

Meeting Name:	Cabinet
Date:	7 July 2025
Report title:	Affordable Housing Supplementary Planning Document
Cabinet Member:	Councillor Helen Dennis, New Homes and Sustainable Development
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/a

FOREWORD - COUNCILLOR HELEN DENNIS, CABINET MEMBER FOR NEW HOMES AND SUSTAINABLE DEVELOPMENT

The delivery of genuinely affordable housing, and social rent homes in particular, is an immensely pressing priority in Southwark, and one which underpins the Southwark Plan and our requirements from those who want to invest in our borough.

With over 18,000 households now on our own housing waiting list, and with many others struggling to find affordable properties to rent or buy, it is imperative that the council and its partners work tirelessly to find solutions and remain committed to maximising affordable housing through development. This SPD reiterates the primacy we give to social rent housing, a priority which is shared by the current government, and I am delighted that Southwark is leading the way in London on social rent delivery, with 581 completions, the most in any London borough in 2024-25. But we still have much more to do in order to meet demand and this SPD sets out more detail on how our Southwark Plan policies can be implemented, including in relation to small sites and student accommodation. The SPD also provides more detail on intermediate housing options, the definitions of “affordable housing” which we deem acceptable in Southwark, and sets out our aspiration to deliver Keyworker Homes and Community Land Trusts.

RECOMMENDATIONS

Recommendations for the Cabinet

1. To agree the Affordable Housing Supplementary Planning Document (SPD) for adoption.
2. To note the consultation report and supporting documentation.

Recommendations for the Leader of the Council

3. Not applicable.

REASONS FOR RECOMMENDATIONS

4. Part 3C (paragraph 21) of the council's Constitution sets out the requirement for full Cabinet to adopt supplementary planning documents, taking account of comments from the planning committee.

ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

5. Cabinet could choose not to adopt the supplementary planning guidance (SPD). This is not recommended as the SPD guidance is required to support the implementation of the Southwark Plan (2022) and secure more affordable housing in the borough.

POST DECISION IMPLEMENTATION

6. Adoption of the Affordable Housing SPD.
7. The council will consider the guidance within the Affordable Housing SPD when assessing and determining planning applications.

BACKGROUND INFORMATION

8. This Affordable Housing SPD will replace the previous Affordable Housing SPD (2008) and draft Affordable Housing SPD (2011).
9. The SPD has been updated to reflect changes to national, regional and local policies. This includes changes to the National Planning Policy Framework (2024) and the adoption of the London Plan (2021) and the Southwark Plan (2022). It also provides clarification and guidance on existing Southwark Plan policies.
10. The SPD should be read alongside the council's Development Viability SPD (2016) and Section 106 and CIL SPD (2024) (Subject to cabinet adoption).

KEY ISSUES FOR CONSIDERATION

General

11. Southwark requires more affordable housing to meet the needs of all residents and to achieve the Council's strategic policies. This was established in the Strategic Housing Market Assessment (SHMA) 2019. The SHMA demonstrated the need for more affordable housing, both social rented and intermediate.
12. The purpose of the SPD is to set out guidance on the council's approach to delivering affordable housing. This is a key objective of the Southwark Plan 2022, outlined in strategic policy SP1 'Homes for all'.
13. The SPD will be relevant to all applications where planning policy requires affordable housing. It will provide detailed guidance to applicants on how to deliver a policy compliant scheme.
14. The SPD has the following objectives:

- Support the implementation of Southwark Plan (2022) strategic policy SP1 'Homes for all'.
 - Provide clear definitions of what is considered affordable housing.
 - Set out the hierarchy for the delivery of affordable housing, including for small sites and non-conventional housing.
 - Set out the Council's approach to assessing viability during the determination of planning applications and in viability reviews.
 - Set out the expectations for the design and management of affordable housing.
 - Set out the monitoring arrangements to retain affordable housing.
15. The SPD applies to all housing development (including new build, change of use, conversions and extensions) with a policy requirement for affordable housing. It provides guidance about how decisions on planning applications will be made. This includes:
- Social rented housing
 - Intermediate housing
 - Key worker housing
 - Small sites development
 - Self and custom build development
 - Community Land Trusts (CLTs)
 - Purpose built student accommodation
 - Houses in Multiple Occupation (HMOs)
 - Wheelchair accessible housing
16. This is a key decision. The correct governance process concerning key decisions has been followed.

