should be a minimum of 25% and maximum of 50% affordable housing delivered in each phase.

### **Tenure blind**

- 4.37 Affordable homes should be indistinguishable from market homes in terms of design, form and external appearance, i.e. “tenure blind” and constructed from the same materials.

### **Property types and sizes**

- 4.38 The types of affordable homes provided should normally reflect the types of market homes proposed for the site. For example, if the market homes are predominantly houses, then the affordable homes should also be predominantly houses.
- 4.39 The Council prefers the affordable homes to be houses (as semi-detached or small rows of terraced homes) rather than flats. In some instances, the Council may request bungalows, maisonettes or 1-bed houses to be delivered.
- 4.40 2-bedroom houses rather than 2-bedroom flats should be provided wherever possible, and all 3+ bedroom properties should be provided as houses.
- 4.41 Where flats are considered acceptable, consideration should be given to the mix of 1 and 2-bed units. A small number of 1 bed flats within a block of 2-bed units may be acceptable if they are designed to minimise the risk of potential anti-social behaviour issues arising from households with children living in close proximity to households without children.
- 4.42 If it is intended to provide flats as affordable homes it is strongly recommended to speak to a Registered Provider (of affordable housing) and engage with the Council’s pre-application advice service prior to submitting an application. This will give greater confidence that proposals are acceptable, both in terms of the size and format of the accommodation. In the Council’s experience Registered Providers have very specific requirements regarding providing affordable homes as part of flatted schemes and these requirements need to be taken into account by developers. The Council wishes to avoid circumstances where

planning permission is granted for a scheme including affordable homes provided as flats, and then the developer advises the Council that there is no Registered Provider interest in those homes.

- 4.43 Affordable housing should not comprise of detached properties (unless otherwise requested by the Council to achieve delivery of specific housing, for example accessible housing) or have garages, car barns or en-suite bathrooms in order to retain affordability.

## Occupancy Levels

- 4.44 Affordable homes should enable maximum occupancy levels as follows:

- 1-bed homes accommodate 2-persons,
- 2-bed homes accommodate 4-persons,
- 3-bed homes accommodate 5 or 6 persons; and,
- 4-bed homes accommodate 6, 7 or 8-persons.

## Internal Layout and Space Standards

- 4.45 In line with HLP 32 Policy H6, new homes, including affordable homes, should meet [Nationally Described Space Standards](#) as a minimum.

- 4.46 The internal layout of properties should be designed carefully to avoid potential noise and disturbance arising from neighbouring homes. For example, the following should be avoided:

- high noise areas e.g. kitchens and living rooms, and low noise areas e.g. bedrooms being positioned adjoining one another in neighbouring attached properties,
- placement of high noise areas above low noise areas in neighbouring properties within blocks of flats; and,
- placement of bedrooms near communal areas, main entrances, staircases etc.

- 4.47 Where open plan living is provided within 2+ bedroom homes, the internal layout should allow for child safety gates to be installed to separate the kitchen area from living spaces.

- 4.48 In 2, 3 and 4-bedroom homes, the second, third and fourth bedrooms should be positioned so as to avoid noise and disturbance to children occupying the property from within, or from outside the home where possible.

## Gardens and outdoor amenity space

- 4.49 Private gardens should be provided for residents of all houses. Outdoor amenity space should also be provided for occupiers of flats, with private gardens provided where possible, particularly in relation to maisonettes / small blocks of flats. Where it is not possible to provide garden space for flats

(whether that be private or communal), outdoor amenity space should be well designed and provided in the form of usable balconies or well-designed landscaped areas.

## **Accessible and adaptable homes**

- 4.50 Building homes that remain accessible for all stages of life and that can be adapted are necessary to support an ageing population, and to meet the varied needs of the wider community. Policy H2 of HLP32 specifies that 15% of all affordable homes provided must be accessible and adaptable as defined by requirement Part M4(2) of the Building Regulations. Part M4(2) is encouraged for all new affordable homes.
- 4.51 For further information regarding Part M4(2) regulations, please see [Building Regulations Part M4\(2\) and M4\(3\) accessibility standards](#).
- 4.52 Policy H2 also states that where evidenced by local need, one or more of the affordable homes should be built as wheelchair user homes to meet, or exceed where justified, the requirements of Building Regulations Part M4(3).
- 4.53 The requirement for wheelchair user homes Part M4(3) should be discussed with the Housing Strategy and Development Team via the planning application Case Officer as early as possible in the planning process and provided in accordance with the accessible homes guide produced by the Council - [Wheelchair Accessible Housing Guidance \(hart.gov.uk\)](#).
- 4.54 The Council liaises with an independent housing occupational therapist to ensure that the identified household needs are adequately addressed. The design and accessibility issues will therefore be dependent on the particular needs of the individual and their household.

