



TOWER HAMLETS

PLANNING
GUIDANCE

AFFORDABLE HOUSING

SUPPLEMENTARY PLANNING DOCUMENT

Engagement Version May 2013





TOWER HAMLETS

Content, design and graphics by:
Plan Making and Housing Teams
Planning and Building Control Service
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London Borough of Tower Hamlets

Foreword

Tower Hamlets consistently produces more affordable housing than any other London Borough. Our adopted Core Strategy sets an overall target for 50% of new homes to be affordable with a minimum requirement of 35% on individual development sites, subject to viability.

Due to changes in Government policy and a challenging economic climate, the Council has prepared a draft Affordable Housing Supplementary Planning Document (AHSPD) to ensure that the Council can continue to maximise affordable housing delivery and that the new homes built are genuinely affordable for our local community, in particular those in need of affordable family homes.

The draft SPD has been prepared taking into account the extensive consultation we have already undertaken with our partner Registered Providers, developers and the local community in support of the recently adopted Managing Development Document and we welcome everyone's views on the draft SPD during the consultation period.



Councillor Rabina Khan
Lead Member for Housing

Consultation & engagement information

This document is the engagement version of the Affordable Housing SPD.

It has been prepared in accordance with the Planning and Compulsory Purchase Act 2004, Planning Act 2008, Localism Act 2011, Local Planning Regulations 2012 and the National Planning Policy Framework (2012).

The role of this engagement version is to provide the opportunity for comments to be made and information provided to help inform the development of the SPD.

The engagement period runs for 6-weeks from:

20 May to 2 July 2013

All representations should be provided to the Council by midnight on **2 July 2013**.

In the first instance, comments should be made using the online consultation system. If you are not able to provide comments in this manner, you can provide them in hardcopy and/or electronically by email.

Electronic copies of the engagement version of the Affordable Housing SPD along with the supporting evidence base are available to view and download from the Council's website:

www.towerhamlets.gov.uk

Hardcopies of the engagement version of the Affordable Housing SPD and evidence base are also available to view at the borough's Idea Stores and public libraries (see Council website for address and opening hours) and at the Council's Planning Reception at the Town Hall between the hours of 9am and 5pm.

Comments can be submitted by email to:

ldf@towerhamlets.gov.uk

or by post to:

**FREEPOST RRBK-TZER-UTAU,
Affordable Housing SPD consultation
Strategic Planning - Plan Making Team
London Borough of Tower Hamlets,
PO Box 55739,
LONDON E14 1BY.**

For further information relating to the consultation process please contact the customer service team on:

020 7364 5009

If you need a version in large print, Braille or other languages please refer to the translation services information on the inside cover of this document.

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How to use this document

The Affordable Housing Supplementary Planning Document (AH SPD) should be used alongside the National Planning Policy Framework, the London Plan, the borough's Local Plan and other supplementary guidance.

It provides supplementary guidance for affordable housing to help maximise its delivery, while ensuring the full range of housing needs

are met.

The document continues to follow the Core Strategy structure and falls within the 'Strengthening neighbourhood well-being' spatial theme. The supplementary guidance chapter consists of policies and information for the implementation, justification and definition of the guidance.

Setting the scene

This chapter defines affordable housing, describes the document's development process and sets out its role.

Supplementary guidance

This chapter sets out the guidance to help manage the delivery of affordable housing.

Guidance name — Maximising Affordable Housing

Reference number — AH

Guidance text —

1. Development should demonstrate how the Affordable Rent and Social Rent tenures will contribute to the overall policy objective of maximising affordable housing to meet the full range of housing needs:

- a. Affordable Rent will be supported where:
 - i. it ensures the provision of a Tower Hamlets policy compliant amount of affordable housing;
 - ii. rent levels are determined as part of the viability assessment of each planning application and undertakings are made to retain similar rent levels at the point of completion; and
 - iii. the ownership of Affordable Rent homes is transferred, on completion, to the Council's Preferred Development Partners or other approved Registered Providers.
- b. Social Rent will be considered appropriate where:
 - i. the Council is delivering housing using its own resources (including land and/or funds);
 - ii. it contributes to the delivery of the maximum reasonable affordable housing potential of a site;
 - iii. estate regeneration schemes are required to replace existing Social Rent units; or
 - iv. the delivery of larger family homes is prioritised for Social Rent.

