

Affordable Housing Supplementary Guidance

Sevenoaks District Council

Sevenoaks District Local Plan – Regulation 19 Publication

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Introduction

- 1.1** This supplementary guidance on Affordable Housing considers recent changes to the National Planning Policy Framework (NPPF) (December 2025), taken together with current local housing needs (informed by the Targeted Review of Local Housing Need [TRLHN] October 2025), which have led to changes in how the District Council's affordable housing policy should be considered.
- 1.2** The District-wide Affordable Housing policy is set out in adopted Policy SP3 of the Core Strategy (2011) and the emerging Local Plan Policy H2 (Provision of Affordable Housing) (2026).
- 1.3** Following the deletion of Supplementary Planning Documents, Policy SP3 should now be considered in the context of the following changes. It may be necessary to update this supplementary guidance following progress with the emerging Local Plan and upcoming changes to National Planning Policy later in 2026.

What is the level of Affordable Housing sought?

- 1.4** Core Strategy Policy SP3 seeks the provision of affordable housing on new residential developments. The Core Strategy was adopted in 2011, prior to the implementation of the National Planning Policy Framework (NPPF), which was first published in 2012 and has been updated since.
- 1.5** Whilst Core Strategy Policy SP3 seeks affordable housing contributions on all net dwellings, the NPPF triggers affordable housing contributions only on major development [FOONOTE 1] (Para 65). There is, therefore, conflict between adopted local and national policy.
- 1.6** This supplementary guidance represents the latest policy position on Affordable Housing and the specific requirements, as set out in Table 1 below, mirror emerging Policy H2 of the new Sevenoaks District Local Plan.
- 1.7** Exemptions to Policy SP3 will be made where the site or proposed development comprise one of the following, also known as ‘exemption sites’:
- a) Solely Build to Rent;
 - b) Specialist accommodation for a group of people with specific needs (e.g. purpose-built accommodation for the elderly under Use Class C2, or students);
 - c) Propose to be developed by people who wish to build or commission their own homes;
 - d) Is exclusively for community-led or rural exceptions housing; or
 - e) Sites providing 100% affordable housing.

Table 1 – Affordable Housing requirements on new residential developments

Number of new homes proposed (net) / size of site	Development is within a Designated Rural Area - % affordable housing required	Development is not within a Designated Rural Area - % affordable housing required
0-5 homes and site is less than 0.5 hectares	0	0
0-5 homes and site is 0.5 hectares or more	10%*	0
6-9 homes, irrespective of size of site	20%*	0
10 homes or more on a brownfield site, irrespective of size of site	30%**	30%**
10 homes or more on a greenfield site, irrespective of size of site	40%**	40%**

**The affordable housing is provided in the form of a financial contribution payable on completion of the development.*

***This may trigger a small number of affordable homes, which may not provide a viable proposition for our Registered Provider partners. Only in exceptional circumstances, where on site provision is demonstrably unviable, may a financial contribution in lieu of some or all of the affordable housing be considered. This will be subject to robust justification and agreement with the Council. Any such contribution would be payable upon commencement of development. The Council's Housing Service will advise the Planning Officer on the appropriateness of this approach in individual cases.*

- 1.8** In Designated Rural Areas (as defined under Section 157 of the Housing Act 1985), lower thresholds apply in accordance with national policy.
- 1.9** The Council's starting point is that Affordable Housing should be provided on site, in accordance with policy requirements.
- 1.10** Proposals that seek to bypass the affordable housing requirements, set out above and in Policy SP3 of the Core Strategy, through the artificial subdivision of sites (including any subdivided section that is sold separately), or sites where the proposal does not demonstrate that it makes the best and most efficient use of land, such that the number of dwellings are contrived to be below policy thresholds, will not be supported.
- 1.11** In accordance with the 'Golden Rules' for grey belt sites, introduced in the NPPF 2024, residential developments on land designated as grey belt (areas within the Green Belt which do not significantly contribute to Green Belt purposes A, B and D, and where Footnote 7 constraints do not provide a strong reason for refusing or restricting development), are now required to deliver a 15% uplift to affordable housing on the existing policy requirements, subject to a cap of 50%. The emerging Local Plan policies, including Policy H2 have been tested for viability and therefore this means that major proposals on grey belt land within Sevenoaks District must provide 40% affordable housing.
- 1.12** The Affordable Housing SPD 2011 provided the method for calculating a financial contribution where so required, and is included at Appendix D.

What affordable housing tenure mix should be provided?

1.13 The tenure split as set out in Core Strategy Policy SP3 has been refined to reflect current local housing needs. The required tenure split will be as follows unless otherwise agreed by the Council's Housing Service:

- 80% Social Rented housing
- 20% Shared Ownership

1.14 The above tenure split does not apply to exemption sites. The required tenure split on such applications will be agreed on a case-by-case basis with the Council's Housing Service.

