



DELIVERY OF AFFORDABLE HOUSING ADVICE NOTE

September 2025



**Housing
Executive**

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The Housing Executive has produced this Advice Note for Councils on a suggested implementation method for affordable housing policies contained in Local Development Plans (LDPs). This Advice Note is being sent to Councils to provide guidance should they wish to produce SPGs or provide guidance within their draft Plan Strategy. This can be adapted by Councils, in consultation with the Housing Executive, to be specific to their affordable housing policies.

The advice contained in this document is set out as guidance to accompany policy. As this is an example of what guidance could look like, instructive language such as “will” or “should” is included. As a suggested implementation method, this paper does not provide commentary or opinion on what an affordable housing policy should contain, or what policy options are available.

The information contained in this Advice Note could generally apply to Affordable Housing Policies, in different Plan Strategies, despite variations in approach. However, this Advice Note assumes an Affordable Housing Policy that contains a requirement for a proportion of sites, over a certain threshold, should provide affordable housing (social and intermediate housing), and where there are exceptional circumstances, the proportion of affordable housing units may be adjusted by a Key Site Requirement in a zoned housing site.

The Advice Note will also be updated as and when required to ensure it contains the most up to date information. The Housing Executive will continue to work with Councils and partners to develop advice and guidance to support the implementation of affordable housing policies.

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Introduction

Affordable housing policies within Local Development Plans (LDPs), while enabling the delivery of new homes to meet needs can also ensure that growth contributes positively to the creation of mixed, diverse, inclusive and sustainable communities. A range of housing in terms of dwelling size, type, tenure, and affordability is central to achieving mixed, balanced communities, and ensuring areas are attractive to people of different ages, lifestyles, and incomes.

An aim of LDP Plan Strategies is to facilitate an adequate and available supply of good quality housing to meet the needs of all of society and to provide for the delivery of affordable housing through the planning system. For development plan policy to be successfully implemented, it is important to provide clarity to planners, housing officers, developers, and landowners to ensure the efficient and effective delivery of affordable housing. This Advice Note provides advice on the delivery of affordable housing on sites, where a development management policy, zoning, or a key site requirement requires affordable housing as a proportion of the development. The Appendices include a checklist of information that should accompany a planning application where a proportion of affordable housing is required.

Purpose

The purpose of this Advice Note is to assist Councils in drafting sound affordable housing planning policy for their LDP. The LDP will be examined for soundness by the Planning Appeals Commission at the Independent Examination, which will include consideration that “There are clear mechanisms for implementation and monitoring” (CE3, Development Plan Practice Note 6, Department for Infrastructure (DFI)).

The Advice Note aims to ensure a clear and consistent approach to the assessment of residential development schemes required to provide affordable housing, as established within LDP housing policy. This Advice Note does not introduce new policy but aims to assist with implementation of that existing policy.

Definition of Affordable Housing

In April 2021, the Department for Communities (DfC) published a new overarching definition of affordable housing, which aims to extend the range of affordable housing products. This definition is now adopted by the SPPS. The definition is:

“Affordable housing is:

- a) Social rented housing; or
- b) Intermediate housing for sale; or
- c) Intermediate housing for rent

that is provided outside of the general market, for those whose needs are not met by the market. Affordable housing which is funded by Government must remain affordable or alternatively there must be provision for the public subsidy to be repaid or recycled in the provision of new affordable housing”.

The terms affordable housing and intermediate housing are often used interchangeably. However, it is important to note that affordable housing comprises both social and intermediate housing.

Further guidance and information is published alongside the definition in the form of an Explanatory Note and definitions of government funded affordable housing products:

Explanatory Note

Affordable housing is available to households who otherwise could not house themselves, for example, because they would struggle to afford the cost of housing in the open market, or they need a specific type of house which is not commonly available. It is provided outside the general market. It is therefore not available to households who can meet their own housing needs without government support.

Affordable homes are delivered via specially designed products, such as those detailed below, which are operated according to specific criteria to ensure that, where government funding is provided, it is targeted based on objective need. The criteria are specific to each product. For instance, the allocation of social rented housing is governed by the Housing Selection Scheme.

Government funded affordable housing should remain affordable for future eligible households. However, where this is not possible, arrangements will be put in place for government funding to be repaid or recycled to support the provision of further affordable housing for future households.

Social rented housing

Social rented housing is housing provided at an affordable rent by a Registered Housing Association; that is, one which is registered and regulated by the Department for Communities as a social housing provider. Social rented accommodation should be available to households in housing need and is offered in accordance with the Housing Selection Scheme, administered by the Northern Ireland Housing Executive, which prioritises households who are living in unsuitable or insecure accommodation.

Intermediate housing

Shared ownership

Shared ownership housing helps households who can afford a small mortgage but are not able to afford to buy a property outright. The property is split between part ownership by the householder and part renting from the housing provider. The proportion of property ownership and renting can vary depending on householder circumstances and preferences.

Intermediate rent

The Department has developed a new [Intermediate Rent](#) policy, which sets the framework for the development of more high quality, long-term, affordable rented housing with support services. Work continues to deliver a funding package which can support the practical delivery of a supply of new Intermediate Rent homes.

FAQs on the application of the definition of affordable housing are included in Appendix 1.

