

Affordable Housing Draft Supplementary Planning Document:

Executive Summary and Frequently Asked Questions (FAQs)

Everyone living in the borough should have the opportunity to live in a decent, safe and *affordable* home. There is an overwhelming need for all types of homes in the borough, but in particular *affordable* homes. The tragic events that occurred on the 14 June 2017 at Grenfell Tower changed the borough dramatically. It had a profound impact on the local community, laying bare existing concerns and inequalities. It brought into focus the housing issues facing the borough, namely the acute shortage of *affordable* social rented homes.

Supplementary Planning Documents (SPDs) build upon and provide more detailed advice or guidance on the policies in our Development Plan including the Local Plan and the London Plan. The Council committed to the production of this SPD whilst adopting the Local Plan in September 2019. It is also referred to in the Council’s [Housing Strategy](#) adopted in December 2019.

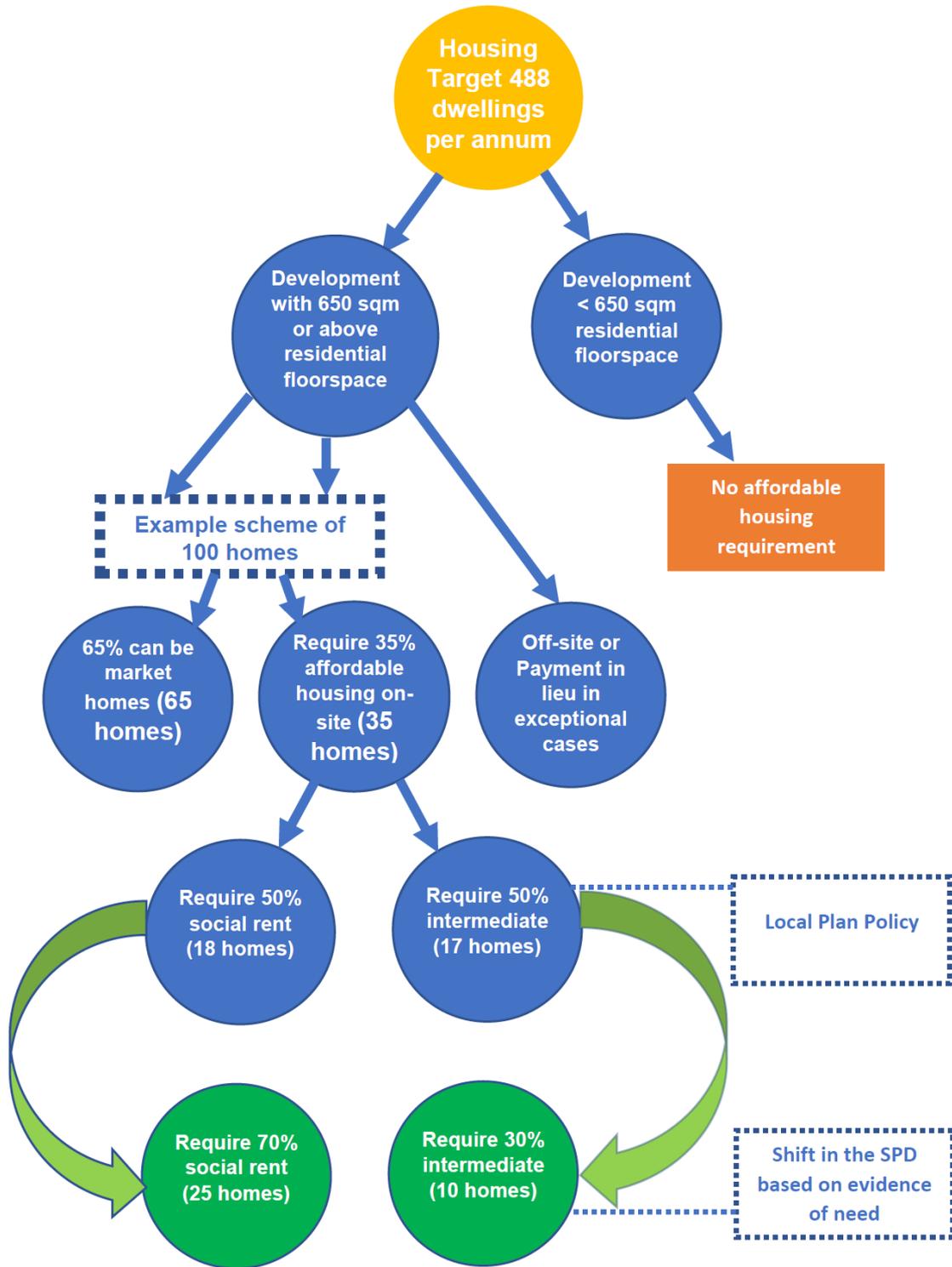
Having listened to residents and analysed income and rent levels in the borough, this SPD questions the use of the term “*affordable*” and suggests three alternatives for consultation – RBKC Community Housing, RBKC Fair Homes, and RBKC Public Homes. This is to provide a more meaningful term and signal a change in approach, with the commitment to secure truly affordable housing in new developments.

A key issue that is set out in the SPD, is a change in the tenure mix required where we secure *affordable* housing in new development. The Local Plan specifies that where *affordable* housing has been secured it should be 50 per cent social/affordable rent and 50 per cent intermediate. However, due to affordability issues and as set out in the latest evidence¹ there is an exceptional case for us to move away from this aspect of the Local Plan and be more in-line with the Draft New London Plan (NLP) policy with 70 per cent social rent (or affordable rent in certain cases) and 30 per cent intermediate rent.