1.15 It is noted that the previous addendum to the Affordable Housing SPD provided further detail regarding affordable housing uplift on grey belt sites. However, due to subsequent viability testing, the threshold for grey belt sites has been lowered from 50% to 40% and, as such, there is no longer considered to be an uplift on grey belt sites.

What developments trigger affordable housing?

- 1.16** Paragraph 65 of the NPPF sets out that the provision of affordable housing should not be sought for residential developments that are not major developments, other than in a Designated Rural Area (Section 157 of the Housing Act 1985). Major residential developments are defined as developments comprising 10 homes or more or where the site has an area of 0.5 hectares or more and the number of homes is unknown.
- 1.17** The District Council has approved the implementation of a lower threshold in all Designated Rural Areas (Cabinet, March 2015 and February 2023) where affordable housing requirements are triggered on developments comprising 6-9 homes.
- 1.18** For details of which parishes are within a Designated Rural Area, please see **Appendices A and B**.
- 1.19** Paragraph 65 also supports the re-use of brownfield land, and in particular where vacant buildings are being reused or redeveloped, requires the affordable housing contribution to be reduced by a proportionate amount. Please see **Appendix C**.

What developments trigger affordable housing?

- 1.20** Annex 2 (Glossary) of the NPPF defines affordable housing and the various affordable housing products available.
- 1.21** Where appropriate, and in accordance with national planning policy, the District Council has set its own local definitions and requirements of affordable housing. These are set out below:

Affordable Rented Housing – homes are to be provided at rents that do not exceed the relevant Local Housing Allowance, inclusive of service charges and fees. This is to ensure the homes are affordable to those reliant on Universal Credit/housing benefit.

Any **3 and 4 bedroom** homes provided as affordable housing must be provided as Social Rented housing. This is to ensure the homes are affordable to those reliant on Universal Credit/housing benefit.

Apartments provided as affordable housing should be 1 and 2 bedroom dwellings only.

Build to Rent – developments are expected to:

- Be secured in single ownership providing solely for the rental market for a minimum 15-year term but where viable, up to 30-year term, with provision for clawback of affordable housing contributions should this covenant not be met;
- The Council will look for tenancies for private renters to be up to three years' duration, with a six-month break clause in the tenant's favour;
- Structure and limited in-tenancy rent increases, agreed with the Council's Housing Service in advance;
- Provide a high standard of professional on-site management and control of the accommodation;
- Provide 20% on-site affordable housing in the form of Affordable Private Rent Housing;
- Affordable Private Rent Housing to be provided as one and two bedroom accommodation only, unless otherwise agreed by the Council's Housing service, and
- Affordable Private Rent Housing to be provided on an Assured Shorthold Tenancy with rents capped at 80% of the open market rent, including any services charges and fees.

Intermediate Housing – The Sevenoaks District Intermediate Housing Protocol sets out the eligibility criteria and sales proves for Shared Ownership and Discounted Market Housing. First Homes will not be accepted.

Discounted Market Housing – Homes are to be offered at a discount of at least 30% of open market value unless otherwise agreed by the Council. Model S106 clauses will be provided by the Housing Service as required.

Development Viability

- 1.22** In accordance with national policy, viability assessments will not be accepted on grey belt sites for the purpose of reducing developer contributions, including affordable housing.
- 1.23** The Government's Planning Practice Guidance makes clear that it is the responsibility of landowners and applicants to take into account any costs, including their own profit expectations and risks, and ensure that proposals for development are compliant with local policy. The price paid for land is not a relevant justification for failing to accord with relevant policies in the Core Strategy. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all requirements of relevant Core Strategy policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies.
- 1.24** The Guidance sets out that the role for viability assessment is primarily at the plan-making stage. Viability assessment should not compromise sustainable development but should ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the Plan. The District Council commissioned a viability appraisal of its Core Strategy policies, including the provision of affordable housing (the Affordable Housing Viability Assessment). The appraisal supports the affordable housing policies contained in the Core Strategy and accompanying SPD. On this basis, the affordable housing policies set out in the Core Strategy are considered viable. Therefore, all planning applications are expected to be compliant with the policy requirements set out in the Core Strategy.
- 1.25** It will be up to the applicant to demonstrate whether "particular circumstances (PPG Paragraph: 007 Reference ID: 10-007-2019-0509) apply in their view, and justify the need for a site specific viability assessment at application stage. If the District Council is not satisfied an assessment is justified, the planning application will be progressed in accordance with the relevant Core Strategy policies. If the District Council agrees an assessment is justified, the applicant will be required to pay the District Council to undertake an independent analysis of the site viability assessment. The District Council will commission its own choice of independent expert and the expert's fees will be agreed with the applicant. If the applicant refuses to pay, or fails to pay for the District Council's commission, it will result in the planning application being refused.
- 1.26** On Build to Rent schemes, it is anticipated that a site specific viability assessment will be provided to inform clawback clauses in S106 Agreement. The clawback clauses will specify an amount payable to the District Council in the event that homes are sold within the S106 covenant period. The clawback sum would be used to fund alternative affordable housing delivery, as set out in the SPD.

