

Affordable Housing Supplementary Planning Document (SPD)

Draft March 2025



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Affordable Housing Supplementary Planning Document (SPD)

1. Introduction

- 1.1 A Supplementary Planning Document (SPD) elaborates upon policies in the Development Plan, which in the case of East Hampshire are the ‘saved’ policies in the adopted East Hampshire District Local Plan Second Review (2006), the adopted Joint Core Strategy (2014, for the period 2011-2028), and the Local Plan: Housing and Employment Allocation Plan (2016).
- 1.2 SPDs are a material consideration in planning decisions and decision makers will use them to help determine planning applications.
- 1.3 As SPD’s do not form part of the development plan, they cannot introduce new planning policies into the development plan and should not add unnecessarily to the financial burdens that the planning system places on development.
- 1.4 This SPD provides further guidance regarding the application of Joint Core Strategy (JCS) Policies CP13 - Affordable housing on residential development adopted in 2014, CP14 – Affordable Housing for Rural Communities, CP11 Housing Tenure, Type and Mix, and CSWB4 Housing (applied to Whitehill & Bordon). Several Neighbourhood Plans have policies relating to affordable housing (see para.3.15).
- 1.5 This SPD only applies to that part of the District that falls within East Hampshire Local Planning Authority area and does not include the South Downs National Park (SDNP).

2. Purpose of this SPD

- 2.1 East Hampshire is one of the most unaffordable areas to live in Hampshire, with current affordability ratios at 13.03¹, suggesting the average person needs in excess of 13-times their salary to afford an average priced home. The Council’s Housing and Employment Needs Assessment (HEDNA, 2022) says, “the analysis identifies a notable need for affordable housing, and it is clear that provision of new affordable housing is an important and pressing issue across the District.”
- 2.2 This SPD responds to that need and offers clarification on the provision of affordable housing in East Hampshire, to ensure that appropriate provision is being made where and how it should, and that affordable housing delivery is maximised. This is key - as the HEDNA 2022 says, “the evidence does however suggest that affordable housing delivery should be maximised where opportunities arise”, which is supported by Policy CP11 which seeks to “maximise the delivery of affordable housing”.

¹ March 2024, ONS

- 2.3 Further, Joint Core Strategy CP13 refers to the preparation of an SPD, saying “The general criteria for determining the size and type of affordable homes will be set out in SPD for particular locations. This would allow for the flexibility needed. The Council will set out the size and type of affordable housing likely to be needed on specific sites through the Local Plan: Allocations or a development brief SPD. This would allow the use of the most up to date information.”
- 2.4 Affordable housing must be considered early in the planning process so that the optimum quantity and mix of affordable homes that meet local needs is delivered.

3. Context

Planning and Housing Policy (Context)

- 3.1 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.

National Planning Policy Framework (NPPF)

- 3.2 The National Planning Policy Framework (NPPF, 2024) sets out the Government’s planning policies for England and how these should be applied. It provides a framework within which locally prepared plans for housing and other development can be produced, including for the delivery of affordable homes.
- 3.3 The NPPF (2024) makes clear the Government’s objective of significantly boosting the supply of homes with the overall aim being to meet an area’s identified housing need, including with an appropriate mix of housing types for the local community.
- 3.4 The NPPF includes a definition of affordable homes (Annex 2) covering social rent, affordable housing for rent, discounted market sales housing, and other affordable routes to home ownership.
- 3.5 The NPPF says that strategic policies should make sufficient provision for affordable housing (para 20), and that plans should set out the levels and types of affordable housing provision required (para 35). Following on, para 63 says that “the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies” and that this includes those who require affordable housing (including social rent).
- 3.6 Para 64 states planning policies should specify the type of affordable housing required and expect it to be met on-site unless specific referenced criteria are met. Para 65 then goes on to state when affordable housing should be provided – stating only on major developments, as defined in the glossary of the NPPF, and Para 66 dealing with aspects of mix of provision, “Where major development involving the provision of housing is proposed, planning policies and decisions should expect that the mix of affordable housing required meets identified local needs, across Social Rent, other affordable housing for rent and affordable home ownership tenures”.

- 3.7 The NPPF supports rural exception sites, saying “Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs, and consider whether allowing some market housing on these sites would help to facilitate this”. (para 82).

Planning Practice Guidance

- 3.8 [Planning Practice Guidance](#) (PPG) provides extra detail and guidance to support national planning policies, including how to assess the need for market and affordable homes and how to enable their delivery.
- 3.9 Within a section on Planning Obligations, of note; “It is not appropriate for plan-makers to set out new formulaic approaches to planning obligations in supplementary planning documents or supporting evidence base documents, as these would not be subject to examination.”

East Hampshire Development Plan

- 3.10 The [Development Plan Documents](#) of the Council relevant to the delivery of affordable housing are the Joint Core Strategy (2014) and Housing and Employment Allocations (2016). Also relevant are the 7 [Neighbourhood Plans](#) adopted in the district to date.
- 3.11 Two key issues and challenges identified in the Joint Core Strategy (2014) are:
- High average house prices creating affordability problems for local people, first time buyers and essential key workers, especially in rural areas.
 - A deficit in affordable housing supply and the current completion rate is below the annual level required to address the deficit. Provision of affordable housing in rural areas is particularly problematic.
- These issues and challenges remain.
- 3.12 The relevant policies to which this SPD relate in the JCS are:
- CP13 Affordable Housing on Residential Development Sites
 - CP14 Affordable Housing for Rural Communities
 - CP11 Housing Tenure, Type and Mix
 - CSWB4 Housing (applied to Whitehill & Bordon)
- 3.13 The text of these policies is available in Appendix A, and in the [Joint Core Strategy](#) itself.
- 3.14 In 2016, the Council adopted the Housing and Employment Allocations (DPD), which identifies land and allocates specific sites to enable the delivery of Joint Core Strategy (for East Hampshire outside the South Downs National Park). Site allocation policies do not state the quantum of affordable housing to be delivered on site, as such, relevant policies and thresholds would be applied at the point of determining a planning application. There are three sites allocated in this DPD that have not progressed towards seeking planning permission.

