

Hounslow Local Plan (2020-2041)

Examination

Stage 1 Hearings Note

Housing

Affordable Housing

February 2026



**London Borough
of Hounslow**

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1.0 Introduction

1.1 This section of the Housing note responds to a request from the Inspectors during the Matter 3 hearing session (Meeting the Borough's Housing Needs) of the Stage 1 Hounslow Local Plan 2020-2041 hearings, held on Thursday 15th January 2026. The details of the tasks undertaken in this section of the note are set out in *Documents Requested by Inspectors in Hearings Week 1 Update February 2026 (EX30a)*¹ as follows:

- Update glossary definitions on affordable housing to align with the definitions of the 2023 NPPF;
- Explain the exclusion of starter homes, First Homes, and other categories of affordable housing not covered by the Plan;
- Provide further clarification on the 70-30 tenure-split of affordable housing, in accordance with London Plan Policy H6.

2.0 Local Plan Glossary Definitions of Affordable Housing

2.1 The Council has reviewed the definition of Affordable Housing in the Plan having regard to Annex 2 of the NPPF 2023 (Document **ORD3**)². Using the **ORD3** Glossary as the starting point, the Council has proposed a suggested Main Modification to the Local Plan Glossary definition of Affordable Housing. Additional text from the London Plan 2021 (**ADP1**)³ on affordable housing is also incorporated, clarifying the Mayor's preferred forms of affordable housing delivery and to clearly set out all types of affordable housing that would be considered to meet the Local Plan definition. This approach has been taken to ensure consistency with national policy and general conformity with **ADP1**.

2.2 The proposed Main Modification to the Local Plan Glossary is presented in the table overleaf.

• ¹ EX30a – [Documents Requested by Inspectors in Hearings Week 1 Update \(February 2026\)](#)

² [National Planning Policy Framework](#)

³ [the_london_plan_2021.pdf](#)

Modification code	Definition	Page	Modification	Reason for modification
To be determined in Document S11	Affordable Housing	468	<p>Affordable Housing Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. • Affordable Intermediate Housing Homes for sale and rent provided at a cost above social rent, but below market levels, subject to the criteria in the affordable housing definition. This includes shared ownership and London Living Rent but not affordable rented housing. 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. • Affordable Rented Housing Housing let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80 per cent of the local market rent (including service charges, where applicable). London Affordable Rent is a type of AR product introduced by the Mayor of London, with rents based on social rent levels. • Social Rented Housing Low cost rented homes provided to households whose needs are not met by the market, typically by councils and housing associations with rents set within guidelines issued by the social housing regulator. The landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (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.</p> <p>Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:</p> <p>Affordable Housing to Rent</p>	To align definition with the 2023 NPPF, with additions to clarify the London Plan Affordable Housing priorities.

			<p>Meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (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.</p> <p>As per the London Plan 2021, the Council’s preferred forms of affordable housing to rent are:</p> <p>Social Rent and London Affordable Rent homes for households on low incomes where the rent levels are based on the formulas in the Social Housing Regulator’s Rent Standard Guidance. The rent levels for Social Rent homes use a capped formula and London Affordable Rent homes are capped at benchmark levels published by the GLA. Rents for both are significantly less than 80 per cent of market rents, which is the maximum for Affordable Rent permitted in the NPPF. More detail is contained within the Mayor’s Homes for Londoners Affordable Homes Programme funding guidance.</p> <p>Affordable Intermediate Housing Meets one of the following definitions:</p> <p>Discounted market sales housing: Housing that is sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.</p>	
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			<p>Other affordable routes to home ownership _____ Housing that is provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.</p> <p>London Shared Ownership An ‘intermediate ownership product which allows London households who would struggle to buy on the open market, to purchase a share in a new home and pay a low rent on the remaining, unsold, share’.</p> <p>London Living Rent (LLR) Offers Londoners on average incomes a lower rent, enabling them to save for a deposit. The Mayor introduced LLR as an intermediate affordable housing product with low rents that vary by ward across London. Where funded by the Greater London Authority, LLR will be a Rent to Buy product, with sub-market rents on time-limited tenancies, which will help households on average income levels to save for a deposit. As London Living Rent can be a step to homeownership, it can be considered as an affordable homeownership product.</p>	
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2.3 The proposed updated definition for Affordable Housing includes the overarching wording from the definition in **ORD3**, and is informed by the **ORD3** definitions for Affordable Housing to Rent, Discounted Market Sales Housing, and Other Affordable Routes to Home Ownership. The updated definition supplements this with the London-specific types of affordable housing set out in Policy H6 of **ADP1**, including London Affordable Rent, London Shared Ownership and London Living Rent. The suggested update to the definition does not include reference to starter homes (Part B of the definition in **ORD3**), as these are no longer taken forward in national policy.