2. All 2-bed Affordable Rent and Social Rent homes should ensure both bedrooms are double size.

3. All family sized Affordable Rent and Social Rent homes should provide a separate kitchen and living area.

1.1 Core Strategy Spatial Policy 02 (1), (3) and (5) sets out the borough's overall target for new homes, including affordable housing, and provides guidance for where and how this new housing should be provided. Policy DM3 (1) goes further to provide guidance for how development can help to deliver new homes to meet the full range of needs of existing and future residents of the borough, including through the provision of affordable homes. The definition of affordable homes has been amended following attention to national planning policy guidance to include the new Affordable Rent product.

1.2 The guidance provided in this policy supplements these Core Strategy and Development Management policies.

1.3 AH1 provides supplementary guidance which sets out those circumstances under which the Council will support the provision of Affordable Rent and Social Rent tenures.

1.4 Depending on the site and development context, individual development proposals may come forward with exclusively affordable rent, exclusively social rent or a blend of the two products.

1.5 In the context of the Council's objective to maximise the delivery of affordable housing, part (1.a.i.) of the policy is needed to support the Council's priority of delivering a minimum amount of 35% of affordable homes as set out in the Core Strategy. With the Affordable Rent product better enabling the viability of schemes, the borough can expect to achieve its affordable housing targets.

1.6 Part (1.a.ii.) of the policy provides an opportunity to take account of any changes in the market with regard to rental levels between the time of submission of the planning application through to the agreed rent at occupation. Viability assessments will be carried out in support of a planning application to determine the ability of a scheme to provide a certain amount of affordable housing together with other necessary planning obligations / Community Infrastructure Levy (CIL) payments.

Text providing additional information for the guidance regarding definition, implementation and justification

Key planning policy links

Key evidence base supporting the guidance

Delivery and monitoring

This chapter sets out how the Affordable Housing SPD will be delivered and monitored.

Appendices

Provides additional and background information to the guidance.

Setting the scene

1

What forms Tower Hamlets' planning guidance?

S.1 Development within Tower Hamlets is managed by the following guidance.

National Planning Policy Framework

S.2 The National Planning Policy Framework (NPPF) sets out the nationwide strategic policies for development and growth within England.

London Plan

S.3 The London Plan is the strategic spatial plan for London, setting out an integrated economic, environmental, transport and social framework for the development of London over the next 20–25 years. It is produced by the Mayor of London.

Local Plan

S.4 The Local Plan is comprised of the adopted Core Strategy and Managing Development Document. These two documents contain the borough's 'Strategic Policies' in the form of Spatial Policies, Development Management Policies and site allocations.

Neighbourhood Plans

S.5 A Neighbourhood Plan is a planning policy document developed by a Neighbourhood Planning Forum and forms part of the borough's Development Plan. Its content needs to be in general conformity with the Local Plan, London Plan and National Planning Policy Framework.

