

Babergh and Mid Suffolk District Councils

Housing Supplementary Planning Document



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1. Introduction

1.1 Policy Context

- 1.1.1 The National Planning Policy Framework (NPPF) provides a framework within which locally prepared plans can provide for sufficient housing and other development in a sustainable manner. Accordingly, the NPPF sets out that *sufficient and up-to-date (locally prepared) plans should provide a positive vision for the future for each area; a framework for meeting housing needs and addressing other economic, social and environmental priorities; and a platform for local people to shape their surroundings* (Paragraph 15).
- 1.1.2 Babergh and Mid Suffolk District Councils adopted their Part 1 Joint Local Plan ('the JLP') in November 2023. The JLP sets out the vision and planning policy framework, including that for meeting housing, social and economic needs, for both Districts up to 2037.
- 1.1.3 The NPPF and the JLP must be taken into account in the consideration of planning decisions, which must also accord with relevant international obligations and statutory requirements. Both the NPPF and the JLP should be read as a whole (including footnotes and annexes), and all relevant policies should be taken into consideration.

1.2 Housing Need

- 1.2.1 The identified local housing need in Babergh and Mid Suffolk is set out in the table below.

Local Authority	Standard Method Total (2018 – 2037)	Annual Local Housing Need Target
Babergh	7,904	416
Mid Suffolk	10,165	535

- 1.2.2 In addition to ensuring that enough new housing is being delivered, the JLP sets out policies to ensure the right mix of tenure, size and type of new housing is delivered. The planned approach will provide a wide choice of homes and contribute towards sustaining mixed communities and demographics.
- 1.2.3 The purpose of this Supplementary Planning Document (SPD) is to supplement the relevant JLP policies, by providing supplementary information on the issues and considerations that are of relevance in meeting our housing needs.

2. Local Plan Policies

2.1 Strategic Policy 01 (SP01) – Housing Needs

Total Housing Needs

- 2.1.1 Policy SP01 sets out the overall housing requirement for each District, with regard to the need assessed via the Standard Method. It also sets a requirement for the mix, type and size of new housing to be informed by the relevant District needs assessment.
- 2.1.2 Point 3 of the policy does not relate to the quantitative need for housing in the relevant District or any given location (whether a proposal is justified in the respect of meeting quantified housing needs); it guides the approach to be taken to the mix of units in respect of tenure, size and type. District-level evidence will be used initially, but suitable local evidence may also be relevant.
- 2.1.3 The reference to tenures does not supplant the affordable housing requirement set by Policy SP02. The text below explains how the mix of size and type of open market units will be determined.

Approach to Open Market Mix

- 2.1.4 The district-wide needs assessments underpinning the Joint Local Plan underscore the requirement in Policy SP02 for major residential development to make provision for affordable housing. The process for determining site-specific affordable housing needs will be described in more detail elsewhere in this document.
- 2.1.5 In respect of open market homes, the Ipswich Strategic Housing Market Assessment (2017 with a partial update in 2019) ('SHMA') currently represents the relevant district-wide assessment. The SHMA sets out, in Part 2¹, the district-wide requirements for different unit sizes of open market homes in respect of bedrooms, reproduced below:

¹ Refer to the 2019 partial update to the SHMA. See Tables 4.4c and 4.5c in respect of Babergh and Tables 4.4e and 4.5e in respect of Mid Suffolk. The mix requirement for new owner-occupied dwellings, as identified in the SHMA, has been added together with the requirement for private rented dwellings in order to create the percentage split set out in this document. The 2014-based results have been used in order to be aligned with the Standard Method total housing need requirement.

Size of new open market accommodation required in Babergh and Mid Suffolk over the next 18 years

Percentage of increase in open market housing stock required, by unit size		
Size of home	Babergh	Mid Suffolk
One bedroom	13.1%	9.2%
Two bedroom	34.5%	32.5%
Three bedroom	29.6%	29.7%
Four or more bedrooms	22.7%	28.6%

- 2.1.6 The district-wide requirement is the starting point for determining the mix of open-market units on a given scheme. A more localised assessment, such as that carried out in support of a made Neighbourhood Plan, may be used to justify a deviation from mirroring the mix recommended by the SHMA.
- 2.1.7 Minor residential development schemes will have less ability to deliver a range of unit sizes to reflect needs. In order to fulfil the requirements of Policy SP01, small schemes can consider the mix of units delivered across the District as a whole (as reported in the Annual Monitoring Report) and whether, in the context of the site and with regard to the other policies of the development plan, the scheme can contribute to resolving any shortfalls of particular unit sizes.

Local Housing Needs Surveys

- 2.1.8 Any Local Housing Needs Surveys (LHNS) (which may comprise a range of technical assessments) being prepared under this policy (SP01) are to be used to consider the appropriate mix of open market units. Tenure is considered under Policy SP02. Acceptance of the conclusions of any particular assessment is at the respective Council's sole discretion and a survey under this policy will focus on consideration of objective data.
- 2.1.9 In order that overall needs are met, the justification for deviating from the district-wide requirement needs to be considered as part of the assessment, by using local and district-level data to identify the local context.
- 2.1.10 Local Housing Needs Surveys under Policy SP01 are expected to be based on an assessment of need, rather than market demand as assessed through purchase prices or sales volumes. Market demand is determined primarily by wealth and the availability of mortgage credit, with households having more buying power tending to choose larger homes.
- 2.1.11 Need for different dwelling sizes is determined primarily by household sizes, whereby the number of bedrooms is the key metric. Need for other types of dwelling is driven by factors such as reduced mobility creating a need for single storey living, for example.

2.1.12 Needs are to be assessed using objective data sources and should consider the following:

- (i) The current stock profile and the way in which a development can contribute to a rebalancing of the housing stock of a parish, relative to the district-wide mix of units.
- (ii) The current and projected demographic profile (age profile).
- (iii) Data on over or under-occupation (in order to consider the potential for more efficient occupation).
- (iv) Household composition.
- (v) A survey showing that local residents have indicated a need for a different housing mix, based on a need for more or fewer bedrooms.

2.1.13 Floorplans will be assessed to ensure that homes are not built with a surplus of rooms which have the potential to be used as additional bedrooms. As such, application documents will need to show internal layouts clearly, with room measurements provided. This is to help ensure that new housing development meets identified needs.

2.1.14 Home working is supported and as such the provision of one room identified as an office or study may be supported, but the size and dimensions of upstairs offices/studies will be considered against the Nationally Described Space Standard to determine whether they are likely to be usable as bedrooms, in which case they may be considered as such for the purposes of Policy SP01. In the case of single storey homes, this assessment will apply to all rooms.

2.1.15 Primary living rooms, primary dining rooms, kitchens, rooms with mains plumbing or toilets, rooms with no windows and rooms with external entrances will not be considered to be bedrooms.

2.1.16 Outline planning permissions will be subject to planning conditions to allow for the consideration of an appropriate open market mix at reserved matters stage.

2.1.17 With regard having been given to housing needs evidence as a starting point for designing a residential scheme, deviations from the evidenced needs may be justified with regard to the site context and the requirements of other policies of the development plan. Examples of ways in which context might allow for deviations from housing needs include:

- (i) A local housing needs assessment suggesting a different requirement in the parish.
- (ii) A shortfall or excess supply of a particular unit type or size in the parish, where the level of over or under-occupation as identified in

the Census deviates from the District average, suggesting that a development can help to address an imbalance and enable either downsizing or occupation of smaller, more affordable homes by younger people, helping to sustain communities.