3.0 Exclusion of Certain Categories of Affordable Housing referred to in National Policy

3.1 In reviewing the **ORD3** Annex 2 definition of Affordable Housing, the Council acknowledges that closer ties can be drawn with the NPPF Annex 2 definition. The suggested Main Modification in section 2 of this note addresses this by including the overarching definition for Affordable Housing from **ORD3** as well as Parts A (with the elements relating to Build to Rent removed, reflective of the approach to Build to Rent in Policy SC11 of the Plan), C and D.

3.2 It should be noted that the Council's suggested Main Modification to the definition of Affordable Housing in the Plan does not include Part B of the **ORD3** definition, which specifically concerns Starter Homes. The Council considers it would not be appropriate to include Starter Homes as part of the definition in the Plan. Starter Homes have not been taken forward as an affordable housing product by the current Government and are not referred to in the updated (December 2024) version of the NPPF. Whilst the Council acknowledges that the Plan is being assessed against the December 2023 version of the NPPF (**ORD3**), given that Starter Homes are no longer being taken forward as an Affordable Housing product, it would not be effective to include them as part of the Plan's definition of affordable housing. Furthermore, it would unnecessarily date the Plan with reference to a product that is not used.

3.3 With regard to First Homes, the Council's response to Question 2f) of Issue 2 in the written hearing statement for Matter 3 - Meeting the borough's housing needs (Document **WS3.1**⁴) explains why it has not been appropriate to take forward First Homes as part of the Plan.

⁴ WS3.1 – [LB Hounslow Matter 3 Hearing Statement](#)

First Homes are not referred to in the **ORD3** Annex 2 definition. However, given the suggested Main Modification to update the definition of Affordable Housing in the Plan would include Part C and D of the **ORD3** definition covering Discounted Market Sales Housing and Other Affordable Routes to Home Ownership, these broad definitions would allow successor initiatives to Starter Homes, such as First Homes, to come forward in LB Hounslow, as they would be able to meet those parts of the updated definition. The Council considers this approach would therefore be proportionate, justified and effective.

4.0 Provide further clarification on the 70:30 tenure-split of affordable housing, in accordance with London Plan Policy H6

4.1 The Council's response to Question 2d) of Issue 2 in **WS3.1** provides a high level explanation for the approach followed by the Council to identify the tenure split of affordable housing applied in Policy SC2 of the Plan.

4.2 Following the discussion at the Matter 3 hearing on Thursday 15th January 2026, the Inspectors have sought further clarification on the tenure-split of affordable housing sought in Policy SC2 of the Plan, in accordance with London Plan Policy H6. Part A of Policy H6 of **ADP1** states,

"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."

4.3 As such, the approach taken to the tenure split of affordable housing in Part G of Policy SC2 of the Local Plan is for 30% of the affordable housing requirement to be affordable housing to rent tenures as per Part A1 of Policy H6 of **ADP1**. Policy SC2 of the Plan requires a further 30% of the affordable housing requirement to be products that meet the affordable intermediate definition within the Local Plan, to align with Part A2 of Policy H6 of **ADP1**. It should however be noted that the proposed Main Modification in Section 2 of this note

would broaden the Plan’s definition of “affordable intermediate” beyond the London specific products referred to in Part A2 of Policy H6.

4.4 Given Part A3 of Policy H6 of **ADP1** states that the remaining 40% of the tenure split should be low cost rent or affordable intermediate products based on local needs, the Council has used the evidence of affordable housing needs in the Local Housing Needs Assessment Update 2024 (Document **EBSC3**⁵), to inform the remaining 40% of the affordable housing target. Figure 51 on page 68 of **EBSC3** shows the overall dwelling need for Affordable Housing and Market Housing in LB Hounslow by property size. Paragraph 5.15 on page 68 of **EBSC3** states,