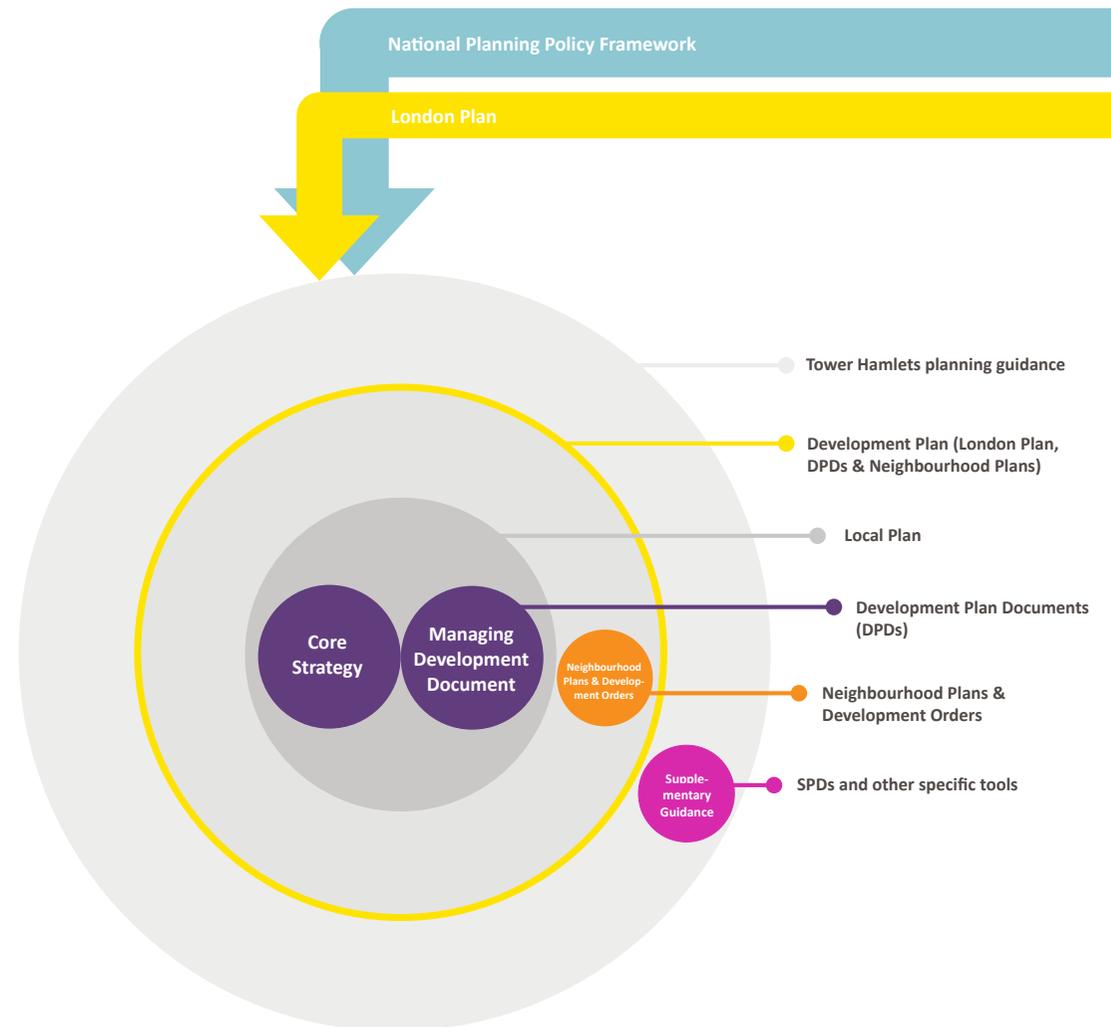
Supplementary guidance

S.6 Supplementary guidance provides further thematic or location specific guidance to supplement the Strategic Policies in the Local Plan. This may take the form of Supplementary Planning Documents (SPDs) or any other relevant form of documentation.

What is the Development Plan?

S.7 The borough's Development Plan is the formal set of docu-

ments used to determine planning applications. It is comprised of the London Plan, the Local Plan (Core Strategy and Managing Development Document) and Neighbourhood Plans. It is guided by national guidance and supported by supplementary guidance, including this Supplementary Planning Document.



What is the affordable housing policy context?

National and regional context

S.8 The NPPF provides the national definition of affordable housing for Social Rent, Affordable Rent and Intermediate Housing. Within London, this is supplemented by London Plan policy 3.10 which provides a London-wide context for defining Intermediate Housing.

S.9 Both these strategic documents emphasise the need to maximise the delivery of affordable housing to meet the full range of housing needs. The London Plan identifies the housing delivery targets for each borough, including affordable housing, to meet these needs.

Local context

S.10 Tower Hamlets consistently delivers more affordable housing than any other London borough. Our Core Strategy sets an ambitious target for new homes and affordable homes over the period to 2025. As a Council we are committed to working with the development industry and our partner agencies to ensure we meet the targets. The Council aims to achieve this through the implementation of the Core Strategy and specifically SP02. This seeks a strategic target of 50% of new homes across the borough to be affordable housing and a minimum of 35% of new homes on a single site to be affordable housing (subject to viability). The policy also requires that 30% of new affordable housing is Intermediate Housing and 70% for Social Rent.

S.11 The Managing Development Document policy DM3 provides further detailed guidance and sets SP02 in the context of Affordable Rent and the wider NPPF. Policy DM3 requires Affordable Rent to be delivered alongside Social Rent housing.