## **The provision of off-site affordable homes**

- 4.55 Policy H2 of the HLP32 states:

*“Where it is robustly justified and it is clearly demonstrated that the provision of affordable housing on site is impractical, the Council may accept off-site provision, or a financial contribution of equivalent value in lieu of on-site provision.”*

- 4.56 Paragraph 144 of the HLP32 also states:

*“in exceptional circumstances, and only where evidenced and justified, we may accept off-site provision, or a financial contribution of equivalent value in lieu of on-site provision. We will consider this matter on a site-by-site basis.”*

- 4.57 This is consistent with Paragraph 64 of the NPPF which states:

*“Where a need for affordable housing is identified, 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.”*

4.58 Both National and Local Plan policy state that in exceptional circumstances the Council may accept a financial contribution for the off-site provision of affordable homes. Off-site provision is considered on a site-by-site basis, must be clearly justified, and the agreed approach must positively contribute to the objective of creating mixed and balanced communities.

4.59 Policy H2 is clear that where off-site provision is accepted, the Council may accept either:

- off-site provision (i.e. direct provision by the developer on another site);  
or,
- a financial contribution (to the Council) in lieu of on-site provision.

4.60 The financial contribution will be calculated using the Council’s Affordable Housing Financial Contribution calculator and needs to enable the delivery of the same number, size and tenures of homes which would have been provided on site.



## 5 The planning application process

### Pre-application advice

5.1 The Council offers a pre-application advice service. This can identify and overcome potential issues and speed up the application process. This may help to minimise the costs of planning applications or avoid submitting an unacceptable proposal. See [www.hart.gov.uk/planning-and-building-control/planning-development/step-by-step/planning-application-process-step-1](http://www.hart.gov.uk/planning-and-building-control/planning-development/step-by-step/planning-application-process-step-1)

5.2 The Council's Planning Protocol is clear that:

*“When considering development proposals, the Council will take a positive approach that reflects the presumption in favour of sustainable development contained in the National Planning Policy Framework.*

*It will always work proactively with applicants jointly to find solutions which mean that proposals can be approved wherever possible, and to secure development that improves the economic, social, and environmental conditions in the area. This means that any discussions with applicants and developers at both pre-application and application stage will be positively framed as both parties work together to find solutions to problems. This does not necessarily mean however, that development that is unacceptable in principle or which causes harm to an interest of acknowledged importance, will be allowed.*

*The development plan is the starting point for decision making. Proposals that accord with the development plan will be approved without delay. Development that conflicts with the Local Plan will be refused unless other material considerations indicate otherwise.*

*Where there are no policies relevant to the application or relevant policies are out of date at the time of making the decision, the Council will seek to grant permission unless material considerations indicate otherwise – taking into account whether:*

- 1. any adverse impacts of granting permission would significantly and demonstrably outweigh the benefits, when assessed against the policies in the development plan taken as a whole, or*
- 2. specific policies in the development plan indicate that development should be restricted.*

*The Council will grant planning permission where we are satisfied that it will achieve a positive outcome that meets a recognised planning purpose.*

*Unsatisfactory applications will, however, be refused without discussion where:*

1. *the proposal is unacceptable in principle and there are no clear material considerations that indicate otherwise, or*
2. *a completely new design would be needed to overcome objections, or*
3. *clear pre-application advice has been given, but the applicant has not followed that advice, or*
4. *no pre-application advice has been sought.”*

5.3 With regards to engagement with Councillors please see [Positive Engagement: A guide for Councillors involved in making planning decisions – Good Practice Guidance Note](#).

5.4 Proposals for new residential development should be discussed with the Council's Planning Development Management Team as early as possible.

5.5 In determining the exact mix of affordable homes the Council will use a range of information including the [Hart District Council Housing Strategy 2020-2025](#), the housing register and where available, local housing needs surveys. The Council's Housing Register is a comprehensive list of individuals and households that have applied for and qualify for affordable homes in Hart district. The data held is used to support the development and housing enabling process and to assist the Council in ensuring that new affordable homes meet an identified need, including for those with mobility issues.