- (iii) A high level of public transport accessibility suggesting a higher density of residential development.
- (iv) A design need to respond to or to follow the existing pattern of development.
- (v) Landscape or visual impacts requiring a limit on dwelling heights.

2.1.18 The Councils would always recommend seeking pre-application advice and this is a matter where early advice will assist applicants in preparing policy-compliant schemes.

2.2 Strategic Policy 02 (SP02) – Affordable Housing

2.2.1 Joint Local Plan Policy SP02 is a strategic policy which sets out the overall strategy for affordable housing to reflect the tenure and size needs for different people in the community. Affordable housing is an identified need within Babergh and Mid Suffolk Districts as required by Paragraph 63 of the NPPF (2023).

2.2.2 In order that the Districts' overall affordable housing needs will be met, Policy SP02 specifically requires a 35% affordable housing contribution on greenfield land or a 25% affordable housing contribution on brownfield land, from major residential sites (being, as per national policy, sites of ten or more dwellings or 0.5ha or more), and that the affordable housing mix should reflect evidence of needs. The policy also explains that the affordable housing requirement can only be varied in exceptional circumstances.

Meeting district-wide affordable housing needs

2.2.3 The affordable housing requirement in policy has been set in consideration of the fact that not every residential site will meet the major development threshold required to provide affordable housing, and a small number of sites will not be able to achieve policy compliance. Therefore, in order to have confidence that affordable housing targets can be met the Joint Local Plan has set a target that is the minimum number of affordable homes expected, not the maximum. Furthermore, affordable housing represents a benefit in a part of the country with challenging affordability issues.

Previously Developed Land (PDL)

2.2.4 The Government actively encourages the re-use of brownfield sites but also notes that these sites may incur additional costs above that expected from a greenfield site, dependent on previous use. The Councils recognises the

limited availability of brownfield sites within both Districts and the potential additional costs of development. Therefore, to incentivise the development of brownfield sites the percentage of affordable housing is set at 25% as opposed to 35% for greenfield sites. In this context, the definition of brownfield land is in line with that set out in the NPPF for 'Previously Developed Land'.

2.2.5 Where a site is partially greenfield and partially PDL, an estimate will be made of the area of the site which meets the NPPF definition of PDL. That proportion of the development will provide 25% affordable housing, and the remainder will provide 35%. A worked example is set out below:

- (i) A 100-unit housing proposal.
- (ii) A site which is judged by the respective Council to be 75% greenfield and 25% PDL, and no Vacant Building Credit applicable.
- (iii) For the greenfield element, $100 \times 0.75 = 75$. Thirty-five percent of 75 is 26.25.
- (iv) For the PDL element, $100 \times 0.25 = 25$. Twenty-five percent of 25 is 6.25.
- (v) Therefore, the affordable housing requirement for the scheme as a whole would be 32.5%.

Exceeding Policy Requirements and 100% Affordable Housing Schemes

2.2.6 The policy allows for development proposals to bring forward affordable housing above the minimums set out in policy, including up to 100% of the units on a scheme. Where it is intended to bring forward additional affordable homes, the mix of homes should reflect needs, as set out in this policy. Furthermore, with regard to the NPPF objective of creating mixed and balanced communities, the Councils will seek a mix of tenures and unit sizes to promote social interaction. The Councils will encourage the promoters of 100% affordable housing schemes to:

- (i) Include a mix of affordable tenures, including affordable home ownership.
- (ii) Put forward high quality designs, particularly in respect of energy efficiency and accessibility. An attractive design, similar to / or ideally better than other new homes, can also help avoid stigmatisation.
- (iii) Include 'destinations' on site, subject to the scale of the development. For example, Locally Equipped Areas for Play (LEAPs) could aid social interaction.
- (iv) Consider providing some units (some of the additional units) with a local connection to the parish as a requirement of occupancy, subject to grant-funding arrangements.
- (v) Provide good permeability into and through the development, particularly by sustainable modes.

- (vi) Commit to pre-application engagement with the local community and an ongoing relationship with parish and town councils, as well as tenant engagement with residents of their schemes.
- 2.2.7 100% affordable housing schemes or other developments with additional affordable housing (exceeding policy requirements) cannot be relied upon as justification for non- or under-delivery on other, market-led housing developments; Policy SP02 makes clear that major residential development is required to make provision for affordable housing. This does not preclude off-site provision of affordable housing, as set out below in the section on '*Alternatives to on-site provision*'.
- 2.2.8 In line with policy requirements for infrastructure, the Councils will consider whether Community Infrastructure Levy (CIL)-exempt proposals can adequately address infrastructure impacts in the absence of CIL contributions. Proposals may be required to make provision for infrastructure via planning obligations instead.

Preferred Affordable Housing Mix

- 2.2.9 The Councils' current preferred tenures to be secured via planning obligations are affordable rent and shared ownership, which the SHMA has identified as being the most needed tenures in the Districts. Units delivered at a social rent (as opposed to an affordable rent) will be considered a benefit, but will not necessarily be accepted if the tenure proposed is to the detriment of the total number of affordable homes on a given site.
- 2.2.10 The Councils' preference is always to agree an affordable housing mix before an application is submitted, via pre-application advice.
- 2.2.11 Consideration will be given to evidence from the relevant Housing Register and also to any relevant and suitably prepared local housing needs survey, particularly to influence the required mix of unit sizes.
- 2.2.12 Where local housing need assessments or surveys have been carried out in order to justify a more appropriate affordable housing mix for units secured under Policy SP02, the studies will be expected to be carried out with regard to the purpose and justification for securing affordable housing via the planning system, which is to meet district-wide needs. Therefore, any assessment will be focused on the appropriate contribution which a particular scheme can make to meeting the wider need and tailoring the provision on a given site such that a scheme makes the most appropriate contribution to district-wide needs, in the context of a parish.
- 2.2.13 Unless required by a made Neighbourhood Plan, the Councils will not usually seek to vary required tenures based on a local needs assessment due to the

geographic context; local housing needs surveys tend to identify the needs of a parish, whereas affordable housing secured on market-led schemes via the planning system is justified on the basis of meeting district-wide needs.

2.2.14 This means that the starting point of an assessment and survey is the SHMA and how the demographic and economic characteristics of the parish differ from the District as a whole, and may justify varying tenure and unit size requirements.

2.2.15 The focus of any assessment will be on identifying affordable housing needs; i.e. households whose needs are not adequately met by the market; as opposed to assessing views or preferences.

2.2.16 Early consultation with Housing Officers is strongly recommended so that affordable housing requirements can be established as part of the formal pre-application process. Advice on securing a Registered Provider (RP) can also be provided.

Exceptional Circumstances – Viability

2.2.17 In exceptional circumstances, where proven through a viability assessment, the Councils may be willing to deviate from policy requirements. As set out in the Joint Local Plan, if it is convincingly demonstrated that the viability of a scheme is such that affordable housing makes development unviable, changes to the mix of affordable tenures will be considered first, then changes to the size and type of affordable dwellings. The Councils will seek to be flexible and creative in order to support delivery. But to be clear, whilst some forms of affordable home ownership offer a stronger boost to viability than other tenures, the priority remains meeting needs. A reduction in the overall number of affordable dwellings will only be considered as a final step.

2.2.18 The Councils will only accept viability appraisals submitted in the format referenced in the Joint Local Plan; an open book² approach using the Development Appraisal Tool (DAT model) produced by Homes England.