Policy framework implications

17. Southwark 2030 sets out the council's corporate policy, which will be reflected in the project outcome, this includes; A Safer Southwark and A Healthy Environment.
18. The Affordable Housing SPD provides guidance on how to apply the relevant policies of the Southwark Plan 2022. It gives guidance on how to conform to the additional national and local legislature and policies within which the council must operate.

19. The SPD will be a material consideration in the determination of a planning application.
20. The SPD principally provides further information on the following Southwark Plan policies:
 - SP1 Homes for all
 - P1 Social rented and intermediate housing
 - P2 New family homes
 - P4 Private rented homes
 - P5 Student homes
 - P6 Purpose-built shared living
 - P7 Housing for older people
 - P8 Wheelchair accessible and adaptable housing
 - P9 Houses in multiple occupation
 - P15 Residential design

Public Consultation

21. In accordance with Southwark's Statement of Community Involvement (SCI), the draft SPD was made available for comment for 14 weeks, exceeding the minimum of twelve weeks. The council complied with the statutory consultation methods and additional consultation methods as required by the SCI.
22. The consultation ran from 21st August 2024 to 27th November 2024. The consultation was held on the consultation platform, Citizen Lab. Comments were also accepted by email or post.
23. The following consultation responses were received:

Method of consultation	Type of responder	Total per responder*	Total responses
Consultation hub	Residents	18	28
	Planning agents / Developers	5	
	Statutory consultee / LPA	2	
	Other / not specified	3	
Email	Residents	1	15
	Planning agents / Developers	7	

Method of consultation	Type of responder	Total per responder*	Total responses
	Statutory consultee / LPA	4	
	Other / not specified	3	
Total			43

24. The following consultation events were held:

Event	Date	Attendees	Location
Youth Parliament	9/10/2024	Members of Southwark Council's Youth Parliament	Council offices, 160 Tooley Street
Public event	29/10/2024	Residents and local businesses	Council offices, 160 Tooley Street
Public event	02/11/2024	Residents and local businesses	Peckham Library
Development industry event	05/11/2024	Developers and planning agents	Council offices, 160 Tooley Street

25. The full details of the public consultation are in Appendix 2: Consultation report. This includes a summary of the consultation methods used, consultation responses received, the main issues raised during the consultation and how these matters have been addressed in the SPD.

Summary of changes following consultation

26. The main changes made to the Affordable Housing SPD following consultation are summarised in the table below:

Changes made	Page number
Minor clarifications throughout the SPD. This includes additional guidance around affordable housing definitions and the council's approach to viability and service charges. The additional guidance set out the qualifying thresholds and parameters for the different types of affordable housing and who is responsible for determining this (i.e. determined by the council, the GLA or the government). Additional guidance was also provided on viability and service charges in the same manner, where the SPD now sets out whether the policy has been set by the council or the GLA.	Throughout
Added a requirement for full Financial Viability Assessments (FVAs) to be published publicly at the validation stage of a planning application. Previously only a summary was required at this stage and the full FVA was published before a planning committee date.	Page 25-26

Changes made	Page number
Guidance has been provided on the formula required for calculating the payment-in-lieu of affordable housing for purpose-built student housing schemes (PBSA). The SPD has been updated to refer to the formula for conventional housing, in line with policy P1 and P5 of the Southwark Plan 2022.	Page 30
Amendments have been made to the details of the Approved registered provider list to align with the Southwark Council approach to registered providers.	Page 33

27. Following Planning Committee on 14th May 2025, the changes below were suggested and have been included in the SPD.

Changes made	Page number
<p>A new fact box was added:</p> <p><i>Planning Practice guidance states that a financially viable scheme is one where the value generated by the development is more than the cost of developing it. This includes all policy requirements, gross development value, development costs, a reasonable land value (including landowner premium, if appropriate) and a reasonable developer return.</i></p>	Page 23
<p>A new sentence was added:</p> <p><i>Viability assessments should take into account all relevant policies and local and national standards, including the cost of the Community Infrastructure Levy (CIL) and Section 106 obligations. The council will consider a scheme to be policy compliant when assessed against the development plan policies and when taking into account all relevant other material considerations including the maximum viable affordable housing contribution.</i></p>	Page 23
<p>The final sentence in the paragraph to be amended to state 'The affordable housing should share the same access arrangements, including to the foyer, communal areas, stairwells and floor levels as far as is practical'.</p>	Page 35