5.6 In relation to the provision of affordable homes, and following initial discussions with the Planning Development Management team, applicants are encouraged to prepare and submit the following information when seeking pre-application advice:

- a site plan showing the suggested location and distribution of the affordable homes, including details regarding size and tenure;
- an accommodation schedule for each home detailing;
  - phase number (if applicable)
  - plot number
  - property size (by number of bedrooms)
  - property size (by m<sup>2</sup>)
  - maximum occupancy
  - floor level (for flats)
  - property type
  - property tenure
  - number of cycle and car parking spaces and
  - details regarding accessibility provision in line with Building Regulations Part M4(2) or M4(3)
- details regarding the proposed phasing and timing of delivery of the affordable homes on site.

## Planning application requirements

5.7 The Council's [Non-householder applications' validation requirements \(hart.gov.uk\)](#) sets out the requirements for an **Affordable Housing Statement**

to be submitted with a planning application on qualifying developments which should include:

- the numbers of affordable homes,
- an accommodation schedule detailing; the number and tenure of the affordable homes with numbers of bedrooms, size (by m<sup>2</sup>), plot numbers and type of property e.g. flat, house etc.,
- plans showing the location of all affordable homes and their number of habitable rooms and/or bedrooms, and/or the floor space of the affordable homes, and
- details of any Registered Provider acting as partners in the development.

5.8 We also request that the Affordable Housing Statement is submitted at pre-application stage and includes information on dwelling size in terms of maximum occupancy. See section on occupancy levels above.

5.9 If different levels or types of affordability or tenure are proposed for different homes this should be clearly and fully explained. Applicants should also demonstrate how they meet other matters including accessibility requirements and car and cycle parking standards.

5.10 Registered Providers should ensure that their housing management teams are able to comment on any scheme being promoted and that any concerns are resolved by practical design and appropriate and reasonable lettings arrangements.

## **Content of S106 legal agreement**

5.11 A Section 106 agreement is a legal agreement between the developer / landowner and the local planning authority, made under Section 106 of the Town and Country Planning Act 1990 (as amended). It is the means by which the local planning authority secures, and controls, amongst other things, the provision and delivery of affordable homes in the development.

5.12 A Section 106 agreement will normally cover (but is not limited to) the following:

- a description of the affordable/specialist homes and the property size (number of bedrooms), type and tenure mix if appropriate,
- the location of the affordable homes within the site,
- the phasing of on-site affordable homes provision within the overall scheme to ensure that affordable homes are developed at an agreed rate in relation to the market housing,
- restrictions on the commencement of development until the affordable housing has been approved by the Council (if this has not already been approved as part of the application),
- ensuring that homes are transferred to a registered provider at a price agreed with the Registered Provider (RP),
- that the allocation of the rented homes should be through the Council's housing register and any other eligibility requirements,

- arrangements for the involvement of RPs or any other appropriate agency,
- the nature of the rented affordable accommodation to be provided e.g. Affordable Rent or Social Rent.
- set discount levels on discounted market homes,
- ensuring the homes remain affordable in perpetuity, including any conditions related to Designated Protected Areas (DPAs) or other relevant restrictions which may prevent 100% purchase of the homes,
- the mechanism, if appropriate, to secure and spend a financial contribution towards off-site affordable homes,
- a mechanism to assess or change the scope of the S106 Agreement; and,
- recycling arrangements where staircasing up to full ownership takes place.

5.13 The Section 106 agreement will also cover other issues not related to affordable housing. Applicants are encouraged to provide draft Heads of Terms with their planning applications to ensure that their application can be dealt with as quickly as possible.

## 6 Property management, allocations and affordability

- 6.1 The Council expects affordable homes to be owned and managed by one of the Registered Providers (RPs) on the [Council's list of preferred partners](#). Elements of the rent levels and allocations process will be set out in the S106.
- 6.2 There should be a Nomination Agreement between the Council and the RP for the rented affordable housing giving the Council the right to nominate 100% of the homes on first let. The subsequent lets to be allocated will be as per the Nomination Agreement in place at that time.
- 6.3 The Council's [Allocations Policy](#) enables applicants on the Housing Register to participate in the allocations process and make informed choices about their housing options. It also aims to make the best possible use of the available housing stock.

