



Homes for Our Future

Greater Cambridge Housing Strategy 2024-2029

Annex 2: Affordable Housing Requirements

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1. Introduction

- 1.1 To deliver the affordable housing required to meet housing need in Greater Cambridge, a significant proportion will be delivered through the land use planning system using Section 106 Agreements and in partnership with Registered Providers operating in Greater Cambridge. This Annex provides a summary of the main requirements relating to the provision of new affordable housing for both councils.
- 1.2 It sets out some of the main high-level policies within our adopted Local Plans (2018) relating to affordable housing. It also provides a set of more detailed supplementary requirements, building on the policies in the adopted Local Plans (2018) and on the requirements in the previous Greater Cambridge Housing Strategy 2019 to 2023, and in the context of National Planning Policy and associated guidance.
- 1.3 Where relevant, this Annex also sets out the councils' direction of travel based on: updated evidence and changing needs; and a desire to align the housing requirements between the two councils as far as possible, particularly as some of the strategic sites are within both Cambridge and South Cambridgeshire.
- 1.4 This Annex needs to be read in conjunction with the Strategy as a whole, and the affordable housing provisions in the other annexes. In particular: Annex 3 (Clustering & Distribution of Affordable Housing policy), Annex 4 (Affordable Rents policy), and Annex 5 (Build to Rent policy). More information on the evidence used to support the need for affordable housing is in Annex 6 (Summary of Evidence).
- 1.5 This Annex also needs to be read in conjunction with national planning policy, the adopted Local Plans (2018), any relevant Neighbourhood Plans, the emerging Greater Cambridge Local Plan and other relevant planning policies.
- 1.6 Separate to the Strategy, the councils have also published the Greater Cambridge First Homes Interim Position Statement which will remain in place until such time as the adoption of the Greater Cambridge Local Plan or any subsequent changes to government policy.
- 1.7 Although this policy cannot override National Planning Policy and associated guidance, or the councils' adopted Local Plans, it will be a material consideration in dealing with planning applications.



- 1.8 For any affordable housing development, it is important that developers and Registered Providers (RPs) engage early with the councils' Housing Strategy teams, before the planning pre-application process starts, to ensure that proposals meet both planning and Housing Strategy requirements.

2. Affordable Housing Thresholds and Tenure Mix

Adopted Local Plans (2018)

- 2.1 Amount of affordable housing to be delivered under the councils' adopted Local Plans:

Local Plan Policies: Cambridge Policy 45 & South Cambridgeshire Policy H/10
Cambridge – 25% of homes on sites of 10-14 dwellings should be affordable, with 40% on sites of 15 or more dwellings, or if the proposed units exceed 1,000 sqm.
South Cambridgeshire – 40% affordable homes on all sites of 10 or more dwellings or if the proposed units exceed 1,000 sqm

- 2.2 Note: the policies in the adopted Local Plans (2018) refer to sites of 11 or more dwellings, however in November 2018 the planning committees of both Councils agreed to require affordable housing on sites of 10 or more dwellings in line with the National Planning Policy Framework (NPPF).
- 2.3 The councils' previous policy requirements in relation to the percentage of affordable housing by tenure, as detailed in the Greater Cambridge Housing Strategy 2019-2023 was as follows:
- Cambridge - A 75%: 25% split of rented (social or affordable rent capped at LHA rates): intermediate (other forms of affordable housing set out in the NPPF).
 - South Cambridgeshire - A 70%: 30% split of rented (social or affordable rent capped at LHA rates): intermediate (other forms of affordable housing set out in the NPPF)".

Additional policy position

- 2.4 We are seeking to align the percentage of affordable housing by tenure sought on new developments across both councils.
- 2.5 Local Plan policies do not set out the tenure split expected to be delivered through the affordable housing obligations. Since first publication of our Housing Strategy in 2019, it has become apparent that the delivery of Social



Rent homes (at lower rent levels than Affordable Rent homes) has not been achieved to meet the housing needs of those on low incomes.