How is Affordable Housing secured?

- 1.27** A range of template S106 legal agreements are provided by the District Council. It is expected that these are used to secure affordable housing.

The District Council's affordable housing development providers

- 1.28** A list of preferred affordable housing development providers is maintained and regularly updated. The list includes a range of Private Registered Providers. Other providers include Quercus Housing, the District Council's standalone affordable housing company.
- 1.29** Any new providers are expected to meet adopted eligibility criteria, which will be assessed by the Council's Housing Service on a case-by-case basis.

How are financial contributions used?

- 1.30** Contributions are used in the way set out in the Affordable Housing SPD (2011). New affordable housing funded through financial contributions, may be delivered by other providers who are not registered providers.

Rural Exceptions Housing

- 1.31** In line with paragraph 82 of the NPPF, proposals for housing in rural areas to meet a specific local need (known as rural exceptions housing) may be permitted as an exception to other Core Strategy policies. This is set out in Core Strategy Policy SP4.
- 1.32** It is expected that developments of rural exceptions housing will provide 100% affordable housing to meet identified local housing needs. An independent assessment of local housing need has been carried out by the Rural Housing Enabler for every town and parish in Sevenoaks District. It is recommended that an assessment should be updated at least once every five years, although the District Council currently has no approved schedule to update these. Town and Parish Councils may wish to review this data as part of wider work, for example on Neighbourhood Plans, and should seek advice from the Council's Strategic Planning team and Housing Service. Other independent data approved by the Council may also be used to evidence local housing need, e.g. the Council's Housing Register.
- 1.33** On rare occasions, and in accordance with paragraph 82 of the NPPF, proposals may include an element of open market housing to facilitate delivery of affordable housing. In these circumstances, the applicant will need to demonstrate to the satisfaction of the District Council that a scheme, which does not rely on market housing, has been fully considered and why it has been discounted or considered to be unviable.

Appendix A: Designated Rural Areas under S157 of the Housing Act 1985

There are three pathways or an area to achieve Designated Rural Area (DRA) status. These are:

- The area is within a National Park;
- The area is within a National Landscape (previously Area of Outstanding Natural Beauty 'AONB')
- The area is designated by order of the Secretary of State (SoS) as a rural area.

Whole Parish designations, by order of the Secretary of State:

- Badgers Mount
- Brasted
- Chiddingstone
- Cowden
- Crockenhill
- Eynsford
- Farningham
- Fawkham
- Halstead
- Hever
- Knockholt
- Leigh
- Penshurst
- Seal
- Sevenoaks Weald
- Shoreham
- Sundridge with Ide Hill