Evolving context

S.12 As affordable housing delivery is becoming more complex given the current economic conditions and with the introduction of the new Affordable Rent product, this Supplementary Planning Docu-

ment (SPD) aims to provide guidance to developers, Registered Providers and other key stakeholders to ensure that Tower Hamlets continues to maximise the delivery of affordable housing in a way that meets the full range of housing needs.

S.13 This means ensuring that Tower Hamlets contributes to the overall London Plan affordable housing targets, but in doing so, it responds to the high level of housing need in the borough and in particular the pressing need for affordable family homes.

The role of the SPD

The Objective

S.14 To ensure the effective implementation of the SPD, its guidance aims to deliver the following objective:

Tower Hamlets will continue to maximise the delivery of affordable housing to meet the full range of housing needs, with a key priority of providing new affordable homes for families.

S.15 For individual development proposals to contribute to the overall objective there is the need to provide the right balance between:

- maximising affordable housing numbers;
- providing affordable homes that meet the full range of housing needs; and
- ensuring that developments are viable and deliverable.

Guidance overview

S.16 The SPD provides additional guidance on how to achieve this balance by setting out the Council's expectations for each of the three affordable housing tenures. Guidance is provided in three inter-related policy areas covering the overall development process:

- **AH1** provides additional guidance on the role of Affordable Rent and Social Rent homes. The new Affordable Rent product is intended to address the same housing needs as those for Social Rent. The Affordable Rent product is the key component of the Mayor of London's Affordable Housing Programme and therefore a focus for Registered Providers, but Social Rent still has an important role to play in the Borough in meeting local housing need, particularly for families.

- **AH2** confirms how the Council assesses the eligibility of those in housing need for the three affordable housing tenures. This clarifies the established mechanisms in place for Social Rented homes and Intermediate homes and sets out eligibility for the Affordable Rent product, consistent with national and London Plan policy. Understanding the eligibility criteria for the different tenures of affordable housing, together with an understanding of how this relates to rental levels, is vital for developers and Registered Providers when preparing their development proposals. It is also important in assessing and resolving development viability.
- **AH3** provides guidance on the rental levels for each of the three affordable housing tenures to ensure consistency with eligibility requirements whilst taking into account development viability. Consideration of rental levels is increasingly important in the planning process and the higher rental potential of the Affordable Rent product is intended by Government to assist Registered Providers in increasing delivery of new affordable homes. Additional guidance on Affordable Rents in Tower Hamlets is required as rents of "up to 80% of local market rent" could overlap with needs which are better met by intermediate provision and not meet the needs of those eligible for Social Rented homes in the borough as required by national and London policy.

Producing the Affordable Housing SPD

Document stages

S.17 The SPD is being informed by:

- Engaging with local people and stakeholders
- Strategic Environmental Assessment Screening & Sustainability Appraisal Review
- Equalities Analysis
- National and regional legislation and guidance
- Using appropriate and proportionate evidence base

Engaging with local people and stakeholders

S.18 Information received during the development of the MDD is being used to inform the development of the draft SPD has been used to inform the development of the draft SPD, together with more detailed discussions with key stakeholders.

S.19 This engagement period provides the opportunity for stakeholders to submit information to help guide the content of the draft SPD.

Strategic Environmental Assessment Screening & Sustainability Appraisal Review

S.20 These assessments have informed the draft SPD and have identified that the SPD will not have a negative impact on environmental and equalities elements. The SEA Screening exercise has specifically identified that an SEA is not required. The Council will now be consulting with statutory consultees on this determination. In accordance with best practice a Sustainability Appraisal Review has also been carried out to ensure the content of the Core Strategy and Managing Development Document Sustainability Appraisals are recognised.

National legislation and regional guidance

S.21 The draft Affordable Housing SPD has been prepared in accordance with:

- National Planning Policy Framework (2012);

MDD Inspector's Report published (Dec 2012)	Required the Council to amend policy DM3 in accordance with the emerging London Plan and National Planning Policy Framework
Draft SPD developed (January to March 2013)	Development of the SPD to help maximise the delivery of affordable housing.
SEA Screening and Equalities Analysis undertaken (March 2013)	Assessment of SPD content to identify any negative impacts.
Consideration at Cabinet for public consultation (April 2013)	Provision of the draft SPD to Cabinet to enable public consultation and engagement.
Public engagement period (May 2013)	Formal consultation and engagement period to help inform the final version of the SPD.