2.2.19 Where the Councils grant permission for a proposal which does not deliver any affordable housing due to acceptance of a viability constraint, a clawback mechanism to secure a commuted sum will be sought instead. This will be at least 50% of any surplus profit that a proposal generates, identified through further reviews of scheme viability and an assessment of any increase in sales values. Such provision will be secured via a planning obligation and will come into effect with either of the following criteria coming into effect:

² For the avoidance of doubt, an open book approach refers to all relevant information being shared, in confidence, with the respective Council for the purposes of considering the viability of a development. It does not mean the publication of commercially sensitive information.

- (i) If there has been no commencement of the permission within 12 months of the decision being issued or;
- (ii) If commencement has occurred within 12 months of the decision being issued, but where there has been no occupation within a further agreed period of time (defined on a case-by-case basis) from commencement.

2.2.20 Larger schemes which do not make provision for a policy-compliant level of affordable housing will be required to provide updated viability evidence at key points during the delivery of the scheme and upon completion of the scheme. If an unexpected surplus is identified through this mechanism and it is accepted that later phases cannot provide more affordable homes, at least 50% of the surplus will be collected as a commuted sum for the provision of affordable housing elsewhere.

2.2.21 The Councils are likely to refuse applications which do not provide for affordable housing in line with policy requirements and this SPD. Whilst viability is a consideration under Policy SP02, the Councils also consider delivering affordable housing to be a key component of sustainable development and so the absence of affordable housing may lead to refusals even where viability challenges are proven.

Alternatives to on-site provision

2.2.22 As a matter of principle, the Councils' preference will always be for on-site provision of affordable housing. In rare circumstances, provision may be made via an affordable housing commuted sum (secured by a planning obligation) or by delivering the affordable homes on an alternative site. Situations where off-site provision may be acceptable include where the respective Council considers that:

- (i) The affordable housing requirement results in a small number of affordable units which would not be practical or viable for transfer to a Registered Provider.
- (ii) On-site provision would not be deliverable or practical or best suited to local needs, for example where unaffordable management charges would arise from the nature of the development.
- (iii) There is a dominance of a particular type of affordable housing in a particular area.
- (iv) Delivery off-site would result in a better affordable housing solution locally.

2.2.23 Where affordable housing is to be provided on an alternative site, the Councils will need certainty of delivery in order to accept this approach. A site will need to be identified and shown to be deliverable before or at the

same time as the main site. This requirement will be secured by planning obligation.

2.2.24 Where affordable housing requirements are to be met via a financial contribution and scheme viability is not in question, this will be calculated via the methodology set out in this SPD and secured via a planning obligation.

Integration of affordable housing within development

2.2.25 The Councils will expect to see affordable housing well integrated into development such that:

- (i) Different tenures are visually indistinguishable from each other. This principle is elaborated elsewhere in this document.
- (ii) Different tenures have equal access to on-site facilities, such as green infrastructure, bin storage or play areas.
- (iii) Affordable housing is not to be clustered in less desirable parts of sites.
- (iv) Affordable homes are distributed throughout a site, with the distribution proportionate to the size of the scheme. As a guide, we would normally expect to see no more than 15 affordable homes in one group³.
- (v) In 100% affordable schemes the different tenures will also be well distributed.
- (vi) 1-bed units should be in clusters of no more than 6.
- (vii) Development of more than three storeys is to be avoided.
- (viii) Whole blocks of flats must be capable of freehold transfer to Registered Providers.

2.2.26 The Councils will expect to see a balance struck between distributing affordable housing for the purpose of encouraging social interaction and clustering for management purposes. This is known as ‘pepper potting’. The Councils will consider a cluster of affordable homes to be a cluster when it is separated from other affordable homes by open market units.

2.2.27 The diagram below shows an example of pepper potting, with the affordable tenures split into small clusters throughout the development. In this diagram the blue units represent the open market homes and the orange and red units represent two different affordable tenures.

³ For the avoidance of doubt, this does not mean that proposals delivering 15 or fewer affordable homes will not be required to distribute affordable homes through development.



2.2.28 These principles are intended to aid the delivery of mixed communities which improve social interaction between groups which may not otherwise meet. It follows through on principles set out in the NPPF and National Design Guidance which seeks well-designed mixed developments which ‘...are well-integrated and designed to the same high quality to create tenure neutral homes and spaces, where no tenure is disadvantaged’⁴.

2.2.29 Further design requirements are set out elsewhere in this SPD.

Artificial or Contrived Subdivision

2.2.30 The Councils will resist development proposals which represent artificial or contrived subdivision of sites to prevent the avoidance of affordable housing provision or other requirements.

2.2.31 Whilst it may not be appropriate to secure affordable housing from small sites or first phases that do not meet the threshold for major development, the Councils will still exercise a planning judgement as to whether an initial proposal or first phase is contrived. This could include consideration of:

- (i) Landholdings in related ownership.

⁴ National Design Guide (October 2021), paragraph 116.

- (ii) The size of the red line area and whether it is proportionate to the quantum of the development.
- (iii) Whether any land outside of the red line boundary is likely to form a functional part of the completed development, for example as garden land.
- (iv) Whether the site boundaries reflect the existing landscape pattern or extent of existing development and are appropriate in design terms.

2.2.32 Where an initial proposal for a site is considered to be subdivided it is likely to be refused under Policy SP02.

2.2.33 Where a further phase of development comes forward, meaning that the total quantum of development exceeds 0.5ha or provides ten or more dwellings, the following tests will help the Councils to determine whether the expanded proposal should be required to make provision for affordable housing:

- (i) Ownership: whether the development proposal is in the same ownership as relevant previous permissions.⁵
- (ii) A single site: whether the sites together represent a coherent unit.
- (iii) A single development: whether the designs would be of a similar design and/or layout, or whether they would read as being the same overall development.

2.2.34 If the Councils consider that artificial or contrived subdivision has taken place, development will be required to make provision for affordable housing proportionate to the entire development, including the earlier phase/s. This will be secured according to the processes set out in this SPD.

2.2.35 Where it appears that a small site, below the threshold for major residential development, is capable of further development which would take the scheme over the threshold, the Councils will normally attach an informative note to any planning permission granted to alert the applicant to the likelihood of affordable housing provision being required from future phases as set out above.

2.3 Strategic Policy 04 (SP04) – Provision for Gypsy and Traveller and Travelling Showpeople

2.3.1 Policy SP04 sets out that decision making on sites for Gypsies, Travellers and Travelling Showpeople will accord with the Planning Policy for Traveller Sites. Amongst other matters, this national policy document sets out that local planning authorities should consider the existing level of local provision and need for sites when determining planning applications for Traveller sites.

⁵ For the avoidance of doubt, this could include other forms of beneficial interest in the land.

- 2.3.2 The Councils have evidence which underpins Part 1 of the Joint Local Plan and this will be updated in support of Part 2 of the Plan.
- 2.3.3 In order to enable the effective use of this policy which may, in line with Policy SP03 allow for development outside settlement boundaries, sites for Gypsies, Travellers or Travelling Showpeople need to be clearly identified as such as planning permission is sought.
- 2.3.4 The number of pitches proposed must be identified in the planning application and specified in planning conditions attached to any permission granted.
- 2.3.5 Some planning permissions under this policy might see occupancy restricted by planning condition to people from a Gypsy or Traveller background, or named individuals or families, subject to the justification of the permission.
- 2.3.6 For the purpose of effective site management, a planning condition may also be applied to require that a named individual is identified as having responsibility for the site and its management, including conformity with any relevant planning conditions or other legislation.
- 2.3.7 In order to manage site fire safety, site plans may be subject to planning conditions so as to maintain safe separation distances between units. For the same reason, details of the proposed utility supplies and connections may also be prescribed as part of a planning application. This is to help meet the requirement set out in part 1c) of Policy LP24.

