

Affordable housing

Supplementary planning document

September 2008

www.southwark.gov.uk



Contents

Section 1: Introduction	5
1.1 Purpose and objectives	5
1.2 What development does this SPD apply to?	6
1.3 Related planning documents	6
1.4 Structure	7
Section 2: What is affordable housing?	9
2.1 Why is affordable housing needed?	9
2.2 Affordability thresholds	11
2.3 Shared ownership	12
2.4 Key worker housing	12
Section 3: Getting the right amount of affordable housing	13
3.1 What is our strategy for affordable housing?	13
3.2 When is affordable housing required as part of private development and how much should be provided?	13
3.3 What is meant by 'capable of providing' 10 or more units?	16
3.4 How is affordable housing calculated?	18
3.5 Wheelchair affordable housing	19
3.6 Where should the affordable housing be provided? The sequential approach	19
3.7 On-site provision	20
3.8 Off-site provision	20
3.9 In-lieu payments (or commuted sums)	22
3.10 Where do the in-lieu payments go?	23
Section 4: Getting the right mix of affordable housing	24
4.1 What should the tenure mix be?	24
4.2 What mix of housing sizes should there be?	26
4.3 Design and intergration of affordable housing?	27
Section 5: Affordable housing in specific types of development	28
5.1 Redevelopment of sites	28
5.2 Mixed use schemes	28
5.3 Live-work unit	29
5.4 100% or mostly affordable housing schemes	29
5.5 Estate regeneration	30
5.6 Partial development, additional dwellings and phased developments	32
Section 6: Affordable housing and specialist housing provision	34
6.1 Housing to meet specific needs	34
6.2 Student housing	35

Section 7: Financing and securing affordable housing	36
7.1 How will affordable housing be financed?	36
7.2 What happens to the affordable housing once it is built?	36
7.3 Financial appraisals	36
7.4 Public subsidy	38
7.5 How will affordable housing be secured - Section 106 Planning Contributions	39
7.6 Unilateral undertakings	40
7.7 Keeping affordable housing affordable	40
7.8 Other priorities	41
7.9 Exceptions to 'other' Section 106 (planning obligations) requirements	41
Section 8: Making an application	42
8.1 Pre-application discussion/advice	42
8.2 Submitting a Planning Application	43
Section 9: Policy context	44
9.1 National planning guidance	44
9.2 Regional planning policy	45
9.3 Local planning policy	46
9.4 Other local policy guidance	47
Appendices	49
Appendix 1: Value areas	49
Appendix 2: Financing affordable housing	50
Appendix 3: Schedule of registered social landlords	52
Appendix 4: Further information and useful contacts	54
Appendix 5: Glossary	56

Figure 1: Affordable housing by numbers

Affordable housing by numbers – a quick guide

Please note that this is a indication of key numbers related to affordable housing in Southwark. Applicants will need to refer to the relevant planning policies in the development plan and associated guidance in this and other relevant SPDs when developing proposals for housing development.

50% is the amount of new housing that we will try to make affordable.

2,732 is the number of affordable housing units that are required each year to meet housing need over the next 5 years.

3 bedrooms or more are the size of properties that are most needed for affordable housing.

10 housing units is the minimum threshold at which we require affordable housing as part of private development

40% of housing in private developments over **15** housing units should be affordable if they are in the Central Activities Zone (unless otherwise stated in policy).

35% of housing in private developments over **15** units should be affordable if they are in the Urban Zone or in the Elephant and Castle Opportunity Area (unless otherwise stated in policy).

10, 11, 12, 13 and **14** housing unit schemes require either **1, 2, 3, 4** or **5** housing units respectively as affordable.

70% of affordable housing should be for social rented housing

30% of affordable housing should be intermediate housing

£17,600 is the maximum income that households can earn to be eligible for social rented housing.

£58,600 is the maximum income that households can earn to be eligible for intermediate housing.

1. Introduction



Everyone deserves a high quality place to live. As the population of London continues to rise, so does the demand for housing. This has resulted in house prices rising to levels that many people in Southwark cannot afford and has created a greater need for affordable housing in the borough.

There is a shortage of affordable homes, in Southwark, across London and across the whole of the UK. This means that creating more affordable housing is not just a priority for Southwark but is a key objective of the London Plan and the Government. This has been established through regional and national policy.

Providing people with access to homes they can afford is a priority to make sure that Southwark is a better place for people to live, irrespective of their income. One of the ways that we can do this is by using our planning policies to require that affordable housing is provided in new developments. This will give households in need of affordable housing more opportunities to rent or buy a good quality home which they would otherwise not be able to afford.

1.1 Purpose and objectives

The purpose of this supplementary planning document (SPD) is to:

1. make sure existing policies in the development plan achieve their objectives; and
2. set out the issues that the council will consider in making decisions on planning applications.

The Southwark Plan (2007) and the London Plan (consolidated with alterations, 2008) include all of the planning policies that we use to make planning decisions. Together they are called the development plan. This document provides more detail to the Southwark Plan. We are updating the Southwark Plan and setting out new policies and strategies for issues such as affordable housing, employment and planning areas as places in a core strategy. This means that the guidance in this document will be updated as the new Core Strategy is prepared. The Core Strategy is where all of the important decisions will be made about the type of development that is allowed to improve places in Southwark. This SPD does not create policy. It provides more detailed guidance to policies in the Southwark Plan. It may be changed soon so please make sure that you check on the website to find out whether any new guidance has taken the place of this document at <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/planningpolicy>

The SPD provides further guidance on Southwark Plan policies:

1. 4.3. Mix of dwellings
2. 4.4 Affordable Housing
3. 4.5 Wheelchair affordable housing

The objectives of this SPD are:

1. To provide guidance to ensure that new housing provides the maximum amount of affordable housing possible to meet the needs for this type of housing.
2. To provide guidance to make sure that affordable housing is provided throughout the borough in the most appropriate way.
3. To make sure that affordable housing contributes to creating a better mix of housing of different tenures and prices throughout the borough to support households with different needs and incomes.

By achieving these objectives the SPD will help:

1. Residents, developers, councillors and other people who are interested in affordable housing understand our approach to getting affordable housing built in the borough.
2. Get the maximum possible amount of affordable housing from new development to meet the need for housing in the borough.
3. Give developers more certainty about what is required from them with regard to affordable housing and help inform their financial decisions.
4. Make sure that developers think about affordable housing early on in the planning and design of their schemes.
5. Encourage better developments.
6. Make the planning process more efficient by ensuring that applicants provide the right information to us to make an informed decision.

1.2 What development does this SPD apply to?

This document will be used to make decisions on planning applications that include the development of 10 or more housing units. This includes applications for new build, change of use, conversions and extensions.

The guidance in this documents will also be used to make decisions on planning applications that include housing where the site is:

1. 0.5 hectares or more in size.
2. Appropriate in size and location to provide 10 or more housing units

1.3 Related planning documents

This SPD should be used along with other planning documents that provide guidance, standards and technical information on other aspects of residential development, including:

1. Residential Design Standards Supplementary Planning Document (2008): this document explains minimum design standards for residential development to ensure it is of a high quality and meets housing need in the borough.
2. Section 106 Planning Obligations Supplementary Planning Document (2007): this document explains when the council will require financial contributions from development to mitigate any negative impacts that they may have. It also sets out what financial contributions will be required for and how they will be spent.
3. Sustainable Design and Construction Supplementary Planning Document (Draft): this document explains how new development should be designed and built so that it maximises positive impacts and minimises negative impacts on the environment, including guidance on energy, water use, pollution, waste, flood risk and biodiversity.
4. Sustainability Assessment Supplementary Planning Document (Draft): this document explains what information will be required to demonstrate the environmental impact of a development and how this will be balanced with social and economic impacts;
5. Design and Access Statements Supplementary Planning Document 2007): this document explains how to prepare design and access statements, which need to be submitted with most planning applications.

In addition future Area Action Plans and Supplementary Planning Documents relating to specific areas and sites may identify more site and area specific guidance, standards and targets for maximising the provision of affordable housing. The future Core Strategy may also provide new policies and guidance on affordable housing. Applicants are strongly encouraged to seek advice from our planning officers at the pre-application stage to make sure that all relevant policies relating to proposals are considered.

1.4 Structure

Section 2 explains what affordable housing is and why it is needed.

Section 3 outlines the basic questions that applicants need to consider when preparing proposals for housing development. It also sets out our strategy for affordable housing and explains when and how much affordable housing we require, how this will be calculated and where it should be provided. Section 3 also gives guidance on wheelchair affordable housing.

Sections 4 gives guidance on how to get the right mix of affordable housing in terms of tenure and size of affordable housing. It also gives guidance on the design of affordable housing, which needs to be read in conjunction with the Residential Design Standards SPD.

Section 5 explains how affordable housing will be required in specific types of developments such as mixed use, live-work and 100% affordable housing developments, redevelopment schemes and estate

regeneration. It also explains how affordable housing will be required as part of revised schemes and phased developments.

Section 6 gives guidance on how affordable housing relates to specialist housing that meets specific needs such as sheltered housing, supported housing and student housing and explains what information we will need from applicants to determine planning applications for these types of housing.

Section 7 sets out how affordable housing is financed and secured

Section 8 outlines the information we need for pre-application discussions and when planning applications are submitted for developments that include affordable housing.

Section 9 provides information on the national, regional and local policy context that is relevant to this SPD.

A glossary is provided at Appendix 5 to explain key words and technical terms.

Section 2: What is affordable housing?

The Southwark Plan defines affordable housing as that which is accessible to those households who can not otherwise afford the same sort of housing anywhere in the borough at market prices. Affordable housing is an important part of making sure that everyone has access to a high quality home in Southwark.



2.1 Why is affordable housing needed?

There are two main reasons why we have to provide affordable housing:

1. To meet the housing needs of the borough

To identify the need for affordable housing in the borough a housing needs survey is carried out roughly every five years. These surveys are carried out in accordance with government guidance. The most recent survey was carried out in 2003 and updated in 2006. The key findings of the survey were that:

- Southwark has a shortfall of 2,732 affordable housing units per year over the next five years.
- Annual household income in the borough is £29,371 while average house prices are £289,247.
- We will need to maximize the availability of affordable housing from all available sources (including new build and conversions).
- There is a significant need for more family housing with three or more bedrooms in the borough.
- Owning a home is beyond the reach of the majority of households who do not already own their own home.
- It is estimated that intermediate housing can meet approximately 30% of affordable housing need.

2. To contribute to meeting housing needs both regionally and nationally.

The London Plan has set Southwark an annual target of at least 1,630 additional homes (made up of both market and affordable housing) to be built in the borough each year until 2016/17. Of these new homes, at least 50% should be affordable to meet the London Plan target.

We need to build 2732 affordable homes in the borough each year to provide for housing need. This is way above our overall yearly housing target of 1,630 for all homes. As the need for affordable housing in Southwark is so high, it is very unlikely that it will be met over the next five years. This is because there simply is not enough available land to build this amount of housing each year. However, through the planning process we can make sure that we get the maximum amount of affordable housing possible as part of new developments and ensure that:

- The type of affordable housing provided will meet an identified local need.
- The cost of the housing remains affordable in the long term for households who need it.
- People on different income levels are able to live side by side.
- Development schemes are financially viable, taking into account land values and the cost of delivering affordable housing.
- Development does not impact unfairly on different people and communities in Southwark.

FACT BOX 1: What is affordable housing?

In general there are two types of housing:

1. Market (or private) housing – housing that is available to either buy or rent privately on the open market.
2. Affordable housing – housing that is accessible to those households who can not afford to buy or rent decent housing and appropriate market housing of a size that meets their needs anywhere within the borough at market housing prices.

There are two types of affordable housing:

- Social rented housing; and
- Intermediate housing.

We need to make sure that affordable housing is only available to households that really need it. To do this we need to carefully define what we mean by social rented housing and intermediate housing.

FACT BOX 2: What is Social rented housing?

Social rented housing is housing that is available to rent either from the council, a housing association (known as a Registered Social Landlord) or other affordable housing provider. For social housing to be considered affordable it must meet the following criteria:

- The government has told local authorities, housing associations and other affordable housing providers to use the same formula for setting rents for social rented housing, known as target rents. The formula is that the rents that tenants pay are based on the value of the property and the average income of households living in the same area. To qualify as social rented housing, rents must be no greater than these target rents; and
- Service charges are collected by landlords to recover the costs of providing services to a dwelling. The way the service charge is organised is set out in the tenant's lease or tenancy agreement. The charge normally covers the costs of general maintenance and repairs, insurance of the building and, where the services are provided, central heating, lifts, lighting and cleaning of common areas. The charges may also include the costs of management by the landlord or by a professional managing agent. To qualify as social rented housing, service charges must be at a level that ensures they are affordable to households on a total (or gross) income of less than £17,600 per year (refer to section 2.2 below) and that rents and service charges in total do not exceed 30% of net household income (i.e. after deductions); and
- Access to social housing should be based on housing need; and
- It must be available on a long-term basis. In Southwark long-term is considered to be in perpetuity (refer to section 7.7 of this SPD).