Legislation and Policy Context

Programme for Government

The Programme for Government 2024 - 2027 'Our Plan: Doing What Matters Most', identifies the Northern Ireland Executive commitment to deliver nine priorities with the goal of improving the wellbeing of everyone living and working here. One such priority is to "provide more social, affordable and sustainable housing" with the target to start work on at least 5,850 new build social homes by 2027. Relevant actions include "...ensure that the planning system supports the delivery of the appropriate supply of housing, creating sustainable and inclusive spaces, and work with NI Water to help facilitate housing growth". It identifies the 'Housing Supply Strategy' as providing a long-term framework for policies and actions required to increase the supply of homes across all tenures and reduce housing stress.

Housing Supply Strategy

The Housing Supply Strategy was published in December 2024 by the Department for Communities and provides a 15-year framework for the development and delivery of policies and actions needed to deliver housing supply needs. The Strategy includes an ambition to deliver at least 100,000 homes and more, if needed, with one third of these being social homes. ‘Creating Affordable Options: Increase housing supply and affordable options across all tenures to meet housing need and demand’ is identified as key objective of the Strategy.

Planning Act (Northern Ireland) 2011

The Planning Act (Northern Ireland) 2011 establishes a plan led system. This gives primacy to the Plan in the assessment of planning applications, stating determination must be made in accordance with the plan, unless material considerations indicate otherwise.

Regional Development Strategy

The overarching Northern Ireland Executive’s spatial strategy for the future development of Northern Ireland to 2035 is set out in the Regional Development Strategy (RDS). The RDS is material to decisions on individual planning applications and appeals. Three major themes relevant to housing include:

1. Strengthen community cohesion;
2. Support urban and rural renaissance; and
3. Manage housing growth to achieve sustainable patterns of residential development.

The RDS aims to “promote development which improves the health and well-being of communities”. This aim is expanded to explain that the provision of more social and affordable housing helps to build strong balanced communities. Specific policy in relation to affordable housing in the RDS is set out under RG6 ‘Strengthen community cohesion’ and RG8 ‘Managing housing growth to achieve sustainable patterns of residential development’. RG6 seeks to encourage mixed housing development, with neighbourhoods containing homes in a range of sizes and tenures, to enable to stable communities and to reduce isolation.

RG8 states that ‘the varied housing needs of the whole community need to be met’. This includes affordable housing. It also states that development plans should identify housing land to ensure an adequate and available supply of quality housing to meet needs of everyone and to include land for social and intermediate housing.

Strategic Planning Policy Statement (SPPS)

The SPPS states a core planning principle is to improve health and wellbeing, an important element of which is to support the delivery of homes to meet the full range of housing needs. Key aims for housing development include achieving balanced communities, through the provision of housing in a variety of tenures and types. The SPPS requires that through their development plan, councils must facilitate the right mix of housing tenures, including open market and special housing needs such as affordable housing, supported housing, and Irish Travellers' accommodation.

Local Development Plans

LDPs guide future use of land and provide a policy framework that is used to determine development proposals. LDPs are a fundamental tool in the implementation of central government policies and strategic objectives, particularly those set out in the RDS 2035. In order to comply with the RDS and the SPPS, the Council's LDP incorporates an affordable housing policy. Three broad mechanisms can be used in the formulation of affordable housing policies:

- zoning land for affordable housing;
- assigning key site requirements (KSRs) to certain zoned housing sites that require a number or proportion of the units to be provided for affordable housing; and
- a development management policy which requires a proportion of all housing developments over a certain threshold to be provided for affordable housing.

Roles

Registered Housing Associations

A registered housing association (RHA) is a society, body of trustees, or company that provides social rented and/or intermediate accommodation and may specialise in accommodation for special needs groups. They are the main developers of new social housing for rent in Northern Ireland and do not trade for profit, however, any surpluses generated can be used to maintain existing homes or finance new properties. Currently, only Housing Associations registered with DfC under the Housing (Northern Ireland) Order 1992, can provide social housing in Northern Ireland. The RHA is responsible for housing allocation and management.

Co-Ownership is an RHA which specialises in helping people to become homeowners through shared ownership, which means part-buying and part-renting a home of their choice. Full details including developer and property criteria are available at www.co-ownership.org.

Department for Communities

DfC is responsible for setting overall housing policy, including the definition of affordable housing, as well as providing grant funding for the Social Housing Development Programme (SHDP) and may provide loan funding for intermediate housing. DfC develops new affordable housing products and sets the property value limit, a cap on the purchase price of intermediate housing for sale, which is reviewed annually.

It has also established a [policy](#) and design standard for Intermediate housing for rent and may provide loan funding in connection with implementing the policy.

In addition, it has responsibility for the registration, inspection and monitoring of RHAs and for maintaining the Housing Association Guide, part of which sets the design standards that social housing must meet.

Department for Infrastructure

The Department for Infrastructure (DfI) is responsible for:

- Determination of regionally significant and ‘called-in’ planning applications;
- The Regional Development Strategy (RDS);
- Regional planning policy and guidance;
- Planning Legislation;
- Continuous Improvement; and
- Governance and Oversight.

Northern Ireland Housing Executive

The Northern Ireland Housing Executive (‘the Housing Executive’) is the strategic housing authority for Northern Ireland and its statutory function, in addition to being landlord to approximately 83,000 homes, includes the examination and assessment of housing need. It also includes responsibility for the management and delivery of the Social Housing Development Programme. The number of homes to be provided in each programme year is governed by the amount of funding available through DfC. This function involves making payments of the Housing Association Grant to RHAs, in respect of the construction and provision of social housing.