2.4 Strategic Policy 08 (SP08) – Strategic Infrastructure Provision

- 2.4.1 This policy notes that all development will need to make provision for appropriate contributions towards infrastructure for the community. This policy is supported in this regard by Policies LP30 – Managing Infrastructure Provision and LP32 – Developer Contributions and Planning Obligations.
- 2.4.2 Subject to any reforms to infrastructure funding by Government, this will usually be secured via planning obligations and/or payments through the Community Infrastructure Levy (CIL).
- 2.4.3 Some forms of residential development, such as affordable housing and self-build housing, are exempt from making CIL payments. Where CIL-exempt developments are shown to have an infrastructure impact which cannot otherwise be mitigated, the Councils may seek contributions via planning obligations in line with tests set out in Regulations.

2.4.4 Where CIL exemptions are granted, the Councils may require that homes are secured as affordable housing or self-build by planning obligation as a prerequisite of the CIL-exemption.

2.5 Local Policy 04 (LP04) – Replacement Dwellings and Conversions

2.5.1 Part 1 of this policy applies only to existing, lawful dwellinghouses. The policy does not apply to buildings which benefit from a planning permission for residential use that has not been carried out, such as alternatives established under the prior approval purpose. ‘Fallback’ positions, whereby other variations of the development may legally be implemented, may be material but such in these circumstances an application will be treated on its own merits.

2.5.2 Applications for conversions under Part 2 of this policy must be accompanied by a structural survey or statement prepared by a suitably qualified person demonstrating that the subject building is structurally capable of accommodating the use. This means that the development can be carried out without significant alteration or structural changes to the building, i.e. that it is a genuine conversion and is not tantamount to a rebuild.

2.6 Local Policy 05 (LP05) – Rural Worker Dwellings

2.6.1 This policy sets out a number of detailed criteria as requirements for justifying rural worker dwellings outside settlement boundaries.

2.6.2 In order to demonstrate that a dwelling is essential for a rural business, it will need to be proven to the satisfaction of the respective Council that there is a legitimate business need for on-site attention 24 hours a day. Evidence should be provided of the necessity for a rural worker to live at, or in close proximity to, their place of work to ensure the effective operation of the enterprise.

2.6.3 The applicant should provide evidence that the business will remain financially viable for the foreseeable future and whether the provision of the dwelling is essential for the viability of the business. In the case of new enterprises, a temporary dwelling with a temporary planning permission may be more appropriate.

2.6.4 The size of a home should be proportionate to the business requirement.

2.6.5 A rural worker’s dwelling is likely to be restricted in terms of occupancy.

2.6.6 Provision for temporary or seasonal workers will not generally be considered acceptable.

2.7 Local Policy 06 (LP06) – Supported and Special Needs Housing

- 2.7.1 This policy sets out a positive approach for ensuring high quality and sustainable development of specialist housing for those who need it. This policy relates to housing which incorporates care provision for older, disabled or vulnerable people and care leavers, people with learning difficulties, mental ill health or physical disabilities.
- 2.7.2 Where schemes are made up of dwellings and meet the threshold for the provision of affordable housing, suitable provision for affordable homes will have to be made apart from in exceptional circumstances where development is shown to be unviable with affordable homes.
- 2.7.3 As with all other affordable housing, the preference is for delivery on site to be integrated within a development. This can be challenging on schemes for supported and specialist housing, where affordable housing needs to be capable of freehold transfer to a Registered Provider, but the following opportunities may be possible where conventional integration and transfer of standalone affordable units cannot be achieved.
- (i) Provision of Discount Market Sale units within blocks of open market units, to be sold to eligible persons at a discount of at least 20%, with the units to be secured in perpetuity via a planning obligation. In this instance, it will need to be considered whether service charges will be affordable for occupants.
 - (ii) Provision off-site.
 - (iii) Payment of a commuted sum.
- 2.7.4 Where applicants under this policy do not propose to provide affordable housing, they will be required to demonstrate to the satisfaction of the respective Council that provision cannot be made.

2.8 Local Policy 07 (LP07) – Community-led and rural exception housing

- 2.8.1 Operating alongside Policy SP03, this policy is a significant means of meeting affordable housing needs in locations where development may not otherwise be acceptable, outside settlement boundaries.
- 2.8.2 Both rural exception sites and community-led housing may come forward on land not normally used for housing, to meet an identified need for affordable housing for people who are either current residents of the parish or have an existing family or employment connection to the parish.

Community-led Housing proposals

2.8.3 Community-led housing proposals may come forward inside or outside settlement boundaries. In line with Policy LP07, in order for community-led housing development to come forward outside a settlement boundary, the following will need to be demonstrated:

- (i) Community leadership and community support; and
- (ii) A housing need and an appropriate housing mix to meet that need.

Further information on these requirements is set out below.

2.8.4 Community-led housing proposals within settlement boundaries will not require the same level of justification due to the general support that the development plan has for residential development within settlement boundaries. However, it is still recommended that schemes like these take the same steps to assess housing need and build community support given that these measures help make for better developments.

Needs

2.8.5 Local need for community-led housing and rural exception sites may be identified through a local housing needs survey. The Joint Local Plan identifies local needs in this context as an affordable housing need for those with a defined local connection to that parish. This is linked back to the NPPF definition of a rural exception site, being for those who are existing residents or have an employment or family connection.

2.8.6 In order to show a quantitative need for a rural exception site, a local housing needs survey can identify a cohort of households who:

- (i) Are in affordable housing need, meaning that their housing needs are not adequately met by the market,
- (ii) Have a local connection to the village/s which the site is intended to serve and
- (iii) Wish to live in the parish in which the site is located.

Other forms of community-led housing may not be focused on affordable homes. In these instances, the assessment should be focused on the needs of the members of the community group and the wider community.

2.8.7 A local housing needs survey (LHNS) should also help to identify an appropriate mix of housing tenures, types and sizes, based on the data collected above. Site context and viability will also necessarily influence the deliverability of a site and so the eventual scheme may not mirror the

identified need absolutely, but any deviation from the identified need will be required to be explained.

2.8.8 Whilst preferences and aspirations can be relevant, the focus of a LHNS should be on needs, considering household incomes, household sizes and the nature and affordability of the existing stock. The methodology and conclusions from the LHNS should be agreed with the respective Council prior to a planning application being submitted.

2.8.9 The supply of affordable housing across the District as a whole is to meet district-wide need and may not be allocated to or bought by those with a connection to the parish, whereas a rural exception site is intended to enable those in housing need and with a connection to the parish to remain or return.

Community leadership and support for community-led housing proposals

2.8.10 The policy requires community-led housing to demonstrate that the scheme was initiated and led by a legitimate community group. This means a parish council or a formally constituted community organisation such as a community land trust (CLT). The NPPF (2023) definition of community-led development will also be used, reproduced below for ease of reference:

Community-led developments: A development instigated and taken forward by a not-for-profit organisation set up and run primarily for the purpose of meeting the housing needs of its members and the wider local community, rather than being a primarily commercial enterprise. The organisation is created, managed and democratically controlled by its members. It may take any one of various legal forms including a community land trust, housing co-operative and community benefit society. Membership of the organisation is open to all beneficiaries and prospective beneficiaries of that organisation. The organisation should own, manage or steward the homes in a manner consistent with its purpose, for example through a mutually supported arrangement with a Registered Provider of Social Housing. The benefits of the development to the specified community should be clearly defined and consideration given to how these benefits can be protected over time, including in the event of the organisation being wound up.