Neighbourhood Plans

3.15 Of the 7 made [Neighbourhood Plans](#), of note;

- Alton Neighbourhood Plan (2021) emphasises its support for affordable housing;
- Beech Neighbourhood Plan (2021) recognises “a long-standing need for affordable housing for local people”;
- Ropley Neighbourhood Plan (2019) devotes considerable attention to the issue of affordable housing and allocates a site - Policy RNP18 allocates land for 14 homes, comprising of six 2/3-bedroom homes for sale to local people for affordable home ownership, five 1/2-bedroom affordable housing units for rent and three 3-bedroom market houses.
- Bramshott and Liphook Neighbourhood Plan (2024) includes Policy BL2 Meeting Local Housing Needs which should be read as a whole, and includes “The tenure of affordable units should meet the specific needs of the parish”.

Community Infrastructure Levy (CIL)

3.16 East Hampshire District Council has adopted the Community Infrastructure Levy (CIL) as its primary means of securing developer contributions towards infrastructure provision in the borough. CIL is a standardised non-negotiable levy that is charged to new development to raise funds to deliver infrastructure to support development. The Community Infrastructure Levy (CIL) was adopted by the Council on 14 January 2021.

3.17 The CIL applies to most new buildings, but affordable housing and any development for charitable purposes are exempt from the charge. Contributions for these will continue to be sought through a Section 106 planning obligation. On mixed tenure housing schemes, only market dwellings will be liable for the CIL payments.

Annual Monitoring Report

3.18 Delivery against JCS Policy CP13 is monitored through [Annual Monitoring Reports](#).

Table 1 Affordable Housing Completions per year

Year	Net dwelling completions	Market completions	Affordable completions	% affordable
2011-2012	264	214	50	19%
2012-2013	279	201	78	28%
2013-2014	325	216	109	34%
2014-2015	485	389	96	20%
2015-2016	404	350	54	15%
2016-2017	424	310	114	27%
2017-2018	792	576	216	27%
2018-2019	948	689	259	27%
2019-2020	626	418	208	33%
2020-2021	366	275	91	25%
2021-2022	495	336	159	32%
2022-2023	453	319	134	30%

2023-2024	252	150	102	40%
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3.19 Since 2011, 1,670 affordable homes have been completed in East Hampshire (outside the SDNP). Of the total amount of homes completed (6,011 - net), this is 28%.

East Hampshire Affordable Housing Strategy 2022-25

3.20 The Affordable Housing Strategy 2022-25 sets priorities on supply, affordability, quality, inclusion and sustainability, with actions on how the Council will meet them.

Table 2 The Affordable Housing Strategy 2022-25 Priorities

Topic	Priority
Supply	<ul style="list-style-type: none"> • Maximise opportunities that increase the supply of affordable housing through S106 • Maximise opportunities that increase supply in rural areas and outside of established settlement boundaries • Use Affordable Housing Developer Contributions to support delivery of the strategic priorities within this document • Explore development opportunities on Council and Housing Association owned land • Innovate to accumulate
Affordability	<ul style="list-style-type: none"> • Diversify the affordable housing offer to serve the needs of all, regardless of income or circumstance
Quality	<ul style="list-style-type: none"> • Provide residents with homes, not just bricks and mortar • Monitor the condition of existing housing stock
Inclusion	<ul style="list-style-type: none"> • Create specialist forms of housing to ensure no person or group are excluded
Sustainability	<ul style="list-style-type: none"> • Strengthen communities by prioritising the social, economic and environmental factors when place making

Affordable Housing Need (Context)

3.21 The Housing and Economic Development Needs Assessment (HEDNA) examines housing and employment needs within East Hampshire.

3.22 The Council uses Hampshire Home Choice to allocate social housing for rent. The total number of households registered on Hampshire Home Choice as of 1st April 2024 is provided in the table below.

Table 3 Hampshire Home Choice Data

Bedroom Need	Number of Households with an East Hampshire Connection
1 bed	854
2 bed	465
3 bed	286
4+ bed	88
Total	1693

4. Delivery of Affordable Housing

- 4.1 JCS Policy CP11 makes it clear that new residential development will be required to maximise the delivery of affordable housing.

Thresholds

- 4.2 Whilst Joint Core Strategy Policy CP13 Affordable Housing on Residential Development Sites requires provision of affordable housing on sites of 1 or more additional dwellings (net), this threshold has been superseded by the National Planning Policy Framework (2024) which states;

“Provision of affordable housing should not be sought for residential developments that are not major developments”. (NPPF para 65). Major development for housing is defined as “development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more” (NPPF glossary p.72).

- 4.3 As such, **affordable housing should only be sought on developments of 10 or more homes, or a site area of 0.5ha or more.** See Examples in Table 4 which set out various scenarios of how this applied.