Overview of stages to date

- Local Planning Regulations (2012);
- Localism Act (2011);
- London Plan (2011) and Revised Early Minor Alterations (2012);
- Planning Act (2008); and
- Planning and Compulsory Purchase Act (2004).

Using appropriate and proportionate evidence base

S.22 The draft Housing SPD has been informed by a number of specific evidence base documents produced by and for the Council. For a full list, please see appendix 2.

S.23 Current stage

May 2013	Consultation and engagement
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S.24 Next stage

Autumn 2013	Consideration at Cabinet for approval
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Supplementary Guidance

2

Maximising Affordable Housing

How this will be managed

AH1

1. Development should demonstrate how the Affordable Rent and Social Rent tenures will contribute to the overall policy objective of maximising affordable housing to meet the full range of housing needs.
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 - iii. the ownership of Affordable Rent homes is transferred, on completion, to one of the Council's Preferred Development Partners or other approved local Registered Providers.
 - b. Social Rent will be considered appropriate where:
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 - ii. it contributes to the delivery of the maximum reasonable affordable housing potential of a site;
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1.5 In the context of the Council's objective to maximise the delivery of affordable housing, part (1.a.i.) of the guidance is needed to support the Council's priority of delivering a minimum amount of 35% of affordable homes as set out in the Core Strategy. With the Affordable Rent product better enabling the viability of schemes, the borough can expect to achieve its affordable housing targets.

1.6 Part (1.a.ii.) of the guidance provides an opportunity to take account of any changes in the market with regard to rental levels between the time of submission of the planning application through to the agreed rent at occupation. Viability assessments will be carried out in support of a planning application to determine the ability of a scheme to provide a certain amount of affordable housing together with other necessary planning obligations / Community Infrastructure Levy (CIL) payments.

The receipt for the sale of the affordable housing depends directly on the rental income from those units and therefore rents cannot be changed during the delivery of the scheme without impacting on the viability. Where there is significant variation from the viability-stage rent at the time of the determination of the planning application to the proposed rental level on occupation, the Council reserves the right to review the overall planning obligations secured through the development.

1.7 Rent levels and the long term affordability of affordable housing will be secured in the legal agreements signed as part of the planning permission.

1.8 Finally, with regard to Affordable Rent, part (1.a.iii.) sets out the Council's requirement, that the homes provided within this tenure continue to serve and address the needs of those first intended through ensuring they are managed by a Registered Provider. This is in order to ensure affordable housing provision and management are of the highest standards to best meet local needs.

1.9 The provision of Social Rent homes remains a high priority for the Council and part (1.b.) of the guidance sets out how and when its delivery can still be achievable. Parts (i), (ii), (iii), and (iv) set out the criteria in relation to utilising Council resources, viability, replacing existing Social Rented units and managing the mix of certain unit sizes.

1.10 This policy approach is supported by the GLA's Housing SPG (2012) which states at paragraph 4.2.6 that "A more flexible approach, combining affordable and, where appropriate and viable, social rent, will in almost all cases better realise development potential for affordable housing; support a broader social mix; and also generally address the need for affordable family housing at or around guideline target rents determined through the national rent regime i.e. those associated with social rented housing."

1.11 The first sentence of paragraph 4.2.17 goes on to state that "For

planning purposes, site by site flexibility and scope to address a wide range of needs, including those of families who require homes at around target rents (the priority group), are essential if the Affordable Rent product is to function effectively as intended."

1.12 Finally, part (2) and part (3) of the guidance reflects the local needs and demographic profile of the borough. It is important that new affordable homes make the most efficient contribution to providing a high quality residential environment, especially for families.

