

Local Plan 2021-2040

Affordable Housing Explanatory Note

October 2025



1. Introduction

1.1 This guidance note sets out further information regarding the provision of affordable housing in line with the Council's Local Plan adopted in March 2025.

1.2 Principle of approach

- 1.3 The principle behind affordable housing contributions are well established nationally in that qualifying residential development must contribute to the provision of new affordable housing in the local authority area to help address the housing need in the area. The costs associated with making this contribution are met from the capital uplift derived from the development process.
- 1.4 The Council will seek an affordable housing contribution by means of an obligation to transfer completed dwellings (the type of which commonly reflect the types being provided as part of the development) to a Registered Provider of Social Housing (RP). The approach will seek to ensure that affordable housing is 'mixed' and is dispersed amongst private housing.

2. The values of affordable housing

- 2.1 The affordable housing dwellings will be sold to an RP at a price that reflects a sum that could be raised typically over 30 years given regard to the income stream of the affordable dwellings (subject to prevailing affordable rents). A developer may seek offers for the affordable housing from a number of RPs.
- 2.2 It is recommended that a developer contacts the Strategic Housing team at the earliest opportunity to assist with the engagement of an RP. The team keep an up-to-date contact list of RPs operating in the area and can facilitate introductions.
- 2.3 Homes England introduced The S106 Affordable Housing Clearing Service in 2024, designed to support housebuilders to better promote and identify S106 affordable homes that are available to buy. The Strategic Housing team strongly recommend developers promote their affordable units using the service for greater visibility of opportunities.

 https://www.gov.uk/government/collections/the-section-106-affordable-housing-clearing-service

3. Local Plan 2021-2040

- 3.1 The Local Plan was adopted in March 2025. The plan guides development and use of land up to 2040, steers and shapes new development and sets out the long-term plans for the borough. The Adopted version of the Local Plan and an interactive version can be viewed via the following link: Local Plan 2021-2040 (adopted March 2025) | Local Plan 2021-2040 (adopted March 2025) | Borough Council of King's Lynn & West Norfolk.
- **3.2** Policy LP28 Affordable Housing (refer to Appendix 3) sets out the thresholds for which affordable housing provision will be sought:
 - In King's Lynn, Downham Market and Hunstanton affordable housing will be sought on sites of 0.33ha or over, or 10 or more dwellings.
 - In rural areas affordable housing will be sought on sites of 0.165ha or over, or 5 or more dwellings.
- 3.3 It should be noted that these thresholds are subject to thresholds contained within National Planning Policy Framework (NPPF) (please see section 4 of this note <u>and flowcharts within appendix 1</u>). On qualifying sites, the percentage which will be sought for affordable housing provision is:
 - 15% within the built-up area of King's Lynn.
 - 20% in all other areas.
- 3.4 The tenure mix sought by the Council is 70% rent to 30% low-cost home ownership (including Shared Ownership, First Homes or any other intermediate product that meets the intermediate definition within the NPPF, meets an identified need in the borough and is agreed by the Council)
- 3.5 Policy LP30 Adaptable and Accessible Homes sets out the Council's requirements for delivering adaptable and accessible homes. The Council requires a minimum of 5% of the affordable housing contribution (for new dwellings) on major housing developments to accord with Category M4(3) of the Building Regulations. In practice the 5% will apply to larger sites coming forward, applicants are recommended to contact the Strategic Housing team at the earliest opportunity to discuss proposals.
- 3.6 The Council have published a guidance note to assist applicants and developers. This is available via the following link: <u>LP30 Adaptable & Accessible Homes</u>.

4. NPPF - Affordable Housing

- 4.1 The National Planning Policy Framework (NPPF) sets out the government's planning policies for England and how these are expected to be applied. The NPPF can viewed via the following link: National Planning Policy Framework-GOV.UK.
- 4.2 The NPPF states affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer).
- 4.3 It further defines major developments as 'For housing, development where 10 or more homes will be provided, or the site has an area of 0.5 hectares of more'.

