

## Annex 10: Clustering and Distribution of Affordable Housing Policy

### Purpose

1. This policy sets out the requirements of both South Cambridgeshire District Council and Cambridge City Council with regards to Clustering and Distribution of Affordable housing on new developments. This policy covers how Social Rent, Affordable Rent and Shared Ownership should be clustered and distributed in relation to other tenures, and how sizes and types of affordable homes should be grouped together. It does not specifically cover Discount Market, Rent to Buy, or Build to Rent because ultimately they will be market homes but it does include how Social Rent, Affordable Rent and Shared Ownership should be placed in relation to those other intermediate tenures and to private market homes. The policy should be used to help guide applicants to submit successful planning applications and will be a [material consideration](#) in making decisions on applications.
2. This policy is set within the Greater Cambridge Housing Strategy's long-term vision and objectives, which in turn reflect the broader priorities of the two councils. In particular it will help to promote health and well-being and tackle inequality through the creation of mixed, balanced, and inclusive communities.
3. This policy builds on the existing Greater Cambridge Housing Strategy published in April 2019 and will form an Annexe to that document. It supersedes the Cambridge City Council Affordable Housing Supplementary Planning Document 2008 and South Cambridgeshire District Council Affordable Housing Supplementary Planning Document 2010 regarding clustering.

### Key Principles

4. Both Cambridge City Council and South Cambridgeshire District Council are keen that new developments will provide mixed, balanced, and sustainable

communities; therefore, to facilitate this they seek, wherever possible, fully integrated mixed tenure housing schemes with support given to acceptable levels of clustering and ensuring that the affordable housing is dispersed appropriately across the whole development.

5. Clusters of affordable housing should contain a mix of affordable tenures so that Social & Affordable Rent and intermediate units are not grouped separately from each other. This, equitable cluster placement and good design will create tenure blind clusters.
6. Additionally, the clusters should usually contain a mix of unit sizes, for instance a mix of 1, 2, 3, and 4-bedroom homes. This should help increase opportunities for different sizes and types of households to mix and can help to prevent similar household types being grouped together which may cause, for example, areas of high child density, groups of residents with similar economic backgrounds or with high support needs.

## Policy

### 7. Clustering

- Small or rural developments of up to 30 units (except for 100% exception sites) – Maximum clusters of 6 to 8 units. Blocks of flats – Maximum of 12 flats should have access from a lift or common stairwell. Ground floor flats should have their own entrances, if possible, as they are likely to be allocated to older or disabled residents or families with children.
- Medium mixed tenure residential developments of 30 to 200 units – Maximum clusters of 15 units. Clusters should not abut each other and be dispersed appropriately across the whole development. This will include blocks of flats. Ground floor flats should have their own entrances, if possible, as they are likely to be allocated to older or disabled residents or families with children.
- Large mixed tenure residential developments 200 units and over – Maximum clusters of 25 units per parcel. Clusters should not abut each other and be

dispersed appropriately across the whole development. This will include blocks of flats. Ground floor flats should have their own entrances if possible as they are likely to be allocated to older or disabled residents or families with children.

- Where a development site is to be built out in separate phases/parcels developers must take account of the location of affordable homes within neighbouring parcels of land to ensure clusters do not adjoin each other and are well dispersed across the development as a whole.

## **8. Tenure distribution**

- Clusters should contain a mix of affordable tenures, to include rented and intermediate tenures.
- Care should be given to placement of different tenures in flats to ensure a balance between tenure-blind design, ease of management and aiming to keep service charges to a minimum but avoiding too much segregation. . There may be occasions where splitting the tenure type would be detrimental to the wellbeing of the residents. One such instance would be a number of units designated for over 55's, which may benefit being sited together to ensure interconnected similar lifestyles and more efficient provision of any necessary care and/or support, providing they are designed and located so that they integrate well with the rest of the development.

## **9. Unit size distribution**

- Clusters should contain a mix of unit sizes. Care should be taken to refrain from placing more than 3 to 4 larger units together; preference is to intersperse the larger units with smaller 1 or 2 bed units.

