

## LDF ADVISORY GROUP 7 SEPTEMBER 2011

### LDF AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT

Report of the: Director of Community and Planning Services

Also considered by: Cabinet

Status: For Consideration

Key Decision: No

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**Executive Summary:** The Affordable Housing Supplementary Planning Document (SPD) is part of the Local Development Framework (LDF). Its purpose is to provide further details on how the Council will apply Core Strategy Policy SP3 (Affordable Housing).

Consultation on a draft of the SPD took place over a 10 week period from late May to early August and some changes are proposed in response to comments received (see Appendix A). Subject to these changes the SPD is recommended for adoption.

Once adopted it will be a material consideration in the determination of planning applications and will help to support the implementation of Core Strategy policy on affordable housing.

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**This report supports the key aims of a green environment and safe and caring communities of the Community Plan**

**Portfolio Holder** Cllr Mrs Davison

**Head of Service** Head of Development Services – Mr Jim Kehoe

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**Recommendation:** It be RESOLVED that it be recommended to Cabinet that:

- (a) the Affordable Housing SPD be amended as proposed in Appendix A;
- (b) the Affordable Housing SPD as amended be adopted as a supplementary planning document; and
- (c) copies be made available for sale at a price to be agreed by the Portfolio Holder.

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**Reason for recommendation:**

To progress the Council's Local Development Framework.

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## **Background**

- 1 Supplementary Planning Documents (SPDs) can be used to provide greater detail on policies in Development Plan Documents (DPDs) but cannot be used to introduce new policies that should be in DPDs. They must be consistent with existing national, regional and local planning policy.
- 2 The Core Strategy states that a supplementary planning document will be prepared to give guidance on the implementation of Core Strategy Policy SP3 (affordable housing), including arrangements for financial contributions.
- 3 A working draft of the SPD was considered by the LDF Advisory Group on 23 August 2010 and made available to the Core Strategy Examination in October. Following adoption of the Core Strategy the draft for consultation was considered at the April 2011 meetings of the LDF Advisory Group and the Environment Select Committee and agreed by Cabinet for consultation on 14 April.
- 4 Once adopted, the SPDs will be a material consideration in the determination of planning applications.

## **The Affordable Housing SPD**

- 5 The Affordable Housing SPD provides guidance on how the Council will implement Core Strategy policy SP3 which introduces lower thresholds for seeking on site contributions to affordable housing including financial contributions from residential schemes of less than 5 units.
- 6 The SPD clarifies what types of housing should contribute and gives guidance on the calculation of the number of units required for different size schemes together with guidance on how provision should be made within developments.
- 7 Where a financial contribution to off site provision is required (generally schemes of less than five units) it includes specific guidance on the calculation of financial contributions. It sets out the ways in which financial contributions may be used to increase affordable housing provision, including funding measures to make better use of the existing stock as well as contributing to new development.
- 8 It includes information on the procedures to be applied in considering applications in relation to affordable housing and mechanisms for ensuring the delivery of affordable housing on approved schemes. It sets out how issues of development viability will be considered in accordance with Core Strategy policy. Finally it includes measures for monitoring the delivery of affordable housing and the use of funds collected under the policy.

## **Consultation**

- 9 The draft SPD was subject to consultation for a ten week period from May 26 to August 4 in conjunction with the consultation on the Allocations and Development Management Policies DPD.

- 10 The attached consultation statement (Appendix B) describes the consultation activities that were carried out. Consultation included direct mailings to consultees and others on our mailing list, publicity on the website and in the press, a special meeting of the Planning Agents Forum, a meeting with Registered Providers of Social Housing, a briefing for Town and Parish Councils and drop in sessions for members of the public.

### **Amendments Following Consultation**

- 11 The document has been reviewed following the consultation and some changes are proposed. The main areas of change are:
- Updating to take account of changes to Government policy on social housing and funding arrangements
  - Clarification of the consideration of viability issues, including ensuring that the policy does not operate in a way that makes development non-viable
  - Clearer guidance on how financial contributions will be used
  - Clarification of arrangements for monitoring including publication of monitoring information
- 12 Some respondents questioned the basis of the policy and sought changes that would be tantamount to a change in policy. The starting point for most of these is that the policy would make development non-viable. These representations have been noted but policy is set through the Core Strategy and it is not the role of the SPD to change the overall policy approach. It should be remembered that the Core Strategy was only adopted in February of this year and that the Examination took place last October when economic conditions were very similar to now. Both the policy and the SPD include provisions that viability issues should be taken into account.
- 13 Some respondents sought the replacement of the formula for calculating financial contributions with the use of an individual financial appraisal for each development. This would require separate appraisals of viability for every application which is not considered justified. The viability chapter enables the use of financial appraisals in cases where developers consider that provision under the policy would not be viable.

### **Options (and Reasons for the Recommendation)**

- 14 The options are to agree, vary or reject the Affordable Housing and Developer Contributions SPD. The document will form part of the LDF and must be compliant with the Core Strategy.
- 15 The SPD as revised is considered to provide useful further information on how Core Strategy policy SP3 will be applied and will aid the Council in determining planning applications and presenting arguments at appeals. There have been two appeal decisions where Inspectors have not applied Core Strategy policy

because the SPD was not in place and, although there have been subsequent appeal decisions where developments have been refused under Core Strategy policy, adoption of the SPD will assist in ensuring delivery of policy on affordable housing and support if needed on appeal.

## **Key Implications**

### Financial

- 25 Budgetary provision has been made for the cost involved in preparing the Affordable Housing SPD through the LDF budget.

### Community Impact and Outcomes

- 26 The SPD will assist in increasing the supply of affordable housing in the District and funding from financial contributions may also assist in making better use of the existing housing stock.

### Legal, Human Rights etc.

- 27 The SPD has been prepared in accordance with the relevant regulations.

### Equality Impacts

- 28 An updated Equality Impact Assessment of the Core Strategy was carried out prior to adoption. The SPD is consistent with the Core Strategy and introduces no new policies.

### Sustainability Checklist

- 29 The sustainability impacts of the affordable housing policy were considered through the Sustainability Appraisal of the Core Strategy. As such, there is no legal requirement to carry out a Sustainability Appraisal.

## **Conclusions**

- 30 The SPD provides useful further information on how Core Strategy policy SP3 will be applied and will aid the Council in determining planning applications and presenting the Council's case at appeals. It is recommended that the SPD as proposed to be revised is adopted.

## **Risk Assessment Statement**

- 31 The document has been prepared in accordance with the national, regional and local policies.
- 32 If the document is not adopted this may lead to difficulties in securing affordable housing provision or contributions towards infrastructure from planning applications.

Local Development Framework Advisory Group – 7 September 2011

**Background Papers:** Affordable Housing Supplementary Planning Document.

The Core Strategy DPD.

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