2.8.11 The Councils will expect that affordable homes are managed by an RP and the support and involvement of an RP is likely to be instrumental in delivering a scheme. This will not ordinarily be taken to undermine the leadership of the community (when determining whether the requirements of Policy LP07 part 1 have been met).

2.8.12 The Councils do not intend to be prescriptive about the ways in which community support is demonstrated, but the outcomes of surveys, neighbourhood plans and public consultations / community engagement can

be used to show the general community support required in policy. General community support should not be taken to mean absolute community support; almost every development scheme may receive some level of objection.

Rural exception sites

2.8.13 The definition of rural exception site used in the NPPF (2023) will be applied in this context. It is reproduced below, for ease of reference:

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.

2.8.14 A rural exception site may be brought forward by a Registered Provider of Social Housing ('RP' or Housing Association) under part (2) of Policy LP07. This is necessary to enable the delivery and management of most tenures of affordable housing.

2.8.15 Whilst community groups can also promote rural exception sites, this is not a necessity of planning policy. Community support for rural exception sites is strongly recommended as a means of identifying the housing needs of the households that would benefit most from the sites.

Scale and location of rural exception sites:

2.8.16 A rural exception site will be required to be proportionate in scale to both its location and the identified housing need. The Joint Local Plan further sets out that the number of units on a rural exception site should not exceed 5% of the existing housing stock of the settlement.

2.8.17 The policy requires rural exception sites to be well-connected to the existing settlement. This does not require a site to be adjacent to a housing settlement boundary, but does make it incumbent on the applicant to find a site which enables safe and sustainable access to existing settlements.

2.8.18 By their nature, rural exception sites are exceptions to planning policy. A public call for sites can help show that all options have been considered and applicants will be strongly encouraged to demonstrate public support for the locations of proposed rural exception sites as the preferred deliverable location for meeting the identified need.

Open market housing on rural exception sites

- 2.8.19 Both national and local policy allow for some open market housing on rural exception sites as a means of enabling development – this is to be the minimum necessary to cross-subsidise the affordable housing. In order to convincingly demonstrate the need for open market homes to deliver the affordable homes without grant, a viability appraisal needs to be submitted as part of the application. The starting point for the appraisal is that rural exception sites are 100% affordable housing (under the NPPF definition of affordable housing). If viability is challenging and open market housing is proposed, the submitted viability appraisal should work backwards from 100% affordable housing.
- 2.8.20 The Councils' expectations in respect of land / plot values on rural exception sites, relevant in the context of a viability appraisal as described above, is set out in the most recent published viability assessments which underpin Local Plan policies and/or Community Infrastructure Levy rates.
- 2.8.21 Occasionally landowners make land available for rural exception sites on an expectation of planning permission to build homes for themselves or family members. The acceptability of this will be considered on the same basis as any other open market development on rural exception sites.
- 2.8.22 Where the respective Council accepts the case for allowing a number of open market homes to cross-subsidise the affordable homes, there needs to be a clear mechanism for ensuring that a direct subsidy is secured and used for the intended purpose.
- 2.8.23 A public call for sites will be sought to show that consideration has been given to whether other sites could deliver affordable homes in line with the assessed need, without the need for cross-subsidy from open market homes.

Occupancy Restrictions and Perpetuity

- 2.8.24 Rural exception sites will be restricted by a planning obligation to ensure that the affordable housing remains as such in perpetuity. This means that Right to Buy or Right to Acquire cannot be applied, and Shared Ownership staircasing will be restricted.
- 2.8.25 Given that rural exception sites are to be justified on the basis of the needs of a parish, homes will be prioritised for those with a local connection to that parish. A cascade mechanism will be applied in order that units can be filled in the rare situations where those with a local connection to the parish are not forthcoming. In this scenario, the usual process for nominations on rural exception sites would be:

1. Priority to be given to those with a local connection to the parish.	1a. Then home to be allocated on the basis of housing need.
<i>If nobody with a connection to the parish is forthcoming</i>	
2. Priority to be given to those with a local connection to a neighbouring parish	2a. Then home to be allocated on the basis of housing need.
<i>If nobody with a connection to a neighbouring parish is forthcoming</i>	
3. Home to be allocated to someone with a local connection to the relevant District.	3a. Then home to be allocated on the basis of housing need.

2.8.26 These provisions will be set out in a planning obligation associated with any permission granted.

2.8.27 Community-led housing development will normally also have provisions to ensure that homes are prioritised for local people, but these measures may be put in place via community ownership of the site, rather than through the planning system.

2.9 Local Policy 08 (LP08) – Self-Build and Custom Build

2.9.1 In line with the Self-Build and Custom Housebuilding Act 2015 (as amended), the Councils maintain registers in order to understand the level of demand for self-build in the Districts. The policy sets out a positive approach to self-build proposals where consistent with other policies and, as required by law, the Councils will have regard to the demand expressed through the relevant register when determining applications.

2.9.2 Whilst the Councils maintain a joint register, each Council is responsible for meeting its own demand only.

2.9.3 Through the adoption of this SPD, the Councils will put in place a local connection test for the self-build registers.

- Part 1 of each register will be made up of those who are eligible to join the register and meet the local connection criteria.
- Part 2 of each register will be made up of those who are eligible to join the register but do not meet the local connection criteria.

2.9.4 Following the introduction of this test, the Councils will only consider demand arising from Part 1 of the registers when determining whether sufficient planning permissions have been granted for the purposes of the Self-build and Custom Housebuilding Act 2015. Part 2 of the registers will be used for considering the Councils' other duties under the Act.

- 2.9.5 An individual will be considered to have a local connection to either Babergh or Mid Suffolk and be counted on Part 1 of the relevant register if they:
- Have their only or principal home in the local authority area (Babergh or Mid Suffolk) for the register which they are seeking to join and have resided there for at least two years, or
 - Have previously lived in the area (Babergh or Mid Suffolk) for three continuous years of the last five years, or
 - Are permanently employed (i.e. not temporary or seasonal work) in the area (Babergh or Mid Suffolk), or
 - Have a child, sibling or parent who is aged 18 or over and lives in the area (either Babergh or Mid Suffolk) and has done so for at least five years, or
 - Are aged 18-20 and have been placed in care in the area (Babergh or Mid Suffolk), or
 - Are in the service (or were in the immediately preceding five years) of the regular armed forces of the Crown.
- 2.9.6 For associations, each individual would be required to meet the local connection requirement in order to be counted for the purposes of determining performance against the duty to grant sufficient permissions.
- 2.9.7 In line with the Planning Practice Guidance, the Councils may review these criteria and update them from time to time, with changes published on the Councils' websites.
- 2.9.8 Proposals which rely on categorisation as self-build as justification for planning permission will be expected to demonstrate that they meet the definition of self-build set out in legislation. This relates to the initial occupant having primary influence over the design of the property, and the property not being built to a specification offered by a developer.
- 2.9.9 Full or reserved matters applications can include statements showing the input which the initial occupants have had into the design (within the parameters of a design code, where applicable). Where applicable to the scale / location of development, design and access statements could help demonstrate that a proposal is definitely self-build. Further evidence may also be provided or sought in the form of signed statements from the initial occupants, specialist self-build mortgage documents or self-build warranties.
- 2.9.10 Where the fact of self-build status is the justification for the grant of planning permission, the Councils will seek to restrict development by planning obligation to self-build only (as defined in legislation). Applicants can assist this process by providing a suitable Unilateral Undertaking.