10. For flats, if possible, there should be a mix of unit sizes in blocks and on each floor.

11. Finally, at all stages of design, service charges levels should be considered. High service charges will increase the risk of the affordable units being unaffordable.
12. It is recommended that there is early engagement with the relevant council's Housing Strategy Team and the Registered Provider. This will help to ensure that a timely agreement on the distribution of the affordable housing can be reached. It is also expected that the applicant will provide a robust Affordable Housing Statement to be submitted with the application. It will need to cover the reasonings for placement and tenure/size distribution of the affordable units across the development and how these are expected to contribute towards a mixed, balanced, and sustainable community.
13. For some schemes both councils will seek to implement a Local Lettings Plan detailing how applicants should be prioritised for the allocation and letting of affordable homes. A Local Lettings Plan, such as for initial allocations on new larger developments, will help to achieve broader objectives for creating mixed and balanced communities, or where it can help to address or prevent particular issues from arising in a local area. The plan will be discussed and agreed by all parties involved. The agreed Local Lettings Plans will be available publicly.

### Exceptions to policy

14. Exceptions to policy may be possible and justified because of the scale of the development. For example if the scheme is very small or in an area of a particular character; 100% affordable housing schemes because of its built form (for example if the development is all made up of high-density flatted blocks); or for specialist, supported or age-related schemes where critical mass is needed.
15. In some instances the Council may consider proposals to go above the clustering thresholds referred to in the policy, where it is satisfied that the affordable homes are proportionally distributed within the wider scheme, that

there are no noticeable concentrations of affordable housing in a particular area which could potentially result in a non-inclusive community in the long term, or where the use of a Local Lettings Plan will help to ensure that the scheme can still be mixed and balanced despite having larger clusters or being 100% affordable housing.

16. The design, layout and management of the homes will be key considerations in determining proposals that exceed the clustering numbers. The onus would be on the developer to provide a robust Housing Statement alongside the planning application. It will specify the reason why the scheme deviates from this Clustering and Distribution Policy and further describe how they intend to ensure the scheme links with the Councils' Key Principles above. The developers would also be expected to demonstrate how they integrate with nearby existing communities. To mitigate issues with larger clusters it is important that Local Lettings Plans are agreed prior to occupation and the registered provider has an agreed robust management plan in place. Lettings Plans will be published in the public domain for transparency.

### **National and Local Planning Policy**

#### **The Charter for Social Housing Residents – Social Housing White Paper – November 2020 – Integrating social housing in communities**

17. The Charter for Social Housing Residents published in November 2020 looks to address issues of inequality for social housing tenants. It sets out clear standards that every social tenant in England is entitled to expect from their landlords. Within the Charter there is a focus on ensuring integration of social housing in communities which aligns with the objectives of the Councils' Clustering and Distribution Policy.
18. Para 128 states: *'It is vital that social housing is treated as an integral and valued part of our housing system, rather than being separated or segregated from other forms of housing. That aspiration is reflected in the National Planning Policy Framework which states that planning policies and decisions*

*should aim to achieve healthy, inclusive and safe places. It also emphasises the need for planning policies and decisions to promote social interaction and provide shared spaces and facilities. It is supported by our planning practice guidance on Design: Process and Tools, published in October 2019, which includes guidance on the effective engagement of communities in shaping the design of their neighbourhoods’.*

### **National Planning Policy Framework – June 2019 updated (NPPF)**

19. The National Planning Policy Framework is a material consideration in the determination of planning applications.
20. It requires that planning policies and decisions should aim to achieve healthy, inclusive and safe places which promote social interaction, including opportunities for meetings between people who might not otherwise come into contact with each other, and which are ‘safe and accessible, so that crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion’.

### **National Design Guide – October 2019**

21. The purpose of the National Design Guide, published by the government in October 2019 was to ‘illustrate how well-designed places that are beautiful, enduring and successful can be achieved in practice’. Their aim was to ‘address unfair segregation and promote integrated and socially cohesive communities’.

### **Cambridge City Council**

#### **Affordable Housing Supplementary Planning Document 2008**

22. Para 1.6 ‘There is no obvious ‘best’ method of mixing tenures, although ‘ghettos’ of affordable housing are best avoided. We found examples where physical integration had been achieved through pepper potting, buffering (i.e., providing a graduated range of different house types within the same street, starting from small affordable units, and going through to large executive

market housing), clustering and development of separate sites but to the same physical appearance. We recommend that consideration should be given to the use of all four techniques in developing affordable housing in the new communities in Cambridgeshire.'

23. Para 23. 'The layout of developments should integrate affordable and supported housing with the open market housing in ways that minimise social exclusion. The creation of tenure monocultures should be avoided. The following approaches exist to achieve this goal:

- Pepper potting, which is the development of the affordable housing as individual dwellings throughout a development. This approach has not yet been followed in Cambridge and can increase the difficulties involved in property management.
- Clustering, which is the development of the affordable housing in multiple groups normally of between 6 and 25 dwellings depending upon the size and design of the development and the nature of the affordable housing. In flatted schemes no more than 12 affordable dwellings should normally have access from a common stairwell or lift. Clustering is the usual approach that is followed in Cambridge. The affordable housing should be provided in prominent parts of a site to aid integration.'