Local Government

The majority of planning functions rests with Councils. Councils are responsible for:

- Local development planning – creating a plan which will set out a clear vision of how the council area should look in the future by deciding what type and scale of development should be encouraged and where it should be located;
- Development management – determining the vast majority of planning applications;
- Planning enforcement – investigating alleged breaches of planning control and determining what action should be taken; and
- Councils may also develop or agree their own, non-government funded, affordable housing products to take account of local needs and circumstances. Any new product must meet the definition of affordable housing set by DfC and be monitored to ensure that it is delivered as affordable housing.

Affordable Housing Policy

LDP planning policies generally identify land for affordable housing using two mechanisms:

1. *LDP policy delivered through Development Management:* The Plan Strategy can establish a development management policy to set a proportion of affordable housing to be required for all residential developments of a certain threshold or more.
2. *An Allocations Policy / Key Site Requirements:* an allocations policy, contained in the Local Policies Plan, can set key site requirements (KSR) and zone land for affordable housing. This policy will assign KSRs to certain zoned housing sites, requiring a number or proportion of the units to be provided for affordable housing. This could include sites zoned for 100% affordable housing, for example, in a rural settlement. Zoned sites with 100% affordable housing will apply to small sites only.

The following provisions are applicable for both policy approaches:

- Where a planning application is submitted to the Council and is subject to an affordable housing requirement, the Council will liaise with the Housing Executive to confirm if affordable housing on the site is required. The Housing Executive will advise the Council on the proportions of affordable housing for each site. If social housing need or intermediate housing demand, in the local area, has been met or has decreased, the affordable housing requirement can be lowered or removed. The Housing Executive will also advise on the mix, size and type of affordable housing required on the site.
- The social housing provided by an RHA is part funded by government grant and part funded by private finance.
- The intermediate housing may be funded by government and may be delivered through the private sector or through RHAs, in conjunction with private sector finance.
- Developers are encouraged to engage with an RHA, Intermediate Rent Operator (currently Maple & May) or independent provider of intermediate housing for sale (Co-Ownership) (where appropriate), at an early stage, to discuss layout and the financial and technical regime, and the transfer of the completed affordable housing units. To avoid potential breaches of procurement regulation or legislation, the RHA should not engage with developers to specify construction works other than minor ancillary works (e.g. internal finishing works). Details on social housing design can be found

in DfC's Housing Association Guide (<https://www.communities-ni.gov.uk/articles/housing-association-guide>), and details of Intermediate Rent design standards are available at <https://www.communities-ni.gov.uk/publications/intermediate-rent-policy-and-homes-intermediate-rent-design-standards>. The design of Intermediate housing for sale through Co-Ownership should not be easily distinguishable as the homes to be sold on the open market and must comply with the usual planning, building control and other requirements that a new build home must have, and must be mortgageable.

- Sites should not be artificially divided to circumvent affordable housing policies but can be phased to assist meeting affordable housing requirements. Where there is a phased approach to the development of a site, this should be discussed with the Council at the outset to ensure that the affordable housing requirement can be developed in a comprehensive way over the whole scheme, within an appropriate time. Where a phased approach is for a large-scale development, a 'review point' could be established in a Section 76 agreement (S76), so the Council, developer, RHA, Intermediate Rent Operator and NIHE could reconsider the way affordable housing is to be delivered in later stages of the scheme.

Policy Amplification

Pre Application Discussions

The SPPS advocates the use of Pre Application Discussions (PAD) in order to support the preparation of high standard planning applications. PADs can provide advice on policy requirements and the information that should be contained within an application, which should streamline the application process.

A PAD service is available from Council planning teams. Developers are encouraged to use this service if they are proposing development on a site that is required to provide a proportion or number of affordable housing units. Developers may also invite their chosen RHA. The Planning Authority may invite Housing Executive to provide written comment, or to attend for more complex proposals, to provide advice on housing need and housing mix of the affordable units.

Design of Affordable Housing

The developer is encouraged to submit a Design and Access Statement with their planning application, regardless of whether it is required by legislation¹ or not (Article 6(3) of the Planning (General Development Procedure) Order (Northern Ireland) 2015.) Design and Access Statements must explain the design principles,

¹ The following applications must be accompanied by a Design and Access Statement:

An application which is a major development; or where any part of the development is in a designated area, development consisting of:

(i) the provision of one or more dwelling houses or (ii) the provision of a building or buildings where the floor space created by the development is 100m² or more.

concepts, and access arrangements for the proposal. They must also demonstrate how the proposed development's context has influenced the design. The principles of a Design and Access Statement can be applied to any scale of proposal and stage of development, as either part of a pre-application, outline or full planning submission. At the early stages of a project, the developing Design and Access Statement can help provide a clear basis for constructive discussion and can help provide a place making approach to the development.

Where the LDP has identified an affordable housing requirement, developers should contact an RHA partner or partners of their choice, at an early stage, who can advise them on housing mix and costs for the development of affordable housing, before drawing up and submitting a development proposal. Letters from RHAs and developers can provide evidence that engagement has taken place. RHAs can be contacted directly or through the Northern Ireland Federation of Housing Associations (NIFHA)².

Design standards in respect of social housing are contained within the Housing Association Design Guide, which is included within the Housing Association Guide³, maintained, and published by DfC. Social housing development that is not purpose designed risks being refused. Designs that include features, which increase the management and/or maintenance costs of social housing units within a development, may mean RHAs are unable, or unwilling to take delivery of the housing units, increasing the likelihood of the development not complying with a S76 agreement or conditions.