The tenure terms are explained in the box below and how we secure *affordable* housing and the change in the approach to tenure mix is explained in the diagram below, with worked example of what that would mean for a development of 100 dwellings.

	Local Plan 50% social rent and 50% intermediate (Scheme with 100 homes on private land)	Draft SPD 70% social rent and 30% intermediate (Scheme with 100 homes on private land)
Private Homes	65	65
Social Rent (or affordable rent in certain cases, see page 20 of the SPD)	18	25
Intermediate Rent	17	10

¹ New evidence has been collated as a partial update to the Strategic Housing Market Assessment that was undertaken for the Local Plan in 2015. Evidence of development viability has also been undertaken and it demonstrates that the new tenure mix referred to in paragraph 4 is viable.



Affordable housing policy and tenure mix

The key guidance in the Draft SPD is set out below

- The Council wishes to find a new term for “affordable” housing to convey that the products we secure are genuinely affordable. A term is yet to be finalised and we welcome any suggestions.
- The products considered genuinely affordable in the borough are – social rent, affordable rent (at London Affordable Rent levels) and intermediate rent and the lowest London Living Rent (LLR) levels in the borough.
- 70 per cent social rent in most circumstances or affordable rent at London Affordable Rent levels in some cases as set out in this SPD.
- 30 per cent intermediate at London Living Rent levels at lowest ward level of LLR in the borough (currently Notting Dale ward).
- Provision of 35 per cent on-site affordable homes in all relevant developments of 650 sq m and above is a key Council priority.
- Only in very exceptional circumstances will the Council accept off-site provision or payments in lieu.
- Public sector land needs to work harder and provide 50 per cent affordable housing on individual sites or across a portfolio of sites when agreed by the Mayor of London.
- HMO conversions to studios will be required to provide studios as low cost housing (less than 20% market value).
- The affordable offer in extra care scheme can be general affordable or affordable extra care. This will be determined on a case by case basis.
- The Council will support temporary affordable housing as a meanwhile use on multi-phase schemes or sites awaiting development in the longer term.
- The Council recognises that community spaces stimulate a sense of community particularly if this is provided as a meeting space or flexible workspace.
- Significant housing developments proposing 100 or more new homes should carry out a community space audit and include community space within the development proposal where there is a demonstrable need.
- Where provided community space should be part of the overall benefit package and not come at the cost of compromising the provision of affordable housing.
- The Council will use the principles of engagement as set out in the Statement of Community Involvement (SCI) on any Council led proposals for affordable housing.
- The Council in particular commits to using collaboration with its residents as a key principle in its engagement.
- The Council will be producing a procedure note outlining the requirements for early consultation.
- Applicants are required to undertake early engagement and agree with the Council, the form this will take.

Frequently Asked Questions (FAQs)

What is affordable housing?

In terms of planning, affordable housing is housing, be it for sale or for rent, for those, “whose need are not met by the market.” This definition is set out within the Government’s [National Planning Policy Framework \(2019\)](#). A home is considered by the Government to be “affordable” if it is either sold or rented at least 20 per cent below the local market value.

There are lots of different types of affordable housing. These include:

Homes available for social rent. These are homes which are owned by the Council or by a registered provider of affordable housing and then let to people at a truly affordable rent. They offer homes at the lowest level of rent.

Homes available for affordable rent. This is a slightly different form of affordable housing. The rental levels can vary considerably by area, as long as they are never more than 80% the market level of rent. In this borough, even housing offered at a 20% discount level cannot be considered to be truly affordable to the majority of people. Therefore, only homes provided at a specific rent, “London Affordable Rent” are considered to be affordable. The cost of renting these homes is very similar to those at “social rent.”

Intermediate Housing. This is a type of housing which is more expensive than social or affordable rent levels but still less than market housing. It caters to middle income groups, but to keep them truly affordable, the Council will secure them a lowest possible London Living Rent (see below) levels in the borough.

London Living Rent. [London Living Rent \(LLR\)](#) is a type of affordable housing for middle-income Londoners. The Mayor of London publishes the benchmark LLR levels for each ward in the capital. These are roughly a third of the average local household income in a ward and adjusted for the number of bedrooms in each home.

Who can live in an affordable home?

This will depend on the nature of the affordable home.

Homes for social/affordable rent are normally only available for those on the Council’s Housing Register. People on this register will be those in the greatest housing need. More details are available on the [Housing pages](#) of the Council’s website.

Whilst more expensive than social/affordable homes for rent, the demand for intermediate homes still outstrips the supply. The [Council’s website](#) set out the eligibility criteria for those seeking to live in an intermediate home.

What is a Supplementary Planning Document?

Supplementary Planning Documents (SPDs) build upon and provide more detailed advice or guidance on the policies in our Development Plan including the Local Plan and the London Plan. They are an important consideration when determining planning applications.

What is the Local Plan?

The [Local Plan](#) is the key planning document setting out the vision, objectives and planning policies to guide future development of the borough. Legislation requires that planning applications must be determined in accordance with the policies set out in the Local Plan unless material considerations indicate otherwise.

What is the London Plan?

This is the strategic plan for all of London prepared by the Mayor of London. Planning decisions and policies across London are made in accordance with the [London Plan](#).