FACT BOX 3: What is Intermediate housing?

Intermediate housing is permanent housing for people who cannot afford to rent or buy market housing but can afford to pay more than target rents (refer to factbox 1). For intermediate housing to be considered affordable it must meet the following criteria:

- It must enable households that do not earn enough to afford market housing but can afford more than target rents, to rent or purchase all or part of their home;
- Rents including service charges must be affordable by households on incomes of less than £58,600 (refer to section 2.2 below)
- Purchase prices must be no greater than 3.5 times the average income limit of £58,600 or annual housing costs (including rent and service charges) are no greater than 40% of the net household income (assumed to be 70% of total, or gross, income).

Intermediate housing includes shared ownership, housing for rent and other low-cost home ownership products (refer to section 2.4 below).

2.2 Affordability thresholds

The London Plan sets income limits for social rented and intermediate housing. These are based on average household incomes and average house prices across London. Households earning over these income limits are not eligible for affordable housing. Figure 2 below illustrates these income limits.

Figure 2: Affordability thresholds



Source: The GLA.

These income limits are updated every year to take account of changes in average incomes and house prices. The income limits in this SPD will be updated on an annual basis in line with any updates from the most up-to-date London Plan Annual Monitoring Report. To ensure you are using the most up-to-date figures we recommend you check this section of the SPD on our website at: <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/planningpolicy/AHSPD.html>. The current figures come from the London Plan Annual Monitoring Report 4.

In addition to these figures, we also have income limits for different dwelling sizes and intermediate housing. These are shown in table 4 in appendix 2. These figures will be updated on an annual basis in line with changes to local house prices and income levels.

2.3 Shared ownership

Shared ownership is the main option for intermediate housing in Southwark. It allows households who cannot afford to buy a home outright the opportunity to part buy and part rent a home. Shares of the property can be sold over time, which makes this type of intermediate housing affordable to a range of households on different income levels.

Residents in shared ownership housing may choose to buy a 25%, 50% or 75% share in their home, depending on what they can afford. They pay rent on the share that they do not buy. The bigger the share that is purchased, the less rent has to be paid on the remaining part of the property.

Residents can choose to buy more shares on their property when they can afford them until eventually they own their home outright. This is known as 'staircasing'.

2.4 Key worker housing

A key worker is someone with a job in an essential public service. In Southwark, key workers are considered to be some national health service staff, teachers, police and police civilians, prison and probation service staff, social workers, occupational therapists, educational psychologists, planners and military personnel. These workers are needed to provide key services to the public, whether in the public or the private sector. Key worker housing is usually provided as intermediate housing. However the definition of intermediate relates primarily to affordability and not to the employment status of individual members of a household. Key workers may be eligible for either social housing or intermediate housing depending on their household income. An appropriate amount of affordable housing should be made accessible to key workers to ensure that they are able to live and work in Southwark.



Section 3: Getting the right amount of affordable housing

We have to make sure that we get as much affordable housing as we can from new housing. This has to be done in a way that does not make developments financially unviable. This is important in contributing towards meeting housing needs in the borough.

3.1 What is our strategy for affordable housing?

Our strategy for affordable housing is set out in our development plan, made up of the London Plan and Southwark Plan:

1. The London Plan

The Mayor of London states that 50% of all new housing provision should be affordable and of this 70% should be social rented and 30% intermediate. The London Plan has set a target for Southwark to build 1630 affordable homes each year up until 2016/17.

2. The Southwark Plan

We try to make sure that 50% of all new homes built in Southwark are affordable by:

- Making sure we get a the maximum amount of affordable housing possible as part of private housing development whilst ensuring the development is viable. This will contribute towards creating a balance of housing throughout the borough and will provide a mix of housing that supports the needs of a variety of households; and
- Supporting housing associations to develop housing that is totally or mostly made up of affordable housing. This is to make sure that meet any shortfall in provision from private developments to meet the 50% target.

Even through there is a overwhelming need for affordable housing in the borough, we only try to get 50% of new housing as affordable because we have to make sure that:

1. Southwark is a place that offers a wide choice of both private and affordable housing to meet the needs of everyone in the community.
2. Housing is accessible to a variety of households on different incomes.
3. Households on different income levels can live side by side in both affordable and private housing.
4. Developments are financially possible so new housing can be built in the borough.

3.2 When is affordable housing required as part of private development and how much should be provided?

Policy 4.4 (Affordable Housing) of the Southwark Plan sets out when affordable housing is required as part of private development and how much should be provided.

FACT BOX 4: Policy 4.4 of the Southwark Plan – Affordable Housing

The LPA will endeavour to secure 50% of all new dwellings provided in Southwark as affordable in accordance with the London plan. As part of private development, the LPA will seek to secure the following provision of affordable housing:

- i. Within the Urban and Suburban Density Zones and with the Elephant and Castle Opportunity Area, at least 35% of all new housing as affordable housing, for all development capable of providing 15 or more additional dwelling units or on sites larger than 0.5 hectare, except in accordance with policy 4.5; and
- ii. Within the Central Activities Zone excluding the Elephant and Castle Opportunity Area, at least 40% of all new housing as affordable housing, for all developments capable of providing 15 or more additional dwelling units or on sites larger than 0.5 hectare, except in accordance with Policy 4.5;
- iii. For all schemes capable of providing 10,11, 12, 13 and 14 dwellings on site provision calculated by the proportions outlined in table 4.4. e.g. For a 10 unit scheme there should be 9 private units plus 1 affordable unit; for an 11 unit scheme there should be 9 private units plus 2 affordable units etc:

Table 4.4 Affordable Housing requirements for 10-14 Unit Developments

No. of units	10	11	12	13	14
Number of affordable units	1	2	3	4	5

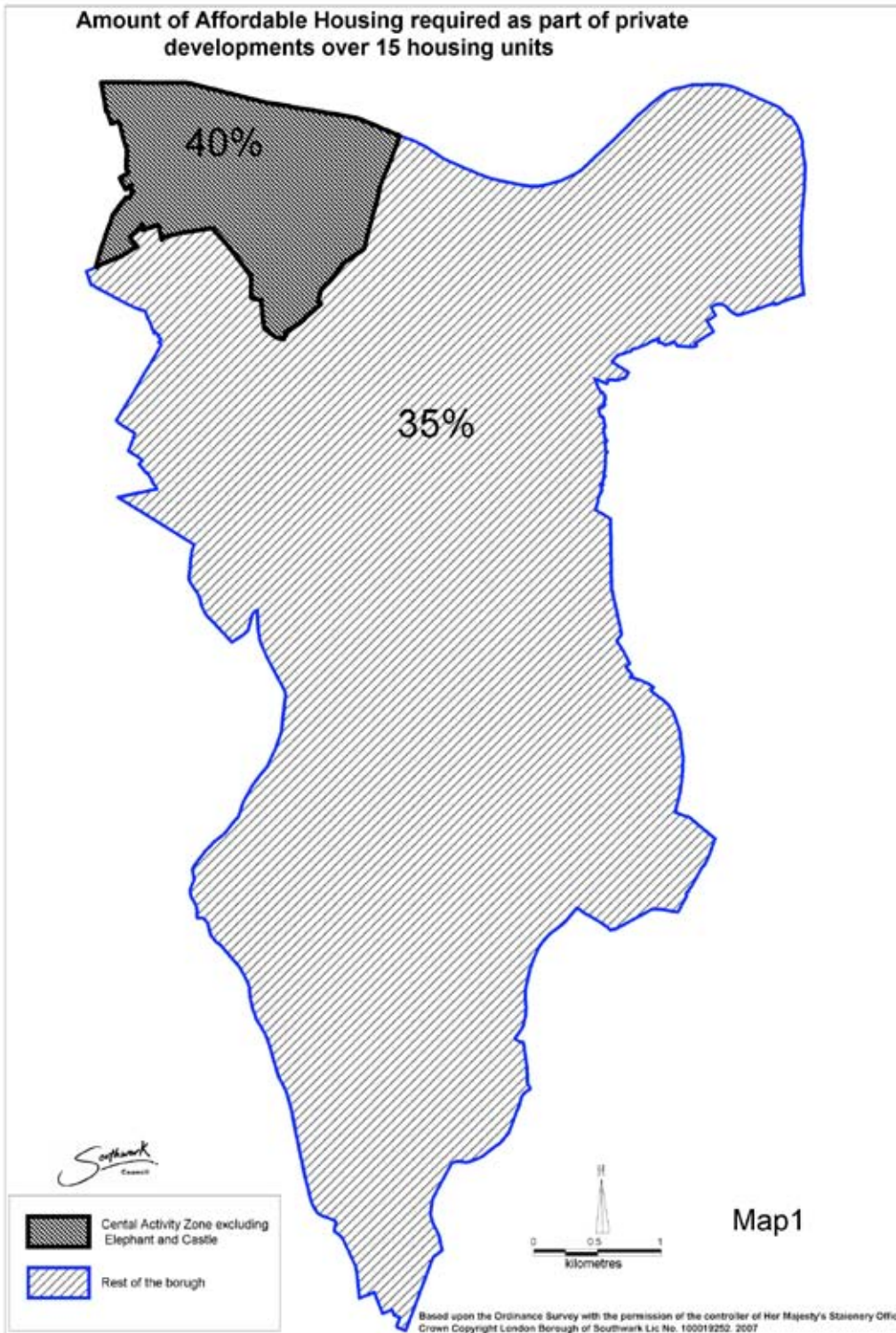
- iv. The affordable housing provided must be an appropriate mix of dwelling type and size to meet the identified needs of the borough;
- v. The affordable housing should not be distinguishable from the private housing development; and
- vi. A tenure mix of 70:30 social rented: intermediate housing ratio except as stated below for opportunity and local policy areas:

Table 4.5: Tenure Mix for Affordable Housing

Area designation	Social rented (%)	Intermediate (%)
Central Activities Zone	70	30
Urban Zone	70	30
Suburban Zone	70	30
Elephant and Castle Opportunity Area	50	50
Peckham Action Area	30	70
Old Kent Road Action Area	50	50
West Camberwell Action Area	50	50
Camberwell Neighbourhood Area	50	50

Applicants will also be encouraged to contribute to the provision of affordable housing as part of all new development, and at higher levels than those referred to above.

The map below shows the percentages of affordable housing that are required in different parts of the borough:



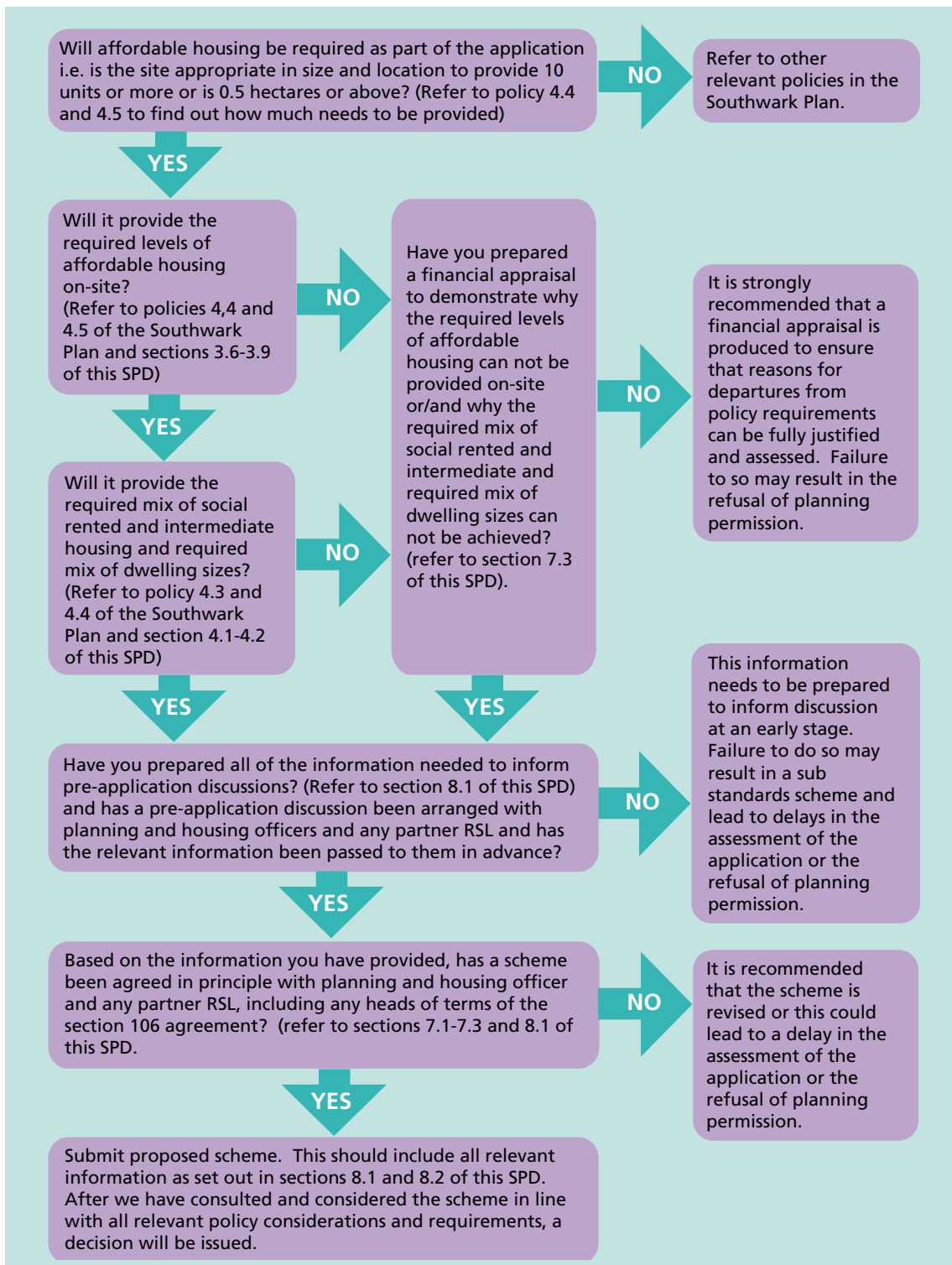
3.3 What is meant by 'capable of providing' 10 or more units?