- 2.6 Taking into account the viability of a scheme, we are looking to address this by seeking the following tenure split on new developments:
- 75% of the 40% affordable housing requirement to be Affordable/Social Rent. On S.106 sites above 15 homes at least 10% (of the 75%) to be allocated for Social Rent.
 - 25% of the 40% affordable housing requirement will typically be for shared ownership where it is sufficiently affordable to meet local needs, although other types of tenure may be considered on individual schemes on a case-by-case basis.
- 2.7 This reflects shared ownership as the councils' preferred home ownership option.
- 2.8 The percentage of affordable housing and tenure split will be rounded to the nearest whole number (where possible). Table 1 below provides a worked example.



Table 1: Example of Tenure Mix on S.106 sites

Total No. of Homes	No. Affordable Homes	Of which, No. of Social Rent	Of which, No. of Affordable Rent	Of which, No. of Shared Ownership
10 Cambridge	3	0	2	1
10 South Cambs	4	0	3	1
15	6	1	4	1
25	10	1	7	2
50	20	2	13	5
75	30	2	20	8
100	40	3	27	10
150	60	4	41	15
200	80	6	54	20
500	200	15	135	50

*Other routes to home ownership may be considered

- 2.9 Given the affordability challenges in Cambridge City and South Cambridgeshire, and the impact of the national First Homes price cap on the sizes of homes likely to be delivered, the councils have taken the decision not to include First Homes within their preferred tenure split at this point in time, unless a developer wishes to deliver First Homes. Further information is set out in our First Homes Interim Position Statement (referred to above).
- 2.10 The councils will consider their longer-term approach to First Homes in the light of national planning policy and guidance, evidence of need, and any changes in national First Homes policy.

3. Affordable Housing Sizes

Adopted Local Plans (2018)

- 3.1 The adopted Local Plans (2018) are silent on affordable housing sizes by number of bedrooms, although they do cover internal floor areas.

Local Plan Policies: Cambridge Policy 50 & South Cambridgeshire Policy H/12

New residential units will be permitted where their gross internal floor areas meet or exceed the residential space standards set out in the Government's Technical Housing Standards – [Nationally Described Space Standards](#)



Additional policy position

- 3.2 The greatest need for social housing for rent across Greater Cambridge over recent years has been for 1 and 2-bedroom properties. However, that need has started to level out and a proportion of larger units should now be part of the affordable housing consideration.
- 3.3 Table 2 & 3 below, taken from research carried out to support development of the proposed Greater Cambridge Local Plan, represents an evidence based starting point for the affordable size mix within a development, within each of the local authority areas.

Table 2: Affordable housing property sizes: starting point for Cambridge City

Tenure	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms
Market	0-10%	15-25%	40-50%	25-30%
Affordable home ownership	15-25%	35-45%	25-35%	5-15%
Affordable housing (rented)	35-45%	30-40%	15-25%	0-10%

Source: [GL Hearn, Housing Needs of Specific Groups Cambridgeshire & West Suffolk, October 2021](#), Table 83.

Table 3: Affordable housing property sizes: starting point for South Cambridgeshire

Tenure	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms
Market	0-10%	20-30%	35-45%	25-35%
Affordable home ownership	15-25%	35-45%	25-35%	5-15%
Affordable housing (rented)	25-35%	35-45%	20-30%	0-10%

Source: [GL Hearn, Housing Needs of Specific Groups Cambridgeshire & West Suffolk, October 2021](#), Table 87.



3.4 In terms of new urban development, including fringe sites, a staged approach will be taken to assess a suitable affordable housing size mix, taking into account the specific circumstances surrounding the proposed development. The factors taken into account will include:

- The overall housing mix proposed for the development
- Up to date evidence
- Demand, including numbers of applicants on the councils' Home-Link housing registers for different types of properties
- Turn-over of different sizes of properties (for example, the extent to which different sizes of properties tend to become available)
- Any existing Section 106 requirements
- National policy
- Affordability
- Wheelchair/specialist housing needs
- Mix in surrounding area
- Any other relevant factors

3.5 The mix for rural exception sites will be decided separately based on a specific local needs assessment for that village.

3.6 In addition to the internal residential space standards referred to under 3.1 above, it is important to maximise the number of bed spaces per property for the Affordable/Social Rent to align with the councils' Lettings Policies and Local Housing Allowance criteria. The minimum numbers of bedspaces required by the councils are in Table 4 below.