Community, equalities (including socio-economic) and health impacts

28. Section 149 of the Equality Act 2010 sets out the Public Sector Equality Duty (PSED). This requires public bodies to give due regard to the duty and consider all individuals with protected characteristics when carrying out their day-to-day work – in shaping policy, in delivering services and in relation to their own employees.
29. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations

between different people when carrying out their activities.

30. The council's [Approach to Equality](#) commits the council to ensuring that equality is an integral part of our day-to-day business. The [Equality Framework for Local Government](#) exists to help organisations, review and improve their approach and mitigations as needed for people with characteristics protected by the Equality Act 2010.
31. The Equalities Impacts and Needs Analysis (EINA) concluded that the Affordable Housing SPD would have no negative impacts on those with protected characteristics in Southwark. The SPD does not create new policies but provides guidance on how existing policies should be implemented.
32. The EINA found that the SPD would have a broad range of positive impacts that will benefit all borough residents. The SPD would support the delivery of a range of types of affordable housing, including social rent and intermediate housing. All protected characteristic groups in Southwark will be able to benefit from the affordable housing that the SPD will help deliver.
33. There are no mitigating or improvement actions to be taken as a result of the EINA.
34. The full analysis is in Appendix 3: Equalities Impact and Needs Analysis.

Climate change implications

35. The Council has declared a Climate Emergency with the ambition to reach carbon neutrality by 2030.
36. Plan-making will contribute to this ambition through the preparation and implementation of planning policies, specifically in the development management process. Planning applications will be required to meet the policy requirements set out in the Southwark Plan 2022 and any supplementary planning documents.
37. This is supported by Southwark's Climate Change Strategy and Climate Change Resilience and Adaptation Strategy which sets out Action Points to meet this target.
38. The Affordable Housing SPD conforms with the Southwark Plan 2022 and does not create any new policies. This document sets out how affordable housing should be delivered and secured in terms of planning policy but does not cover general building practices and housing standards. As such, there are no climate change implications resulting from the SPD.

Resource implications

39. There are no additional resource implications arising from the Affordable Housing SPD.
40. Staffing and any other resources connected to the SPD are to be contained within existing departmental capacity.

Legal implications

41. This report is being brought before the Cabinet under Part 3C of the Constitution. Paragraph 21 of the constitution states that the Cabinet has the power to adopt supplementary planning documents.
42. The Town and Country Planning (Local Planning) England Regulations 2012 states at regulation 12 that a local planning authority must undertake a process of public participation before it can adopt an SPD. Part of that process involves consulting with relevant persons, setting out the main issues raised by those persons and then explaining how those issues have been addressed in the SPD. Details of the public consultation process can be found in Appendix 2: Consultation report.
43. SPDs are not subject to independent examination in the same way that other planning documents are. However, as stated above there is still a process of consultation that must be undertaken in respect of such documents. Section 19(3) of the Planning and Compulsory Purchase Act 2004 specifically requires local planning authorities to comply with their adopted Statement of Community Involvement (“SCI”).

Financial implications

44. There are no immediate financial implications arising from the Affordable Housing SPD.
45. Staffing and any other costs connected to the SPD are to be contained within existing departmental revenue budgets.

Strategic Environmental Assessment (SEA)

46. A Strategic Environmental Assessment (SEA) is a way of ensuring the environmental implications of a plan or programme for ‘town or country planning or ‘land use’ are taken into account. The need for environmental assessments is set out in the EU Directive 2001/42/EC. This has subsequently been transposed into English law by the Environmental Assessment of Plans and Programmes Regulations 2004.
47. A screening assessment has been undertaken to determine whether the Affordable Housing SPD requires a SEA. This is in accordance with Government’s Planning Practice Guidance (PPG) published in September 2023.
48. The screening assessment concluded that the Affordable Housing SPD is not likely to have significant environmental effects and as such, does not require a SEA.
49. The Affordable Housing SPD conforms with the adopted Southwark Plan 2022 and corresponding Site-Specific Allocations. The SPD provides guidance on these policies but does not create new policies. The policies and allocations therein have been subject to an SEA through the Southwark Plan 2022 Integrated Impact Assessment.

