

## NPPF December 2024: Main revisions relevant to affordable housing

**Reintroduction of Housing Targets:** Government have introduced the requirement to achieve housing targets.

**A new Standard Housing Methodology:** The new standard methodology uses housing stock to set a baseline figure, this is 0.8% of existing housing stock with an affordability modifier.

The affordability adjustment applies where the median house price is 5 times the median earnings, in such cases a multiplier of 0.95 is added to the overall calculation. In effect housing need is reduced in areas where housing is more affordable and increased where affordability is challenging.

**5% buffer for 5-year housing land supply calculations:** The requirement to apply a 5% buffer will be reintroduced.

**Changes to Affordable Housing requirements:** The Government have amended certain requirements which means that it is no longer necessary to deliver at least 10% of the total number of homes on major sites as affordable home ownership, nor will there be a requirement that 25% of affordable housing units delivered via S.106 agreements are First Homes.

The option to deliver First Homes both through section 106 planning obligations and exception sites will remain.

**Mixed tenure developments:** The NPPF has been strengthened with regards to encouraging mixed tenure developments, although this should not preclude schemes that “are mainly, or entirely, for Social Rent or other affordable housing tenures”.

Mixed tenure sites are defined as including a mixture of ownership and rental tenures, including Social Rent, other rented affordable housing and build to rent, as well as housing designed for specific groups such as older people’s housing and student accommodation, and plots sold for custom or self-build.

**Social Rent homes:** the provision of need for Social Rent needs to be considered when undertaking housing needs assessments and setting policies on affordable housing requirements.

**Affordable Housing for Rent:** The definition of affordable housing in national planning policy is to be amended with Social rent being defined as

"Social Rent: meets all of the following conditions:

- (a) the rent is set in accordance with the Government’s rent policy for Social Rent;
- (b) the landlord is a registered provider; and
- (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision".

**Small Site Allocations:** The 10% small site allocation in local plans is no longer mandatory.