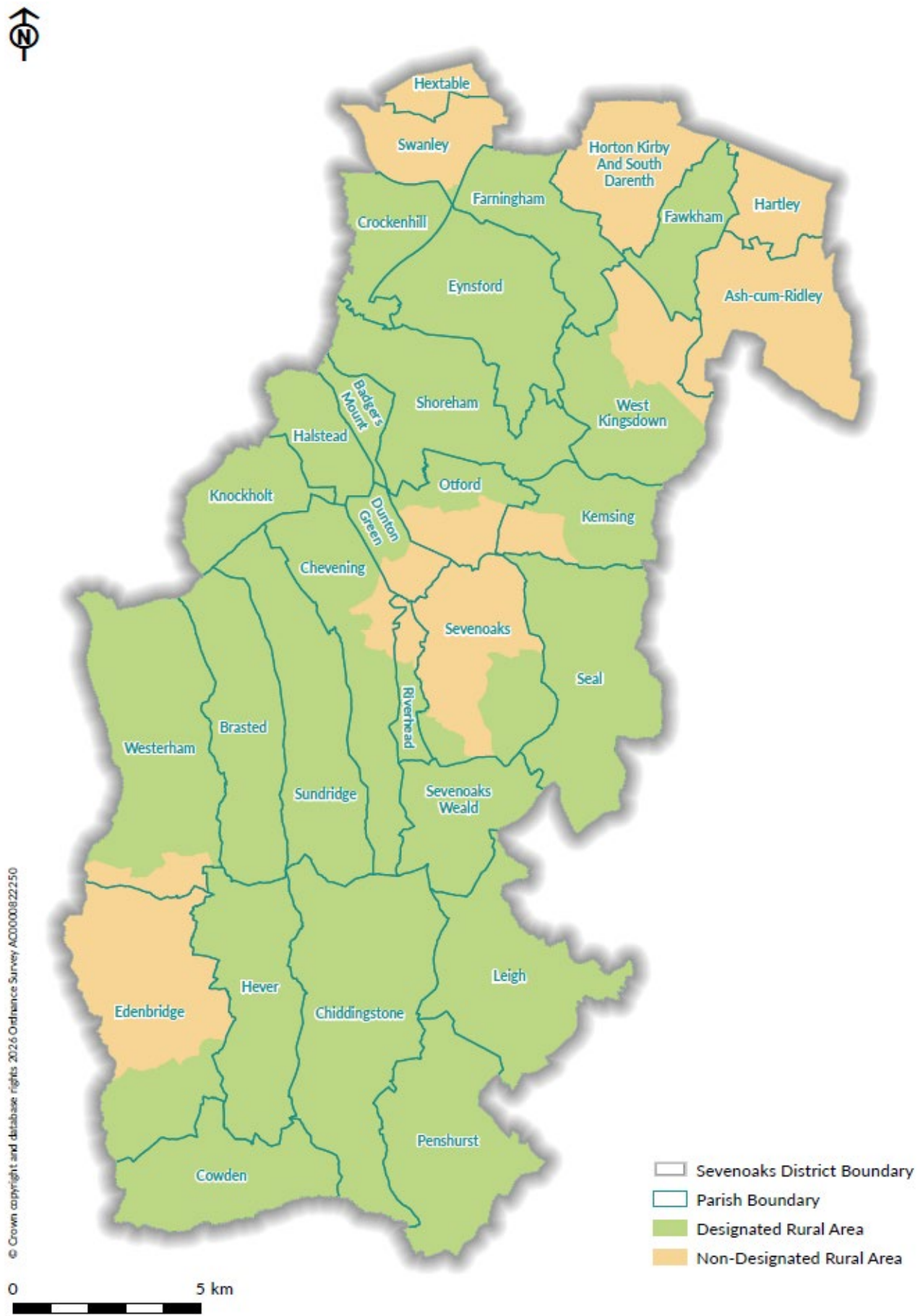
Parishes wholly outside of a Designated Rural Area:

- Ash-cum-Ridley
- Hartley
- Hextable
- Horton Kirby and South Darent

Parishes partly within a Designated Rural Area (i.e. applies to those within National Landscapes):

- Chevening
- Dunton Green
- Edenbridge
- Kemsing
- Otford
- Riverhead
- Sevenoaks
- Swanley
- West Kingsdown
- Westerham

Appendix B: Map of Designated Rural Areas



Appendix C: Vacant Buildings

What is Vacant Building Credit

Vacant Building Credit only applies in the following circumstances:

- There is a building in existence at the time the decision is made on the application. Buildings already demolished cannot count.
- The buildings must be vacant at the time of the decision. Occupied or partly occupied buildings cannot count, neither can occupied buildings that are expected to become vacant.
- The building must be brought back into use or demolished as part of the development. Vacant buildings on site that do not form part of the development proposal cannot count.

How is it calculated?

The NPPG states that the vacant building credit should be calculated by deducting the gross vacant building floorspace from the gross floorspace of the new development. Council policy calculates affordable housing requirement in numbers of units rather than floorspace and it will apply the vacant building credit as follows:

1. Subtract the qualifying gross vacant floorspace from the gross proposed floorspace to obtain the net increase in floorspace of the development.
2. Divide the net change in floorspace by the proposed floorspace to establish the net floorspace change as a proportion.
3. Establish the affordable housing requirement in units for the development based on Core Strategy policy, the SPD and updated context to policy set out above.
4. Multiply the affordable housing requirement by the net floorspace proportion to establish a revised requirement in terms of numbers of units.

For example, if the development is for 90 units with a gross floorspace of 8,000sqm, and the existing qualifying vacant floorspace is 2,000sqm, then the calculation is as follows:

1. The net change in floorspace is 6,000sqm (8,000 – 2,000)
2. The net change is 75% of the gross floorspace proposed (6,000/8,000)
3. The original affordable housing requirement is 36 units (40% of 90)
4. The new requirement is 27 units (75% of 36)

In developments where the affordable housing is in the form of a financial contribution, the contribution is calculated following the methodology in the SPD and updated context to policy set out above, using the net floorspace proportion.

In all cases where vacant building credit is sought, the applicant will need to provide evidence that the building meets the vacancy test, provide details of the floorspace of the proposed development and the vacant building and a calculation of the revised requirement following the approach above.