Design standards for Intermediate housing for rent should be guided by the Department's "Homes for Intermediate Rent Design Standards⁴" guide. Intermediate housing for sale may be designed in accordance with planning and building regulation standards unless Departmental funding conditions or a local planning policy or supplementary planning guidance dictates otherwise. They must comply with all the other requirements that a new build home must have and intermediate housing for sale must be mortgageable. They must be value for money and will be bought at the market value of the home.

On mixed tenure sites, a common design approach between tenures should be used. The affordable housing should be indistinguishable from market housing provided on the same site, in terms of external design. Affordable housing should be interspersed throughout the development, to avoid large concentrations of affordable housing. The layout should optimise residential amenity for all tenures. Where schemes do not provide effective integration of affordable housing in new developments, planning permission may be refused.

² <https://nifha.org/who-we-are/nifha-members/>

³ <https://www.communities-ni.gov.uk/collections/housing-association-guide>

⁴ <https://www.communities-ni.gov.uk/publications/intermediate-rent-policy-and-homes-intermediate-rent-design-standards>

Financing Affordable Housing

Social housing is typically funded through a combination of DfC grant funding, which is administered by the Housing Executive, and an RHA's own funding. Social housing development is controlled within financial parameters, set out by the DfC under Total Cost Indicators (TCI)), an 'all-in' forecast on unit costs based on land and property costs from Land and Property Services. Grant is only payable to RHAs, who will acquire properties from the developer; therefore, the developer should discuss proposals, TCI levels and financing with an RHA. Intermediate housing may be funded through private capital and loans, including loans from DfC such as Financial Transaction Capital (FTC), or other forms of funding. Intermediate housing for sale to a body such as Co-Ownership can only be acquired at the market value of the home.

Viability

Where the developer seeks to reduce or not comply with the affordable housing policy requirements of an LDP within a planning application, due to viability concerns, the developer must provide the Council with a full viability appraisal of the submitted proposal. It should be noted, that the viability appraisal may be made available to the public and published alongside other application documents. If a developer can achieve a minimum profit, (percentage to be determined by the Council) across the whole scheme, the affordable housing requirement will be considered financially viable.

Negotiations to reduce an affordable housing requirement will only be necessary where site circumstances will require exceptional or abnormal costs. However, the presence of these issues should reduce land value. The price paid for land will not be considered in the assessment of viability, rather land value will be the current value as independently calculated.

The assessment of viability can be carried out using an independent model. This will typically include the following list of information:

1. Developers development appraisal;
2. All fees incurred;
3. Development Sales Revenue and Unit Sales Prices;
4. Build costs;
5. All other costs;
6. Gross Development Value;
7. Profit;
8. Developer contributions; and
9. Any other issue considered relevant.

In exceptional circumstances, affordable housing may not always be possible to be delivered on site. This may be due the affordable housing requirement being determined to be unviable or, for example, if the proposal is the conversion of a listed building or is within a conservation area. In these instances, the following sequential approach should be taken:

1. A change in housing mix and/or timing of the affordable housing provision;
2. Cascade mechanism - the Housing Executive will examine the potential for reducing the affordable housing percentage requirement;
3. Offsite provision - this must be within the same housing need assessment area. Such sites need to be uncommitted so that conditions or planning agreements to provide affordable housing can be attached to the permission. Offsite provision needs to have a realistic prospect of gaining planning permission, be within DfC financial parameters for both social and intermediate housing, within the same general time frame as the original proposal and accommodate a mix of units to meet needs/demand. Offsite provision should not lead to an over concentration of affordable housing in one location as the new site will have to accommodate its own required proportion of affordable housing, as well as the offsite requirement. The offsite provision would need to be secured by a Section 76 (S76) planning agreement; and
4. Payment of a commuted sum (further details below) .

Commuted Sums

Councils may seek a commuted sum to be paid where it can be demonstrated that it is not sustainable or viable for a proposed development to meet the requirements of their LDP's affordable housing policy.

Any commuted sums offered in lieu of on-site affordable housing will be paid to the Council as the planning authority. However, it is for the Housing Executive in its role as Strategic Housing Authority as statutory consultee in LDP and development management processes, to identify affordable housing need and carry out an examination and assessment of housing need and identify suitable projects for spend.

The Housing Executive and DfC have developed a draft MoU between DfC, the Housing Executive and Councils on the management and transfer of commuted sums. The commuted sum will be paid to the Council, should be ringfenced for affordable housing and can be transferred to DfC and/or the Housing Executive under a Section 76 planning agreement.