- 4.4 With regards to NPPF para 65, there are currently no designated rural areas in East Hampshire outside the SDNP where a lower threshold exists. However, note

- The [latest progress of proposals](#) to include parts of East Hampshire within a National Landscape (formerly referred to as an Area of Outstanding Natural Beauty (AONB)) by Natural England which could change this, and
- An application has been made by the Council to the Secretary of State (December 2024) to have 17 Parishes in East Hampshire designated as rural areas.

- 4.5 Also note the NPPF says, *“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”.* See footnote 30 of the NPPF.

Proportion – how much affordable housing does a development need to provide?

4.6 Joint Core Strategy Policy CP13 Affordable Housing on Residential Development Sites says,

“The target is for 40% of all new dwellings to be provided as affordable housing. In Whitehill & Bordon the target will be 35% (see Policy CSWB4).”

“The target number and tenure split of affordable housing will be negotiated on a site by-site basis, depending on individual site circumstances (e.g. development viability, site surroundings) and affordable housing needs.”

4.7 See policy (Appendix A) for full wording. As such, the expectation is **40%** provision of affordable housing, and **35%** in Whitehill & Bordon.

4.8 If the calculated provision of affordable housing doesn't create a whole number (e.g. 17.5), a financial contribution (commuted sum) is required to account for the requirement to provide that proportion of affordable housing, or the figure can be rounded up to provide one additional affordable home onsite. Where 0.6 or greater, rounding up and provision on site is encouraged.

Location – where should affordable housing be provided?

4.9 Joint Core Strategy Policy CP13 Affordable Housing on Residential Development Sites says, *“Affordable housing will normally be provided on-site”*. Para 64 of the NPPF says that planning policies should state that affordable housing is expected to be provided 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.”

4.10 It is therefore the expectation that affordable housing is provided on the proposed development site. However, in some cases, with regard to a and b above, it may be that a commuted sum is required for the whole or part affordable housing contribution. The method of calculating the commuted sum is set out in Figure 1.

4.11 JCS Policy CP13 says, *“The affordable housing should be fully integrated within the residential development by being dispersed amongst, and indistinguishable from, the market housing. It should be spread randomly throughout the development and be genuinely ‘pepper potted’ and not in blocks.”*

4.12 Whilst small clusters of affordable homes are often appropriate, large concentrations of affordable homes must be avoided to help achieve mixed and balanced communities. The design and layout of new development should also meet the requirements of national and local policies on urban design and follow the guidance of the National Design Guide to ensure that the ten characteristics of well-designed places are delivered.

4.13 Where compatible with other policy requirements, 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). Small terraces and pairs of semi-detached properties should be delivered as the same tenure. Blocks of flats should consist of homes of the same tenure, i.e., just rented, or just shared ownership and not a mix. A maximum of 12-15 flats should be provided together in one block. Concentrations of flats may be inappropriate, depending on the site-specific context for development and the existing pattern of built form and housing density. Where concentrations of flats would be inappropriate, blocks of flats should be well distributed across the whole site and within any given phase.

Calculations

How much affordable housing is required?

4.14 Table 3 sets out various scenarios to demonstrate how the amount of affordable housing required is calculated.

4.15 The following are key aspects to note:

- Sites of 0.5ha or more require an affordable housing contribution even if the amount of housing proposed is less than 10 homes (as per NPPF 2024 requirement).
- The trigger is gross rather than net, as such even if the net gain were not 10 homes, if 10 homes overall (gross) were proposed, an affordable housing requirement would be triggered.
- The % requirement (40% or 35% depending on location) is of the total amount of new homes (the gross amount), not the increase in the number of new homes (the net amount).

4.16 Table 4 Examples of how much affordable housing is required

Proposal: 10 new homes on a site with no existing homes Provision: 4 affordable homes and no commuted sum ($0.4 \times 10 = 4$)
Proposal: 16 new homes on a site with 3 existing homes (net gain 13 homes) Provision: 6 affordable homes and commuted sum of 0.4 ($0.4 \times 16 = 6.4$)
Proposal: 10 new homes on a site with 5 existing homes (net gain 5 homes) Provision: 4 affordable homes ($0.4 \times 10 = 4$)
Proposal: 9 new homes, site size 0.5ha, no existing homes Provision: 3 affordable homes and a commuted sum of 0.6 ($0.4 \times 9 = 3.6$) or rounding up and provision of 1 additional affordable home on site.
Proposal: 1 new home, site size 0.5ha, no existing homes Provision: A commuted sum of 0.4 ($0.4 \times 1 = 0.4$).
Proposal: 50 new homes on a site with no existing homes, in Whitehill & Bordon Provision: 17 affordable homes and commuted sum of 0.5 ($0.35 \times 50 = 17.5$).

How is the commuted sum calculated?

4.17 Figure 1 - Calculation method of commuted sum



Step 1: Establish the cumulative Gross Internal Area (GIA) of the development proposed. This is the whole development, not just the affordable housing.



Step 2: Multiply the cumulative Gross Internal Area (GIA) by the commuted sum rate detailed in Table 2 that relates to the Parish where the development is located.



Step 3: If some provision is being made on site, so the calculation relates to part off site contribution, the amount established in Step 2 is proportioned accordingly. The same proportioned approach is applied when the figure is not a whole number.

