

Explanatory Note — Affordable Housing Additionality

This explanatory note is intended to help reconcile two essential and important parts of development in Chichester District. These are ‘affordable housing’ and the ‘community infrastructure levy’ (CIL).

Aimed at partners and stakeholders involved in delivering affordable homes, it is intended to facilitate early and clear engagement. It follows High Court endorsement of Wealden District Council’s approach to CIL social housing relief in Stonewater Ltd v Wealden DC (2021).

What is Affordable Housing Additionality?

This is the provision of residential units in developments as affordable units when these units are not secured as affordable in a Section 106 agreement. A greater proportion of affordable housing cannot be provided at any cost, not least to achieving mixed and balanced communities without key infrastructure.

Application of local planning policy and procedural implications

Policy 34 of the Council’s adopted Local Plan ‘Key Policies 2014-2029’ sets out the required provision for affordable housing. When assessing a planning application the Local Planning Authority will seek to secure a range of residential accommodation in developments to address the housing needs evidenceand facilitate mixed communities. The Council will consider the overall affordable and market housing mix provided in the development in relation to policies within the adopted Local Plan and the Chichester Housing and Economic Development Needs Assessment (April 2022). The provision of the proposed affordable and market housing provision will be secured via a S. 106 Planning Obligation. Additionality of affordable housing for sale should not be a substitute for the provision of lower priced open market homes or specialist housing.

Where a planning obligation secures both the affordable and marketing housing provision a ‘deed of variation’ to the Section 106 agreement will be required to increase or decrease the amount of affordable housing from the level included in the planning obligation. The acceptability of any amendments will be considered by the Local Planning Authority on a case by case basis.

To avoid issues with CIL relief at a later stage, a deed of variation will clearly set out the amended affordable and open market housing provision.

Collaborative engagement

The Council will work with Registered Providers and take a flexible approach that is responsive to local circumstances to support bringing forward more affordable housing and CIL funding of local infrastructure needs and priorities. This includes consideration of the local position in relation to:

* The infrastructure funding and loss of CIL funding context including parish infrastructure funding.
* The situation in respect of school places provision in the relevant catchment area.
* The supply pipeline of recent housing developments and planning approvals including the mix of housing provision.
* Local housing needs evidence including Parish Housing Needs Surveys and the Chichester Housing and Economic Development Needs Assessment (update 2022).
* Development viability evidence. The Affordable Homes Programme (2021-2026) awards grant funding for “net additionality” only i.e., affordable dwellings delivered over and above that required legally by the Section 106 agreement. This will naturally make affordable housing providers less competitive in acquiring sites.