DfC, in conjunction with the Housing Executive has developed a set of key principles for the collection of commuted sums, which are as follows:

- Councils will set requirements for affordable housing through their Local Development Plans, more specifically through their plan strategy and associated supplementary planning guidance. For a commuted sum in lieu of the delivery of affordable housing in any development to be considered appropriate, there must be an evidence based and robust justification to demonstrate why onsite and offsite provision have been discounted.
- It should be made explicit, through councils affordable housing policy, that commuted sums should be ringfenced and used solely for enabling or providing affordable housing, for example, through projects that will increase the supply of affordable housing. This may in certain circumstances include using the sums to improve existing properties, where it is established that this will contribute to an increase in overall affordable housing supply. Belfast City Council's supplementary planning guidance sets out a list which is helpful in articulating how commuted sums may be used:
 - o Supporting additional on-site provision of affordable housing within other developments (i.e. by a RHA);
 - o Supporting the purchase of land for the purpose of providing affordable housing (monies may assist with cash flow issues or enable more attractive finance loans to be achieved by an RHA, for example);
 - o Supporting the provision of specialist forms of social housing accommodation, which is subject to a separate allocation process;
 - o Purchasing and refurbishing empty properties by a RHA, to be managed as affordable housing (thereby helping to bring vacant properties back into active use);
 - o Bringing existing dwellings to an acceptable fitness standard, helping to improve overall affordable housing stock;
 - o Sub-dividing larger houses or converting commercial properties to provide additional affordable housing, where feasible and subject to other planning and site suitability considerations; or
 - o Any other appropriate measures that may be identified, in consultation with NIHE/DfC, to help increase the supply of affordable housing.
- When the payment of a commuted sum is agreed, it will be for the Housing Executive, as the Strategic Housing Authority and as a statutory consultee in the planning system, to assess and provide statements of affordable housing need, to identify suitable proposals for the spend of the sums and agree this with the Council. Any development selected should be located as close as possible to the main site and always within the same council area. There should be a sequential process in place for determining the area where spend can be made.

- The use of commuted sums will be timebound. If funds are not spent within timeframes specified by the Council, then they are to be returned to the developer. For example, in Belfast City Council SPG, spending of commuted sums will be prioritised in the local area in which they are generated. If after 3 years no suitable scheme has been identified within the relevant area, then the spending area will be widened. If following 5 years there is still no suitable scheme within the wider area, schemes to improve affordable housing provision within the whole District will be considered. If following a total of 7 years from receipt, the contribution has not been spent or committed to be spent, it will be returned to the developer at a rate adjusted to reflect interest accrued over the 7 years.
- A formula or means of calculating the commuted sum should be set out clearly. It should also be outlined how regularly these calculations will be updated throughout the lifetime of the plan.
- Any money sourced via commuted sums **is additional** to that already administered by the Department and NIHE as part of the relevant affordable housing programmes and does not result in the displacement of money that would otherwise have been spent within the relevant district area. In some cases, it may be necessary to pool money from a number of developments to enable delivery. Any funds used in this way will remain subject to the purpose, area, and time restrictions noted above.

Links to best practice examples of supplementary planning guidance/practice notes can be found in links below:

- Bristol: [Affordable housing practice note](#) “The Council will expect a RP to offer 40% of market value in Inner East and Inner West Bristol and 50% of market value in all other areas of the city. Contributions will be based on 60% of market value in Inner East and Inner West Bristol and 50% of market value in all other areas of the city.”
- Edinburgh: [Affordable Interim Housing Guidance 2024](#) “A land transfer for no monetary or other consideration. It will be transferred to the Council or a third party nominated by the Council for no monetary or other consideration. The land will be serviced land.”
- Oxford: [SPD 2.pdf](#) “values calculated on zero grant basis”
- Aberdeen: [Supplementary Guidance on Developer Obligations and Affordable Housing](#) “Affordable housing contributions may consist of serviced land, units on site and/or financial contribution towards the provision of on-site forms of affordable housing.”

Planning Agreement

It is recommended the provision of affordable housing be secured by a S76 planning agreement, which can include more detail than a condition.

Eligibility

The affordable housing will only be occupied by eligible households. The social housing will be allocated in accordance with the Common Selection Scheme. Access to intermediate housing for sale will be in accordance with the relevant eligibility criteria for DfC approved schemes/products, such as Co-Ownership, and access to intermediate housing for rent will be in accordance with the eligibility criteria as set out in DfC's Intermediate Rent policy.

Process

Best Practice

Affordable Housing policies set the conditions under which an affordable housing requirement will be applied, and that the social housing units must be constructed by the developer to Housing Association Guide standards, and that Intermediate housing for rent should be designed to the Homes for Intermediate Rent Design Standards. Intermediate housing for sale (Co-Ownership) must comply with the usual planning, building control and other requirements that a new build home must have, and must be mortgageable. Where an affordable housing policy applies, developers are encouraged to seek information on the affordable housing requirement, from an RHA as soon as possible at pre-PAD and pre-application stage. Advice can be provided through discussions with an RHA, to ensure compliance of the design and finance of the scheme and to confirm the affordable housing mix. Advice should be sought prior to any design work being undertaken on a scheme. This enables developers to better accommodate the percentage and mix of affordable housing required and to make proper financial provision for its delivery, before entering financial or legal commitments for the site. Pre application discussions with the planning authority will help applications progress quickly and efficiently, with less problems and need for amendments. Where appropriate, developers may also wish to engage with an Intermediate Rent Operator in a similar way. Applicants should also engage with Co-Ownership where intermediate housing for sale is to be provided.

If permission is granted, conditions or a S76 agreement may require the developer to enter into a contract with an RHA (a building agreement) for the social housing. The S76 agreement could include issues such as the description of the units to be sold to an RHA; practical completion of the development; how snagging problems are dealt with; and the price of the affordable housing units. Councils are encouraged to develop standard templates/clauses to cover these issues.

Where appropriate, S76 agreements should make provision for circumstances where intermediate for sale homes are marketed but do not sell within a reasonable timeframe (to be determined by the Council). In such a case a Council may wish to look for alternative affordable housing to provided either onsite or offsite or request the payment of a commuted sum. Such arrangements should be clear to all parties and agreed up front, or at an early stage.