### Tenancies

- 6.4 Registered Providers (RPs) will let their properties according to their tenancy policies. RPs should have regard to the Council's [Tenancy Strategy 2023-28](#) when setting their policies.

### Affordability and rent levels

- 6.5 Affordable housing includes Social Rented, Affordable Rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regards to local incomes and local house prices.
- 6.6 Our preference is for 'social rented' accommodation. Social rents are typically 60-65% of open market rent levels for an equivalent property.
- 6.7 Where Affordable Rent homes are provided, rent' levels for 1, 2 and 3 bed rented properties should be set at no more than the maximum of Local Housing Allowance (LHA) rate for the Broad Rental Market Area (BRMA) in which the properties are located to ensure they are affordable in perpetuity. Hart district falls under three BRMA areas - Blackwater Valley, Basingstoke and Reading, with the majority of homes falling within the Blackwater Valley or Basingstoke LHA rates. For further information see [Understanding Local Housing Allowances rates and broad rental market areas - GOV.UK \(www.gov.uk\)](#).
- 6.8 'Affordable rent' levels for 4 bed properties should be set at a maximum of 64% of LHA rate in the Blackwater Valley BRMA area, 78% of LHA in the Basingstoke BRMA area and 66% of LHA in the Reading BMRA area.
- 6.9 The Government publish guidance on the LHA at [Local Housing Allowance - GOV.UK \(www.gov.uk\)](#).

6.10 Rent levels will be secured through the S106 agreement.

6.11 Any service charge costs for occupiers of all affordable home tenures should be kept to a minimum.

## Appendix 1 Deriving average minimum gross internal floor area

- A.1.1 This TAN, at paragraphs 4.3-4.10, sets out how the Council will assess whether efficient use is being made a development site looking at density and the sizes of homes proposed.
- A.1.2 With regards to the sizes of homes proposed, paragraph 4.9 includes the following statement: “The average minimum GIAs are: **48m<sup>2</sup> for 1-bed homes; 70m<sup>2</sup> for 2-bed homes; 91m<sup>2</sup> for 3-bed homes; 110m<sup>2</sup> for 4-bed homes.**”
- A1.3 These figures are derived from the [Nationally Described Space Standards](#) which set out minimum gross internal floor areas (GIAs) for 1-bed, 2-bed, 3-bed, 4-bed, 5-bed and 6-bed homes. The minimum GIAs vary depending on the number of bed spaces (persons) and the number of storeys: the more bed spaces (persons) and/or the more storeys the higher the minimum GIA.
- A1.4 The table below shows for homes with different numbers of bedrooms the smallest minimum GIA and the largest minimum GIA. The final column shows the average between the two.

Number of bedrooms	Smallest minimum GIA (m <sup>2</sup> )	Largest minimum GIA (m <sup>2</sup> )	Average minimum GIA (m <sup>2</sup> )
1	37	58	48
2	61	79	70
3	74	108	91
4	90	130	110
5	103	134	119
6	116	138	127

## Appendix 2 Vacant Building Credit

A2.1 Vacant Building Credit (VBC) was introduced by the Government with the aim of stimulating the development of vacant buildings on brownfield sites. In certain circumstances VBC offers developers a financial credit based on the existing gross internal floor area of any vacant building on the development site.

A2.2 In order to qualify as a vacant building, the entire building must be demonstrated to be vacant. Where a building is partly occupied it will be deemed ineligible for the vacant building credit. It is a vacant building credit, not a vacant floorspace credit. The credit is only applicable to relevant vacant buildings; the Council will not accept, for example, sheds and non-permanent buildings as being relevant for the purposes of calculating a vacant building credit.

A2.3 If VBC is being sought a Vacant Building Credit Statement must be submitted alongside the relevant planning application in which a reduced affordable housing contribution is being sought.

A2.4 Within this statement the developer will need to submit the following information:

- Evidence that any referenced building is a 'Vacant Building'. A building will not be considered as 'vacant' if the building has been in continuous use for any six months during the last three years up to the date that the planning application is validated. The building must also be vacant at the time the application is determined (the applicant will be required to (re)confirm this at the date of determination or as close as possible to that date);
- Evidence a building on site is not an 'Abandoned Building' or vacated solely for the purpose of redevelopment. The onus will be on the applicant to demonstrate this. The four factors the Council will take into account are:
  - The physical condition of the building;
  - The length of time that the building had not been used;
  - Whether it had been used for any other purposes; and
  - The owner's intentions;
- Information on the existing Gross Internal Floor Area (GIFA) against the proposed GIFA. GIFA is the area of a building measured to the internal face of the perimeter walls at each floor level. We will use the Royal Institution of Chartered Surveyors' (RICS) definition of GIFA for assessing VBC.