2.9.11 On sites which bring forward more than one self-build plot for outline planning permission, the Councils will expect developers to bring forward a design code to be approved and attached to the outline permission by planning condition and applied through the determination of the ensuing reserved matters permissions. These design codes will set design parameters only, allowing for initial occupants to have primary input into the design of their homes. The design codes will be expected to be consistent with any District or Neighbourhood Plan design guidance and cover:

- (i) Site layout showing the boundaries of the serviced plots.
- (ii) Scale and massing.
- (iii) Palette of materials.

2.9.12 Custom or self-build developments are not normally a form of affordable housing and are not exempt from affordable housing contributions. However, the Councils may be willing to consider some forms of self-build projects as being affordable homes if the applicant can demonstrate, to the satisfaction of the Councils, that the property is mortgageable and either:

- (i) The self-build plots⁶ are sold at a discount commensurate with discount home ownership products and restricted by planning obligation to that use and to maintain the discount on future resales of the dwelling in perpetuity or
- (ii) The delivery of the plot(s) is managed by a registered provider, offering a low-cost route to home ownership via what is colloquially known as 'sweat equity', whereby eligible eventual occupiers provide labour instead of capital and gain construction skills and dwellings are allocated to those in need of and able to afford low-cost home ownership.

2.9.13 Where developments are made up of 100% custom or self-build development, affordable housing policies will apply, but provision will not usually be made on site. Rather, custom and self-build developments will usually meet policy requirements for affordable housing offsite via commuted sums. This will enable the Councils to support more affordable rental tenures elsewhere.

⁶ i.e. serviced plots of land, as defined in the Planning Practice Guidance (Paragraph: 026 Reference ID: 57-026-20210508, Revision date: 08 02 2021).

3. Affordable Housing Needs and Tenures

- 3.1 This section offers some matters which need to be considered when planning, securing different tenures of affordable homes.
- 3.2 As the Councils are covered by transitional arrangements, this section will not consider First Homes; this matter will be considered through the development of Part 2 of the Joint Local Plan.
- 3.3 When seeking to secure affordable housing, the Councils will look to put in place the following measures.

Affordable Housing for Rent

- 3.3.1 These tenures are defined by s. 69 of the Housing and Regeneration Act 2008. The SHMA identifies that affordable and social rent properties are the most needed affordable homes in both Babergh and Mid Suffolk. Social rent, being the more affordable tenure, is very desirable but it is recognised that it is rarely deliverable without public subsidy or a significant reduction in the number of affordable homes delivered.
- 3.3.2 Affordable housing for rent is low-cost rental accommodation where the rent is at least 20% below local market rents (including service charges where applicable). For general needs provision rents are set in line with the Government's Rent Policy and Guidance (as amended from time to time). The landlord must be a Registered Provider of Social Housing or the Council. Provisions must be put in place to ensure that the units remain affordable for future eligible households⁷.
- 3.3.3 Rented properties are to be allocated through the Gateway to Homechoice unless they are to be used as Temporary Accommodation, in which case the Council would manage occupation for homeless individuals or households.

Shared Ownership

- 3.3.4 Shared Ownership is currently the Councils' preferred form of affordable home ownership. It is to be leased and managed by a Registered Provider.
- 3.3.5 The leasing and maximum income requirements are to be in accordance with model Homes England requirements. Unless grant-funded, the units will be prioritised for those with a local connection to the relevant District.

⁷ Noting that this NPPF requirement doesn't override the statutory Right to Buy or Right to Acquire where applicable.

Discount Market Sale

- 3.3.6 The current SHMA evidence has assessed this tenure as being less affordable than entry-level market rent properties, and advises that the potential demand for this tenure should be treated as an indicative figure rather than an absolute target. As such it will not normally be sought through planning obligations to fulfil affordable housing need.
- 3.3.7 A Discount Market Sale dwelling is one which is sold at a discount of at least 20% below open market values. The owner owns 100% of the property, but is required to pass on the discount to future purchasers. No landlord or registered provider has an interest in the property and, as such, the owner is responsible for all repair and maintenance costs.
- 3.3.8 Where Discount Market Sale properties are secured, they will be restricted by planning obligation to ensure that a discount of at least 20% is applicable every time the property is sold, in perpetuity, to an eligible buyer. This will usually be by way of a covenant on the property. A planning obligation on the property will describe and specify the process for sales.
- 3.3.9 Eligibility will be defined in respect of income and proving an inability to purchase on the open market, as well as the relevant local connection. Prospective purchasers will be expected to certify that they do not own or have any other property interests at the point at which they acquire the dwelling.

Shared Equity

- 3.3.10 The Councils will not normally seek shared equity dwellings. When secured, they will be regulated by planning obligations and covenants on properties, governing eligibility and sales restrictions.

Build to Rent

- 3.3.11 For Build to Rent proposals 35% affordable housing will be required in line with Policy SP02.
- 3.3.12 National policy requires that affordable housing on Build to Rent schemes will be in the form of 'affordable private rent' (APR).
- 3.3.13 Built to Rent developments should be under unified ownership and common management control. The development will not be required to have the separate involvement of a Registered Provider for the management of the affordable homes.

- 3.3.14 In line with the Planning Practice Guidance, the Councils will expect APR rent levels to be set at a maximum of 80% of market rents (inclusive of service charges). The discount should be calculated when an APR unit is initially let, or when the tenancy is renewed. The rent on the APR units should increase on the same basis as rent increases for longer-term (market) tenancies within the development in accordance with the Rent Standard and Guidance.
- 3.3.15 The Section 106 Agreement will need to set out the approach to eligibility for the Build to Rent scheme and the qualifying criteria for the APR should be agreed between the local authority and the scheme operator.
- 3.3.16 For at least four weeks, the APR units should be marketed exclusively to households on the Housing Register, and thereafter to other households meeting qualifying criteria agreed in the Section 106 agreement including those on the Housing Register. This should apply both to the initial letting upon the development's completion, and to any subsequent re-letting.
- 3.3.17 The tenancy period for both the APR and private market homes to be set in accordance with the Planning Practice Guidance on Build to Rent, with break clauses that allow the tenant to end the tenancy with a month's notice any time after the first six months.
- 3.3.18 All APR units must be constructed and managed to the same high-quality standards as the market rent homes. The management process of the affordable private rents which is expected to meet formalised industry standards should be set out in the Section 106 Agreement.
- 3.3.19 Build to Rent scheme providers will be expected to agree to submitting an annual statement to local authorities confirming the approach to letting the affordable units, their ongoing status, and clearly identifying how the scheme is meeting the overall affordable housing level required in the planning permission.
- 3.3.20 APR are not subject to a covenant period⁸ and must always be secured in perpetuity. In exceptional cases, APR can be withdrawn, and, in such circumstances, clawback arrangements can be used to provide alternative affordable housing.
- 3.3.21 The Planning Practice Guidance on Build to Rent expects Section 106 Agreement to include 'clawback' measures for Build to Rent permissions (which includes both APR and private market homes) to ensure that the value of the affordable housing contribution is maintained.

⁸ This covenant is a fixed time period (15-20 years) where the Build to Rent providers will be expected to refrain from selling all or part of the scheme to owner occupier/multiple landlords or conversion of APR to another tenure. It should commence from the date of occupation of the relevant block, or the date on which the entire block is available for occupation, whichever is later.

Other Affordable Tenures

3.3.22 Other affordable tenures will not normally be considered unless they:

- (i) Meet a proven need, and
- (ii) Are managed by an appropriate landlord, usually a Registered Provider, and
- (iii) Offer equivalent or better affordability to the Councils' preferred rental and shared ownership tenures described above, in the long term, and
- (iv) Offer equivalent or better security of tenure when compared to the Councils' preferred rental and shared ownership tenures.