Table 4: Minimum bed space requirements for Affordable/Social Rent accommodation

Number of bedrooms	Minimum bed spaces required
One	2 persons
Two	At least 4 persons
Three	At least 5 persons
Four	At least 6 persons
Five	At least 7 persons

3.7 Exceptions to this policy may be applied in exceptional circumstances where the council considers it appropriate to meet specific needs.



- 3.8 The housing needs of applicants for Social/Affordable Rent housing will be assessed via Cambridge City Council's Lettings Policy and South Cambridgeshire District Council's Lettings Policy. Eligibility by number of bedrooms can be found in the lettings policies, based on Local Housing Allowance (LHA) regulations.

4. Flats vs Houses

Policy position

- 4.1 For two-bedroom homes in South Cambridgeshire, and for homes where nominations are shared between the two councils: where both flats and houses are provided on a scheme, we will expect the affordable housing to provide a similar proportional split between houses and flats as for the private dwellings. For three bedroom or larger properties, these should be provided as houses.
- 4.2 For three bedroom or larger properties in Cambridge City and South Cambridgeshire, including on fringe sites, we will expect the affordable homes to be provided as houses.
- 4.3 Maisonettes will be counted as flats. Duplex dwellings will be counted as flats unless they have a garden, in which case they will be dealt with as houses.
- 4.4 It is not acceptable to provide the majority of flats within a development as the affordable housing contribution, unless there are strong reasons for doing so. Having a better balance of flats and houses within the affordable housing provision will offer a greater choice to applicants and help to create settled communities. Particularly in South Cambridgeshire, flats are more difficult to let and have a higher turn-around of tenants.
- 4.5 In deciding the mix, regard will be had to any specific need for a dwelling type highlighted by the council, as well as the housing mix and dwelling type in adjacent existing areas.



5. Adaptable and Accessible Affordable Homes

Adopted Local Plans (2018)

Local Plan Policies: Cambridge Policy 51 & South Cambridgeshire Policy H/12
<p>Cambridge City - all housing development should be of a size, configuration and internal layout to enable Building Regulations requirement M4(2) 'accessible and adaptable dwellings' to be met; and</p> <p>5% of the affordable housing component of every housing development providing or capable of acceptably providing 20 or more self-contained affordable homes should meet Building Regulations requirement M4(3) 'wheelchair user dwellings' to be wheelchair accessible, or be easily adapted for residents who are wheelchair users.</p>
<p>South Cambridgeshire – 5% of homes in a development should be built to the accessible and adaptable dwellings M4(2) standard rounding down to the nearest whole property. This provision shall be split evenly between the affordable and market homes in a development rounding to the nearest whole number.</p> <p>Supporting text: The provision of housing which is constructed to wheelchair housing design standards will only be expected as part of the affordable housing element of developments and then only in response to identified need.</p>

Greater Cambridge proposed direction of travel

- 5.1 Future-proofing new homes so that they are capable of adapting as families age is key in helping to meet the needs of an ageing population.
- 5.2 Based on the evidence provided within the GL Hearn report, The Housing Needs of Specific Groups (referred to above), we would like to see higher accessible and adaptable homes standards for new affordable homes across Greater Cambridge, and we expect all new affordable homes to be built to Building Regulations M4(2) accessible and adaptable standards, with some new affordable homes to be built to Building Regulations M4(3) wheelchair adaptable/accessible standards based on identified needs.
- 5.3 For the strategic sites, a minimum of 5% of the affordable homes should be M4(3) wheelchair adaptable/accessible compliant. The councils will consider whether any further requirements around providing homes which are wheelchair accessible or adaptable should apply more broadly to both affordable and private homes, through consideration of new or updated evidence, and/or taking account of any national changes to requirements.



- 5.4 How the M4(3) homes should be distributed across the site will be determined through negotiation with the council.
- 5.5 Where the tenure of some or all of the homes are switched from market to affordable housing, we will not seek additional M4(3) homes.