5. Designated Rural Areas

- 5.1 Discretion has been given to Local Authorities in certain areas to have a lower 5-unit threshold as opposed to 10. The option of applying a lower threshold only applies to Local Authorities who have:
 - Designated rural areas under section 157 of the Housing Act 1985
 - Areas of Outstanding Natural Beauty (now called National Landscapes)
 - National Parks
- 5.2 For designated rural areas under section 157 of the Housing Act 1985, which includes National Parks and Areas of Outstanding Natural Beauty (now called National Landscapes), authorities may choose to implement a lower threshold of 5-units or less, below which affordable housing and tariff style contributions should not be sought.
- 5.3 95 out of the 101 parishes in the Borough of King's Lynn and West Norfolk have designated rural area status under section 157 of the Housing Act 1985 and are therefore eligible for the lower threshold. The remaining 6 parishes that are not listed are as follows:
 - Dersingham,
 - Downham Market
 - Heacham
 - Hunstanton,
 - South Wootton
 - Terrington St Clement.
- 5.4 In these areas along with the unparished area of King's Lynn the 10 threshold applies i.e. affordable housing contributions can only be sought on sites of 10 dwellings or site area 0.5ha or more.

- 5.5 Settlements in the Norfolk Coast National Landscape (formally called the Area of Outstanding Natural Beauty) are also eligible for the lower threshold. The majority of Norfolk Coast National Landscape areas in the Borough fall within designated rural areas and therefore the lower threshold of 5 already applies.
- However, for any developments coming forward in a National Landscape within a non-designated rural area (these are likely to be within the 'parish' but outside of the named settlement) the threshold of 5 units will also apply. A map highlighting these areas can be found in the appendices.
- 5.7 These changes will not apply to Rural Exception Sites which, subject to the local area demonstrating sufficient need, remain available to support the delivery of affordable homes for local people.
- 5.8 The Council has adopted the option offered by Government to seek the provision of financial contributions towards affordable housing in the Borough on sites between 6 and 9 units in designated rural areas and with a site area of under 0.5ha.
- 5.9 For the avoidance of doubt, no affordable housing contributions of any kind will be sought on sites of 5 dwellings or less where the site area does not exceed 0.5ha.

6. Applicable Development

- 6.1 The expectations in relation to affordable housing requirements in respect of existing dwellings or conversions are set out below:
- 6.2 Replacement of an existing dwelling Where an existing dwelling (or dwellings) is to be demolished and replaced with substantially the same type of dwelling no affordable housing contribution will be sought. Essentially no 'additional' development is being created, and therefore no development uplift will be created.
- 6.3 *Conversion*-The conversion of an existing building to a dwelling or dwellings will not require an affordable housing contribution. Where the existing building is vacant, a vacant building credit will be applied.
- 6.4 Vacant Building Credit In seeking a vacant building credit in respect of the affordable housing on brownfield land, an application will only be considered if the applicant can demonstrate the building has not been vacated for the sole purpose of redevelopment, where the existing building(s) have not been abandoned and where specific information on the floorspace of the proposed residential development and the calculation of the claimed offset has been provided. Applicants should refer to the <u>Vacant building credit guidance note</u> for further detail.

7. Off-site delivery and commuted sums

- 7.1 Affordable housing should be delivered on site. Off-site contributions in lieu of built units on site will only be considered where this is robustly justified by evidence.
- 7.2 When agreeing a fixed sum at the planning application stage, the Council favours a fixed sum as an affordable housing contribution rather than using a formula. The sum sought will be £71,000 per equivalent whole dwelling.

8. How we deal with fractions of affordable units

- 8.1 On sites of 10 dwellings or more the number of affordable dwellings required will be rounded up or down to the nearest whole number e.g. 13.6 would become 14 and 13.4 would become 13.
- 8.2 On sites of less than 10 dwellings any proportions of less than a dwelling can be received as a cash equivalent sum without rounding up or down. E.g. 1.6 dwellings would equate to 1 affordable dwelling and 0.6 dwelling cash sum equivalent. In the case of 0.8 dwelling a cash sum equivalent to 0.8 dwellings would be required.

9. Principles of Design and Appearance of Affordable Housing

9.1 In order to ensure deliverability and meet housing need, the design of all affordable homes secured via a S106 Agreement will be required to meet the Nationally Described Space Standards (NDSS).