In relation to social housing, the developer can select the RHA that they wish to partner with, and both parties should subscribe to a sale/purchase agreement. The RHA must be registered with DfC and listed on NIFHA's website <http://www.nifha.org/>. Once the RHA is selected, the RHA must register the site for the social housing

with the Housing Executive. Detailed information on the registration process can be found in DfC's Housing Association Guide.

Once constructed, social housing units shall be transferred to an RHA, for allocation and management. Where such units are to be used for Intermediate Rent, these may be retained by the developer or leased/sold to an Intermediate Rent landlord. Where the acquisition of the units has been agreed with an Intermediate Rent Operator, the Intermediate Rent units should be transferred to them for letting and management. The DfC Intermediate Rent Policy contains the specific requirements for developers or landlords who will retain Intermediate Rent units.

The implementation of the S76 agreement shall be monitored by the Council.

Process Guide

Pre Application

1. If an LDP affordable housing policy applies to a planning application, the developer will be required to provide affordable housing.
2. From the feasibility stage of the design process, developers should:
 - consult the LDP Plan Strategy on and any associated supplementary planning guidance for housing policy and affordable housing requirements;
 - consult DfC's Housing Association Design Guide on social housing, lifetime homes and wheelchair user unit standards or consult DfC's Homes for Intermediate Rent Design Standards (as relevant); and
 - Check the LDP Local Policies Plan for additional KSRs, for example site specific advice on housing density, including obligations for affordable housing.
3. If an affordable housing policy is applicable, and where social housing is required, the developer should contact an RHA to seek advice on the tenure, housing mix, design, and costs of affordable housing for the specific location. Where intermediate housing for rent is required, the developer may wish to contact an Intermediate Rent Operator (currently Maple and May).
4. Where intermediate housing for sale is required, the developer should contact Co-Ownership as soon as possible.
5. The developer is recommended to contact the planning authority for a PAD. The Housing Executive can advise the PAD on the affordable housing need requirements, if requested.
6. Advice given by the Housing Executive will be without prejudice and current at the date of the PAD. The developer should be aware that advice might change, for example, if the policy context changes, or if there is a change in housing need.

7. An affordable housing proposal form, see Appendix 1, could be completed, by the developer to demonstrate compliance with the affordable housing requirement. This will also act as a checklist of requirements.

Applications

8. The developer has responsibility for the design of the development, and to ensure that the LDP affordable housing requirements are met.
9. At planning application stage, the developer should state how the proposal complies with the standards outlined at step 2, should be provided within a design and access statement or concept plan. This should contain information including the number of proposed new homes, the dwelling size, location, mix and type (bedrooms/occupancy) belonging to each tenure.
10. Developers and architects can seek advice from an RHA on finance, and dwelling numbers, to meet the affordable housing requirement.
11. The location and design of all affordable dwellings must be shown on the plans submitted with a full planning or reserved matters application. The plans containing the affordable housing units should be clearly indicated. The location of units that could meet Co-Ownership criteria could also be indicated on plans. This could allow these homes to help meet affordable housing policy requirements if purchased through Co-Ownership and agreed with the Council.
12. The Council should consult the Housing Executive on receipt of an application where there is a relevant affordable housing policy.
13. A consultation request should be sent from the Case Officer, at the earliest opportunity to the central planning point in the Housing Executive:
Central.Planning@nihe.gov.uk.
14. The consultation will be received by the Housing Executive's Central Planning staff, who will consult internally to prepare a response.
15. If there is a requirement for the provision of affordable housing, the Housing Executive will confirm the need, numbers, and mix of units to be provided, in its consultation response. If the application is a full application or reserved matters, the Housing Executive will check that the affordable housing is identified on the drawings.
16. The Housing Executive will upload the application response within the required 21 calendar days requesting either additional information, providing support for the application or recommending changes required to make the application acceptable.
17. The planning authority will determine the application taking into consideration Housing Executive and all other consultees' advice.

18. A S76 planning agreement should be signed or conditions requiring the development of the affordable housing units should be applied to all approvals.
19. The Case Officer may consult with the Housing Executive over the content of a planning agreement, if they consider it appropriate.

Acquisition

20. The developer and the RHA, Intermediate Rent Operator or an independent provider of intermediate housing for sale will sign a sale/purchase agreement. The nature and timing of any agreement should be discussed with the relevant body.
21. The developer will build the affordable housing units, as outlined within the planning agreement.
22. The Housing Executive can only release housing association grant to an RHA and not directly to a developer. Similarly, the Department will only release funding to an Intermediate Rent Operator, and not directly to a developer.

The RHA, Intermediate Rent Operator or independent provider of intermediate housing for sale are advised to enter into a performance agreement with the developer to determine the timing of the delivery of the affordable housing units, the maintenance and management of communal areas and any associated service charges and structural warranties.

If the developer does not commence development of the affordable housing units within the statutory expiry period of the planning permission or fails to complete the affordable housing units within a specified time agreed with an RHA, the developer will be developing the affordable housing at their own risk.

Appendix 1: Definition of affordable housing FAQs

What is affordable housing?

Affordable housing is housing provided for people who are unable to meet their housing needs in the general housing market. It aims to provide stability, affordability, and access to decent living conditions to eligible households who might otherwise be unable to secure housing in the conventional housing market. It encompasses both social housing and intermediate housing for sale or for rent.