6. **Affordability**

Policy position

- 6.1 It is essential to ensure that affordable housing is as affordable as possible to those who need it.
- 6.2 As a rough guide, Shelter suggests that affordability should be assessed on the basis that no more than 35% of net household income spent on housing costs is considered affordable.
- 6.3 Social Rents are generally set at around 45-50% of market rents. Our expectations around Affordable Rents are laid out in the Affordable Rents annex to this Strategy.
- 6.4 For other affordable tenures the council will work with developers and providers to ensure that the homes are, and can remain, affordable to the group being targeted.

7. **Letting of Social Rent and Affordable Rent Housing**

Policy position

- 7.1 Under the social housing for rent banner, there are two types of tenure for rent:
- Social Rent housing - this is the most affordable tenure type; locally this is typically up to around 40-50% of an open market rent.
 - Affordable Rent housing - a local Affordable Rents Policy has been developed for Greater Cambridge stating the maximum levels at which we expect Affordable Rents to be set inclusive of service charges (see Annex 4).
- 7.2 All such new homes will be required to be made available to those on the Home-Link Housing Register through the sub-regional choice-based lettings scheme, unless otherwise agreed with the relevant council. The councils will continue to share allocations on strategic sites between the two local authorities to allow those on the housing register to secure an affordable home either in South Cambridgeshire or Cambridge.



- 7.3 The Councils will seek 100% nomination rights on the first let of all affordable rented homes, dropping to 75% for subsequent relets. This is normal practice in the sector as it allows registered providers to determine the allocation of a proportion of the properties in accordance with their own objectives. However, in practice, many registered providers locally continue to accept nominations from the Council on a 100% of all future relets through the choice-based lettings scheme.
- 7.4 A high proportion of social housing for rent can run the risk of concentrations of households with high priority needs in relatively small areas. To help mitigate potential imbalances we will ensure that well designed, bespoke Local Lettings Plans, setting out specific criteria, are put in place to help address some of these issues where it is considered necessary.
- 7.5 See also paragraph 3.6 of our Affordable Rents Policy at Annex 4 to the Strategy on new homes being brought forward at 80% of market rent, to be let to particular groups through Cambridge City Council's Lettings Policy.

8. Service Charges

Policy position

- 8.1. Housing-related service charges are a fee paid by a tenant to their landlord to cover the costs of maintaining and servicing a building and its surrounding area. The level at which an Affordable Rent is set includes service charges, whereas for Social Rents the service charge is extra. Service charge levels may impact on affordability for tenants. In addition, the cap on the level at which Affordable Rents can be charged means the higher the service charge, the less rental income the Registered Provider is able to generate.
- 8.2. Although high quality is important, developers should incorporate efficient design to avoid unreasonable development that may lead to higher service charges. In particular, consideration should be given to the layout that includes communal space and/or unadopted roads and the impact these will have on increased service charges. (Note that adoption of roads is a County Council responsibility).
- 8.3. Ultimately, the design of a scheme should encourage inclusivity in the community whilst maintaining affordability, particularly for residents of affordable housing. Furthermore, once the development is built there should be an active approach to reviewing service charges on a regular basis to help minimise costs.



9. Additionality

Policy position

- 9.1. In cases where developments have met their Section 106 (S106) obligations for affordable housing, and the tenure of market units is switched to affordable units, it creates additional affordable housing. This is referred to here as "additionality" and is generally supported by both councils.
- 9.2. If a Registered Provider or developer intends to propose additionality, they are required to contact the Housing Strategy team for initial discussions. Dependent on what is written within the original section 106 agreement, a deed of variation may be required to alter the tenure mix of the homes.
- 9.3. In providing a higher percentage of affordable housing than the 40% requirement, location, tenures and housing types, and the clustering and location of each affordable housing tenure, will need to be given careful consideration to ensure the scheme provides for a balanced community. Where there are higher concentrations of Affordable/Social Rent homes, a Local Lettings Plan will be required.