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

- 9.2 The NDSS sets out the minimum requirements for the overall Gross Internal (floor) Area of new dwellings at a defined level of occupancy. Minimum requirements for storage, bedroom dimensions and floor-to-ceiling heights are also presented.
- 9.3 Our requirements are generally for 1 bed 2 person dwellings, 2 bed 4 person dwellings, 3 bed 5 person dwellings and 4 bed 6 person dwellings.
- 9.4 Affordable Housing should be fully integrated with general market housing on new developments in order to achieve mixed and sustainable communities in which the accommodation is tenure blind. In order to avoid large concentrations of single tenure dwellings, the affordable dwellings should be pepper potted to ensure they are fully integrated with market housing.
- 9.5 The table below gives indicative maximum affordable cluster sizes depending on the scale of development.

Development Size	Number of affordable units (assuming 15%)	Maximum affordable cluster size
Up to 29	1-4	2
30-56	5-8	4
57-83	9-12	6
84-109	13-16	8
110-136	17-20	10
137+	21+	12

Development Size	Number of affordable	Maximum affordable
	units (assuming 20%)	cluster size
Up to 22	1-4	2
23-42	5-8	4
43-62	9-12	6
63-82	13-16	8
83-102	17-20	10
103+	21+	12

10. Viability

10.1 The council have published a separate guidance note on Viability to assist applicants and developers:

https://www.west-

norfolk.gov.uk/download/downloads/id/9524/guidance note for developers on viability appraisals 2025.pdf

11. Pre-application discussions

- 11.1 Before submitting a plan for outline or full planning permission it is usual for the architect or agent, in conjunction with their client to discuss the proposal with a Planning Officer. On submission of a formal pre-application request, clarification on the affordable housing requirements will be sought from the Strategic Housing team by the Planning Officer. This will enable the architect or agent to ensure that the application meets the affordable housing requirements.
- 11.2 Although the Council cannot insist on it, it is recommended that the applicant contacts the Strategic Housing team to assist with involving a Registered Provider at the earliest opportunity.

12. Submission of a planning application

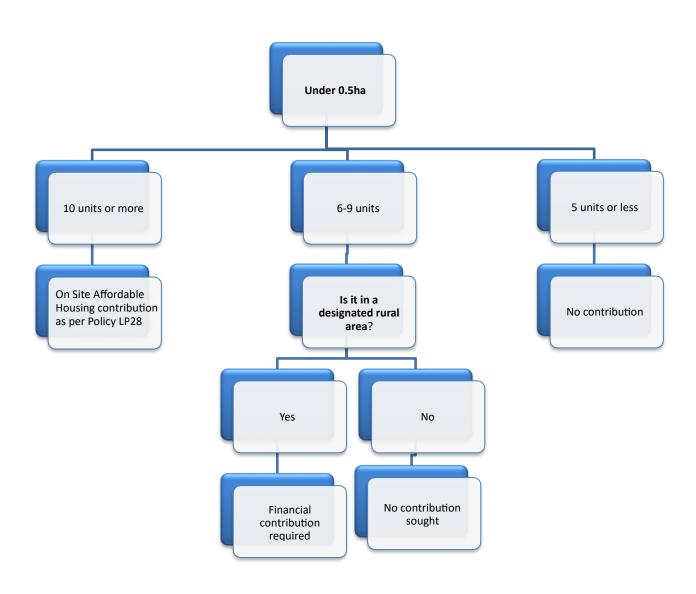
12.1 When submitting a planning application that triggers the affordable housing thresholds, a Planning Obligations Heads of Terms should be submitted stating what affordable housing is being proposed. Please note that the application will not be validated until the heads of terms have been submitted.