To make sure that we are maximising the opportunities to develop affordable housing in the borough, we need to ensure that land is used as efficiently as possible. To do this we will look at a number of issues when assessing whether a site has the capability to provide 10 or more housing units, these include looking at:

1. The appropriate density of the site using the density criteria outlined in policy 4.1 of the Southwark Plan
2. The efficient use of land using policy 3.11 of the Southwark Plan
3. Any site constraints such as restricted access to the site or the presence of any ground contamination.



Figure 3: This chart shows the main questions that need to be asked in the process of preparing developments which require a provision of affordable housing.



3.4 How is affordable housing calculated?

Developments of 15 housing units or more

For development of 15 housing units and above, the amount of affordable housing will normally be calculated using habitable rooms (refer to Appendix 5 for a definition of a habitable room). In circumstances where the calculation of affordable housing results in a fraction of a habitable room (e.g. 0.7) we will round the number up or down to the nearest whole habitable room (with 0.5 being rounded up). For the purposes of affordable housing calculations, any room across the entire development that is over 27.5 sqm will be considered as two habitable rooms.

Example:

- A development is proposed for 30 residential flats in the urban zone.
- This is made up of 10 one bedroom flats, 15 two-bedroom flats and 5 three bedroom flats.
- When counting up all of the habitable rooms in the development it adds up to 55 bed rooms and 30 living rooms. This totals 85 habitable rooms.
- To meet the requirement of 35% the development would have to provide 30 habitable rooms as affordable (i.e. 35% of 85).

Exceptions may apply when it is found that the level of gross private floorspace exceeds that of the gross affordable floor space by over 5%. In these circumstances the amount of affordable housing required will be calculated on gross habitable floor area (GHFA).

Developments of 10 -14 housing units

For developments of 10-14 housing units, the amount affordable housing will normally be calculated on units as shown in table 4 in policy 4.4.

3.5 Wheelchair Affordable Housing

At least 10% of all major new residential developments should be suitable for wheelchair users. Wheelchair standards are set out in the Residential Design Standards SPD. For every affordable housing unit that meets these standards one less affordable habitable room will be required than normal.

Example:

- A development is proposed for 45 residential flats in the central activities zone.
- This is made up of 19 one bedroom flats, 20 two-bedroom flats and 6 three bedroom flats.
- When counting up all of the habitable rooms in the development it adds up to 77 bed rooms and 45 living rooms. This totals 122 habitable rooms.
- To meet the requirement of 40% affordable housing the development would have to provide 49 habitable rooms as affordable (i.e. 40% of 122).
- It is proposed that all of the 6 three bedroom flats are built in accordance with the wheelchair design standards.
- This means that the development has to provide 43 habitable rooms as affordable (i.e. subtract 6 from 49)

3.6 Where should the affordable housing be provided? The Sequential Approach

We follow a sequential approach to make sure that we get as much affordable housing from private developments as possible.

The sequential approach:

1. All housing, including affordable housing should be located on the development site.
2. In exceptional circumstances it may be justified by the applicant that it is not possible to provide the affordable housing on-site or demonstrated that significant benefits will be gained by providing new units in a different location, such as to meet housing needs by creating more family housing. In these circumstances we will ask that affordable housing is provided on another site or sites in the local area of the proposed development. This is known as off-site provision.
3. In very exceptional circumstances where it is accepted that the affordable housing can not be provided on-site or off-site, we will require a payment towards providing affordable housing instead of the affordable housing being built as part of the development. This is known as an in-lieu payment or commuted sum.

The applicant should not financially benefit by providing affordable housing through off-site provision or in-lieu payments instead of on-site.

3.7 On-site Provision

All housing, including affordable housing should be located on the development site. The council requires affordable housing to be provided on-site. In very exceptional cases, not all of the required affordable housing may be able to be provided on-site. In these circumstances we will make sure that we get the affordable housing in the most appropriate way by:

1. Varying the tenure mix to be provided on site or reducing the level of affordable housing to be provided on-site; or/and
2. Off-site provision; or/and
3. In-lieu payment

In each circumstance we will make sure that the maximum possible amount of affordable housing is provided in the most appropriate way to meet the housing needs of the borough.

Please also refer to section 7.3 on financial appraisals.

3.8 Off-site Provision

In very exceptional cases where it is justified and accepted that affordable housing can not be built on-site as part of a development, we will require the affordable housing to be built on another site near the development. This is known as off-site affordable housing. Not all of the required affordable housing may be able to be provided on-site. For example there may be site constraints which prevent a mix of tenures being provided on the same site.

In these circumstances the developer should justify to our satisfaction that the required amount of affordable housing cannot be built on-site. This will include undertaking an open book financial appraisal to demonstrate how much affordable housing can be provided. Section 7.3 provides further information on financial appraisals. We will require off-site affordable housing to be built and ready for occupation at the same time as the on-site market housing. We will also require that off-site affordable housing is additional to affordable housing that would need to be provided on the identified site in any case. This will usually result in a higher percentage of affordable housing on any sites that are used for off-site affordable housing, with more affordable housing in areas of lower land value.

For developments of 15 or more dwellings

Example:

- A developer is required to provide 40 habitable rooms as off-site affordable housing and a site has been secured in the central activities zone
- The proposed development is to build 50 residential units made up of 145 habitable rooms.
- Policy 4.4 of the Southwark plan requires that at least 40% of the habitable rooms must be affordable on this site.
- 40% of 145 habitable rooms is 58 habitable rooms.
- The developer is therefore required to provide the 40 habitable rooms as off-site provision plus the 58 habitable rooms that would have been required under normal policy requirements under policy 4.4 of the Southwark Plan.
- In total the developer has to provide 98 habitable rooms (40 off-site + 58 on-site) or 68% of the housing as affordable.

For developments of 10-14 units

Example:

- A proposed development of 11 housing units is required to provide 2 affordable housing units as part of the development
- The affordable housing can not be developed on site but a site has been secured to build the 2 affordable housing units off-site plus another 12 units.
- Of the additional 12 units, the developer is required to provide 3 units.
- This means that the developer will have to provide 5 units on the site that has been secured for offsite provision.

We will only consider off-site affordable housing where:

1. an appropriate site or sites have been identified and near to the development site; and
2. planning permission has already been granted for the development of housing on the site/sites identified for the off-site affordable housing; or
3. a planning application/applications have been submitted to us for the off-site provision at the same time as the application for the facilitating development.

This to make sure that

1. planning officers are able to fully assess whether or not policy requirements for affordable housing will be met; and
2. developers are not charged abnormally high prices for land that they need to build the off-site affordable housing on. This may occur if developers try to buy a site or sites after planning permission has already been granted for the main development.

3.9 In-lieu payments (or commuted sums)

In very exceptional circumstances, where it is justified and accepted through an open book financial appraisal that all or some of the affordable housing can not be built on-site or on an identified off-site location, an in-lieu payment will be required. The in-lieu payment should be enough to build the required level of affordable housing.

Developments of 15 or more housing units

For developments of 15 or more housing units, in-lieu payments are calculated by:

1. Identifying the value of the land where the development site is located using the map in appendix 1
2. Finding out how much it costs to develop affordable housing in that area (based on habitable rooms) using the standard figures outlined in table 2, in appendix 1
3. Multiplying the amount of affordable housing required (based on habitable rooms) by the cost of developing housing in that area

For developments between 10-14 housing units

For developments of 10-14 housing units the amount of affordable housing required is calculated by unit.

In-lieu payments will be calculated by:

1. Finding out what size most of the housing units are i.e. if they are mostly 1 bedroom, 2 bedroom, 3 bedroom etc.
2. Calculating how many habitable rooms there are in most of the housing units in the development. For instance, if the most of the units have 2 bedrooms and 1 living room then most of the housing units will have 3 habitable rooms.
3. Multiplying this number by how many affordable housing units are required to be provided.
4. Identifying the value of land where the development site is located using the map in appendix 1.
5. Finding out how much it costs to develop affordable housing in that area (based on habitable rooms) using the standard figures outlined in table 2, in appendix 1.
6. Multiplying the total calculated in step 3 by the cost of developing housing in that area.

Example:

- A developer proposes to build 14 housing units in Camberwell
- Policy 4.4 of the Southwark Plan requires 5 of these housing units to be affordable i.e. 10 units requires inclusion of 1 affordable unit; 11 units requires inclusion of 2 affordable units etc
- Most of the housing units have 2 bedrooms and 1 living room, therefore most of the units have 3 habitable rooms
- The number of affordable housing units required (5) is multiplied by this number of habitable rooms (3). This equals 15.
- Camberwell is in value area 3 (refer to appendix 1) where it costs approximately £80,000 to build 1 habitable room.
- The 15 habitable rooms is then multiplied by £80,000. This equals £1.2 million.
- The in-lieu payment required to build the affordable housing is £1.2 million.

3.10 Where do in-lieu payments go?

When we receive in-lieu payments for affordable housing they are put together into an affordable housing fund. This fund is ring-fenced to help fund housing associations build mostly or 100% affordable housing schemes in the borough. Our Housing Regeneration Initiative Team will manage the fund and identify appropriate schemes to fund in the borough.

Section 4: Getting the right mix of affordable housing



It is important that we provide the appropriate mix of housing both in terms of tenure (e.g. market, intermediate and social rented) and size (e.g. 1 bedroom, 2 bedroom, 3 bedrooms etc). This is so we can get a better mix of housing that better meets people's housing needs.

4.1 What should the tenure mix be?

Developments over 15 housing units

The London Plan's policies require that the council ensures that overall 70% of all affordable housing in the borough is social rented. Policy 3A.9 of the London Plan states that in setting affordable housing targets, boroughs should take account of regional and local housing needs, housing capacity and the London-wide objective of ensuring that 70% of affordable housing is social rented and 30% is intermediate.

Our policy says that 70% of affordable housing should be social rented and 30% intermediate in Southwark. However we already have areas where this does not apply based on the amount of social rented housing already in areas as set out in Fact Box 4.

For development of 15 or more housing units or on sites of over 0.5 hectares, we require that of the affordable housing provided, 70% is social rented and 30% is intermediate housing. This should be calculated by habitable rooms.

