

approach is usually the most appropriate approach for planning purposes. It can be used to address the need to ensure that development is sustainable in terms of the NPPF and Development Plan requirements, and in most circumstances the Mayor will expect this approach to be used. An alternative approach should only be considered in exceptional circumstances which must be robustly justified by the applicant and/or the borough in line with the Mayor's SPG.

- 4.5.14 **Viability Review mechanisms** should be applied to all viability tested applications at early and late stages in the development process (and mid-term reviews in the case of longer phased schemes) to ensure that affordable housing delivery is maximised as a result of any future improvement in viability. Further guidance is provided in the Affordable Housing and Viability SPG.
- 4.5.15 Some schemes are not suitable to follow the Fast Track Route. These schemes must follow the **Viability Tested Route**. This includes:
- applications which propose affordable housing **off-site or a cash in lieu contribution** (as set out above)
 - applications for schemes that involve the **demolition of existing affordable dwellings** which should follow the approach set out in Policy H8 Loss of existing housing and estate redevelopment
 - schemes claiming the **vacant building credit**.
- 4.5.16 Policy H11 Build to Rent, Policy H13 Specialist older persons housing, Policy H15 Purpose-built student accommodation and Policy H16 Large-scale purpose-built shared living set out specific affordable housing approaches in those types of development.

Policy H6 Affordable housing tenure

- A The following split of affordable products should be applied to residential development:
- 1) a minimum of 30 per cent low-cost rented homes, as either London Affordable Rent or Social Rent, allocated according to need and for Londoners on low incomes
 - 2) a minimum of 30 per cent intermediate products which meet the definition of genuinely affordable housing, including London Living Rent and London Shared ownership

- 3) the remaining 40 per cent to be determined by the borough as low-cost rented homes or intermediate products (defined in Part A1 and Part A2) based on identified need.

B To follow the Fast Track Route the tenure of 35 per cent of homes must meet the requirements set out in Part A. The Fast Track Route is also available to applicants that elect to provide low-cost rented homes in place of intermediate homes, provided the relevant threshold level is reached. Where affordable homes are provided above 35 per cent, their tenure is flexible, provided the homes are genuinely affordable (defined in Part A1 and Part A2), and should take into account the need to maximise affordable housing provision, along with any preference of applicants to propose a particular tenure.

- 4.6.1 The 2017 SHMA shows London's significant need for low-cost rental housing; however, the current national funding programme is focused on intermediate products which limits the Mayor's ability to require higher levels of low-cost rented accommodation. The **tenure splits** set out in this policy provide sufficient flexibility to be tailored to meet local needs as well as ensuring that new development delivers a minimum level of low-cost rented accommodation and intermediate accommodation, contributing to the delivery of mixed and inclusive communities. The minimums in Part A1 and Part A2 will be monitored and reviewed in 2021 and, if necessary, updated through Supplementary Planning Guidance, taking account of future affordable housing funding agreements.
- 4.6.2 There is a presumption that the **40 per cent to be decided by the borough** will focus on Social Rent and London Affordable Rent given the level of need for this type of tenure across London. However, it is recognised that for some boroughs a broader mix of affordable housing tenures will be more appropriate either because of viability constraints or because they would deliver a more mixed and inclusive community. The appropriate tenure split should be determined through the Development Plan process or through supplementary guidance.
- 4.6.3 The Mayor is committed to delivering genuinely affordable housing. Within the broad definition of affordable housing, the Mayor's **preferred affordable housing tenures** are:
- homes based on social rent levels, including Social Rent and London Affordable Rent
 - London Living Rent