https://www.westnorfolk.gov.uk/download/downloads/id/2018/heads of terms.pdf

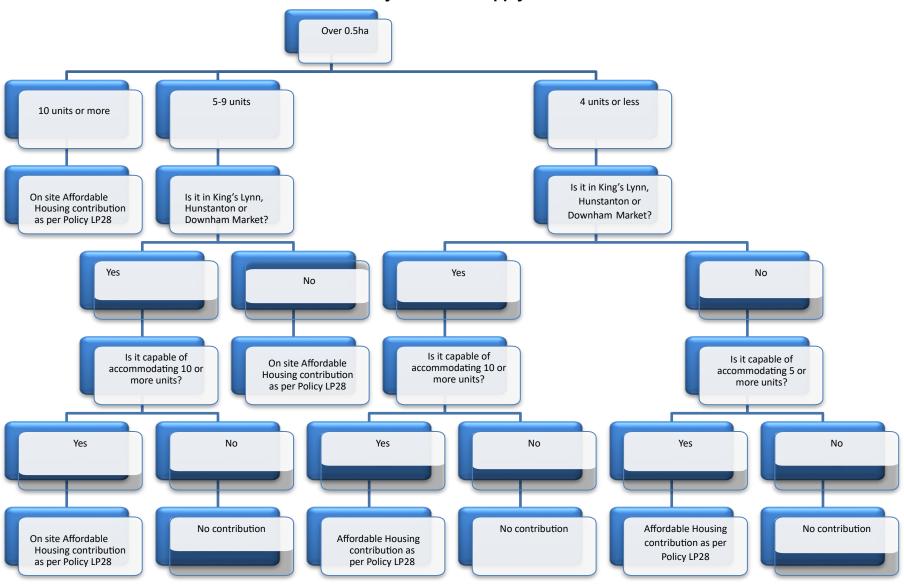
12.2 Any S106 agreements that are not agreed by all parties four months after the initial decision to approve will either be refused or in exceptional circumstances return to Planning Committee.

Appendix 1 – Flowcharts to determine type of contribution required

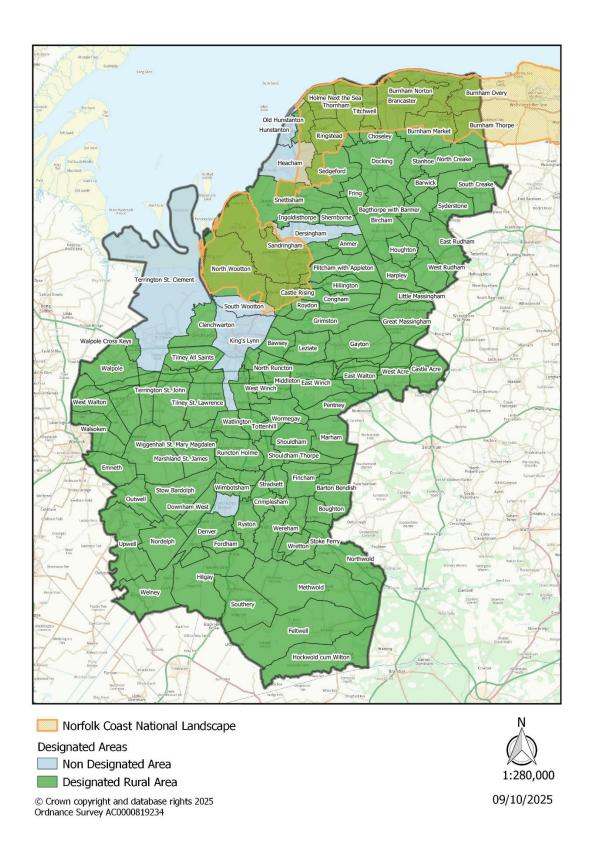
Sites with an area of less than 0.5ha - Applying the national threshold



Sites with an area of more than 0.5ha - LP28 Policy thresholds apply



Appendix 2: Map of Designated Areas



Appendix 3: Local Plan Policy LP28 and Supporting Text

Policy LP28 - Affordable Housing

Introduction

- 6.1 Delivering new affordable homes remains a key national and local priority, to meet housing need. This policy seeks to deliver affordable housing as a percentage of development on qualifying sites. The policy sets percentages and thresholds for sites in different locations. These are to be reviewed from time to time.
- 6.2 Affordable housing is housing provided to those that are unable to meet their housing needs through the private sector. Government policy as set out in the NPPF defines affordable housing as affordable housing for rent, starter homes, discounted market sales housing, and other affordable routes to home ownership⁴⁷.