A2.5 If the Council accepts that VBC applies to the proposed site, the information on floor space will inform the reduction in the level of affordable homes.

A2.6 The Council will determine on a case-by-case basis whether a building is vacant or abandoned. As is commonly the case with outline planning applications it may not be clear what the actual number of homes, or the size of those homes, may be. Therefore, it will be difficult to quantify what vacant building credit will be applicable. Where the local planning authority agrees that



the VBC may be applicable, the applicant will be expected to enter into a Section 106 Agreement at the outline stage to enable the matter to be deferred to a later stage when the relevant details of the scheme have been finalised. If the VBC is applicable to the proposed site, the information on floor space will inform the level of affordable housing contributions. The building should not be demolished until the application providing details of the replacement homes has been approved.

A2.7 Further information on VBC can be found in the PPG at [Planning obligations - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/262212/Planning_obligations_-_GOV.UK.pdf)

## Glossary

**Affordable housing** (*as defined in the National Planning Policy Framework*): 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 (this definition should be read in conjunction with relevant policy contained in the Affordable Homes Update Written Ministerial Statement published on 24 May 2021):

a) **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).

b) **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.

c) **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.

d) **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.

**Affordable Rent homes**: Homes that are let at least 20% below local market rents. The market rent or market value refers to the cost of housing either for rent or for sale

in the private sector. Calculating market costs takes into account the property size, type, and location.

**Build to Rent:** Purpose built homes that are typically available at 100% rent (i.e. rent is 100% of the charge for each property). It can form part of a wider multi-tenure development comprising either flats or houses but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more and will typically be professionally managed stock in single ownership and management control.

**Discounted market sales homes:** are those 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 homes remain at a discount for future eligible households.

**First Homes:** a form of discounted market sale affordable housing which is available for a minimum of 30% below OMV and is subject to a number of qualifying criteria. First Homes are the Government's preferred discounted market tenure.

**Housing Strategy:** a document prepared by a local authority which sets out what it needs in terms of housing. It establishes priorities for action consistent with wider regional and national issues.

**Intermediate Rent:** (also known as Intermediate Market Rent) is a rental option that offers homes at less than the market rate. The rent charged is normally approximately 20% lower than what someone would expect to pay for a similar home in a similar area if they were renting from a private landlord. It is designed to help people who cannot afford to buy a home on the open market to save for a deposit to enable them to purchase a property in the future

**Local Plan:** The plan for the future development in the area, drawn up by the local planning authority in consultation with the community.

**National Planning Policy Framework (NPPF):** Sets out the Government's planning policies for England and how these are expected to be applied.

**National Planning Policy Guidance (NPPG):** The planning practice guidance supports the NPPF.

**Planning obligation:** A legal agreement entered into under Section 106 of the Town and Country Planning Act 1990 to mitigate the impacts of a development proposal.

**Registered providers (RPs):** Government funded not-for-profit organisations that provide affordable housing. They include housing associations, trusts and cooperatives. They work with local authorities to provide homes for people meeting the affordable homes criteria. As well as developing land and building homes, they undertake a landlord function by maintaining properties and collecting rent.

**Section 106 Agreement (S106):** A legal agreement, under Section 106 of the Town and Country Planning Act 1990, between a local authority and a landowner, to regulate the development or use of land in a way that cannot effectively be controlled by planning conditions. This may be used to secure benefits or financial contributions, such as for the provision of community facilities, play space or transport related improvements.

**Shared ownership homes:** A form of intermediate affordable housing which is partly sold and partly rented to the occupiers, with a Registered Provider being the landlord. Shared ownership homes should normally offer a maximum initial share of between 10% and 75% of the open market value of the home. The annual rental charges on the unsold equity (share) should not exceed the Government guidance relevant at the time of purchase.

**Social Rent homes:** Homes that are let at a level of rent generally set much lower than those charged on the open market, available to those recognised by the Council as being in housing need and offering long term security of tenure (through Secure or Assured tenancies). The rent should be calculated using the most up to date Government approved formula.