4.18 The [Infrastructure Funding Statement](#) (IFS, 2024) identifies the commuted sum rate, however this has not been index linked. The commuted sum rate was established through evidence in August 2015 and adopted in the Planning Contributions and Community Infrastructure Levy SPD in April 2016. The rates detailed in Table 2, within the SPD are subject to the indexation and updated annually alongside the publication of the IFS.

4.19 The Planning Contributions and Community Infrastructure Levy SPD has since been withdrawn (in January 2022), but the commuted sum rates reported in the IFS 2024 are based on the evidence established in 2015. However, to make them appropriate and relevant to today, indexation has been applied in this note (as set out in Table 5). These are the figures that should be used for the calculation in Figure 1.

4.20 Table 5 Affordable Housing Commuted Sums

	Group 1	Group 2	Group 3	Group 4
Parish	Whitehill and Bordon	Clanfield	Alton	Beech
		Headley	Bramshott and Liphook	Bentley
		Horndean	East Tisted	Bentworth
		Rowlands Castle	Four Marks	Binstead
			Froyle	Chawton
			Grayshott	Farringdon
			Lasham	Kingsley
			Medstead	Selborne
			Ropley	Wield
			Shalden	Worldham
Commuted sum (£) per square metre (GIA) indexed²	£229.92	£387.99	£510.14	£646.65

4.21 For clarification, some worked examples are provided below. Effectively it is a calculation of an amount of money per square metre – and varies depending on the location of the development (some areas require a higher amount than others).

² Using the BCIS All-in Tender Price Indices, using the 2015 (4Q15) indexation rates

4.22 Table 6 Examples of calculations

Example A

Proposal: Development of 61 new homes in Bramshott and Liphook. No affordable houses to be provided on site, so a commuted sum is to be calculated for the full requirement of affordable housing. The cumulative Gross Internal Area (GIA) of the development proposed is 6,895 sqm.

Calculation:

Step 1: Establish the cumulative Gross Internal Area (GIA) of the development proposed. This is 6,895 sqm, which is the GIA of 61 homes.

Step 2: Multiply the cumulative Gross Internal Area (GIA) by the commuted sum rate that relates to the Parish where the development is located.

$$6,895 \text{ sqm} \times \text{£}510.14 = \text{£}3,517,415.30$$

Step 3: Not required as the full requirement is to be made via a commuted sum rather than on site. The commuted sum required is **£3,517,415.30**.

Example B

Proposal: Development of 76 new homes in Rowlands Castle, following demolition of 1 home (net gain 75). The affordable housing requirement is 30.4 homes. 30 homes are to be provided on site, and a commuted sum is to be calculated for the 0.4 requirement. The cumulative Gross Internal Area (GIA) of the development proposed is 8,645 sqm.

Calculation:

Step 1: Establish Gross Internal Area (GIA) of the development proposed. This is 8,645 sqm, which is the GIA of 76 homes.

Step 2: Multiply the cumulative Gross Internal Area (GIA) by the commuted sum rate that relates to the Parish where the development is located.

$$8,645 \text{ sqm} \times \text{£}387.99 = \text{£}3,354,173.55$$

Step 3: If some provision is being made on site, the calculation relates to part off site contribution, therefore the amount established in Step 2 is proportioned as follows:

£3,354,173.55 is the commuted sum for 30.4 affordable homes.

As such, the commuted sum for 1 affordable home is £110,334.66 ($\text{£}3,354,173.55 / 30.4 = \text{£}110,334.66$).

A commuted sum for 0.4 of an affordable home is required, as such $0.4 \text{ of } \text{£}110,334.66 = \text{£}44,133.86$

The commuted sum required is **£44,133.86**.

Example C

Proposal: Development of 150 new homes in Kingsley. Due to specific circumstances, the 60 affordable homes required cannot be fully provided on site; 45 affordable homes are to be provided on site, and a commuted sum is therefore required for 15 affordable homes. The cumulative Gross Internal Area (GIA) of the development proposed is 19,500 sqm.

Calculation:

Step 1: Establish Gross Internal Area (GIA) of the development proposed. This is 19,500 sqm, which is the GIA of 150 homes.

Step 2: Multiply the cumulative Gross Internal Area (GIA) by the commuted sum rate that relates to the Parish where the development is located.

$$19,500 \text{ sqm} \times \text{£}646.65 = \text{£}12,609,675$$

Step 3: If some provision is being made on site, the calculation relates to part off site contribution, therefore the amount established in Step 2 is proportioned as follows:

£12,609,675 is the commuted sum for 60 affordable homes.

As such, the commuted sum for 1 affordable home is £210,161.25 ($\text{£}12,609,675 / 60 = \text{£}210,161.25$)

A commuted sum for 15 affordable homes is required, as such $15 \times \text{£}210,161.25 = \text{£}3,152,418.75$.

The commuted sum required is **£3,152,418.75**.

Types of housing (Self build, Specialist, Older persons)

- 4.23 JCS Policy CP11 makes clear that new residential development will be required to “provide housing that meets a range of community requirements, including retirement, extra care housing and other housing for the elderly. Those with special or supported needs and people wishing to build their own homes”.

Self and custom build housing

- 4.24 Proposals for self and custom build homes are not exempt from the provision of affordable housing, and the content of this note applies to such proposals. For example, a proposal for two self-build homes on a site of 0.5ha would trigger a requirement for affordable housing.