What is the difference between social housing and intermediate housing?

Social housing is rented housing focused on those most in need. The common waiting list for social housing is managed by the Housing Executive. Intermediate housing provides assistance to households on moderate incomes, for those people who may not qualify for a social home but who cannot afford to access a home on the open market; it is therefore generally provided at a cost above social rent but below market levels. Intermediate housing can be for sale or for rent.

How is affordable housing delivered and who can provide it?

Affordable homes are delivered via specially designed products, which are operated according to specific criteria to ensure that they are targeted at those who would struggle to access housing on the open market without assistance. The criteria are specific to each product. For instance, the allocation of social rented housing is governed by the Housing Selection Scheme.

Social housing is provided by the Housing Executive and housing associations, together known as social landlords. Intermediate housing for sale is typically provided by housing associations, but may be provided by private developers, private landlords, and other housing providers. Organisations involved in delivery of Intermediate Rent may include a private rented landlord, a private rented subsidiary company associated with a Registered Housing Association, or an organisation in the third sector involved in delivering housing. Intermediate housing for sale/rent may or may not be funded by government.

Intermediate housing for sale which is funded by government is provided by Co-Ownership. Further details are available at www.co-ownership.org.

Intermediate housing for rent which is funded by government is provided by Maple and May Limited (who act as an intermediate rent operator).

Who should affordable housing be targeted at?

Social Housing works on the principle of universal access. The Housing Executive operates the Housing Selection Scheme, which is used to allocate social housing. This scheme ensures that housing is distributed based on need.

The consultation for the definition of affordable housing set out four broad target groups for intermediate housing: first time buyers, people on low incomes, older people and people with disabilities. The Definition of Affordable Housing Consultation Paper provides further information about these groups: <https://www.communities-ni.gov.uk/consultations/consultation-definition-affordable-housing>.

Does affordable housing have to remain affordable?

Where government funding is provided, the Department will monitor the delivery of affordable homes and ensure that they remain affordable or, where this is not possible, that the government funding is repaid or recycled for the provision of further affordable homes. For instance, in Co-Ownership a customer may go on to buy the remainder of the interest of Co-Ownership in the home and thus will own the home outright. The government funding for this is then repaid or recycled for the provision of further affordable homes. Thus, the definition of affordable housing is met.

The definition does not require that non-government funded intermediate housing for sale/rent, whether developed through a housing association, private developer, or other housing provider, must remain so. However, where possible, the retention of affordable homes is strongly encouraged.

Is low-cost housing without subsidy an affordable housing product?

The Definition of Affordable Housing Consultation Paper (2019) defined low-cost housing without subsidy as: “housing that is priced at or below the average house price for the council area, as reported by LPS Northern House Price Index Report and which is provided without any Government funding and offered for outright sale”.

Affordable housing is delivered outside the general market for people whose needs are not met by the market. As such, matters such as target groups and eligibility criteria, provision for the retention of affordable homes, the recycling of government funding, the quality and security of the home, and affordability are all important

considerations in the development of affordable housing products. Low-cost housing without subsidy as defined has little distinction from market housing and therefore does not comply with the requirements of the definition of affordable housing.

What affordable housing products are funded by government?

Details of affordable housing products funded by government are set out at Pg. 7 and can also be found at: <https://www.communities-ni.gov.uk/articles/definition-affordable-housing>

Who can I contact if I have questions about the definition of affordable housing?

Questions about the application of the definition of affordable housing can be directed to The Housing Executive or DfC (housingstrategy.coordinationbranch@communities-ni.gov.uk).

Appendix 2 Proposal form & checklist & Process Flow Chart

Affordable Housing Proposal Form

1	Name of Development	
2	Site Address/Location of development	
3	Affordable Housing Policy Reference	
4	Housing zoning reference, if applicable	
5	Planning policy numbers/ proportion, if applicable	
6	Total number of dwellings proposed	
7	Site size	
8	Total number of affordable dwellings proposed	
9	Number of social housing dwellings proposed	