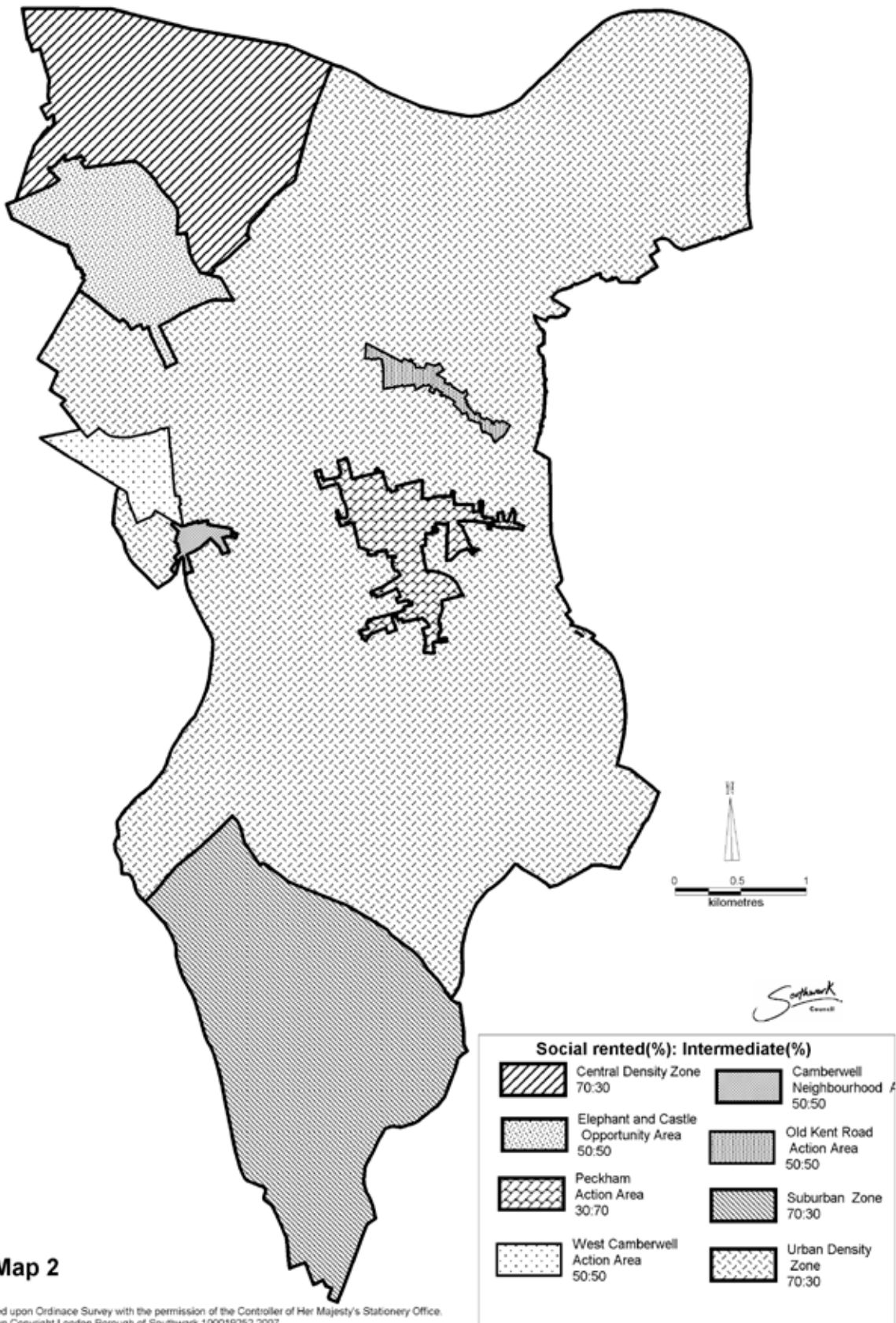
Example:

- A development is proposed in the Central Activities Zone for 56 housing units.
- The development has 160 habitable rooms made up 12 of the units with 3 bedrooms, 24 units with 2 bedrooms and 20 units with 1 bedroom. Each of the units have a living room.
- In this area 40% of the habitable rooms are required to be affordable.
- This means that the developer has to provide 64 of the habitable rooms as affordable.
- This means that the developer must provide 49 of the habitable rooms as social rented and 15 of the rooms as intermediate.

Exceptions apply in areas where there is already a predominance of social rented housing. These areas are outlined in table 4.5 of policy 4.4 of the Southwark Plan (refer to Fact Box 4). They are also shown in the map on the next page.

The council also carries out its own affordable housing developments and encourages and supports affordable housing developments by housing associations. Often these developments are 100% affordable housing developments and have a higher than 70% share of social rented dwellings. This ensures we meet the London-wide target of overall 70% of all affordable housing as social rented.

The mix of Social and Intermediate Housing required in different areas of the borough



Developments between 10-14 housing units

For developments of 10-14 housing units it will not always be possible to get a mix of social and intermediate housing e.g. in an 11 unit scheme where only 2 units are provided because of high management and maintenance costs. Where it is possible, the units may not be affordable as housing costs may have to be high. This is because it is often expensive for RSLs and other affordable housing providers to manage and maintain small numbers of units in private developments. In these circumstances we will require the affordable housing is provided as either social rented or intermediate housing. This will be decided on a site by site basis, taking into consideration the overall housing need, the location of the site and any site constraints.

Applicants are strongly encouraged to discuss with us at an early stage the tenure mix of affordable housing as the location of the affordable housing units may affect the design of the scheme. Please refer to section 4.3 on design for more information.

4.2 What mix of housing sizes should there be?

Providing housing of appropriate sizes to meet the needs of the community is important in creating better and healthier places to live and in reducing homelessness and overcrowding.

For developments of 10 or more housing units, we will require a mix of dwelling sizes to meet housing needs as set out in policy 4.3 of the Southwark Plan.

In terms of the mix of different sizes of units, the key findings of the housing needs survey were that:

1. There is a general need for more family housing in the borough;
2. The greatest need in affordable housing is for three or more bedroom properties.

We will also require that the affordable housing provided as part of private developments is appropriate in size to meet these needs (please refer to Fact Box 4).

Studio flats are not suitable for affordable housing as they do not meet Southwark's needs for this type of housing. Because of this, studio flats will not be accepted as affordable housing provision. However studio flats do generate a requirement for affordable housing just like any other size of unit if they are part of a development of 10 or more housing units.

Some proposed developments may have too few affordable housing units to allow for a mix of unit sizes. In these circumstances, the size of the affordable housing unit/s required will have one more bedroom than the majority of units in the development. For example, if the majority of units have two bedrooms then the affordable housing should have three bedrooms.

Applicants are strongly encouraged to discuss with us at an early stage the dwelling mix of the affordable housing. Please also refer to section 2.5 of the Residential Design Standards SPD.

4.3 Design and integration of affordable housing

Creating high quality living environments is central to the objectives of Southwark's community strategy and development plan.

The same design considerations will be applied to affordable housing as to market housing. We will expect affordable housing to be integrated with market housing through a high standard of design and shared access arrangements as far as is practical.

The physical integration of affordable housing amongst market housing (otherwise known as 'pepper-potting') is encouraged. However it is recognised that pepper-potting can cause difficulties in managing and servicing properties which can lead to high housing costs over and above what is considered to be affordable. Applicants should justify why the affordable housing cannot be physically integrated amongst market housing. This mostly occurs in the development of flats. In these circumstances market and affordable housing could be vertically grouped to keep housing costs affordable. There should be no difference in the appearance and quality of affordable units and market units.

Affordable housing should be carefully designed so it can be easily maintained. High service charges and maintenance costs associated with badly designed developments can affect the affordability of a development for residents. Service charges and maintenance costs must be within affordability thresholds (refer to section 2.2).

Applicants are strongly encouraged to discuss maintenance and management issues with a partner RSL at an early stage in the design process to make sure that the design of the development is cost efficient, without compromising high quality design.

If we consider that a site is suitable for housing but the design of the proposal makes it difficult to build the affordable housing on-site, subject to other material planning considerations, we will require that the proposal is revised to allow the affordable housing to be built on-site.

We strongly encourage applicants to discuss at an early stage the design of developments that include affordable housing. Please also refer to section 3.5 of the Residential Design Standards SPD for further information on the design of affordable housing.

Section 5: Affordable housing in specific types of development

5.1 Redevelopment of sites

The redevelopment of certain sites can contribute towards more sustainable buildings by promoting the efficient use of land where plots are underused or vacant. These sites can also provide the opportunity to build much needed housing, including affordable housing, when they are in appropriate locations.



For the redevelopment of existing housing (including extensions and conversions) where the total number (or gross) of units goes above 10 or the site is 0.5 hectares or more in size, we will require the same amount of affordable housing as we would in a new development. The amount of affordable housing required will be calculated by the total amount of housing proposed in the application.

Example:

- There are currently 9 private residential units on a site in the Central Activities Zone
- A proposed redevelopment of this site would result in the refurbishment of these units and another 7 units being built on the site
- This brings the total (or gross) number of units to 16
- As the development is over 15 units and in the Central Activities Zone, under policy 4.4 we would require 40% of the housing to be affordable
- Because the development is for over 15 units, we would calculate this by habitable rooms.

5.2 Mixed Use Schemes

Housing should be provided as part of mixed use developments together with offices, shops and/or community facilities. Mixed use developments are a way of using land more efficiently, such as by using spaces above shops for flats or offices. Housing as part of mixed use developments can help to create areas of activity and support the local economy by encouraging people to use and/or work in the shops and businesses that they live near to. They can also improve safety and security by having people around the area in the evening after the businesses and shops have closed.

We will require affordable housing in line with policy 4.4 of the Southwark Plan on mixed use developments that propose 10 or more housing units. If planning permission has been granted for a mixed use scheme and a later proposal is submitted for a change of use from non-residential to housing on the same site, the amount of affordable housing required will be recalculated. In recalculating the affordable housing that is required, we will take into account the total number of habitable rooms across the whole of the site.

5.3 Live-work Units

Live-work units combine both residential and employment space and can offer a number of benefits. This includes reducing the need to travel to work and providing affordable business space to small businesses and start up businesses. Policy 1.6 of the Southwark Plan provides further guidance on live work developments.

Live-work developments are not suitable for affordable housing. This is because this type of housing does not meet Southwark's needs for affordable housing. As such, live-work units will not be accepted as affordable housing provision. However, live-work units generate a requirement for affordable housing. This is because they are partly housing and the 'live' element of the live-work unit can be used separately from the 'work' element. If there are more than 10 live-work units, the development will need to provide a share of affordable housing in accordance with policy 4.4 of the Southwark Plan on affordable housing.

Please refer to Policy 1.7 (Live/Work Units) of the Southwark Plan for further information.

5.4 100% or mostly affordable housing schemes

Developments that are mostly or 100% affordable are important to make sure that we meet our target of creating 50% of all new dwellings as affordable (refer to section 3.1).

For developments that are mostly or 100% affordable, the normal tenure split between social rented and intermediate housing may not apply (refer to section 4.1 and fact boxes 2 and 3 for more information on tenure). This is because these types of developments may be required to meet a specific identified need.

The tenure mix of affordable housing for developments that are mostly or 100% affordable will be decided on a site-by-site basis taking account of:

1. its location;
2. the existing levels of affordable housing in the local area;
3. the need to create a mix and choice of housing across the borough as a whole.

We always require standard section 106 (planning obligations) charges as part of housing developments over 10 housing units. This includes developments of 100% or mostly affordable housing. This is because it is important that all housing developments are sustainable and do not have any negative impacts on the areas where they are built. Requiring section 106 makes sure that housing developments contribute appropriately towards the infrastructure and services that people living in the development will use.

5.5 Estate Regeneration

Background

Southwark is currently the biggest landlord in London and the sixth biggest in the country. Approximately 50% of households in the borough live in social rented housing, which is higher than any other borough in London. Many of these homes are within estates. Some of these estates are in areas that are made up of mostly social housing, such as in the Elephant and Castle, Aylesbury Estate and in Peckham. Other estates make up pockets of social housing in areas of mostly private housing such as the Kingswood estate in Dulwich. Some of these estates are overcrowded or of poor quality and in need of regeneration.

One of our key objectives is to have more and better homes. To do this we are currently in the process of regenerating a number of estates to transform them into high quality, thriving, mixed tenure neighbourhoods. The regeneration of poor quality estates will create better places to live and a better balance of household types across the borough where people on different income levels can live side by side.

The approach to estate regeneration

The London Plan policy is that estate regeneration will only take place where there is:

1. no overall (or net) loss of housing; and
2. no overall (or net) loss of affordable housing (affordable housing includes both social rented and intermediate housing).

In Southwark we have many areas where the majority of housing is social housing. Because of this, we have to make sure that estate regeneration schemes are used as opportunities to create more balanced communities by mixing up housing types. This has to be done in a way that maximises the provision of housing and affordable housing across the borough. Because of this we will make sure that we consult the GLA on all estate regeneration schemes as part of a wider estate regeneration strategy for the borough.

The replacement of housing in estate regeneration schemes can take place within the boundary of the existing estate. The boundary of the estate can take in areas that are currently underused, such as areas not used for housing, to make sure that land is used efficiently. Careful consideration should be given to creating quality living environments in line with policy 4.2 of the Southwark Plan and relevant SPDs.

To make sure that the maximum amount of affordable housing on an estate is reprovided, development may have to take place at significantly increased densities. This is so that market housing may also be built to financially support the replacement of the affordable housing and/or to achieve a better mix of housing tenures.