Specialist housing, older persons housing and other types of housing

- 4.25 Homes in Use Class C3 ordinarily provide the facilities required for day-to-day living, whereby all the rooms (including kitchen, bathroom and toilet) are behind a single door which only that household can use. However, they can also include, but are 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).

4.26 JCS Policy CP13 applies to all types of residential development including private retirement homes, sheltered accommodation, extra care schemes and other housing for older people where these fall within Use Class C3 (Dwelling houses). Where specialist or supported accommodation within Use Class C3 is being provided applicants should approach the Local planning Authority at an early stage to establish whether on-site or off site affordable housing provision would be appropriate or whether the contribution should be in the form of a financial contribution. As much affordable housing as is viable (up to 40%) will be sought for specialist and supported housing in C3 use, on a site by site basis.

Viability

- 4.27 Policy CP13 says, “The Policy allows flexibility to consider site specific factors, including market changes, viability and what is right for the community. If a developer is proposing a lower target than 40% then they will need to clearly demonstrate to the planning authority why such a variation is necessary. Independent third party valuation expertise will be requested at the developer’s expense.”
- 4.28 Only when fully justified, or where other key strategic infrastructure is to be provided by the development and prioritised (supported by evidence) will the Local Planning Authority grant planning permission for schemes that do not provide the required amount of affordable housing. However, all contributions will be looked at in the round, and affordable housing remains a strategic priority.
- 4.29 In exceptional cases where it can be demonstrated that the provision of affordable housing on site will make the scheme unviable, the Local Planning Authority may accept a commuted sum in lieu of actual provision.

5. Requirements for Affordable Housing Provision

- 5.1 JCS Policy CP11 makes clear that new residential development will be required to “provide a range of dwelling tenures, types and sizes to meet housing needs.”

Determining the size and type of affordable homes

- 5.2 “The general criteria for determining the size and type of affordable homes will be set out in SPD for particular locations. This would allow for the flexibility needed. The Council will set out the size and type of affordable housing likely to be needed on specific sites through the Local Plan: Allocations or a development brief SPD.

This would allow the use of the most up to date information.” (para 6.37 JCS, supporting text to Policy CP13).

- 5.3 Policy CP13 says, “New residential development will be required to: b) provide a range of affordable housing types and sizes.” “The type and size of dwellings, in terms of bedroom numbers, habitable rooms or floorspace will be determined on a site-by-site basis using the most appropriate basis that helps deliver the type and size of affordable units needed, as identified by the Council.”
- 5.4 The Council declared a climate emergency in July 2019 and adopted a Climate change and sustainable construction SPD in April 2022. New affordable homes should be designed to meet the same high standards of energy efficiency, whilst including low or zero carbon energy generating technologies in accordance with Policy CP24. The choice of house type can affect space heating requirements, with terraced housing and apartments often being more energy efficient, whilst building design should be flexible to accommodate the changing needs of a household as family members age. Further guidance on building design is available within the Climate change and sustainable construction SPD.
- 5.5 To assist with finding suitable accommodation for households, and maximising options, a 2-bed affordable home should be capable of accommodating 4 people, and a 3-bed affordable home – 5-6 people, and a 4-bed affordable home – 6-7 people. As such bedroom sizes need to be considered to ensure rooms can be shared. A large master bedroom, with other small bedrooms does not provide the best opportunities for families which will result in longer void periods. Taking this approach would better assist in finding suitable accommodation for those on the Hampshire Home Choice waiting list.
- 5.6 Policy CP13 says, “The target number and tenure split of affordable housing will be negotiated on a siteby-site basis, depending on individual site circumstances (e.g. development viability, site surroundings) and affordable housing needs”.
- 5.7 Generally, as preference, the Council will likely seek 70% of the affordable housing provision as affordable housing for rent (as defined by the NPPF 2024), and 30% as other affordable home ownership products to be agreed. This is what has generally been delivered to date and is likely to be taken forward in the emerging Local Plan (subject to viability testing). Due to the acute need, it is also the preference for a minimum 25% of the 70% affordable housing for rent to be social rent. Affordable rents are to be capped at 80% of the market rent (including any service charges) and within the Local Housing Allowance (LHA) to ensure they remain affordable in perpetuity.
- 5.8 The Council’s priority is for affordable houses rather than flats, as these better meet needs. The Council is unlikely to support entire provision of affordable housing as flats, unless the nature of the site results in an entirely flatted scheme and the proposal would meet the requirements of national and local design policies.

National Described Space Standards

- 5.9 Beyond the gross internal floor area, or GIA, of a new home, National Described Space Standards also set minimum size requirements for key parts of the home like bedrooms, storage spaces and floor-to-ceiling heights. Importantly, these requirements are also linked to occupancy levels – meaning that they differ depending on how many people are meant to be living in any particular bedroom.
- 5.10 Affordable homes should meet the Nationally Described Space Standards. This helps to provide affordable housing that Registered Providers are willing to purchase and accommodation that is suitable for those on Hampshire Home Choice.
- 5.11 See [here](#)³ for the National Described Space Standards.