10. Other forms of Affordable Housing

Policy position

- 10.1. The latest Cambridge sub-regional affordability analysis identifies a gap in the local market for those earning between around £25,000 - £60,000, depending on the size of home required. Whilst households within the higher range of this income bracket may not be a priority for Social/Affordable rented housing, the councils recognise that many have difficulty renting privately or accessing the property market to buy a suitable home.
- 10.2. The councils are therefore supportive of exploring different tenure types to meet differing needs and to help create mixed and balanced communities on a site-specific basis. Evidence points to the greatest affordable housing need being for Social and Affordable Rent, and we recognise that delivery of shared ownership, where it meets local needs, is often the best way of cross-subsidising funding and therefore maximising delivery of those tenures. However, some sites present opportunities for providing a wider range of affordable tenures to provide greater choice and meet wider social and economic objectives.



11. Shared Ownership

Policy position

- 11.1. Generally, shared ownership has been the traditional route for intermediate affordable housing for those on middle incomes, and we will continue to support this as a tenure where it is sufficiently affordable to meet the needs of those who cannot access suitable market housing.
- 11.2. All shared ownership homes should follow current government guidelines in the Homes England Capital Funding Guide, and providers should use the Homes England standard lease agreement. The minimum initial share that can be purchased is currently 10% and the maximum initial share should not exceed 75%. All shared ownership properties to be offered on a 990-year lease. The percentage purchased should be the maximum the purchaser can afford to buy.

12. Rent to Buy

Policy position

- 12.1. Rent to Buy schemes enable tenants to pay a sub-market rent with the option to buy their home after an agreed period of time, sometimes receiving help with a deposit.
- 12.2. The sub-market rent charged should be at an Affordable Rent level and the homes managed by a Registered Provider until such time that the property is bought. There is also an expectation that tenants will be supported with financial budgeting, etc. to help them progress into home ownership.
- 12.3. Whilst the councils are supportive of looking at alternative options to support those looking to buy a home, we need to ensure that those who are not in a position to purchase these properties after the agreed rental period are not penalised or left without a home.

13. Affordable Private Rent as part of Build to Rent Schemes

Policy position

- 13.1. Affordable Private Rent as part of Build to Rent schemes may be considered as an option for intermediate affordable housing provision. The councils' approach to this is detailed in our Build to Rent Policy at Annex 5 of this Strategy.

Greater Cambridge proposed direction of travel

- 13.2. Further viability testing will be carried out and used to consider the appropriate percentage of affordable housing to be provided in Build to Rent Schemes and the level of discount to market rents.



14. Keeping Affordable Housing Affordable

Policy position

- 14.1. We expect all affordable housing (other than Affordable Private Rent as part of Build to Rent schemes) to be brought forward by Registered Providers, and to remain available as affordable housing for future eligible households.
- 14.2. Where properties are sold, we would expect as much as possible of the capital receipts received to be reinvested into affordable housing in the Greater Cambridge area, to meet the high levels of need identified locally.

15. Clustering and distribution of affordable housing

Policy position

- 15.1. Our Clustering and Distribution of Affordable Housing Policy at Annex 3 explains our position around how affordable homes should be located and distributed across developments.

16. Phasing

- 16.1. On larger sites where housing is delivered in phases, affordable housing should be delivered proportionately in line with the delivery of market housing. The delivery of affordable housing should also run in parallel with that of market housing. This will be ensured through the Section 106 agreement for the development.

17. Viability of Delivering Affordable Housing

Policy position

- 17.1. The NPPF states that planning applications which comply with up-to-date policies setting out development contributions should be considered viable. However, if there are site-specific circumstances that require a viability assessment at the application stage, assessments should follow the recommended approach in [National Planning Practice Guidance](#), including standardised inputs, and should be made publicly available.
- 17.2. We are committed to working proactively with developers to help them find ways of making a scheme viable to deliver our affordable housing requirements.
- 17.3. Where appropriate, positive changes may be considered to make the site viable. Various options will be explored to support the scheme, such as supporting bids for grant funding for affordable housing or upfront infrastructure costs, implementing review mechanisms including claw-back arrangements, and renegotiating tenure mix and alternative affordable models.



- 17.4. If the developer seeks to deviate from our affordable housing policy position, they will be required to robustly demonstrate why it is not viable to provide a policy-compliant affordable housing allocation. The applicant should engage early and must agree to the commissioning of the council's retained viability consultant. The applicant will meet the costs of the independent assessment.
- 17.5. Any amendments to the numbers, types and tenures of affordable housing will be subject to negotiation with the Greater Cambridge Planning Service and Housing Strategy teams.
- 17.6. Where developers choose not to work with us proactively we will take a robust approach in scrutinising any viability challenges.