When there is a net increase in the amount of housing provision, normal policy requirements for affordable housing will not usually apply to any additional housing that is built on the site. However the London Plan's policy does not say that more affordable housing has to be provided in estate regeneration schemes where

more units are provided than were there before. Because of this, requirements for the provision of additional affordable housing in estate regeneration schemes will be done on a case by case basis in consultation with the GLA and will need to be informed by a financial appraisal. The requirements will be based on whether or not the development can financially support any additional affordable housing. Applicants will be required to provide a financial appraisal to inform negotiations for additional affordable housing or if the applicant suggests that they are unable to reprovide some or all of the housing and/or affordable housing as part of the development. Some replacement of social rented housing with intermediate housing may be acceptable where it is justified by a requirement to achieve a wider range and type of housing within a neighbourhood. Intermediate housing should not exceed the following, as percentages of affordable housing reprovion:

AREA DESIGNATION	MAXIMUM OF INTERMEDIATE
Central Activities Zone	30%
Urban Zone	30%
Suburban	30%
Elephant and Castle Opportunity Area	50%
Peckham Action Area	70%
Old Kent Road Action Area	50%
West Camberwell Action Area	50%
Camberwell Neighbourhood Area	50%

Please refer to section 7.3 on financial appraisals.

The above percentages are set out within Policy 4.4 of the Southwark Plan. We will seek to ensure any shortfall in social rented affordable housing in a particular area is re-provided elsewhere in the borough, in order to seek to achieve the borough-wide target for the provision of social rented affordable housing.

We strongly encourage the inclusion of larger family homes in all estate regeneration schemes. Calculations on whether there is a loss of total housing or affordable housing can therefore be made by habitable rooms rather than units where the redevelopment of the estate will provide a mix of housing sizes that are more appropriate to meet the needs of existing and future residents, such as more family accommodation.

5.6 Partial development, additional dwellings and phased developments

To make sure that our affordable housing policy is applied consistently and fairly on all proposed housing developments, the requirement for affordable housing will apply to:

1. Sites that are artificially sub-divided or partially developed.

In these circumstances we will consider if the proposed development makes the best use of land. We will do this by:

- assessing the application against policy 3.11 (Efficient use of land);
- looking at whether appropriate density levels have been applied to the site, taking into account the context and character of the surrounding development and public transport accessibility levels;
- assessing the application against the design and access statement to see if the proposed development is the best design solution.

2. Phased developments.

If a housing development is part of the first phase of a much larger development which is over 10 housing units, the affordable housing will required as part of the overall scheme in line with policy 4.4 of the Southwark Plan.

Example:

- A housing development in Canada Water has had planning permission granted for 24 residential units
- This development has 66 habitable rooms.
- 23 or 35% of these habitable rooms will be affordable in line with policy 4.4 of the Southwark Plan.
- At a later date the approved development is amended to add an additional 6 housing units with 19 habitable rooms.
- The total number of habitable rooms is now 85 (i.e. $66+19=85$)
- 35% of this total of 85 rooms is required as affordable.
- The developer is therefore required to provide 30 habitable rooms as affordable.

3. Additional units added through amended planning applications

If a phased housing development with planning permission is amended and the total number of housing units increase, the amount of affordable required will be calculated by the new total number of units.

If a development with planning permission for less than 10 housing units is amended to have over 10 housing units, affordable housing will be required in line with policy 4.4 of the Southwark Plan.

4. Later applications on sites with existing planning permission

If there is an existing planning permission for a development of over 10 units and at the time that application was approved with no requirement to provide affordable housing and a fresh planning application is submitted for a revised scheme, if the site is suitable for affordable housing the Council will seek to secure an element of affordable housing in accordance with policy 4.4.

Proposals for development that are deliberately designed to avoid the threshold of 10 units at which affordable housing is required will need to be revised to accommodate more units following an assessment of the site capacity, otherwise a reason for refusal could be put forward

Section 6: Affordable Housing and Specialist Housing Provision



Our housing needs survey shows that there is an overwhelming need for more affordable housing in the borough. We therefore need to do as much as we can to contribute towards meeting the need for this type of housing. For this reason our policies prioritise conventional forms of housing such as flats and houses that bring forward opportunities for the development of affordable housing. However there are other types of housing that are needed for certain members of the community to make sure that everyone has access to a high quality place to live. The following statistics are important in understanding what specialist housing needs there may be in the borough:

1. By 2011 there will be a 12% growth in people over 85 years of age
2. Nearly 20,000 households in Southwark contain one or more persons with a special need
3. Of the 54.1% of households living in social rented housing, 61.8% contain a disabled person
4. 22.6% of social rented housing contains a frail elderly person.
5. In March 2004, Southwark was providing temporary accommodation for over 900 homeless households
6. There are approximately 24,000 students in the borough.

6.1 Housing to meet specific needs

Certain members of the community such as the elderly, people with mental or physical disabilities, vulnerable people and students, need to have housing that caters for their specific needs. These types of housing include:

1. Sheltered housing
2. Supported housing
3. Student accommodation
4. Extra care housing

These types of specialist housing need to be available at a level that is affordable to the people that they are intended to house. For this reason, requirements for affordable housing will not normally be applied to these types of housing (refer also to policy 4.7 of the Southwark Plan and section 4 of the Residential Design SPD).

Because our priority is to provide conventional housing that meets general needs, we have to make sure that any other type of housing is needed for those people that it is intended to house. This is to make sure that land is developed to build housing that people really need, such as affordable housing. For us to assess if there is a need for housing to meet specific needs, applicants will be required to:

1. Demonstrate that there is a local need for such housing
2. Provide evidence that the housing will be affordable to those people that it is intended to house

3. Give details of the long-term lease, management and maintenance arrangements of the accommodation
4. Provide evidence of their experience of delivering and managing high quality schemes of the type of housing they propose to deliver.

If satisfactory evidence of an identified local need for specialist accommodation is not submitted with a planning application, normal affordable housing requirements will apply. This may result in planning permission being refused.

Applicants are strongly encouraged to discuss proposals for housing for specific user groups with us at an early stage.

If housing for specific needs is converted to general needs housing in the future, normal affordable housing requirements will apply.

6.2 Student housing

Higher education establishments such as colleges and universities are important in making sure that people can achieve their educational potential and to give them the qualifications that they need to get into employment. When people are able to live in the areas that they study they can contribute and become part of the wider community. We need to make sure that the appropriate amount of student housing is developed to support individuals wishing to study locally.

Student housing can be in the form of halls of residence, cluster flats or self contained units. Because it is not permanent housing and is only provided to members of specific educational establishments, student housing is not considered to be affordable housing.

Student housing needs to be delivered at levels that meet the needs for this type of housing without limiting opportunities for the development of general needs affordable housing. For us to assess if there is a need for student housing, applicants will be required to submit with a planning application evidence of a local need for student accommodation, including:

1. A letter from a recognised local educational establishment which confirms that they need and require the level of student accommodation proposed.
2. Confirmation that the accommodation will be affordable to students based on information from the local education establishment that housing will be used by.
3. Details of the long-term lease, management and maintenance arrangements of the student accommodation.

Section 7: Financing and securing affordable housing



7.1 How will affordable housing be financed?

For private developments, we only require affordable housing at levels that can be built on site without the need to subsidise it with public money. This means that we expect developers to finance the costs of providing the affordable housing on-site. This is because land values in Southwark are high enough that developers are still able to make a reasonable profit based on the land value above the existing use value even after the required amount of affordable housing has been built. The reason why we ask for either 40% or 35% of private housing to be affordable is to reflect different land values in the borough. Because public subsidy should not be needed to build affordable housing as part of private developments, it can be used to build more affordable housing through mostly or wholly affordable housing schemes.

Our policy works in this way as we consider it to be the best way of making sure that we get the maximum amount of affordable housing that we possibly can and that we achieve our 50% target (refer to section 2.1). This is done through getting the maximum amount of affordable housing from private developments and maximising the efficient use of public subsidy.

7.2 What happens to the affordable housing once it is built?

When affordable housing is built by a private developer, we will expect it to be transferred to a RSL or other affordable housing provider so that they own and manage the housing. We have a preferred list of affordable housing providers and these are contained in appendix 3. We also support using other RSLs that are not on the preferred list but meet the criteria set out in section 8.1. Developers should sell the affordable housing to the RSL or other affordable housing provider at a discounted price. Please refer to Appendix 2, table 3 for guidance on the discounted prices for different sizes of units for RSLs and affordable housing providers. The information is likely to change and will be reviewed and updated annually at www.southwark.gov.uk/ldf

7.3 Financial appraisals

If an applicant suggests that they are unable to provide the required amount of affordable housing on a site, we will require them to submit an open book financial appraisal.

This open book financial appraisal should assess the financial viability of a proposed development. This is done by determining what is known as the 'residual' land value. The residual value is determined by working out the value of all of the housing to be built and then subtracting how much it will cost to develop it. In doing this estimations are made about house prices, building costs and the income that a landowner can reasonably expect to make from the development from selling housing and developing affordable housing. The residual value that is produced from the appraisal should demonstrate that the maximum reasonable amount of affordable housing is being achieved.

When we receive financial appraisals, we will assess them to make sure that we agree with the estimations that have been made about build costs, house prices and profit margins. This will be done by using the Greater London Authority's Three Dragons financial appraisal model. The results of these assessments will be used when we are negotiating and making decisions on planning applications.

Unless the financial appraisal justifies to our satisfaction why the delivery of the required level of affordable housing is not financially possible, we will require that it is provided on-site. In making our decision, we will take into consideration:

1. genuinely abnormal site costs that could not reasonably have been anticipated in advance which may justify a reduction in the level of affordable housing. Examples of abnormal site costs are unexpected costs associated with the extensive preservation of archaeological remains or extensive remediation of contaminated land; and
2. the need for the developer to make a reasonable profit from the development.

We will expect that the applicant has taken into consideration:

1. the need to provide affordable housing and costs associated with other known policy requirements such as renewable energy and section 106 payments;
2. any constraints associated with the site, such as if it has been contaminated by previous industrial uses or is in an archaeological priority zone;
3. standard development costs such as:
 - demolition;
 - landscaping;
 - surveys e.g. archaeological or ecological;
 - ground conditions;
 - drainage or flood prevention measures; and
 - noise abatement measures, i.e. earth bunds, etc.

Applicants will pay for the costs associated with carrying out financial appraisals and our assessment of them. This is because the financial appraisal is required for the developer to justify a level of affordable housing lower than that proposed in policy.

7.4 Public subsidy

Our role is to tell the Housing Corporation if we support an application for public subsidy. We would consider supporting applications for public subsidy when the proposed development exceeds requirements for affordable housing. An example would be where a development is required to provide 35% affordable housing but proposes to deliver 70% and proposes more family homes. In these circumstances we would usually support an application for public subsidy but only for the affordable housing that is additional to policy requirements (i.e. where only 35% of affordable housing is required and 70% is proposed, we will support public subsidy for the additional 35% proposed).

In exceptional circumstances where very large social housing estates are being replaced, we may consider supporting applications for public subsidy for more than just the affordable housing additional to policy requirements. We will normally require the following criteria to be met in these cases:

1. The presence of grant funding achieves a better mix of types and sizes of homes than would otherwise be achieved. This might be the availability of more family homes, to meet both strategic housing need, and those of households being re-housed as part of the scheme.
2. The scheme demonstrates that the maximum value has been achieved from redevelopment, including any market housing to replace the existing affordable units.
3. The scheme will directly achieve significant improvements in the standard of affordable housing in an area and the quality of life enjoyed by its residents, including health, safety and employment opportunities
4. The scheme contributes to achieving mixed and balanced communities.
5. The scheme has a business plan based on a range of funding sources both public sector and private funding, including value of land.

Only affordable housing providers that are accredited by the Housing Corporation are able to apply for public subsidy. The Housing Corporation decides whether or not to provide it. When the Housing Corporation assesses applications they look at a number of issues, including:

1. whether the development is in accordance with national, regional and local strategies for housing;
2. if it is relatively certain that the development will be delivered taking into account land ownership and planning;
3. the site specific costs of providing affordable housing;
4. quality of the proposed affordable housing with regards to the Housing Corporation's Design and Quality Standards;
5. whether or not the development will create additional affordable housing. This means whether or not the development will deliver more affordable housing than already exists on the site or more than the site can subsidise through the value of the land.

7.5 How will affordable housing be secured - Section 106 Planning Contributions

Where affordable housing is to be provided, the council will secure it through a planning obligation under Section 106 of the Town and County Planning Act 1990.

Heads of terms

A 'heads of terms' is a document setting out the particular items of a section 106 agreement as agreed in principle between us and the developer.