4. Affordable Housing Delivery

4.1 Qualifying Development

4.1.1 In line with Policy SP02 and the NPPF, the Councils will seek provision of affordable housing on sites of ten or more dwellings or of 0.5ha or more. The red line boundary of a planning application will be used to determine whether the site area threshold has been met. For the avoidance of doubt, this should include anything that requires development or a change of use, and includes the access to the highway.

4.1.2 In determining eligibility for providing affordable housing, Policy SP02 refers to dwellings. As such, the Councils will have regard to whether or not the proposal will result in the development of dwellings. The Use Classes Order defines residential development, but not all residential development can be considered to represent dwellings. Dwellings will be considered to be self-contained units allowing for use as a private domestic residence. The provision of communal facilities will not, in themselves, be a reason to preclude the provision of affordable housing. Units will be considered to be self-contained where they each contain all the necessary facilities for living.

4.1.3 The following types of development will contribute affordable housing, where it qualifies in line with Policy SP02:

- (i) C3 development, as defined by the Town and Country Planning (Use Classes) Order 1987 (as amended), including the residential element of mixed-use schemes and conversions to residential use.
- (ii) Redevelopment from residential use with shared facilities, such as Homes in Multiple Occupation, to residential development with self-contained units.

4.1.4 The following types of development will not be required to contribute affordable housing:

- (i) C2 residential institutions, where units are not self-contained.
- (ii) Supported or specialist housing schemes managed by a local authority or registered provider which do not provide self-contained units.
- (iii) C1 hotel development.
- (iv) Purpose-built student accommodation.
- (v) Gypsy and Traveller Sites restricted as such.
- (vi) Holiday units or mobile/park homes⁹ (where year-round occupancy is restricted by planning condition or obligation. Note: if occupancy restrictions are later removed a commuted sum will be sought).
- (vii) Residential conversions coming forward under Permitted Development Rights. If planning permission is subsequently sought,

⁹ Including the use of land for this purpose.

affordable housing provision will be required where thresholds are met.

- (viii) C4 or *sui generis* Homes in Multiple Occupation.

4.2 Residual requirements

4.2.1 Where the affordable housing percentage requirement set out under Policy SP02 results in an incomplete fraction of a number, the Councils will expect the residual percentage of the dwelling to be provided by way of a financial contribution using the commuted sum methodology set out in this SPD.

4.2.2 To give a worked example, for a greenfield site where 35% affordable housing is required:

- 265 dwellings requires a policy compliant 35% affordable homes.
- 35% of 265 is 92.75.
- Therefore 92 affordable dwellings would be provided on site and the remaining 0.75 of a dwelling would be provided as a financial contribution using the commuted sums methodology.

4.2.3 A developer may choose to 'round up' and provide an additional dwelling on site in lieu of a financial contribution as set out above. This approach of exceeding the 35% requirement on site is acceptable but would not be required in order to grant permission.

4.3 Phasing

4.3.1 In line with the requirement for affordable housing to be integrated within a development, as set out in Policy SP02, the Councils will include affordable housing phasing requirements within planning obligations.

4.3.2 The basic requirements are as follows, to be applied to a development as a whole and, if applicable to larger sites, also on individual development phases.

- At least 50% of the affordable homes to be constructed, made ready for occupation and transferred to the affordable housing provider with services and full access rights in advance of the occupation of 50% of the open market units.
- 100% of the affordable homes to be constructed, made ready for occupation and transferred to the affordable housing provider with full access rights in advance of the occupation of 80% of the open market units.

4.3.3 Where this presents tangible practical challenges to scheme delivery, on smaller schemes for example, the respective Council may be willing to

agree to a different arrangement where the need is demonstrated to the satisfaction of the Council.

4.4 Vacant Building Credit

- 4.4.1 In line with national policy, vacant buildings being reused or redeveloped will be eligible for a proportionate reduction in affordable housing contributions, equivalent to the gross floorspace of the existing buildings.
- 4.4.2 In line with the CIL Regulations, a building will be regarded as vacant if it has not been in use for a continuous period of at least six months within the past thirty-six months.
- 4.4.3 This does not apply to vacant buildings which have been abandoned. Proposals seeking to make use of the vacant building credit mechanism need to demonstrate that buildings have been vacant for at least 12 months and that they have been satisfactorily marketed for reuse as the previous use of the building.
- 4.4.4 Vacant building credit does not apply where buildings have previously been demolished. It also does not apply to agricultural buildings or any buildings which do not fall under the NPPF (2023) definition of previously developed land.
- 4.4.5 If a proposal is eligible to receive vacant building credit, the following calculation will be used to determine the site-specific affordable housing requirement.
1. Calculate the difference between the proposed and existing gross internal area.
 2. Divide the difference calculated in step one by the proposed gross internal area.
 3. Multiply by the affordable housing requirement (set out in Policy SP02).
- 4.4.6 A worked example is set out below. This applies to a brownfield development initially required to deliver 25% affordable housing. In this scenario, the existing building has a gross internal area of 5,000m² and the proposed development would have a gross internal area of 7,000m².
1. $7,000 - 5,000 = 2,000$.
 2. $2,000 / 7,000 = 0.285$.
 3. $0.285 \times 25 = 7.1\%$.

So in this example, the affordable housing requirement for the scheme as a whole would be 7.1%.

In terms of units, if this proposal were to be delivering 140 units (50m² 1b2p flats), a 7.1% affordable housing requirement would mean a need to provide

nine affordable homes on site with a commuted sum for the residual 0.9 of a dwelling.

4.5 Validation Requirements

4.5.1 In order to help consideration of planning applications including affordable housing provision, the Councils will expect the following information to be provided alongside full or reserved matters applications in the form of an accommodation schedule. This should be presented as a table with the following headings:

Heading	Example
Plot Number	<i>1, 2, 3</i>
Tenure	<i>Affordable Rent / Shared Ownership / Open Market Etc.</i>
Type	<i>House / Flat / Maisonette Etc.</i>
Design / Typology	<i>As described by the applicant</i>
Size (Bedrooms (b)/ Bedspaces (p))	<i>1b2p, 2b4p, 3b5p etc.</i>
Gross Internal Area (m ²)	<i>79m²</i>
Compliance with Nationally Described Space Standard?	<i>Yes</i>
Accessibility Standard	<i>M4(1), M4(2) or M4(3)</i>

4.5.2 Plans should be submitted showing the intended distribution of tenures, types/designs and sizes.

4.5.3 For outline applications, the Councils will expect less detail in respect of design and layout (subject to the scope of the intended reserved matters), but the applicant will be expected to set out the intended affordable housing mix (tenure, type and size) to be secured at outline stage, using the table above.

4.6 Management

4.6.1 Where affordable homes are proposed and provided on a private residential development, the Councils will require the affordable housing to be delivered by or transferred to a Registered Provider (RP), registered in accordance with the terms set out in the Housing and Regeneration Act 2008. We would encourage a developer to have early engagement with RPs to get their involvement in scheme design and layout/access arrangements to the affordable homes.

4.6.2 Registered Providers include Not-for-Profit RPs and For-Profit RP's. The Councils can provide a list of current RP Partners. All affordable homes managed by an RP must be constructed to and comply with Homes England (or any subsequent body) requirements.