Justification

- 6.3 In accordance with the requirements of the NPPF, affordable housing should include provisions to remain at an affordable price for future eligible households or for any subsidy to be recycled for alternative affordable housing provision. Affordable rented properties are either Social-Rented or Affordable Rent, which determines the level of rent chargeable. Nearly all rural parishes within the Borough are designated rural areas under the 1985 Housing Act (section 157)⁴⁸. This restricts the future sale of rural affordable housing under the "Right to Buy"; recognising that rural affordable housing is a valuable asset.
- 6.4 The Borough Council have commissioned and conducted a number of studies to identify an up to date picture housing need, and to create a strategic plan for housing in the borough. As well as publishing a number of guidance documents. These include:
 - · Housing Needs Assessment (HNA) (2020).

⁴⁷ The Affordable Housing definition was amended to include First Homes in May 2021 - What is a First Home? First Homes are a specific kind of discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes. Specifically, First Homes are discounted market sale units which: a) must be discounted by a minimum of 30% against the market value; b) are sold to a person or persons meeting the First Homes eligibility criteria (see below); c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and, d) after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London). First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations. PPG 24 May 2021 Paragraph: 001 Reference ID: 70-001-20210524

 $[\]underline{^{48}\,\text{https://www.local.gov.uk/sites/default/files/documents/rural-designated-areas-735.pdf}$

- Older person and specialist care accommodation study (2020)⁴⁹.
- Local Plan review viability study (2021)⁵⁰.
- Gypsy and Traveller Accommodation Assessment (GTAA) (2023)⁵¹.
- Guidance on affordable housing contributions secured through section 106 planning agreements (2019)⁵².
- Affordable Housing Policy (2011).
- 6.5 The elements of the policy dealing with affordable or special needs housing reflect very particular circumstances evidenced from the focused studies. The affordable housing threshold and percentage takes into account demand, viability of development and the size and function of settlements in the borough.
- 6.6 Affordable housing including social rented and intermediate housing is unlikely to be delivered by the market alone. The majority of new affordable housing will be delivered through Section 106 Planning Agreements. Such agreements will require developers to transfer a proportion of their housing at a price below market value to a Registered Provider of Social Housing (RP). Other sites will provide purely affordable housing and will include rural exception sites. Such development is likely to be dependent upon securing grant funding from the Homes England.
- 6.7 A 15% affordable housing contribution will be sought in the built-up area of Kings Lynn (i.e. the un-parished area). In seeking to apply this in a consistent manner in parishes surrounding the built-up area (including those specifically noted in the settlement hierarchy as being '...adjacent to King's Lynn...') a 20% contribution will be sought. The Housing Need Assessment (HNA 2020) suggests that 24.4% affordable housing need for rent and shared ownership plus a further 1.8% for discount market sale. It is envisaged that the discount market sales need will be met mainly through exception sites. The HNA identifies shared ownership as the most affordable form of affordable home ownership and suggest a split between rent and shared ownership of 68% and 32%.
- 6.8 The NPPF (section 5: Delivering a sufficient supply of homes) states that where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of

norfolk.gov.uk/download/downloads/id/6632/study_of_retirement_housing_norfolk_report_v1_march_ _2021.pdf

50 https://www.west-

norfolk.gov.uk/download/downloads/id/6633/klwn_viability_update_5th_april_2021_final_report_and_appendices.pdf

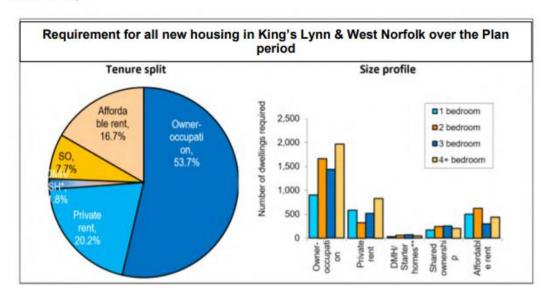
https://www.west-norfolk.gov.uk/download/downloads/id/7907/klwn_final_gtaa_report_june_2023.pdf

52 https://www.west-

norfolk.gov.uk/download/downloads/id/6633/klwn viability update 5th april 2021 final - report and appendices.pdf

⁴⁹ https://www.west-

- affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups (subject to exemptions see NPPF).
- 6.9 In light of the above evidence from the HNA 2020 and the overall percentages of affordable housing being sought, securing at 10% of sites as affordable home ownership would significantly prejudice the ability to meet the identified affordable housing needs of specific groups including families. Therefore, the 70/30% split from the previous Local Plan is retained, based upon the latest HNA and subject to viability.
- 6.10 The HNA provides the following conclusion as illustrated by the figure, below. This sets out the size and tenure requirements over the plan period (between 2021-2040)⁵³.