Key planning policy links

LBTH Core Strategy (2010)

SP02 Urban living for everyone

LBTH Managing Development Document (2013)

DM3 Delivering homes

GLA London Plan (2011)

3.8 Housing choice

3.9 Mixed and balanced communities

3.10 Definition of affordable housing

3.11 Affordable housing targets

3.12 Negotiating affordable housing on individual private residential and mixed use schemes

GLA Housing SPG (2012)

CLG National Planning Policy Framework (2012)

Key evidence base

LBTH Affordable Rent Programme 2011-15. Tower Hamlets Affordable Case Studies and Mapping (POD Partnership) (2011)

LBTH Affordable Housing Viability Assessment (2011)

LBTH Strategic Housing Market Assessment (2009)

Determining eligibility

How this will be managed

AH2

1. Defining how eligibility for affordable housing provision is determined enables the Council to address affordable housing need for a variety of target groups.
 - a. Eligibility for Affordable Housing will be determined for:
 - i. Affordable Rent and Social Rent Housing using the Council's Common Housing Register, through the East London Sub-Regional Nominations Protocol and the Council's Lettings Policy.
 - ii. Intermediate Housing using the criteria stated in the London Plan and to meet the needs of the Council's priority groups, as set out in the supplementary text below.

2.1 AH2 provides supplementary guidance which sets out how eligibility for affordable housing is determined which will subsequently assist the Council in better addressing the needs of its residents.

2.2 The NPPF (2012) Glossary defines Affordable Housing as "Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market." According to this definition, Social Rent and Affordable Rent housing are intended to meet the same need.

2.3 This definition states that "Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision".

2.4 Part (1.a.i.) of the guidance sets out how households eligible for nomination to affordable rented housing are those on the Common Housing Register apart from a proportion of nominations which are made available to sub-regional and pan-London partner boroughs where units have been funded by grant from the Homes and Communities Agency. The Council expects that Affordable Housing Providers acquiring affordable housing units in the borough will grant nominations to 100% of the units to the Council.

2.5 With regard to the Council's emerging Lettings policy, which is due to be adopted in 2013, an upper income limit will be implemented for applicants to the Common Housing Register. The Council is aware that the majority of Common Housing Register applicants are on average or lower than average incomes. Due to the high levels of demand which currently far exceed levels of supply of new or vacated housing units the allocations policy gives priority to those in the top bands who are experiencing some form of housing need, such as medical need for more suitable property or overcrowding. Due to the inability of some priority groups to afford the higher levels of Affordable Rent, the Affordable Rent product will provide an opportunity for a wider variety of target

groups on the Common Housing Register to access affordable rented housing.

2.6 Part (1.a.ii.) of the guidance is informed by the criteria set in Policy 3.10 of the London Plan (2011), which states the maximum income levels for eligibility for Intermediate Housing. This currently stands at £64,300 for smaller property purchasers or £77,200 for purchasers of three bed and larger properties. Updated income levels will be published on a regular basis by the Greater London Authority.

2.7 For the allocation of Intermediate Housing, part (1.a.ii.) of the policy is further informed by the Council's priority groups. These are:

- a) Public Sector Tenants being those tenants living in accommodation owned by the Council or a Registered Social Landlord as registered pursuant to Sections 1-3 Housing Act 1996 in Tower Hamlets and wholly releasing accommodation to which the Council has nomination rights.
- b) Leaseholders in blocks being decanted in anticipation of demolition who have a right to be re-housed by the Council.
- c) People registered on the Council's Common Housing Register or waiting list.
- d) Other Council residents who may not release Council accommodation when they move.
- e) Others living in Tower Hamlets in rented accommodation or living with family or friends who do not appear on the Council's Common Housing Register.
- f) People with strong connections by family ties within the borough.
- g) People with full time employment within the borough.

Key planning policy links

LBTH Core Strategy (2010)

SP02 Urban living for everyone

LBTH Managing Development Document (2013)

DM3 Delivering homes

LBTH London Plan (2011)

3.10 Definition of affordable housing

CLG National Planning Policy Framework (2012)

Key evidence base

LBTH Lettings Policy (2010)

LBTH Common Housing Register

ELHP East London Sub-Regional Nominations Protocol (2010)

Establishing rent levels

How this will be managed

AH3

1. Establishing appropriate rental levels for Social Rent and Affordable Rent homes is necessary to ensure the balance between maximising affordable housing delivery and meeting the full range of housing needs. In doing so:
 - a. Affordable housing rental levels will be supported where:
 - i. Social Rents are in accordance with the National Rent Regime; and
 - ii. Affordable Rents are meeting the needs of those on the Common Housing Register and not those whose needs are better met by intermediate housing. To achieve this, Affordable Rent levels should reflect those rents set in the table below.