First Homes

- 5.12 'First Homes' was introduced as a new affordable home ownership product by the previous Government in May 2021. The NPPF 2024 says *"The requirement to deliver a minimum of 25% of affordable housing as First Homes, as set out in 'Affordable Homes Update' Written Ministerial Statement dated 24 May 2021, no longer applies. Delivery of First Homes can, however, continue where local planning authorities judge that they meet local need."*
- 5.13 The HEDNA 2022 explored in detail the matter of affordability in the Local Plan Area and it is apparent that given the high house prices about 40% of the population currently living in the private rented accommodation cannot afford to buy or rent market housing. Median house prices are about £207,500 for a flat in East Hampshire and to be affordable this would need to be around £125,000 - £142,000 so discounted by 23-32% (HEDNA 2022). So application of a 'First Homes' policy would potentially only generate 1 bed flats, whilst this would satisfy some of the affordable housing need it is considered that this is too restrictive.
- 5.14 Consequently, it is not proposed at this stage to require 'First Homes' as part of the affordable housing mix, that does not however preclude developers promoting such sites and each case will be assessed on a site by site basis.

Special or Supported Needs

- 5.15 Policy CP13 says, "provide affordable housing to meet a range of requirements of the local community, including the elderly and those with special or supported needs;" Where evidenced by local need, it is the Council's preference that one or more of the affordable dwellings is built as wheelchair user dwellings to meet, or exceed where justified, the requirements of Building Regulations M4(3).

³ www.gov.uk/government/publications/technical-housing-standards-nationally-described-space-standard

- 5.16 In 2023, four fully-accessible flats and carers accommodation were [delivered](#) in Alton as part of an off set of affordable housing, to provide homes for people with complex disabilities. The project was delivered in partnership with Treloars, an outstanding specialist school and college for physically disabled children and young people in Alton. Further opportunities for such provision are welcome to support students to remain in the local area after their education.

Rural exception sites

- 5.17 New residential development is not normally permitted outside of settlement policy boundaries⁴. This can lead to specific problems of housing affordability and generally results in low levels of affordable housing provision in the rural areas.
- 5.18 Where appropriate, the Council will support rural exception sites that will provide affordable housing to meet identified local needs. JCS Policy CP14 Affordable Housing for Rural Communities identifies criteria for consideration of such proposals outside of the settlement policy boundary.
- 5.19 JCS Policy CP14 says the proposal will only be permitted if it is, “modest in scale and relates well, in terms of location and in size, to the existing settlement”. The size of a rural exception site will depend on the level of need and site-specific considerations. As a general rule, rural exception sites are envisaged to be up to 20 dwellings, but this would not preclude larger developments where there is an established local need. The site should be well related to the village and existing facilities and be of a size proportionate to the settlement which has adequate facilities and services to ensure the development is sustainable.
- 5.20 JCS Policy CP14 says, “For those settlements with a settlement policy boundary, an element of market housing (which should typically be low cost market housing, such as shared ownership or a tenure set out in annex 2 of the NPPF “Other affordable routes to home ownership”) may be permitted, but will make up no more than 30% of the total dwellings on the site. The intention on such sites is to maximise the percentage of affordable housing provided.” Provision of up to 30% market housing must only be provided where it can be demonstrated that this is necessary to ensure the overall viability of the site. The purpose of this should be to facilitate the delivery of affordable housing. It should be noted that sites adjacent to settlements without a settlement policy boundary will be required to provide 100% affordable housing, unless exceptional circumstances are demonstrated.
- 5.21 As a criteria, CP14 lists if, “there is a proven local affordable housing need”. The policy also references ‘local people’ in the criteria. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection.

⁴ Subject to the local planning authority demonstrating a five year supply of deliverable housing sites (with the appropriate buffer as set out in the NPPF (paragraph 78) or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75% of) the housing requirement over the previous three years.

- 5.22 With regards to identifying the need, a housing needs survey for the village/parish can be provided, or data via Hampshire Home Choice is sufficient.
- 5.23 The people expressing a need to live in the locality will need to show that they:
- a. are unable to afford open market housing which is for rent or sale within the parish; and
 - b. are closely connected or have previously been closely connected to the parish through work or residence; or
 - c. have immediate family (parents, grandparents, adult children or siblings) who live in the parish; or
 - d. need to move to a particular parish where failure to meet that need would cause hardship to themselves or to others; or
 - e. have a real need to live in the parish to support or be supported by a member of family ordinarily resident in the parish.
- 5.24 There needs to be an identified demand for affordable housing to warrant a rural exception scheme. Other affordable housing tenures can also be provided where the applicant can evidence a need. With regards to identifying the need, a housing needs survey for the village/parish can be provided, or data via Hampshire Home Choice is sufficient.

6. Planning Process

Pre-application process

- 6.1 The Council provides a [pre-application advice](#) process, which is recommended for those seeking planning permission for new homes. 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.
- 6.2 If a proposal triggers a need for affordable housing provision, and particularly 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.
- 6.3 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.

Planning application requirements

- 6.4 See the validation [checklist](#), which includes an Affordable Housing Statement. In relation to the climate emergency, a sustainability checklist and carbon reduction statement should be prepared and submitted with a planning application for new housing. The climate change and sustainable construction SPD provides suitable proformas.

Triggers for payment

- 6.5 The triggers for payment of commuted sums are usually negotiated in the S106 agreement, but dependent on the size of the development, the Council would usually seek 25% prior to commencement, 25% prior to first occupation, and 50% at the point of completion.

Vacant Building Credit

- 6.6 If Vacant Building Credit applies any affordable housing contribution due will be reduced by a proportionate amount. A vacant building must be physically empty (i.e. not used for storage, excluding rubbish left after vacation of the buildings such as broken furniture/ papers etc.).