18. Commuted Sums

Policy position

- 18.1. The councils will always seek affordable housing on-site. However, in exceptional circumstances if it can be demonstrated that on-site provision is not possible or appropriate, the councils will seek a financial contribution ('commuted sum') towards the future provision of affordable housing. The contribution to be of 'broadly equivalent value' to that which would have been provided on-site. Any financial receipts received by the councils in lieu of affordable housing will be prioritised to help fund the councils' own new-build programmes.
- 18.2. The following sets out the process for calculating the commuted sum where it is considered appropriate.
- 18.3. The councils will commission an independent valuation, with any cost associated with the valuation advice met by the applicant.
- 18.4. The independent valuer will be asked to provide their professional opinion on the following:
 - The land value of the whole site without an on-site affordable housing contribution; and
 - The land value of the site with an on-site affordable housing contribution, where the amount of free serviced land is based on the notional scheme for the site.
- 18.5. The commuted sum sought will be the difference between the two valuations.



19. Vacant Building Credit (VBC)

Policy position

Vacant building credit is a national policy that grants developers a financial credit when they redevelop [previously developed land](#). This credit can be used to offset their obligations to provide affordable housing within the development project, incentivising the revitalisation of underutilised buildings.

Where a developer is looking to achieve Vacant Building Credit, the following criteria will be considered to offset the provision of affordable homes:

- **CRITERIA 1:** It is demonstrated that the building has not been in use or occupied in any form for continuous period of 6 months during the previous 3 years (at the point planning permission is granted).
- **CRITERIA 2:** It is demonstrated that the building has been actively marketed during all of the time that it is vacant at market prices with all reasonable offers pursued.
- **CRITERIA 3:** The building is not on land that is covered by an extant planning permission for the same or substantially the same development.

Consideration will also be given as to whether the building has been vacated for the sole purposes of redevelopment.

20. Mortgagee in Possession

Policy position

- 20.1. A Mortgagee in Possession (MiP) clause in a section 106 Agreement allows a Registered Providers (RP) to maximise their borrowing power against their assets, so that they can invest in new affordable housing provision. In effect, the clause gives comfort to lenders that in the unlikely scenario of a default on a loan payment they could ultimately take possession of the RP's interest in the affordable housing units used as assets against which the loan is secured.
- 20.2. Both councils have undertaken extensive research into the inclusion of a MiP clause and are satisfied that there are sufficient safeguards in place via the Social Housing Regulator to minimise the risk of the potential loss of affordable housing. The councils therefore support the inclusion of a MiP clause in order to maintain the continued delivery of affordable homes.
- 20.3. A national standard pro forma clause has been developed (as detailed below) which is widely accepted across the country by lenders and will be the standard used by both councils. Any deviation from the wording which would undermine the principles of the clause will cause issues for Registered



Providers when they need to secure further funding for affordable housing investment.

20.4. Standard MiP Clause:

It is hereby agreed and declared that nothing in this Schedule shall be binding on a mortgagee or chargee (or any receiver (including an administrative receiver) appointed by such mortgagee or chargee or any other person appointed under any security documentation to enable such mortgagee or chargee to realise its security or any administrator (howsoever appointed) including a housing administrator (each a Receiver)) of the whole or any part of the Affordable Housing Units or any persons or bodies deriving title through such mortgagee or chargee or Receiver PROVIDED THAT:

1. such mortgagee or chargee or Receiver shall first give written notice to the Council of its intention to dispose of the relevant Affordable Housing Units and shall have used reasonable endeavours over a period of three (3) months from the date of the written notice to complete a disposal of the relevant Affordable Housing Units to another registered provider or to the City Council/South Cambridgeshire District Council for a consideration not less than the amount due and outstanding under the terms of the relevant security documentation including all accrued principal monies, interest and costs and expenses; and
2. if such disposal has not completed within the three (3) month period, the mortgagee, chargee or Receiver shall be entitled to dispose of the relevant Affordable Housing Units free from the provisions in this Schedule which provisions shall determine absolutely in so far as they relate to the relevant Affordable Housing Units.