Applicants are strongly advised to agree the Heads of Terms of the section 106 agreement with us at the pre-application stage and certainly before a decision is made on the application. This would normally cover the following issues:

1. Location of the affordable units on the site;
2. Affordability thresholds – this means that the housing will have to be available at the costs outlined in section 2.1 of this SPD. We will also make sure that intermediate housing is available to households in Southwark on a range of incomes below the upper threshold of £58,600. This will be done by requiring that average housing costs should be affordable to households on the average incomes outlined in table 4 in appendix 2.
3. When the affordable housing units will be provided - if market housing is being provided as part of the development, the section 106 agreement will usually restrict or prevent the occupation of a specified amount of the market housing until the affordable housing is completed and transferred to a RSL.
4. Number, tenure and size of the affordable housing units;
5. Standards which the affordable housing units must meet,
6. Conditions to make sure that we secure nomination rights - this is to make sure that we have the right to nominate households on our housing register to live in the affordable housing that is built;
7. The retention of social housing in perpetuity – this is to make sure that all the dwellings remain permanently, solely and exclusively available to meet affordable housing need (please also refer to section 7.7 below).
8. The use of 'staircasing' receipts from shared ownership – these should be ring-fenced through the section 106 agreement so that they can be reinvested in affordable housing provision in the borough where possible (refer to section 2.3 of this SPD).

Where 100% affordable housing schemes are proposed the section 106 agreement will include conditions that make sure that, if the scheme is not developed solely for affordable housing, it will become subject to normal affordable housing requirements.

All relevant matters, including arrangements for service charging, should be resolved between all parties before a section 106 Agreement is signed. We strongly encourage the involvement of partner RSLs in drafting section 106 agreements. Where an RSL is not involved, the section 106 agreement will be used to control affordability thresholds and occupancy so that the affordable housing will be available to those in need of it.

7.6 Unilateral undertakings

Instead of agreeing planning obligations through the standard process of negotiation and agreement between us and the developer, developers may prepare the terms of a planning obligation on their own. These will then be submitted to the council. If the terms are acceptable the fact that the document has not been negotiated should not in itself be grounds for the refusal of permission. Where any unilateral undertaking does not meet our planning objectives, planning permission should be refused (refer also to the Section 106 Planning Obligations SPD).

7.7 Keeping affordable housing affordable

Given the high demand for affordable housing in the borough and the need for Southwark to meet strategic housing requirements, we will resist the loss of affordable housing where possible.

Social rented housing

We will make sure, through a section 106 agreement, that social rented housing remains both affordable and available to those in local housing need in the long term. This is referred to as retaining affordable housing 'in perpetuity'. Measures which help to make sure that we retain affordable housing in perpetuity are through:

1. The involvement of a RSL in the development and management of a scheme
2. Nominations agreement between the local authority and RSL
3. Section 106 legal agreements, signed when planning permission is granted. This is only for the type of use and tenure set out in the planning permission and section 106 agreement, and so ensures that the approved tenure mix remains in the development.
4. The provision of social rented accommodation, rather than intermediate accommodation.

Intermediate housing

We recognise the benefits of helping people become home owners so we allow intermediate housing that is shared ownership to be 'staircased' to 100%(refer to 'fact box 2' in section 1.4 of this SPD). This means that households in shared ownership housing can eventually buy their home outright. However, we also recognise that intermediate housing needs to be provided for future generations in housing need. For this reason we will require that any profit received by an RSL or other affordable housing provider from the eventual sale of shared ownership housing is reinvested in providing affordable housing in the borough where possible.

7.8 Other priorities

In line with the London Plan, affordable housing together with transport are acknowledged as the highest priorities for planning obligations in Southwark. Additional priority is also given to learning and skills, health facilities and childcare provision.

There may be circumstances where a scheme delivers exceptional community benefits over and above the standard section 106 contributions required, such as proposals for community facilities that serve a wide catchment area and meet a variety of council objectives.

In these exceptional circumstances we may review the levels of affordable housing required on the site if it is satisfactorily demonstrated that there is a need for such facilities. A financial appraisal will also be required to demonstrate the required levels of affordable housing can not be provided.

Applicants are strongly encouraged to discuss such proposals with us at an early stage. To inform these discussions we will require evidence that demonstrates the need for such facilities and that their provision does not have a significant adverse impact on the financial viability of the development.

7.9 Exceptions to 'other' section 106 (planning obligations) requirements

The following developments will generally be exempt from the need to provide planning contributions for education:

1. Social rented housing provided through a planning obligation where the scheme is partially or fully funded by public subsidy;
2. Housing built specifically for the elderly;
3. Student housing; and
4. Studio and 1 bedroom residential units.

Please also refer to section the Section 106 SPD for further information.

Section 8: Making an application



8.1 Pre-application discussion/advice

We strongly encourage that applicants discuss proposals with officers at an early stage before detailed plans are drawn up. This helps to make the planning process more efficient. It also reduces the risk of applicants submitting unacceptable development proposals. This is because applicants can receive professional advice from our development control, design, planning policy and housing officers to inform their final proposals before they submit their planning application.

We can offer the following advice at pre-application stage:

- Advice on the appropriate amount and mix of affordable housing;
- Advice on the standard and quality of the proposed housing, design, layout and other development control matters;
- The Heads of Terms that a Section 106 Agreement will need to cover;
- Advice on RSLs and partnership working;
- Advice on the likely availability of funding for the RSL units;
- Exceptions to normal requirements; and
- Appraisals of economic viability studies submitted to us.

We will be able to advise and assist in contacting an appropriate RSL on our approved list which is detailed in appendix 3. The RSL will be agreed with the developer and will have:

- An existing development role in the borough;
- Existing local infrastructure;
- Approved developer status with the Housing Corporation;
- A satisfactory local housing management service;
- Established level of service; and
- Nomination arrangements with the council.

Our approved list of RSLs will be reviewed on a regular basis. Other Affordable Housing Providers that are not RSLs will need to be approved by our Director of Regeneration and Neighbourhoods.

Once the principle of the appropriate amount and type of affordable housing is established, developers should make early contact with the RSLs and work closely with them to ensure that the development will result in a high quality development that meets our affordability criteria. Where an RSL is not involved in the delivery of affordable housing, developers should additionally seek advice from planning and housing officers on:

- management and maintenance arrangements /service charges for occupiers of the affordable housing; and
- arrangements for retaining the housing as affordable for successive occupiers.

Applicants need to make sure that sufficient information is supplied to allow pre-planning discussions to be productive. The information required is as follows:

- Total amount of housing proposed calculated in units, habitable rooms and floorspace (sqm);
- Percentage of affordable housing proposed calculated in units, habitable rooms and floor area (sqm);
- Percentage of social rented and intermediate housing proposed;
- Number of bedrooms and floor areas within social rented and intermediate housing units;
- For each form of tenure the number of affordable wheelchair units to be provided;
- The 'weekly cost to occupier' of the proposed affordable units, including realistic and affordable service charges;
- Details of the affordability and tenure of the intermediate homes and how these will provide for a range of income groups;
- Assumptions on cost of transfer to a RSL;
- Mechanisms for ensuring adequate management of the properties.

8.2 Submitting a Planning Application

Planning applications that include residential development and meet or exceed the threshold at which affordable housing is required will need to include details which demonstrate that the affordable housing is deliverable. The information above will have to be submitted with the relevant planning application. If an RSL is to be involved, their details and confirmation of their involvement should also be provided. It is expected that an RSL's requirements will have been designed into the scheme.

Where an RSL is not to be involved in a scheme, additional information will need to be supplied on arrangements for allocation of properties, management arrangements and service charges and arrangements for passing on the affordable housing to successive occupiers. We can advise on housing allocations.

Section 9: Policy context



9.1 National Planning Guidance

The principal Planning Policy Statements (PPS's) that relate to this SPD are as follows:

- **Planning Policy Statement 1 (PPS1) – Creating Sustainable Communities (2005)**, which sets out the Government's overall vision for planning, with sustainable development at the core of the planning system. PPS1 indicates that development plans should promote development that creates socially inclusive communities, including suitable mixes of housing.
- **Planning Policy Statement 3 (PPS3) – Housing (2006)** sets out the Government's key aims and objective in relation to planning for housing and affordable housing. These are to deliver:
 1. High quality housing that is well designed and built to a high standard;
 2. A mix of housing, both market and affordable, particularly in terms of tenure and price, to support a wide variety of households in all areas, both urban and rural;
 3. A sufficient quantity of housing taking into account need and demand and seeking to improve choice;
 4. Housing developments in suitable locations, which offer a good range of community facilities and with good access to jobs, key services and infrastructure;
 5. A flexible, responsive supply of land – managed in a way that makes efficient and effective use of land, including re-use of previously-developed land where appropriate.

Paragraphs 27 to 30 relate to affordable housing and state that the government is committed to providing high quality housing for people who are unable to access or afford market housing, for example, vulnerable people and key workers, as well as helping people make the step from social rented housing to home ownership. The government defines affordable housing as including social rented and intermediate housing. PPS3 states that through their Local Development Frameworks, local planning authorities should:

1. Set an overall (i.e. plan-wide) target for the amount of affordable housing to be provided;
2. Set separate targets for social rented and intermediate affordable housing where appropriate;
3. Specify the size and type of affordable housing that is likely to be needed in particular locations and, where appropriate, on specific sites;
4. Set out the range of circumstances in which affordable housing will be required;
5. Set out the approach to seeking developer contributions to facilitate the provision of affordable housing.

The government published with PPS3 an accompanying document, Delivering Affordable Housing which aims to support local authorities and other key players in delivering more high quality, affordable housing by using all tools available to them. It outlines the affordable housing challenge that needs to be met, and provides information on how existing mechanisms operate to help in delivery.

9.2 Regional Planning Guidance

The London Plan (consolidated with alterations since 2004) – the Spatial Development Strategy for London, provides the spatial development strategy that is the strategic plan for the whole of London. It outlines policy principles for affordable housing. Local plans and supplementary planning documents must be in general conformity to the policies in the London Plan and supporting Supplementary Planning Guidance (SPG). Together the London Plan and the Southwark Plan form our development plan.

The relevant London Plan policies and supporting SPGs that relate to this SPD are as follows:

- **Policy 3A.4 Housing choice**

This policy states that boroughs should identify the full range of housing needs within their area based on a housing needs assessment.
- **Policy 3A.6: Definition of Affordable Housing**

This policy requires local planning authorities to define affordable housing in their local development plans to include social rented and intermediate housing and ensure that affordable housing meets the full spectrum of housing need.
- **Policy 3A.7: Affordable Housing Targets**

This policy states that within their development plans, boroughs should set an overall target for the amount of affordable housing provision over the plan period in their area.
- **Policy 3A.8: Negotiating Affordable Housing in Individual Private Residential and Mixed Use Schemes**

This policy states that boroughs should seek the maximum reasonable amount of affordable housing when negotiating on individual private residential and mixed use schemes, taking account of individual site costs, the availability of public subsidy and other scheme requirements.
- **Policy 3A.12 Loss of housing and affordable housing**

This policy states that through their development plans, boroughs should prevent the loss of housing, including affordable housing, without its planned replacement at existing or higher densities.

- **Policy 3A.13 Loss of hotels, staff accommodation and shared accommodation**

This policy states that through their development plans, boroughs should resist the loss of hostels, staff accommodation and shared accommodation that meet an identified housing need, unless the existing floorspace is satisfactorily re-provided to an equivalent or greater standard.

- **Housing SPG (2005)**

This SPG supports relevant policies in the London Plan by providing more detailed guidance on issues of affordable housing including the definition of housing types, specialist provision, negotiation affordable housing, tenure mixes, assessments of economic viability and off-site affordable housing provision.

The London Plan sets out a number of key objectives and targets relating to affordable housing for London boroughs to achieve with regard to affordable housing. These are that:

- Boroughs should adopt definitions of social housing and intermediate housing consistent with those in the London Plan.
- Boroughs should set in their Unitary Development Plans or Local Development Documents, borough level affordable housing targets that take account of the overall strategic target of 50% affordable housing, and the objective that London-wide this should be disaggregated between social rented and intermediate provision on a 70%:30% ratio.
- Boroughs should seek the maximum reasonable amount of affordable housing when negotiating on individual private residential and mixed use sites, taking into account individual site costs, the availability of public subsidy and other scheme requirements.
- The loss of affordable housing, including hostel accommodation, staff accommodation and shared housing, should be prevented.

9.3 Local Planning Policy Guidance

This SPD provides further guidance to support the policies set out in the Southwark Plan (2007). In particular it provides further clarity on the following strategic and development control policies:

The SPD expands on the strategic policies of the Southwark Plan as set out below:

- SP1 Sustainability, equality and diversity
- SP2 Participation
- SP3 Quality and Accessibility
- SP17 Housing

The SPD expands on the development control policies set out below:

- **Policy 1.6 Live-work units**

This policy sets out the criteria that must be met for live/work units to be permitted.

- **Policy 2.5 Planning obligations**

This policy sets out in what circumstances we will seek planning contributions from development.

- **Policy 4.3 Mix of Dwellings**

This policy sets out the mix of dwelling sizes and types needing to cater for the housing needs of the area.

- **Policy 4.4 Affordable Housing**

This policy sets out the proportions of affordable housing that will be required from private developments over 10 residential units and the tenure mix between social rented and intermediate housing that should be achieved. It also states that dwelling mix should be in accordance with policy and that affordable housing should be designed so it is not distinguishable from market housing.