- 6.7 In coming to a view about whether the building is empty, the Council will need to:

- Consider whether the building is covered by an extant or recently expired planning permission for the same or substantially the same development;
- Consider the reason why the building became vacant and the last known use of the building;
- Consider whether there is an extant planning permission for the development of the building; and
- Establish current uses and extent of vacant areas through a site visit, speaking to other Council teams.

- 6.8 Vacant Building Credit does not apply where the building has been abandoned. 'Abandonment' in this context follows the interpretation in general planning law. The test is objective and is applied by consideration of the known circumstances. Factors such as the condition of the building, length of non-use, whether there has been an intervening use, and evidence of the owner's intentions, may determine whether a building has been abandoned. The Council may consider that the Vacant Building Credit is not appropriate for buildings which have become vacant solely to enable development to proceed.

How is the Vacant Building Credit calculated?

- 6.9 Applicants need to provide an independent valuation including the Gross Internal Floor Area⁵ and Open Market Value of any vacant building for which they wish to

⁵ Gross Internal Area (GIA) is defined in the RICS: Code of Measuring Practice 6th Edition (May 2015) as the internal area of a building measured to the inside face of perimeter walls at each floor level

claim Vacant Building Credit, and also for the proposed buildings. The Gross Internal Floor Areas and Open Market Values must be signed off by a RICS Chartered Surveyor or RIBA member architect. Please note that the onus will be on the Applicant to demonstrate to the satisfaction of the Local Planning Authority a building's vacancy and to provide accurate Gross Internal Floor Area measurements.

- 6.10 The following example shows how the methodology for calculating affordable housing contributions would be applied to a proposed development. This is for illustrative purposes only and should not be relied upon for calculation purposes.
- 6.11 The existing vacant Gross Internal Area of any buildings proposed to be brought back into lawful use or to be demolished and redeveloped will be calculated as a percentage of the proposed Gross Internal Area, leaving the net increase in floor space. The required percentage of affordable housing will then be applied only to the net increase in floor space.

Table 7 Vacant Building Credit Calculation

Element	Represented by/ units	Worked Example
Existing vacant floor space	A sq m	300 sq m
Proposed total floor space of new development	B sq m	Mixed use development providing 40 units 2,400sq m
Net increase in floor space (B-A)	C sq m	2,400sq m- 300 sq m= 2,100sq m
40% affordable housing required	D affordable homes usually required under planning policy	40% of 40 units is 16 affordable homes usually required
Calculation for affordable housing after Vacant Building Credit	$\frac{C}{B} \times D = E$	$\frac{2,100}{2,400} \times 16 = 14$ affordable homes required after VBC
Resulting Affordable Housing Requirement	E	14 affordable homes required

7. Appendices

Appendix A – Policy Text

For full supporting text, see the [Joint Core Strategy](#).

CP13 AFFORDABLE HOUSING ON RESIDENTIAL DEVELOPMENT SITES

In order to meet affordable housing needs, all residential development, which results in 1 or more additional dwellings (net), should contribute towards the provision of affordable housing. New residential development will be required to:

- a) provide affordable housing to meet a range of requirements of the local community, including the elderly and those with special or supported needs; and
- b) provide a range of affordable housing types and sizes.

The target is for 40% of all new dwellings to be provided as affordable housing. In Whitehill & Bordon the target will be 35% (see Policy CSWB4).

Affordable housing will normally be provided on-site. On smaller sites (4 dwellings or less (net)), where on-site provision is likely to be unsuitable, a financial contribution or off-site provision will be required.

The target number and tenure split of affordable housing will be negotiated on a site-by-site basis, depending on individual site circumstances (e.g. development viability, site surroundings) and affordable housing needs.

The affordable housing should be fully integrated within the residential development by being dispersed amongst, and indistinguishable from, the market housing. It should be spread randomly throughout the development and be genuinely ‘pepper potted’ and not in blocks. In the South Downs National Park new residential development will be required to maintain a focus on affordable housing provision, and any affordable housing provided should meet the needs of the local communities in the National Park area. The affordable housing provision will be secured by a planning obligation/legal agreement.

The type and size of dwellings, in terms of bedroom numbers, habitable rooms or floorspace will be determined on a site-by-site basis using the most appropriate basis that helps deliver the type and size of affordable units needed, as identified by the Council.

CP14 AFFORDABLE HOUSING FOR RURAL COMMUNITIES

Outside settlement policy boundaries, residential development will only be permitted if:

- a) it provides affordable housing for local people who are unable to obtain accommodation on the open market;
- b) there is a proven local affordable housing need;
- c) the need cannot be met within the settlement to which that need relates;
- d) the settlement provides a range of local services and facilities, or has accessibility to larger settlements nearby which provide a wider range of services and facilities;

e) the site is modest in scale and relates well, in terms of location and in size, to the existing settlement;

f) it provides dwellings which will be available as affordable housing for local people intuitively; and

g) within the South Downs National Park, there is no conflict with National Park purposes.

In order to meet identified affordable housing needs the Local Planning Authorities may allocate sites specifically for affordable housing at those settlements with a settlement policy boundary that have a specific local need. For those settlements with a settlement policy boundary, an element of market housing (which should normally be low cost market housing, such as starter homes) may be permitted, but will make up no more than 30% of the total dwellings on the site. The intention on such sites is to maximise the percentage of affordable housing provided. For sites adjacent to other settlements, the development will be required to provide 100% affordable housing, unless exceptional circumstances can be proven.