- 4.6.3 Affordable homes delivered through planning obligations must be capable of delivery without grant funding.
- 4.6.4 The Councils will secure and retain the right to approve the chosen RP or nominate an RP where the developer fails to secure one. It is expected that the developer will select an RP that can provide housing management from a local base that is within a reasonable travelling time to the housing stock being managed or that the RP has an agreement in place for a locally based RP organisation to manage the stock on their behalf.
- 4.6.5 The chosen RP will also be expected to enter into a Service Legal Agreement with the Councils Choice Based Lettings Scheme (or any subsequent scheme) in respect of allocations and nominations for rented dwellings.
- 4.6.6 The Councils will require RPs to enter into a deed of nomination (nomination agreement) with the Councils.
- 4.6.7 In certain exceptional circumstances the Councils may agree to the affordable homes being transferred and managed by an Approved Provider. Such examples may include:
- a) a local Community Land Trust would not necessarily be a Registered Provider but has brought forward an affordable housing scheme for local people, has demonstrated satisfactory housing management arrangements and is prepared to enter into a nomination agreement with the Councils.
 - b) a Build to Rent development as defined in the NPPF.

4.7 Occupancy and Nominations

- 4.7.1 The Councils will ensure that occupancy of the affordable housing units provided is restricted to eligible and qualifying households whose needs are not met by the market. There will be an obligation set within the Section 106 agreement for the RP which takes on the affordable housing to enter into a nomination agreement setting out the nomination process.
- 4.7.2 Local connection criteria will be determined by Housing Officers on behalf of the Housing Authority, in line with Council policies.
- 4.7.3 The Councils operate a single housing register via choice-based lettings process; general needs affordable and social rented dwellings will be allocated via this process.

- 4.7.4 Shared Ownership dwellings secured through the planning system will be taken on and advertised by RPs and sold with leases using the Homes England model lease.
- 4.7.5 The sale of Discounted Market Sale units will be governed via planning obligations and covenants put in place on first sale, in order to manage eligibility for future sales in perpetuity.

5. Affordable Housing Design

5.1 Principles

- 5.1.1 Policy LP24 of the Joint Local Plan sets out design priorities for Babergh and Mid Suffolk. These general principles apply to affordable housing just as they do to all other forms of residential development.
- 5.1.2 Policy LP24 requires that 50% of new homes meet part M4(2) of the Building Regulations. Pending any update to the Building Regulations, the Councils will seek to maximise the proportion of affordable homes which meet the M4(2) requirement within the total 50% requirement. No fewer than 50% of the affordable homes should meet the M4(2) standard.
- 5.1.3 All affordable flats / apartments should be capable of freehold transfer to an RP and not part of a mixed open market / affordable tenure block.
- 5.1.4 Communal areas should be avoided in order to avoid service charges. In most circumstances maisonettes¹⁰ will be preferable to flats. Some forms of affordable housing, such supported housing, or housing with care, may require communal areas. This will be considered according to the nature of the proposal.
- 5.1.5 1-bed flats should not be clustered in groups of more than six in one building or one part of a site.
- 5.1.6 Bungalows and ground-floor flats should be fitted with a level-access shower instead of a bath.
- 5.1.7 Homes with four or more bedrooms will be required to have a downstairs shower room in addition to a main bathroom.
- 5.1.8 Shared sheds will not be supported.

5.2 Tenure-neutral design

- 5.2.1 Policy SP02 seeks the integration of affordable housing where it is delivered within market-led schemes. Whilst distinctive and varied designs can add character to a development and aid legibility, the tenure of a unit should not be an identifying feature.
- 5.2.2 Equivalent size dwellings of different tenure types will be expected to appear the same within a design typology. Furthermore, affordable homes and market homes should share the same palette of materials, colours, densities and design features across schemes.

¹⁰ Meaning, in this context, a flat with its own front door.

5.2.3 Furthermore, there should not be any restrictions on access to services or facilities within a scheme based on tenure.

5.3 Unit sizes

5.3.1 The Councils will expect affordable homes secured under policy requirements to be of the following sizes, with floorspaces and internal layouts to meet the requirements of the Nationally Described Space Standard as a minimum.

Types	Sizes (number of bedrooms (b) and bed spaces / persons (p))
Flats/Maisonettes	1b2p 2b3p 2b4p
Bungalows	2b3p 2b4p 3b5p
Houses (2 – 3 storeys)	2b4p 3b5p 3b6p 4b7p 4b8p

5.4 Plots and Amenity Space

5.4.1 All new residential units will be expected to have direct access to an area of amenity space. The form of amenity space will be dependent on the form of housing.

6. Commuted Sums

6.1.1 The situations where commuted sums may be appropriate are set out elsewhere in this document.

6.1.2 Where commuted sums are used in lieu of on-site provision the Councils will not calculate commuted sums on a case-by-case basis. The initial rates to be used are set out below, calculated according to the methodology set out. These initial commuted sum rates use inputs taken from the district-wide viability evidence used to underpin the Joint Local Plan at examination.

6.1.3 The commuted sum rates will be re-calculated and published on the Council websites when any new district-wide viability evidence is published by the Councils.

6.1.4 The commuted sum rates are based on the cost to a developer of providing affordable housing and is designed so that neither the developer nor the respective Council is advantaged by using commuted sums in lieu of on-site provision. They are based on a greenfield site of eight units. The impact of brownfield development is accounted for in the reduced affordable housing requirement. The methodology is based on:

1. The open market value of units on site (less developer's profit inclusive of marketing costs) is equated to the cost of developing the site.
2. Subtract the value of the units to the Registered Provider (capitalised rents, shared ownership sales).
3. Equals the cost of the affordable housing to the developer, and so the commuted sum.

6.1.5 Current/initial rates are as follows:

Unit commuted sum payment	£psm commuted sum payment
£84,037	£1,188

6.1.6 A worked example for the unit approach would be:

- A development of 8 dwellings on a 0.8ha site.
- 35% of 8 dwellings equates to a requirement for 2.8 affordable homes.
- £84,037 multiplied by 2.8 equals a commuted sum requirement of £235,304.

6.1.7 A worked example for the £psm approach would be:

- A development of a single dwelling with a gross internal area of 200m² on a 0.55ha site.

- 35% of 200m² equates to a requirement equivalent to 70m².
- £1,188 multiplied by 70 equals a commuted sum requirement of £83,160.

6.1.8 The £psm approach will be used on single dwelling sites which are major development by virtue of the overall site size.

6.1.9 In between updating evidence, the Councils will update the rates annually in April, using the methodology set out below, and publish the rates to be used for the financial year online. This accounts for changes in both sales values and build costs.

Formula for annual adjustments to commuted sum requirements:

(Published Commuted Sum)

multiplied by

Change in affordable housing commuted sum payment for inflation =

(Annual Percentage Change in the Land Registry House Price Index for Suffolk

minus

Annual Percentage Change in BCIS Tender Price Index)

7. Planning Obligations Heads of Terms

7.1.1 The Councils will endeavour to agree the following matters with applicants before recommending a development for approval:

- (i) The number of units, bedrooms, compliance with space standards, tenure and (where appropriate) siting of the affordable housing,
- (ii) The phasing of the development, including appropriate trigger points for the transfer of affordable housing to a Registered Provider, to ensure that it is provided in a timely manner in relation to the market housing and delivered in full before an agreed percentage of the market housing has been completed,
- (iii) Eligibility and allocation restrictions on occupancy or disposal,
- (iv) Mechanisms for ensuring that the affordable housing dwellings are used solely and exclusively for affordable housing (subject to statutory provisions, e.g. Right to Buy, and lender requirements),
- (v) Mortgagee in possession clauses,
- (vi) Compliance with public subsidy funding conditions when public subsidy is allocated,
- (vii) Provision of a financial contribution where applicable,
- (viii) Measures to ensure that affordable home ownership units remain affordable, and
- (ix) Overage clauses and review points (if relevant).