- 20.5. A MiP clause will usually only be acceptable where a registered provider is involved, and subject to a requirement that the mortgagee first actively seeks to dispose of properties to another registered provider approved by the council.



21. Rural Exception Site Housing

Adopted Local Plans (2018)

Local Plan Policy: South Cambridgeshire Policy H/11

Developments outside of the village framework may be considered where it will deliver affordable housing for local people based on identified need.

A small proportion of market homes may be considered on viability or deliverability grounds to support more sites coming forward.

Additional policy position

- 21.1. South Cambridgeshire District Council promotes the provision of affordable housing for local people through its Rural Exception Site Policy.
- 21.2. Where there are groups of smaller settlements, development in one village may support services in a village nearby and meet housing need within a wider catchment area. An up-to-date housing needs assessment should be undertaken to ascertain the numbers, types and tenures of homes needed to meet local housing need. It is also important that a Registered Provider leads on the delivery of a rural exception site working in conjunction with the developer, parish council and Cambridgeshire Acre (the rural housing enabler).
- 21.3. Where a potential rural exception site is identified, the developer/RP should make contact with the Housing Strategy Team in the first instance. The expectation is that a pre application is made prior to the submission of a planning application, and that this should be a full application rather than an outline planning application, and that the Registered Provider is party to the section106 Agreement.
- 21.4. Rural Exception Site schemes are permitted only for meeting an identified affordable housing need and would not normally come forward for residential development. Therefore, the expectation is that land values are kept at agricultural levels to ensure schemes are viable and meet the purposes of the policy.
- 21.5. The number of affordable homes provided on a rural exception site should not be greater than the level of local need identified. The appropriate scale of development will be influenced by the category of village, the size and character of the built-up area of the individual village concerned, the level of



local housing need and the level of services and facilities available in the village in terms of achieving sustainable development.

- 21.6. Where rural exception sites are located in the countryside, the impact of the proposed development on village character and the rural landscape will be key considerations in determining any planning application. An application will only be approved if the location and design of a proposal minimises any adverse impact and can demonstrate that it can be assimilated into the local environment in an acceptable way and is appropriate in respect of other planning considerations.
- 21.7. Rural exception sites that are within or adjoin the Green Belt, will only be considered where no alternative sites exist that would have less impact on Green Belt purposes. This requirement means that applicants must demonstrate by way of a sequential test that no alternative appropriate sites can be found outside of the Green Belt.
- 21.8. Proposals to extend rural exception sites will be considered on their merits, having regard to the overall scale of the site that would be created together with the original development and the cumulative visual impact as a result of a larger development in the countryside.

22. First Homes Exception Sites

Policy position

- 22.1. Rural exception sites (as set out above) will always be South Cambridgeshire District Council's preference as they meet specified local need. If a developer wants to bring forward a First Homes Exception Site the developer will need to evidence why it would be more appropriate than a rural exception site in that area. Any First Homes Exception Site will include a local priority for allocation to that village.

23. Community Led Housing

Policy position

- 23.1. See Annex 1, Housing for Specific Groups.

24. Almshouses

Policy position

- 24.1. Almshouses will generally be treated as affordable housing, so long as the provider is officially registered as an almshouse charity. A management plan will need to be agreed with the relevant council.



25. Cumulative Developments

Policy position

- 25.1. It is crucial for new sites or schemes to make suitable affordable housing contributions. Therefore, if developments were permitted cumulatively as a number of smaller developments, the full requirements of that larger combined site would not be met.
- 25.2. Therefore, we will seek consideration of cumulative development where the same landowner/developer is bringing forward adjoining sites on a piecemeal basis or purchasing the land at the same time but then parcelling up the site.
- 25.3. Where this is considered to be the case, the affordable housing requirement should be calculated based on the combined development. Account should be taken from the first application being approved and any subsequent applications.

26. Section 106 Agreement

Policy position

- 26.1. There is an expectation that the councils' standard s106 agreement template will be used for any new developments.

Dated: July 2024

Updated June 2025

(Supersedes Greater Cambridge Housing Strategy 2019-2023 Annex 5: Summary of Requirements for Development of New Homes)