24. Para 24. 'A buffering technique can be used to integrate a mix of tenures and house types from larger market housing through to small social rented housing provided that there is no physical segregation, and no tenure monocultures are created. At its simplest this technique could involve using intermediate housing to unite the social rented housing and the open market housing.'

## **South Cambridgeshire District Council**

### **Affordable Housing Supplementary Planning Document 2010**

25.3.24 The document makes recommendations relating to the mixing of tenures within residential schemes and the layout of developments, the provision and management of facilities, mixed-use developments, green infrastructure, integration and accessibility, relationship with existing communities, design and monitoring and delivery. The key lessons regarding mixing tenures and development layout are that:

26. “There is no obvious ‘best’ method of mixing tenures, although ‘ghettos’ of affordable housing are best avoided. We found examples where physical integration had been achieved through pepper potting, buffering (i.e., providing a graduated range of different house types within the same street, starting from small affordable units, and going through to large executive market housing), clustering and development of separate sites but to the same physical appearance. We recommend that consideration should be given to the use of all four techniques in developing affordable housing in the new communities in Cambridgeshire. This will offer maximum flexibility to accommodate a range of household types.”

27.3.25 Policy HG/3 of the Development Control Policies DPD requires that affordable housing is distributed through a residential development in small groups or clusters. Paragraph 4.13 of the DPD elaborates that affordable housing should be integrated with market housing and that in order to ensure sustainable communities. It says that small groups or clusters will typically be of 6 to 8 units. This description of the size of cluster in the district wide Development Control Policies DPD is particularly relevant to development in the rural area at villages where it reflects the relatively small settlement size.

28.3.26 The Area Action Plans forming part of the LDF for the major developments on the edge of Cambridge and at Northstowe make clear that affordable housing will also be distributed in small groups or clusters but explains that the appropriate cluster size will be determined having regard to

the location within the development, including whether it is in a town or district centre or in a residential neighbourhood and the type of housing being provided e.g., family housing or apartments. The North West Cambridge Area Action Plan, prepared jointly with Cambridge City Council, indicates that small groups or clusters may be between 6 and 25 dwellings, and in flatted schemes no more than 12 affordable dwellings should have access from a common stairwell or lift. This is also the definition included in the City Council's own Affordable Housing Supplementary Planning Document, reflecting the different character and scale of the City compared with the currently predominantly rural character of South Cambridgeshire. The Cambridge definition of small group or cluster is considered to be an appropriate definition to inform discussions on the major developments in South Cambridgeshire, both those forming urban extensions to Cambridge and also the new town of Northstowe, although the actual size will be determined through the planning application process for those developments.

## Evidence

29. There is no current national guidance on exact numbers for clustering of affordable housing. The numbers in the policy are partly based on both councils previous Supplementary Planning Documents which have generally worked well, and considers what appears to be established best practice in the Cambridgeshire Horizons Guide – Balanced and Mixed communities – A Good Practice Guide. The Cambridgeshire Horizons Guide says:
30. A wide range of house types is a better way of creating mixed communities than focussing on affordability. Another way of putting this is to say that:
31. “We should aim for a critical mass of people at different life stages: children, working age population and the elderly, so that each group can develop their own social networks and facilities”
32. Under key lessons it further goes on to say.

33. There is no obvious 'best' method of mixing tenures, although 'ghettos' of affordable housing are best avoided.
34. 12 units per stairwell/lift was originally based on the Homes & Communities Agencies Design Guide, which said that a maximum of 15 units should share a stairwell/lift. Previously both Councils' Supplementary Planning Documents have required all schemes to have a maximum of 12 units to a stairwell and this has worked for us and the Registered Providers. We recognise this may not be possible on larger, higher density schemes and the policy has been amended for medium/large schemes.
35. We have also undertaken a recent survey with Registered Providers who have stock in the areas of Cambridge City and South Cambridgeshire.
36. The responses were very clear that they preferred to have clusters that are easy to manage and distributed evenly across sites. They preferred a mix of tenures and house types within a cluster to ensure a mix of single person households, couples, and families. They preferred that larger properties were not grouped together since this will lead to high child densities which can result in high cases of Anti-Social Behaviour.

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