CP11 HOUSING TENURE, TYPE AND MIX

To address housing requirements and to help to create sustainable communities new residential development will be required to:

a) maximise the delivery of affordable housing;

b) provide a range of dwelling tenures, types and sizes to meet housing needs;

c) provide housing that meets a range of community requirements, including retirement, extra care housing and other housing for the elderly. Those with special or supported needs and people wishing to build their own homes; and

d) meet Lifetime Homes Standard as appropriate.

The Council and National Park Authority will seek to maintain a range of dwelling sizes in the settlements and countryside to meet housing needs. This will include the protection of areas of special housing character in settlements and applying restrictions on the size of replacement dwellings and extensions to existing dwellings in the countryside.

Within the South Downs National Park housing provision will be focused on the tenure, type and mix needed to serve local communities in the Park.

(see Policy CSWB4 for specific proposals for Whitehill & Bordon).

POLICY CSWB4 HOUSING

The target in Whitehill & Bordon is for 35% of all new dwellings to be provided as affordable housing subject to individual site circumstances (e.g. Development viability, site surroundings). Residential proposals must include a mix of housing types, with a proportion of family homes (3, 4 and 5 bedrooms) and executive homes that will help to correct the town's current housing imbalance.

Appendix B – Glossary

Affordable housing: 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) **Social Rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent; (b) the landlord is 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.

b) **Other affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for 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).

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.

Community Infrastructure Levy (CIL): A levy allowing local authorities to raise funds from owners or developers of land undertaking new building projects in their area.

Development plan: Is defined in section 38 of the Planning and Compulsory Purchase Act 2004, and includes adopted local plans, neighbourhood plans that have been made and published spatial development strategies, together with any regional strategy policies that remain in force. Neighbourhood plans that have been approved at referendum are also part of the development plan, unless the local planning authority decides that the neighbourhood plan should not be made.

Extra Care Housing: This describes a range of developments that comprise self-contained homes which have been designed, built or adapted to facilitate the care and support needs that its owner/tenants may have now or in the future, with access to care and support twenty four hours a day either on site or by call. It is also known as 'very sheltered housing', 'housing with care', 'assisted living' and 'close care'

Housing mix: A mix of homes of different types, sizes and tenures to support the requirements of a range of household sizes, ages and incomes. Different house types include detached houses, semi-detached houses, terraced houses, flats and bungalows.

Infrastructure: Basic services necessary for development to take place, for example, roads, electricity, sewerage, water, education and health facilities.

Local Housing Allowance: Local housing allowance amount is based on the area in which claimants live and the size of dwelling appropriate for claimant's household.

Local Housing Need: Housing requirements generated by the indigenous population rather than by in-migration.

Local planning authority: The public authority whose duty it is to carry out specific planning functions for a particular area. All references to local planning authority include the district council, London borough council, county council, Broads Authority, National Park Authority, the Mayor of London and a development corporation, to the extent appropriate to their responsibilities.

Local plan: A plan for the future development of a local area, drawn up by the local planning authority in consultation with the community, under the Town and Country Planning (Local Planning) (England) Regulations 2012. A local plan can consist of either strategic or nonstrategic policies, or a combination of the two.

Major development: For housing, development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. For non-residential development it means additional floorspace of 1,000m² or more, or a site of 1 hectare or more, or as otherwise provided in the Town and Country Planning (Development Management Procedure) (England) Order 2015.

Market Housing: Private housing for rent or for sale, where the price is set in the open market.

National Park: The statutory purposes of national parks are to conserve and enhance their natural beauty, wildlife and cultural heritage and to promote opportunities for public understanding and enjoyment of their special qualities. National parks are designated by Natural England, subject to confirmation by the Secretary of State under the National Parks and Access to the Countryside Act 1949.

National Planning Policy Framework (NPPF): The National Planning Policy Framework sets out the Government's planning policies for England and how these are expected to be applied. It provides a framework within which local people and their accountable councils can produce their own distinctive local and neighbourhood plans, which reflect the needs and priorities of their communities.

National Planning Practice Guidance (NPPG): The planning practice guidance supports the framework.

Neighbourhood plan: A plan prepared by a parish council or neighbourhood forum for a designated neighbourhood area. In law this is described as a neighbourhood development plan in the Planning and Compulsory Purchase Act 2004.

Older people: People over or approaching retirement age, including the active, newlyretired through to the very frail elderly; and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of retirement and specialised housing for those with support or care needs.

People with disabilities: People have a disability if they have a physical or mental impairment, and that impairment has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. These persons include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs.

Rural exception sites: Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of market homes may be allowed on the site at the local planning authority's discretion, for example where essential to enable the delivery of affordable units without grant funding.

Section 106 Agreement/Obligation: A section 106 (S106) agreement is a legally binding agreement or "planning obligation" between a local planning authority and a property owner. The purpose of a S106 agreement is to mitigate the impact of the development on the local community and infrastructure.

Self-build and custom-build housing: Housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual. Such housing can be either market or affordable housing. A legal definition, for the purpose of applying the Self-build and Custom Housebuilding Act 2015 (as amended), is contained in section 1(A1) and (A2) of that Act.

Settlement: A settlement typically consists of a village, comprised of more than a group of houses, or farmstead, including at least one service or facility, such as a village hall, public house or school.

Strategic policies: Policies and site allocations which address strategic priorities in line with the requirements of Section 19 (1B-E) of the Planning and Compulsory Purchase Act 2004.

Supplementary planning documents: Documents which add further detail to the policies in the development plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.