- **Policy 4.5 Wheelchair affordable housing**

This policy states that for every affordable housing unit which complies with the wheelchair design standards, one less affordable habitable room will be required than otherwise stated in policy 4.4 (on general affordable housing requirements).

- **Policy 4.7 Non-self contained housing for identified user groups**

This policy sets out when new housing development providing non-self contained residential accommodation will normally be permitted.

9.4 Other local policy guidance.

- **Southwark 2016 – Sustainable Community Strategy**

Making the borough a better place for people is a key objective of the community strategy. Localities of mixed communities and more and better homes are two of its key priorities. This includes increasing the number of affordable homes, especially homes with three or more bedrooms and reducing the gap in life chances between the worst neighbourhoods and the borough as a whole.

- **Southwark Housing Strategy 2005-2010**

This strategy set out our housing objectives and priorities for action. These include;

1. improving the quality of homes and neighbourhoods;
2. increasing the supply of housing, in particular affordable housing;
3. reducing homelessness and improving the standard of temporary accommodation;
4. improving the quality of life for vulnerable people through housing support; and
5. to deliver community focused services.

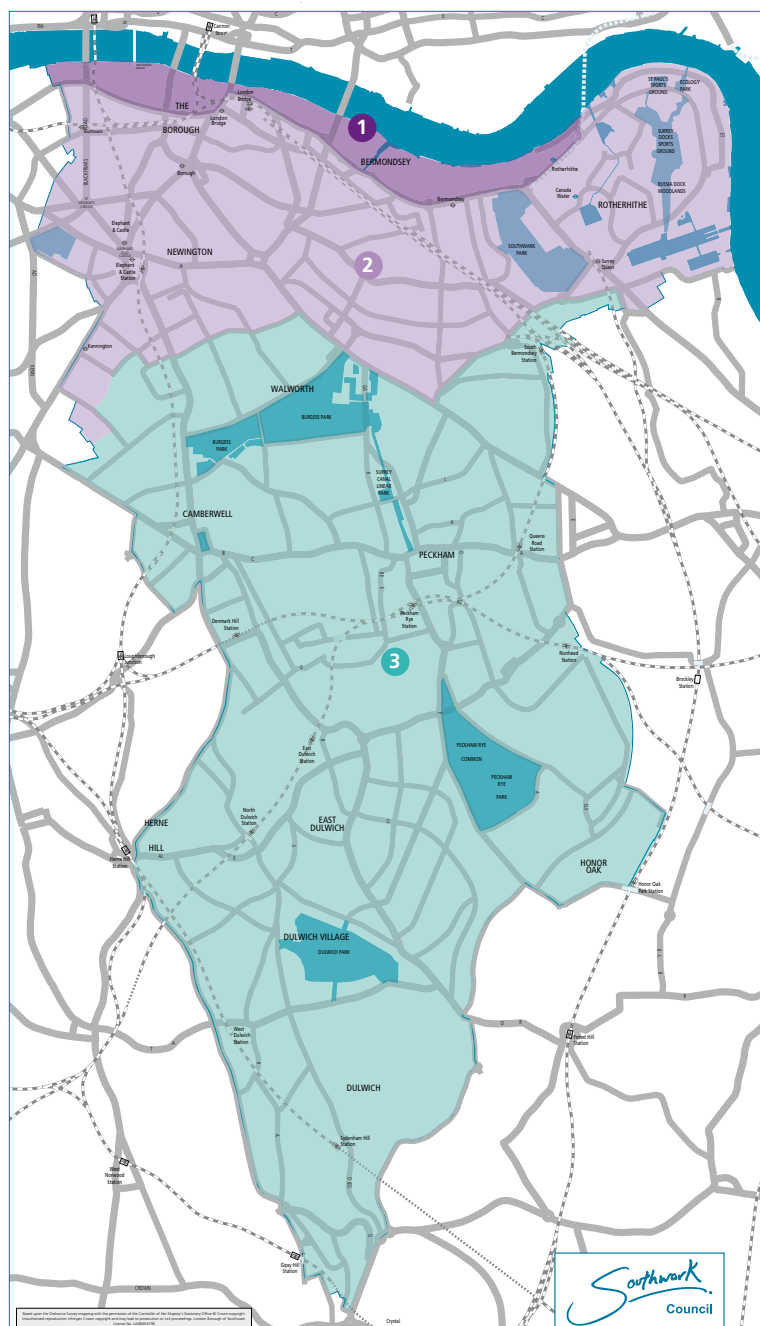
Appendix 1 - Value Areas

This map generally shows different value areas identified in the borough. These value areas are based on the costs of buying land and building affordable housing in different areas of the borough. There are three main value areas shown. These are indicative and higher value areas may exist in the borough, such as sites around schools or in the Dulwich Area for example. Contributions in these areas will be calculated at an appropriate level.

The purpose of these value areas is to identify the level of contributions that a developer will have to pay to us in circumstances where it is found that an in lieu payment is the most appropriate way of securing affordable housing. The number of habitable rooms that would have been provided on site will be used as the basis for calculating in-lieu payments as follows:

Table 2: Value areas

Value area	In-lieu contribution per hab room
1	Determined on a case by case basis.
2	£100,000
3	£80,000



This information relates to sections 3.6 through to 3.10 of this SPD.

The levels of contributions that a developer will have to pay in-lieu of affordable housing as shown in the second column of table 2 above will be updated annually based on changes in build costs and land values in the borough.

Appendix 2 - Financing affordable housing

This appendix sets out how much developers can expect to be paid by a Registered Social Landlord for different types of affordable housing and the affordability of market housing of different sizes of dwellings in the borough. This information relates to sections 2.2-2.4 of this SPD.

Table 3: On-site and off-site Affordable Housing Provision 2007-08

This table is used by the council to indicate how much an RSL would be able to offer developers for affordable housing units that are built as part of a development. The final column of the table represents the mortgage debt that that RSL will be able to meet by charging a rental income to tenants of the affordable units. This table will be updated on an annual basis to regularly reflect changing data from the Housing Corporation.

Dwelling Type	Indicative Maximum Rent (£ per week)	On – costs (£ per week)	Net Rent (£ per week)	Sum payable by RSL to a Developer for the provision of an appropriately sized dwelling (£)
1 bed	82.11	17.16	64.95	48,151
2 bed	104.85	36.48	68.37	60,305
3 bed	111.63	42.24	69.39	69,205
4+ bed	117.50	45.59	71.91	74,350

Notes:

- Indicative maximum rents are based on the Housing Corporation's target rent formula. Values have been taken from average private property prices in September 2006 and indexed back to January 1999. These affordable levels of rent are those at which Registered Social Landlords are expected to charge rents on schemes involving section 106 agreements. Note rent restrictions also apply to larger units under the target rent formula.
- In terms of the financial arrangements, the Council would wish the developer to provide the required amount of units/habitable rooms at a discount to allow an RSL to acquire the affordable housing without public subsidy. The last column indicates how much an RSL would be able to offer the developer for an affordable housing unit of a particular size.
- On - costs (the difference between indicative maximum rents and net rent) consist of:
 - Management costs of £500 per unit p.a.
 - Maintenance costs of £858 per unit p.a.
 - Voids and bad debts at 3%
 - Major Repairs applied at 1% of works cost

Note: service charges have been excluded from the above.

4. The sum payable to the developer is the amount that a RSL will pay a developer for affordable housing units and represents the mortgage debt that can be serviced by the rental income.

Table 4: Affordability of Market Housing by Dwelling Size

This table is used to set affordability criteria for intermediate affordable housing units secured as part of private developments. The relevant figures in this table will be expressed in section 106 agreements relating to securing affordable housing. This table will be updated annually to reflect changes in income levels and house prices in the borough.

	1 bed	2 bed	3 bed	4 bed
Cost of private housing in lowest quartile	£133,160	£184,996	£195,000	£241,500
Annual household income required to purchase private housing	£38,045	£52,856	£55,714	£69,000
Annual household income range for affordable rental housing	Up to £17,600	Up to £17,600	Up to £17,600	Up to £17,600
Annual household income range mid-point for intermediate housing	£29,100	£35,228	£36,657	£43,300
Maximum annual housing costs including service charges.	£8,174	£9,696	£10,096	£11,956

Appendix 3 - Schedule of Registered Social Landlords

This schedule comprises of a number of Registered Social Landlords (RSLs) that have a significant development role in Southwark. In circumstances where applicants are looking for a partner RSL to provide/ manage the affordable housing element of a residential development, our housing regeneration team will usually refer the developers to an RSL on this list. This list is subject to revisions and updates (refer to section 8.1 of this SPD). Please refer to the Housing Regeneration Initiatives for the most up to date list. We also support using other RSLs that are not on the preferred list but meet the criteria set out in Section 8.1.

Registered social landlords with a significant development role in Southwark

ASRA
ASRA House
1 Long Lane
London SE1 4PG
Tel: 020 7940 6600

Affinity Sutton
Level 6
More London Place
London SE1

Family Mosaic
20 Queen Elizabeth Street
London SE1 2RJ
Tel: 020 7089 1000

Genesis Housing Group
Capital House
25 Chapel Street
London NW1 5DT
Tel: 020 7563 0120

Guinness Trust
South Region
5 The Office Village
4 Romford Road
London E15
Tel: 020 8519 2599

Hexagon RSL
139-151 Sydenham Road
London SE26 5HJ
Tel: 020 8778 6699

Hyde RSL
181 Lewisham High Street
London SE13 6AA
Tel: 020 8297 7500

London & Quadrant Housing Trust
Gabriel House
10-26 Wolfington Road
London SE27 OJF
Tel: 020 8225 3500

Metropolitan Housing Trust
Cambridge House
109 Mayes Road
London N22 6UR
Tel: 020 881 1351

NHHT
1 Butterwick
Rear of Metro Building
London W6 8DL
Tel: 020 8357 5000

Peabody
45 Westminster Bridge Road
London SE1 7JB
Tel: 020 7021 4000

Southern Housing Group
Fleet House
59-61 Clerkenwell Road
London ECM 5LA
Tel: 0845 612 0021

Wandle RSL
232 Mitcham Road
London
SW17 9NN
Tel: 020 8682 1177

Registered Social Landlords with smaller stock holdings in Southwark and/or providing specialist housing

Housing for Women 6th Floor
Blue Star House
234-244 Stockwell Road
London
SW9 9SP
Tel: 020 7501 6120

Southwark & London Diocesan H.A.
Trinity House
4 Chapel Court
Borough High Street
London
SE1 1HW
Tel: 020 7403 484

Central & Cecil Housing Trust Bedford House
125-133 Camden High Street,
London
NW1 7JR
Tel: 020 7692 2929

Lambeth & Southwark Housing Society
7A St Agnes Place
London
SE11 4AV
Tel: 0207735 3935

Habinteg
145a Merton Road
London
SW19 1ED
Tel: 020 8545 0510

Octavia Hill Housing Trust
Soane House
303-315 Latimer Road
London
W10
Tel: 020 7460 4222

Appendix 4 – Further Information and useful contacts

National information

Office of the Deputy Prime Minister, 2005, Creating Sustainable Communities, See: http://www.odpm.gov.uk/stellent/groups/odpm_communities/documents/sectionhomepage/odpmcommunities_page.hcsp

Office of the Deputy Prime Minister, 2005 PPS 1: Delivering Sustainable Development See <http://www.communities.gov.uk/publications/planningandbuilding/planningpolicystatement>

Department for Communities and Local Government, 2006 PPS 3: Housing See <http://www.communities.gov.uk/publications/planningandbuilding/pps3housing>

Lifetime Homes Standards See <http://www.lifetimehomes.org.uk/>

Department for Communities and Local Government, 2006, Delivering Affordable Housing. See: <http://www.communities.gov.uk/publications/housing/deliveringaffordablehousing>

Office of the Deputy Prime Minister, 2005, Sustainable Communities in London, See: <http://www.communities.gov.uk/publications/citiesandregions/creatingsustainablecommunities10>

Regional policy and guidance

Mayor of London, 2005 Housing Supplementary Planning Guidance See http://www.london.gov.uk/mayor/strategies/sds/spg_housing.jsp

Mayor of London, 2004 The London Plan. Spatial Development Strategy for Greater London See www.london.gov.uk/mayor/strategies/sds/index.jsp

Mayor of London, 2007 Draft London Housing Strategy for Greater London See www.london.gov.uk/mayor/housing/strategy/index.jsp

Local policy and guidance

London Borough of Southwark, 2007 Statement of Community Involvement See <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/localdevelopmentframework/SCI.html>

London Borough of Southwark, July 2007 The Southwark Plan (Unitary Development Plan) See <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/planningpolicy/southwarkplan.html>

Southwark Alliance, 2006 Community Strategy 2006-2016 See www.southwarkalliance.org.uk./documents/index.htm