Size	% Market rent
1-bed	65%
2-bed	55%
3-bed	50%
4-bed	50%

Table 1 LBTH local market rent levels

3.1 Policy AH3 provides supplementary guidance which sets out appropriate rental levels for affordable housing.

3.2 Part (1.a.i.) of the guidance clarifies that Social Rent housing rent levels are set by the Homes and Communities Agency which issues annual guidance on maximum rent caps (these rents are exclusive of service charges).

3.3 Part (1.a.ii.) of the guidance provides supplementary guidance to the strategic policies regarding rental levels for Affordable Rent housing. This will help ensure that schemes can deliver the maximum amount of affordable housing while taking into account the needs of the borough's residents in the context of what they can afford.

3.4 While, the NPPF (2012) definition states that Affordable Rent levels can be up to 80% of the local market rent (inclusive of service charges), the high values of market rents in many parts of Tower Hamlets mean that 80% levels are not affordable to those who are eligible for Affordable Rent housing. This is a particular issue for families in housing need.

3.5 The Council, while not wishing to constrain the ability of schemes to produce a policy compliant amount of affordable housing, requires that development maintains Affordable Rents at levels which can be afforded by those on-average or below-average local incomes.

3.6 This position is supported by guidance within the GLA's Housing SPG (2012) which states in paragraph 4.2.16 "For investment purposes, the Mayor has agreed a strategic, London-wide average rent at 65% of market rent across the 2011-15 affordable housing investment programme, taking into account the need to provide family-sized housing at a lower proportion of market rents".

3.7 In order to provide information for developers and Registered Providers on appropriate levels of Affordable Rent in Tower Hamlets, the Council commissioned the POD Partnership to produce the LBTH Affordable Rents Programme 2011-2015 (2011) evidence base. This

provided guidance on levels of Affordable Rent and looked at local market rents in different areas of the borough, average incomes of different sized families and benefit levels in order to produce a range of rents which can be considered as affordable to local eligible people.

3.8 The results of this research have led to the information in Table 1 which provides guidance on the levels of Affordable Rent that are likely to be affordable to residents on average local incomes. The Council also provides annual figures giving guidance on local market rents and Affordable Rent levels in each postcode area of the borough. These “pod level” rent tables will be updated annually and are available from the Council’s Affordable Housing Team.

3.9 While national policy bodies have not defined affordability in terms of the level of housing costs as a proportion of income, many bodies accept the analysis quoted by Shelter that no more than 33% of net household income should be spent on housing costs. This provides some context in understanding local affordability.

3.10 Changes to benefit regulations implemented in 2013 mean that only those in employment are able to claim Housing Benefit to support higher Affordable Rent levels. To be eligible for this Housing Benefit, they must maintain employment of at least 30 hours per week for a single person or 16-24 hours for people with dependent children.

3.11 Residents whose income is entirely from benefits (or who work less than the required minimum number of hours) are, from April 2013, subject to a cap on the total amount of benefit that can be paid. This cap is currently set at £26,000 per annum or £500 per week regardless of family size. This means that larger unwaged families, in order to maintain an adequate level of residual income after paying housing costs, are ineligible for properties with Affordable Rent rents of more than £165 per week, if the affordability criteria of 33% of income is to be maintained. This fact means that the Council will use all possible means to ensure that a supply of Social Rent housing, together with

Affordable Rent housing at target rent levels, is encouraged where possible, so that unwaged families are not excluded from eligibility for new housing.

3.12 This problem of rent affordability for unwaged families is reflected in the GLA’s Housing Strategy at point 2.1.B, which states with regard to the 2011-15 investment programme “The Affordable Rent product will include homes at a range of rents, with a programme average of 65 per cent of median market rent, and rents charged within the welfare caps on both new and converted homes”.

Key planning policy links

LBTH Core Strategy (2010)

SP02 Urban living for everyone

LBTH Managing Development Document (2013)

DM3 Delivering homes

GLA London Plan (2011)

3.8 Housing choice

3.9 Mixed and balanced communities

3.10 Definition of affordable housing

3.11 Affordable housing targets

3.12 Negotiating affordable housing on individual private residential and mixed use schemes

CLG National Planning Policy Framework (2012)

Key evidence base

LBTH Affordable Rent Programme 2011-15. Tower Hamlets Affordable Case Studies and Mapping (POD Partnership) (2011)

LBTH Affordable Housing Viability Assessment (2011)

GLA London Housing Strategy (2010)

Delivery & Monitoring

3

Monitoring and delivery

M.1 In order to ensure that the guidance of this document can be effectively delivered according to the Council's Local Plan strategic policies, the Council will continue to undertake regular monitoring and adopt the following implementation approaches.