*“The most significant finding in Figure 51 is that the need for affordable to rent housing is 13,517 dwellings and the need for affordable to own is 5,551 (London Living Rent + Aspiring to Affordable Home Ownership). This gives an almost exact 70:30 split between affordable to rent and affordable to own housing products on the basis that London Living Rent is counted as an affordable to own product in **ADP1**. The 70:30 split is in line with the London requirements for Boroughs; **ADP1** states at Policy H6 Affordable Housing Tenure that the split of affordable housing tenures should be: [quotes Part A of London Plan Policy H6].”*

4.5 The Council’s approach in Policy SC2 is therefore to ensure the remaining 40% of the tenure split is informed by the Local Plan evidence base, namely **EBSC3**. Accordingly, the overall 70:30 split is directly informed by the requirements of Policy H6 of **ADP1** and the identified affordable housing needs in Hounslow, whereby 70% of the needs are for low cost rented accommodation and 30% of the needs are for affordable intermediate products. The tenure split in Part G of Policy SC2 is therefore fully reflective of the ratio of affordable housing need in Hounslow (70:30).

4.6 This is supported by the Greater London Authority, as set out in the Mayor’s representation (**REP074** of **S9**⁶). Notably, the first paragraph under the subheading, ‘Affordable Housing’, on page 3 states,

“Policy SC2 in the draft Plan reflects the Mayor’s strategic target that 50 percent of all housing is to be affordable, as set out in Policy H4 of the LP2021. That is welcomed, as too is

⁵ EBSC3 - [Hounslow Local Housing Needs Assessment update \(2024\)](#)

⁶ S9 - [Link to Representations made pursuant to Regulation 20 \(in response to consultation at Regulation 19 Stage\)\(Redacted\)](#)

the intention to apply a 70/30 affordable housing tenure split in favour of low-cost housing at social rent levels, which is consistent with Policy H6 of the LP2021.”

The position is also reiterated in paragraph 4.5.4 of the Council’s Statement of Common Ground with the Mayor (Document **EX5e**⁷),

4.7 Finally, whilst the Council fully appreciates the focus of the Hounslow Local Plan examination is on the Local Plan submitted by Hounslow Council; to assist with this particular point, it is helpful to refer to examples of other recently adopted Plans in London that have taken a similar approach to the tenure split in their affordable housing policies.

4.8 For example, Part J of Policy H3 of the Islington Local Plan (adopted in September 2023)⁸, states,

“Where affordable housing is provided on-site, the Council will require an affordable housing tenure split of 70% social rented housing and 30% intermediate housing. The majority of intermediate units should be London Living Rent, and regard will be given to the priorities set out in the Council’s Housing Strategy and other agreed evidence of housing need.”

4.9 In a separate example, Part B of Policy 11 of the Richmond Local Plan (adopted October 2025)⁹, states,

“Where on site affordable housing is provided, the Council will require a minimum affordable housing tenure split of 70% Rented Affordable housing and maximum 30% Intermediate housing by habitable room.”

4.10 In a further example, the Waltham Forest Local Plan Part 1¹⁰, adopted in February 2024, includes Policy 14 – Affordable Housing Tenure, which also requires a 70:30 split of low cost affordable rent: intermediate housing products, as shown in the excerpt overleaf.

⁷ EX5e - [Statement of Common Ground between LB Hounslow and the Mayor of London \(October 2025\)](#)

⁸ [Islington Local Plan Strategic and Development Management Policies \(September 2023\)](#)

⁹ [Richmond upon Thames Local Plan ‘The best for our borough’ \(2024 to 2039\)](#)

¹⁰ [Waltham Forest Local Plan Part 1 - Shaping Our Borough 2020-2035](#)

Figure 1: Excerpt from Waltham Forest Local Plan Part 1

Policy 14

Affordable Housing Tenure

The following affordable housing tenure split will be expected on schemes of 10 or more homes:

Tenure	Split
Low cost affordable rent	70%
Intermediate housing products	30%

Table 8.2 Affordable housing tenure split

4.11 Overall, the Council considers the tenure split in Policy SC2 of the Plan is informed by an evidence based approach that follows the requirements set out in Policy H6 of the London Plan and is fully endorsed by the Mayor of London in both the Greater London Authority’s Regulation 19 representation on the Plan and the subsequent Statement of Common Ground with the Mayor. Furthermore, there are helpful examples that can be referred to of Local Plans that have been recently adopted by other London boroughs which have taken the same approach to setting the tenure split in their equivalent affordable housing policies.