London Borough of Southwark, 2005 Southwark Housing Strategy 2005- 2010 See <http://www.southwark.gov.uk/YourServices/HousingandHomes/strategyandstatistics/>

London Borough of Southwark, 2006 Housing Needs Assessment Update See <http://www.southwark.gov.uk/YourServices/HousingandHomes/strategyandstatistics>

London Borough of Southwark, 2007 Draft Sustainability Assessment SPD See <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/planningpolicy/SustainabilitySupplementaryPlanningDocu.html>

London Borough of Southwark, 2007 Design and Access Statements SPD See <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/planningpolicy/DesignandAccessSPD.html>

London Borough of Southwark, 2007 Section 106 Planning Contributions SPD See <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/planningpolicy/AHSPD.html>

London Borough of Southwark, 2007 Draft Residential Design Standards SPD See <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/planningpolicy/rdsspd.html>

London Borough of Southwark, 2007 Draft Sustainable Design and Construction SPD See <http://www.southwark.gov.uk/YourServices/planningandbuildingcontrol/planningpolicy/SustainabilitySupplementaryPlanningDocu.html>

London Borough of Southwark, 2006 Annual Monitoring Report. See: www.southwark.gov.uk/YourServices/planningandbuildingcontrol/localdevelopmentframework/annualmonitoringreport.html

Useful contacts

Planning applications
Regeneration and neighbourhoods,
LBS Duty officer
Helpline 020 7525 5403

S106 monitoring
Regeneration and neighbourhoods,
LBS S106 Monitoring Officer,
020 7525 5443

Planning committee
Strategic services,
LBS Committee clerk
020 7525 7055

Legal Strategic Services,
LBS Principal planning lawyer,
020 7525 7635

Planning Policy
Regeneration and neighbourhoods,
LBS Planning policy
020 7525 5345

Housing
Regeneration and neighbourhoods,
LBS Development officer,
020 7525 1209

Appendix 5 - Glossary

Affordable housing Housing designed to meet the needs of households whose incomes are not sufficient to allow them to access decent and appropriate housing in their borough. Affordable housing comprises social and intermediate housing.

Affordable Housing Providers are bodies which own and manage affordable housing. These could include Registered Social Landlords and specialist private affordable housing managers.

Cluster flat Non self-contained accommodation for temporary occupation by a specific user group such as students or nurses, where living and kitchen facilities are shared by a number of households.

Density A measure of the intensity of development of a residential site.

Development As defined by Section 55 of the Town and Country Planning Act 1990, development means carrying out building, engineering, mining or other operations in, on, over or under land, or changing the use of buildings or land.

Habitable room A room within a dwelling, the main purpose of which is for sleeping, living or dining. It is any room with a window that could be used to sleep in, regardless of what it is actually used for. This excludes toilets, bathrooms, landings, halls and lobbies, and also excludes kitchens with an overall floor area of less than 11 square metres.

Heads of Terms is a document setting out the particular items of a S106 agreement as agreed in principle between the council and developer. It is advisable for Heads of Terms to be agreed prior to committee or delegated officers making a "minded to approve" decision. Any subsequent reluctance on the developer's part to adhere to agreed heads of Terms may justify a refusal of permission.

Household One person living alone or a group of people (who may or may not be related) living or staying temporarily at the same address with common housekeeping.

Intermediate Housing Sub-market housing which is above target rents, but is substantially below open market levels and is affordable by households on incomes of between £17,600 and £58,600 (as at August 2008 to be reviewed annually to reflect changes in lower quartile house prices)

Key Worker Housing Housing that is reserved or allocated for people who are given priority by virtue of their employment to ensure that employees are retained in essential public services. This includes those who work in health, education, police and emergency services.

Lifetime Homes Ordinary homes designed to provide accessible and convenient homes for a large segment of the population from young children to frail older people and those with temporary or permanent physical or sensory impairments. Lifetime Homes have 16 design features that ensure that the home will be flexible

enough to meet the existing and changing needs of most households, as set out in the Joseph Rowntree Foundation report 'Meeting Part M and Designing Lifetime Homes'. British Standards Institution published in 2007 a Draft for Development (DD 266:2007) 'Design of accessible housing - Lifetime home – Code of practice' which introduces the concept of 'accessible housing' which builds upon and extends the Lifetime Homes 16 point specification to flats and town houses and to other accommodation without ground-level living space and updates the technical criteria.

Live-work units The flexible use of buildings and spaces to allow both functions within them.

Local Development Framework (LDF) A portfolio of documents including **Supplementary Planning Documents**, Development Plan Documents such as a Core Strategy and proposals maps, and the **Statement of Community Involvement**. Together the portfolio of documents cover the whole borough and give comprehensive policy coverage at a detailed level.

London Plan A strategic plan for the whole of London produced by the GLA. The main purpose of the London Plan is to ensure that all the individual plans produced by the London boroughs work together to meet the priorities that are agreed for the whole London region. The Local Development Framework cannot contain strategies or policies that are not in general conformity with the London Plan.

Major developments Any residential or mixed use development creating 10 or more dwellings, or if that is not known, where the site area is 0.5 hectares or more. For other types of development, a major development is one where the floorspace to be built is 1000 square metres or more, or the site area is 1 hectare or more.

Mixed use Development comprising one or more activities within the same building or site, or across sites in close proximity to one another.

Non self-contained accommodation Residential accommodation where occupiers of different householders share living, kitchen or bathrooms facilities.

Planning obligations (or section 106 (s106) agreements) are an effective way of securing measures to overcome the negative impacts of generally acceptable development proposals on the environment, economy and community. This does not mean that planning obligations are a way of "buying" planning permission. Development that has significant negative impacts will not be approved, irrespective of planning obligations. Planning obligations may also be known as "planning agreements" and "planning contributions." What can and cannot be the subject of planning obligations is the subject of extensive legal and government policy tests. This document seeks to provide detailed local policy guidance building upon that national and regional guidance.

Registered Social Landlords (RSLs) are housing associations which are registered with and regulated by the Housing Corporation. Since the early 1990s, RSLs have been the main providers of new affordable housing. They can deliver more units for a given amount of public expenditure because they may access private finance. They also own and manage the affordable homes they provide, and others transferred to them by local authorities.

Regional Spatial Strategy (RSS) is a spatial framework for a region over a 15 to 20 year period including policies for housing, environmental protection, transport and waste management. The London Plan is the Regional Spatial Strategy that Southwark Plan Policies should be consistent with.

Shared Ownership allows households who cannot afford to buy a home outright the opportunity to part buy and part rent a home. Residents may choose to buy a 25%, 50% or 75% share in their home, depending on what they can afford and pay rent on the share that they don't buy. The bigger the share that is purchased, the less rent has to be paid on the remaining part of the property.

Southwark Plan See "Unitary Development Plans"

Staircasing allows residents in shared ownership housing to buy more shares on their property as they can afford them until eventually they own their home outright.

Studio flat A no-bedroom residential unit which has a separate bathroom and kitchen but shared bedroom and living area.

Supplementary Planning Document (SPD) Supplementary Planning Document (SPD) expands upon and provides further guidance on how planning policies in the Southwark Plan should be applied. Once adopted, an SPD will become a material consideration when considering planning applications in Southwark and is regularly monitored and reviewed.

Sustainability Appraisal/ Strategic Environmental Assessment A systematic and interactive process undertaken during the preparation of a plan or strategy, which identifies and reports on the extent to which the implementation of the plan or strategy would achieve environmental, economic and social objectives by which sustainable development can be defined, in order that the performance of the strategy and policies is improved.

Sustainable Development Development that contributes towards the principles of sustainability. That is, development that does not cause environmental damage, contributes to the local economy and meets the needs of the local community.

Unilateral undertakings Instead of agreeing obligations through the standard process of negotiation and agreement between the council and developer. Developers may prepare the terms of a planning obligation

on their own, without prior discussion with the council. These will then be submitted to the council. If the terms are acceptable the fact that the document has not been negotiated should not in itself be seen as a bar to the grant of permission. Where any unilateral undertaking does not meet the council's objectives permission should be refused.

Unitary Development Plans (UDPs) Statutory plans produced by each borough which integrate strategic and local planning responsibilities through policies and proposals for the development and use of land in their area.

Contact us

Planning policy and research team, Regeneration and neighbourhoods, Southwark Council, Chiltern, Portland Street, London SE17 2ES

Any enquiries relating to this document can be directed to planning policy and research team, Southwark Council. Email planningpolicy@southwark.gov.uk, Tel 020 7525 5471

This document can be viewed at www.southwark.gov.uk/yourservices/planningandbuildingcontrol/localdevelopmentframework/SPD.html

If you require this document in large print, braille or audiotape please contact us on 020 7525 5548.

Arabic

هذه الوثيقة أعدت من قبل فريق سياسة تخطيط بلدية ساوثارك.
هذه الوثيقة سنأثر على القرارات التي اتخذت حول تخطيط وتطوير إستعمال الأرض في ساوثارك.
إذا اردت أن تطلب المزيد من المعلومات أو من الاستشارة بلغتك يرجى القيام بزيارة دكان (وان ستوب شوب) وأعلم الموظفين هناك باللغة التي تريدها. إن عناوين دكاكين (وان ستوب شوب) موجود في أسفل هذه الصفحة

Bengali

সাদ্ধাৰ্ক কাউন্সিলেৰ প্ৰ্যানিং পলিচি টিম এই দলিলটি প্ৰকাশ কৰেছে। এই দলিলটি সাদ্ধাৰ্কে জমি ব্যবহাৰেৰ পৰিকল্পনা ও উন্নয়ন সম্পৰ্কিত সিদ্ধান্তগুলিৰ উপৰ প্ৰভাৱ ৰাখবে। আপনি যদি আপনাৰ ভাষায় অতিৰিক্ত তথ্য ও পৰামৰ্শ চান তাহলে অনুগ্ৰহ কৰে ওয়ান স্টপ শপে যাবেন এবং কি ভাষায় এটা আপনাৰ দ্ৰৱকাৰ তা কৰ্মচাৰীদেৰ জানাবেন। ওয়ান স্টপ শপগুলোৰ ঠিকানা এই পৃষ্ঠাৰ নিচে দেয়া হল।

French

Ce document est produit par l'équipe de la politique du planning de la mairie de Southwark. Ce document affectera les décisions prises sur le planning de l'utilisation des terrains et du développement dans Southwark. Si vous avez besoin de plus de renseignements ou de conseils dans votre langue, veuillez vous présenter au One Stop Shop et faire savoir au personnel la langue dont vous avez besoin. Les adresses des One Stop Shops sont au bas de cette page.

Somali

Dukumeentigan waxa soo bandhigay kooxda Qorshaynta siyaasada Golahaasha Southwark. Dukumeentigani wuxuu saamaynayaa go'aanaddii lagu sameeyey isticmaalka dhuulka ee qorshaynta iyo horumarinta ee Southwark. Haddii aad u baahan tahay faahfaahin dheeraad ah ama talo ku saabsan luqadaada fadlan booqdo dukaanka loo yaqaan (One Stop Shop) xafiiska kaalmaynta kirada guryaha shaqaalaha u sheeg luqada aad u baahan tahay. Cinwaanada dukaamada loo yaqaan (One Stop Shops) xafiisyada kaalmaynta kirada guryaha waa kuwan ku qoran bogan hoosteedda.

Spanish

Este documento ha sido producido por el equipo de planificación de Southwark. Este documento afectará las decisiones que se tomarán sobre uso de terrenos, planificación y desarrollo en Southwark. Si usted requiere más información o consejos en su idioma por favor visite un One Stop Shop y diga a los empleados qué idioma usted requiere. Las direcciones de los One Stop Shops están al final de esta página.

Tigrinya

እዚ ሰነድ (ጽሑፍ) ብሳዕርክ ካውንስል (Southwark) ናይ ውጥን መምርሒ ጉድለ ዝተዳለወ እዩ ። እዚ ሰነድዚ ኣብ ሳዕርክ ናይ መሬት ኣጠቓቕማ መደብን ስብዓትን ኣብ ዝግበሩ ውሳኔታት ለውጢ ከምጽእ ይኽእል ኢዩ ። ተወሳኺ ሓበሬታን ምኽርን ብድንቁኹም እንተደለኹም ናብ ዋን ስቶፕ ሾፕ (one stop shop) ብምኽድ ንጉረኹዎ ሰራሕተኛ ትደልዩዎ ቋንቋ ንገርዎ ። ናይ ዋን ስቶፕ ሾፕ ኣድረሻ ኣብ ታሕቲ ተጻሕፉ ይርከብ ።

Peckham one stop shop, Peckham Library, Peckham Hill Street, SE15 5JR. Walworth one stop shop, 151 Walworth Road, SE17 1QY. Southwark Town Hall, 31 Peckham Road, SE5 8UB