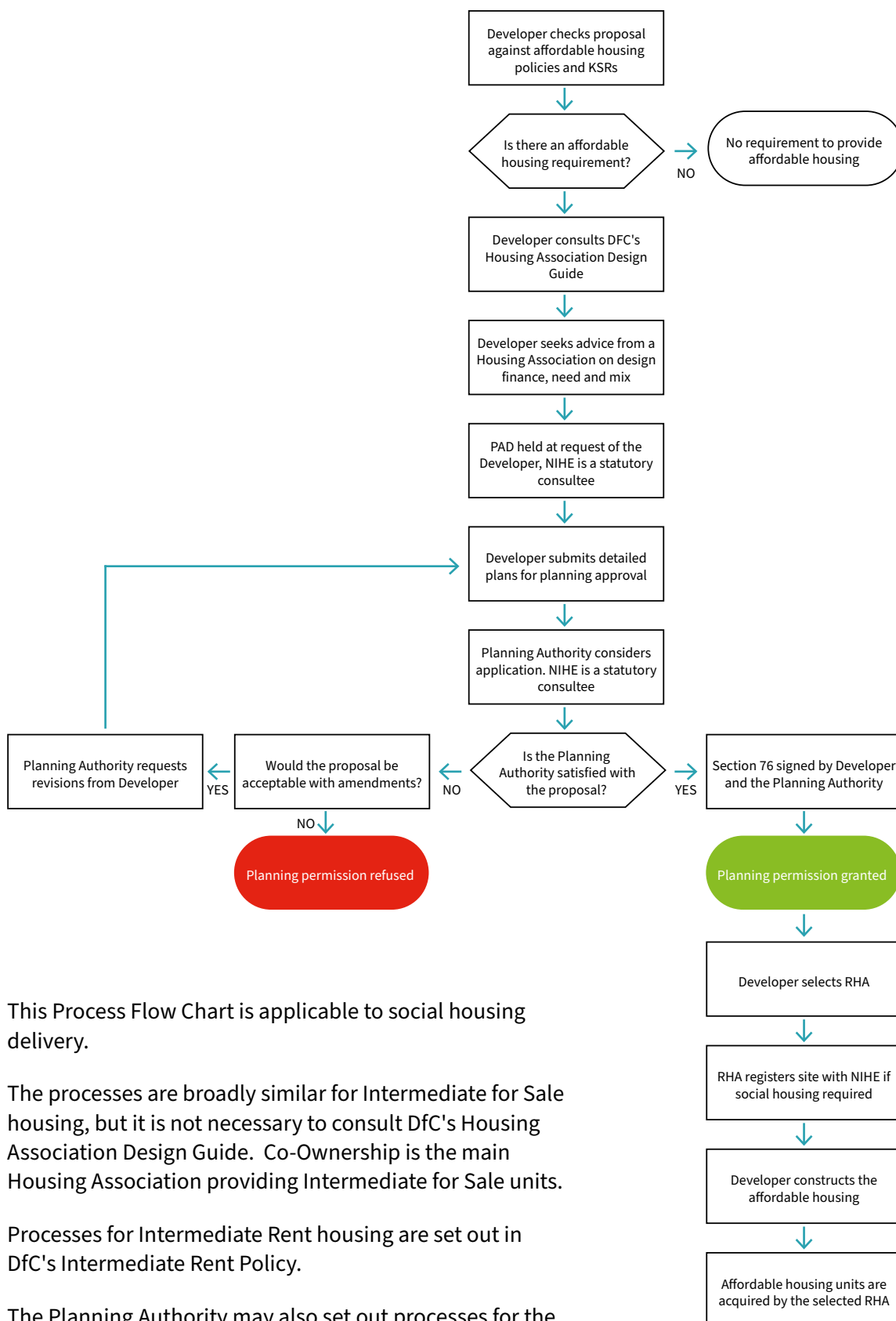
Affordable Housing Proposal Form

10	Number of intermediate dwellings proposed		
11	Drawing numbers of plans showing the location and designs of the affordable housing		
12	Breakdown of Social Housing Types		
	Size: Bedrooms/occupancy	Houses	Apartments
	1 bed/1 person		
	1 bed/2 persons		
	2 bed/2 persons		
	2 bed/3 persons		
	3 bed/3 persons		
	3 bed/4 persons		
	3 bed/ 5 persons		
	4 bed+		
	Wheelchair units		
13	Breakdown of Intermediate Housing Types		
	Size: Bedrooms/occupancy	Houses	Apartments
	1 bed/1 person		
	1 bed/2 persons		
	2 bed/2 persons		
	2 bed/3 persons		
	3 bed/3 persons		
	3 bed/4 persons		
	3 bed/ 5 persons		
	4 bed+		
	Wheelchair units		

Affordable Housing Proposal Form

14	Discussion with Planning Authority (Please fill out this section if you have had initial discussion about affordable housing)	
	Name of Planning Authority Officer	
	If discussion was through a PAD:	
	Date of meeting	
	Name all attendees	
	Outline of discussion:	

Process Flow Chart



This Process Flow Chart is applicable to social housing delivery.

The processes are broadly similar for Intermediate for Sale housing, but it is not necessary to consult DfC's Housing Association Design Guide. Co-Ownership is the main Housing Association providing Intermediate for Sale units.

Processes for Intermediate Rent housing are set out in DfC's Intermediate Rent Policy.

The Planning Authority may also set out processes for the delivery of Affordable Housing and these may be included in the Section 76 Planning Agreement.

Glossary

Affordable housing	Affordable housing is social rented housing, intermediate housing for sale or intermediate housing for rent.
DfC	Department for Communities
DfI	Department for Infrastructure
KSR	Key Site Requirement
LDP	Local Development Plan
NIFHA	Northern Ireland Federation of Housing Associations
NIHE	Northern Ireland Housing Executive
PAD	Pre Application Discussion
RDS	Regional Development Strategy
RHA	Registered Housing Association: A housing association is a society, body of trustees or company that provides rented accommodation and specialise in accommodation for special needs groups
SHDP	Social Housing Development Programme
Social Rented Housing	Social Rented housing provided at an affordable rent by a Registered Housing Association; that is, one which is registered and regulated by the Department of Communities as a social housing provider. Social rented accommodation should be available to households in housing need and is offered in accordance with the Housing Selection Scheme, administered by the Northern Ireland Housing Executive, which prioritises households who are living in unsuitable or insecure accommodation.
S76	Section 76 of the Planning Act (Northern Ireland) 2011. This section refers to planning agreements
SPPS	Strategic Planning Policy Statement
TCI	Total Cost Indicators. DfC sets 'benchmark' TCI area cost bands for all social housing, funded or part funded by Housing Association Grant to optimise value for money within a limited budget. TCI are used to achieve value for money in the provision of social housing and to ensure that the appropriate level of grant is paid.