Implementation

- 6.11 The policy aims to strike the balance between creating mixed and balanced communities, which is in line with the NPPF, and ensuring that development is viable and can come forward i.e. is deliverable. It is considered that this approach is best taken forward by assessing each proposal on its own individual merits.
- 6.12 The achievement of the provision outlined above depends on appropriate market conditions. The Borough Council can ensure that the proper planning for strategic infrastructure has taken place, facilitate implementation plans (site

⁵³ Discount market housing/ Starter homes figures represent potential demand rather than a requirement.

- briefs, etc.) and deal with planning applications in an efficient way, but broadly the risks will lie with the private sector.
- 6.13 It should be noted that proposals for affordable housing are not exempt from any requirement to provide mitigation measures for European sites (even if exempt from paying any other levy).
- 6.14 Custom and Self-Build Housing schemes will also need to comply with the policy requirements regarding the on-site provision of affordable housing. This will be agreed by the Borough Council and could include the negotiated transfer of serviced plots to a registered provider for example.
- 6.15 For the purposes of the policy the definition of residential development includes residential park homes and caravans where they are not subject to occupancy restrictions.
- 6.16 Where an existing dwelling (or dwellings) is to be demolished and replaced with substantially the same type of dwelling, provided it is not eligible for vacant building credit, no affordable housing contribution will be sought. Essentially no 'additional' development is being created, and therefore no development uplift will be created.
- 6.17 Experience in the Borough and elsewhere has been that attempts may be made to avoid the affordable housing requirement by artificial sub-division of sites and incremental developments of numbers of houses below the threshold. Such developments will deliver neither the proportion of affordable housing required to meet needs, nor the mix of housing stock required to sustain balanced communities.
- 6.18 The policy is intended to avoid such 'playing' of the system, while recognising the realities of change over time and exceptional circumstances that may require the threshold to be set aside. Example: Permission is granted for 4 market dwellings on a site of 0.15 ha in a rural village. The site is not required to provide affordable housing as it is below the threshold set in the policy. Development is completed on the site. Then 4 years later, an application is made for 3 more houses on land immediately adjacent to the completed site. Both sites are assessed in combination to determine the affordable housing contribution. Therefore, the total number of dwellings on both sites is 7 and the developer will be required to deliver the relevant proportion of affordable housing (20% in this rural example), or equivalent financial contributions if this cannot be delivered on site as per points 10 and 11 of the policy below⁵⁴.

⁵⁴ The Affordable Housing definition was amended to include First Homes in May 2021 - What is a First Home? First Homes are a specific kind of discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes. Specifically, First Homes are discounted market sale units which: a) must be discounted by a minimum of 30% against the market value; b) are sold to a person or persons meeting the First Homes eligibility criteria (see below); c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and, d) after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London). First Homes are the government's preferred

Policy LP28 - Affordable Housing

Housing - type, size, tenure

- 1. The national definition of affordable housing as set out in the National Planning Policy Framework, is applied for the purpose of this policy.
- 2. Proposals for housing need to meet the need as identified in the most up to date housing needs assessment with particular regard to size, type and tenure of dwellings. (These needs will include appropriate provision for all sectors of the community, for example including the needs of elderly people or people with disabilities). Proposals will also be required to be agreed by the Borough Council.
- 3. The Council will work with partner organisations to maximise the delivery of affordable housing to respond to identified housing need throughout the borough. This will be achieved by having regard to both up to date Local Housing Needs (LHN) and Housing Needs Assessments (HNA), and affordable housing needs viability studies.
- 4. The affordable housing should be provided on site. Provision will be made through planning obligations to secure the affordable housing and to ensure it is available at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.
- The affordable rented housing provided on-site should be maintained as affordable housing in perpetuity. Provision will be made through planning obligations to provide the affordable housing and to ensure its availability to initial and successive occupiers.
- 6. On new developments affordable housing should be fully integrated with general market housing to achieve a mixed and balanced community. The affordable housing element in terms of aesthetics should be in keeping with the wider development, reflecting local distinctiveness and design policies of the Local Plan and Neighbourhood Plan (should one be in force) ensuring characteristics of the development are carried across all of the housing. This avoids large concentrations of single tenure dwellings and creates mixed and sustainable communities in which accommodation is tenure-blind with and indistinguishable between affordable and market homes.
- 7. Affordable housing provision may come forward as a percentage of allocated or other permitted sites, or as exception sites in suitable locations. The percentage which will be sought for affordable housing provision on qualifying sites is:
 - a. 15% within the built-up area of Kings Lynn
 - b. 20% in all other areas

discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations. PPG 24 May 2021 Paragraph: 001 Reference ID: 70-001-20210524

- 8. The thresholds over which affordable housing provision will be sought are:
 - King's Lynn, Downham Market and Hunstanton Sites of 0.33 ha or 10 or more dwellings
 - b. Rural areas Sites of 0.165 of ha or 5 or more dwellings.

Tenure mix

 70:30 Rented to First Homes (25%) and shared ownership (5%), adjusted where necessary to balance housing need and make schemes viable. Shared ownership to include other forms of intermediate tenure, including intermediate rented as agreed by the council.

Commuted Sums and Viability

- 10. Affordable housing should be delivered on site. Only where schemes seek not to meet the policy requirement will an open book viability assessment (prepared in accordance with NPPG on Viability) be necessary and accepted.
- 11. Off-site contributions in lieu of built units on site will only be considered where this is robustly justified by evidence. Where the provision of on-site units threatens the viability of the development, the applicant will be required to submit an open book viability assessment in accordance with clause 10 of this policy.
- 12. A flexible approach on both thresholds and proportions will be taken to ensure scheme viability and balance housing need, negotiated scheme-by-scheme, subject to open book approach by developers.

Vacant Building Credit

- 13. In seeking a vacant building credit in respect of the affordable housing on brownfield land, an application will only be considered on the following basis (as detailed within the 'Guidance on affordable housing contributions secured through section 106 planning agreements (2019)' or future successor document):
 - Where the building has not been vacated for the sole purpose of redevelopment;
 - Where the existing building(s) has not been abandoned; and
 - Where specific information on the floorspace of the proposed residential development and the calculation of the claimed offset has been provided.

Delivering Affordable Housing on Phased Development

Allocated Sites

14. For allocated sites, the minimum requirement for affordable housing will be set against the number of units specified in the site-specific policy or planning application(s), whichever is greater⁵⁵.

Windfall Sites

- 15. On windfall sites the requirement to provide affordable housing will apply where the Borough Council considers that the proposed development forms part of a larger site which, if developed, would result in a requirement for a proportion of (or contribution to) affordable housing. If the application site satisfies one or more of the following criteria, then it will be considered to be part of a larger site for the purposes of this policy:
 - a. Land ownership If an application site is in the same ownership as one or more adjacent plots of land at the time the application is made or within 5 years of the date that planning permission is granted, and development of those sites would comply with other policies of the Local Plan;
 - Planning history If there is evidence of previous applications for development of a larger site of which the application site forms a part within the past 5 years of the date that planning permission was granted is made and development of the larger site would still be acceptable under other policies of the Local Plan; or
 - c. Extensions to existing consented development If the site forms an extension to a development that has been granted planning permission in the 5 years before the application is made and which is still capable of being implemented or the site forms an extension to a development that is being built out on the date the application is made.

Exceptions Sites

- 16. The Borough Council will support schemes for the provision of affordable housing as exceptions to normal planning policies where:
 - The site is reasonably related to an existing settlement and amenities, as defined by the settlement hierarchy (Policy LP01 – Spatial Strategy and Settlement Hierarchy);
 - b. The proposal is supported by evidence of local affordable housing need;
 - Future management for affordable housing is supported by a recognised Registered Provider of Social Housing or other arrangements for the effective management of affordable homes;
 - d. The scheme must be genuinely affordable housing led and any element of subsidy through provision of market housing is proven through viability assessments.

Policy LP28 contributes to Strategic Policy Objectives 1, 3, Economy, 6, 7, 9, Society, 11, 13, 15, Environment, 16, 17, 18, King's Lynn, 28, 29, 30, 31 Rural Areas.