50. The full assessment can be found in Appendix 4: Strategic Environmental Assessment Screening (SEA).

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive, Governance and Assurance – KD (06/06/2025)

51. The Cabinet is asked to:

- Agree the Affordable Housing Supplementary Planning Document (SPD) for adoption
- Note the consultation report and supporting documentation.

This is to be approved by the Cabinet in accordance with the Part 3C (paragraph 21) of the Council's constitution.

52. The Equality Act 2010 introduced the public sector equality duty (PSED), which merged existing race, sex and disability equality duties and extended them to include other protected characteristics; namely age, gender reassignment, pregnancy and maternity, religion and belief, and sex and sexual orientation, including marriage and civil partnership. In summary those subject to the equality duty, which includes the council, must in the exercise of their functions: (i) have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; and (ii) foster good relations between people who share a protected characteristic and those who do not. The impact the Affordable Housing Supplementary Planning Document may have on those with protected characteristics is considered as part of this report. Officers have concluded that the proposals are not considered to have any adverse impacts on persons with protected characteristics.
53. The Human Rights Act 1998 imposed a duty on the council as a public authority to apply the European Convention on Human Rights; as a result, the council must not act in a way that is incompatible with these rights. The most important rights for planning purposes are Article 8 (respect for homes), Article 6 (natural justice) and Article 1 of the First Protocol (peaceful enjoyment of property). Officers consider that the implementation of the proposals contained in this report will not result in the council acting in the way that is incompatible with the European Convention.
54. Council Assembly on 14 July 2021 approved a change to the council's constitution to confirm that all decisions made by the council will consider the climate and equality (including socio-economic disadvantage and health inequality) consequences of taking that decision. The climate implications of the SPD is considered as part of this report at paragraphs 35-38.
55. The Cabinet will note the consultation that has been carried out in connection with the proposal. The consultation had clearly set out the issues that are requiring a response, provided sufficient time for those

responses, and ensured that the results of the consultation were properly considered and taken into account in producing the final version of the SPD.

56. The principles of fair and adequate consultation have been followed, and officers have properly considered responses, making any necessary amendments before recommending a revised and final SPD to the Cabinet for adoption.

Strategic Director of Resources (FG- 68)

57. The strategic director of resources notes that there are no direct financial implications arising from this report.
58. Staffing and any other costs associated with this recommendation are to be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
The Southwark Plan 2022	Planning Policy 160 Tooley Street London SE1P 5LX Online here	Planning Policy team planningpolicy@southwark.gov.uk
Affordable Housing Supplementary Planning Document 2008 and draft Affordable Housing Supplementary Planning Document 2011	Planning Policy 160 Tooley Street London SE1P 5LX Online here	Planning Policy team planningpolicy@southwark.gov.uk
Development Viability Supplementary Planning Document 2016	Planning Policy 160 Tooley Street London SE1P 5LX Online here	Planning Policy team planningpolicy@southwark.gov.uk
Draft Section 106 and Community Infrastructure Levy Supplementary Planning Document.	Planning Policy 160 Tooley Street London SE1P 5LX Online here	Planning Policy team planningpolicy@southwark.gov.uk

APPENDICES

No.	Title
Appendix 1	Affordable Housing Supplementary Planning Document
Appendix 2	Consultation Report
Appendix 3	Equalities Impacts and Needs Analysis (EINA)
Appendix 4	Strategic Environmental Assessment Screening (SEA)
Appendix 5	Adoption Statement

AUDIT TRAIL

Cabinet Member	Councillor Helen Dennis, New Homes and Sustainable Development		
Lead Officer	Gemma Charles, Team Leader		
Report Author	Gemma Charles, Team Leader		
Version	Final		
Dated	25 June 2025		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments Included	
Assistant Chief Executive, Governance and Assurance	Yes	Yes	
Strategic Director, Resources	Yes	Yes	
Cabinet Member	Yes	Yes	
Date final report sent to Constitutional Team		25 June 2025	