M.2 A commitment to review this SPD will be through:

- the Council's annual Monitoring Report;
- Liaison with Registered Providers through the Tower Hamlets Housing Forum;
- Annual review of Rents and Affordability evidenced in the POD Partnership Report; and
- the Council's Affordable Housing Development Database.

Appendices

4

Appendix 1 Glossary of key terms and acronyms

The glossary of key terms should be read alongside associated glossaries in the Local Plan, London Plan, National Planning Policy Framework and other national guidance. It does not seek to repeat terms, however to ensure local circumstances are acknowledged, local definitions have been suggested. Some definitions have also been provided within the supplementary text to the development management policies

Affordable Housing	<p>Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.</p> <p>Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.</p> <p>Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).</p> <p>Intermediate housing should meet the criteria outlined in London Plan Policy 3.10 and be available at prices and rents above those of social rent, but below local market prices or rents. New intermediate homes should be affordable to households whose annual income is in the range stated in London Plan Annual Monitoring Reports.</p> <p>Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.</p>
Affordable Rent product	See the definition for affordable housing.
Core Strategy (Local Plan)	The Core Strategy forms half of the Local Plan and sets out Spatial Policies to guide development and wider aspirations. It provides borough wide guidance and place-specific guidance for each of the 24 places.
Development Plan	The borough’s Development Plan is the formal set of documents used to determine planning applications. It is comprised of the London Plan, the Local Plan (Core Strategy and Managing Development Document) and Neighbourhood Plans. It is guided by national guidance and supported by supplementary guidance, including this Supplementary Planning Document.
Intermediate Housing	See the definition for affordable housing.

Local Plan	The Local Plan is comprised of the adopted Core Strategy and Managing Development Document. These two documents contain the borough's 'Strategic Policies' in the form of Spatial Policies, Development Management Policies and site allocations.
London Plan	The London Plan is the strategic spatial plan for London, setting out an integrated economic, environmental, transport and social framework for the development of London over the next 20–25 years. It is produced by the Mayor of London
Managing Development Document (Local Plan)	The Mangaging Development Document forms half of the Local Plan and helps to manage development across the borough through development management policies and provides strategic guidance for key development sites within site allocations.
National Planning Policy Framework	The National Planning Policy Framework sets out the national Government's economic, environmental and social planning policies for England.
Neighbourhood Plan	A Neighbourhood Plan is a planning policy document developed by a Neighbourhood Planning Forum and forms part of the borough's Development Plan. Its content needs to be in general conformity with the Local Plan, London Plan and National Planning Policy Framework.
Registered Provider	Formally known as 'housing associations' these organisations are private, non-profit organisations that work with the Council to help to deliver affordable housing.
Social Rent product	See the definition for affordable housing.
Spatial Policy	Spatial Policies are high-level, strategic policies stated within the Core Strategy to help guide development throughout the borough.
Strategic policies	These are considered to be the Spatial Policies, development management policies and site allocations.
Supplementary text	Text providing additional information for the supplementary policies regarding definition, implementation and justification.

Acronyms

ELHP	East London Housing Partnership
GLA	Greater London Authority
LBTH	London Borough of Tower Hamlets
LDF	Local Development Framework
MDD	Managing Development Document
NPPF	National Planning Policy Framework
SEA	Strategic Environmental Assessment
SP	Spatial Policy
SPD	Supplementary Planning Document
SPG	Supplementary Planning Guidance

Appendix 2 Evidence base

The following is a list of evidence base documents used to inform the content of the draft Affordable Housing SPD.

1.	LBTH	Affordable Rent Programme 2011-15. Tower Hamlets Affordable Case Studies and Mapping (2011)
2.	LBTH	Affordable Housing Viability Assessment (2011)
3.	LBTH	Lettings Policy (2010)
4.	GLA	London Housing Strategy (2010)
5.	ELHP	East London Sub-Regional Nominations Protocol (2010)
6.	LBTH	Strategic Housing Market Assessment (2009)
7.	LBTH	Common Housing Register

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