

BROMSGROVE DISTRICT COUNCIL

LOCAL DEVELOPMENT FRAMEWORK WORKING PARTY

15TH APRIL 2010

AFFORDABLE HOUSING SPD

Responsible Portfolio Holder	Councillor Mrs J Dyer
Responsible Director	John Staniland Executive Director – Planning, Regeneration and Housing Services
Non-Key Decision	

1. SUMMARY

- 1.1 The purpose of this report is to present members with the outcomes of the consultation on the draft Affordable Housing Supplementary Planning Document (SPD) and recommend a way forward.

2. RECOMMENDATION

- 2.1 Following advice from GOWM it recommended that Members acknowledge that the SPD cannot be progressed in its current form and instruct officers to use the evidence collected in negotiations with residential developers on new housing schemes.

3. BACKGROUND

- 3.1 The draft Affordable Housing SPD was presented to Members of the LDF Working Party on 16th December 2009. An 8 week period of consultation began on November 30th and ended on January 30th 2010. In total 30 responses were received from a variety of sources including the general public, the development industry, statutory consultees and Registered Social Landlords.
- 3.2 In general there was recognition that affordable housing was a major issue in the district and support for the council in trying to address the matter. However, a number of concerns were raised regarding the SPD and the policies within it. Concerns were raised that the SPD was creating new policies and is therefore contrary to paragraph 6.1 of PPS12 that states “*SPDs should not be prepared with the aim of avoiding the need for the examination of policy which should be examined*”. An SPD should expand upon an existing adopted policy or policies to provide a greater level of detail. In this instance the SPD writes new policies on affordable housing that are not reflected by policies in the adopted Local Plan. To address this matter some respondents felt that the Council should develop an Affordable Housing Development Plan Document (DPD) so the new policies could be

tested at an examination in public. Whilst this method could potentially address affordable housing needs it would be more time consuming and costly and would not be adopted before the Core Strategy meaning that it would not address the short-term problem.

- 3.3 Many respondents emphasised the importance of having up-to-date and robust evidence to justify the policies within the SPD. One argument put forward was that the evidence is out of date as it was some of it was completed in October 2008 which was at the peak of the housing market and therefore not reflective of current conditions. In addition some felt the modelling work was based on assumptions about the availability of public subsidy and that private sale values had been over-estimated and build costs under-estimated.
- 3.4 Turning to the policies themselves, many felt that there was no evidence to justify seeking affordable housing contributions on all sites. Respondents felt that there was no evidence to justify a threshold below 15 units.
- 3.5 In addition RSLs have concerns about small schemes where only 2 or 3 affordable units would be provided on-site. Access and maintenance problems would be created when distant from other properties controlled by that particular RSL. On this basis RSLs would like the on-site threshold increased above the 5 units proposed in the SPD.
- 3.6 In relation to Policy AH2 on financial contributions the responses were mixed. RSL's welcomed the pooling of financial contributions whilst others felt the policy could go further and specify the level of contribution required.
- 3.7 Policies AH3 and AH4 set out the tenure and types of affordable housing required on sites. Some respondents welcomed the clarity that these policies gave while others raised concerns that the breakdown of tenure and types of housing required were too prescriptive and inflexible. However, the policy has been written identifying the current needs of the district but allowing the policy to be interpreted flexibly to reflect local circumstances.
- 3.8 There was general support for policy AH5 that promotes high quality design and in particular the reference to a minimum of Code Level 3 was welcomed. There was a mixed response to the Council's intention of 'pepper-potting' affordable housing through developments. Some supported this as they believed it was critical in terms of creating mixed communities but RSLs and developers stated a preference for clusters of around 10-20 affordable dwellings through housing developments. This is the preferred method of dispersal by RSLs as it does not cause management issues.
- 3.9 A number of comments were received in relation to the policies on Rural Exception Sites. The use of Rural Exception Sites to deliver affordable housing where a need has been identified was in general supported by respondents and the greater clarity that policies gave was welcomed by many. However, some felt that Rural Exception Sites should be used more

to deliver a greater number of units and the council should therefore consider allocating sites for 100% affordable housing through a Land Allocations DPD. RSLs felt the policies were onerous and unnecessarily complicated.

- 3.10 Policy AH9 which focuses on the size and location of rural exception sites was not entirely supported and 3 main concerns were raised. Firstly some respondents felt it was too restrictive to list the settlements where a Rural Exceptions Site Policy could apply. In addition some felt there was no justification for the preference for sites to be located within settlement boundaries in the first instance. There were also concerns raised over the use of a size limit of 10. It was considered that there would be instances where the need would exceed this and more than 10 units would be acceptable.
- 3.11 Following responses from a number of respondents officers held a meeting with GOWM to discuss the SPD in greater detail. GOWM have recommended that the SPD is not progressed any further in its current form (see appendix 1). The primary reason for this is that the SPD is creating new policy that should only be included in a DPD such as the Core Strategy. The SPD should supplement existing adopted policies and in this case the most relevant are policies S15 and S16 of the Local Plan. However these policies are severely outdated and cannot realistically be used as a basis for the SPD.
- 3.12 If the SPD is adopted it is likely to be challenged at appeal and this could lead to costs being awarded against the Council. GOWM have suggested that the Council could draft Interim Planning Guidance on Affordable Housing instead. Whilst this would only contain limited weight it would provide greater clarity for applicants and be a starting point for any negotiations.

4. FINANCIAL IMPLICATIONS

- 4.1 The SPD is being produced by the Strategic Planning team and therefore there are no external costs associated with the production of this document.

5. LEGAL IMPLICATIONS

- 5.1 Should the affordable housing SPD be adopted in its current form it is likely that it would be challenged at an appeal as it may not meet the requirements of the Planning and Compulsory Purchase Act 2004.

6. COUNCIL OBJECTIVES

6.1 Objective 1 Regeneration - Priority Housing

The adoption of the Affordable Housing SPD would increase the provision of affordable housing in the district in line with Council's objectives.

7. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

7.1 The main risks associated with the details included in this report are:

- Without a detailed policy on affordable housing the council would risk not meeting its corporate objective of providing more affordable housing across the district.
- The council could be challenged on the validity of the policy as it may not be compliant with the Planning and Compulsory Purchase Act 2004.

7.2 These risks are being managed as follows:

Risk Register: Planning and Environment

Key Objective Ref No: 6

Key Objective: Effective, efficient, and legally compliant Strategic planning Service

8. CUSTOMER IMPLICATIONS

8.1 Consultation to be carried out in line with legislation and adopted standards contained in the Bromsgrove District Council Statement of Community Involvement (SCI).

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 None

10. VALUE FOR MONEY IMPLICATIONS

10.1 None

11. CLIMATE CHANGE AND CARBON IMPLICATIONS

11.1 A Sustainability Appraisal has been completed on the SPD to measure the extent to which the Affordable Housing SPD is likely to have a positive or negative impact on sustainability and the extent to which it therefore works towards or against the achievement of sustainable development.

11.2 The SPD performs well against the social objectives of providing housing to meet local needs and reducing poverty and social exclusion. However the document performs less well against the objectives of reducing noise and preserving and enhancing biodiversity. The Sustainability Appraisal identifies how these risks can be managed ensuring that the document has a positive impact on the district.

11.3 Affordable housing must achieve level 3 of the Code for Sustainable Homes meaning that any new housing will be energy efficient and reduce the impacts of climate change. Over the upcoming years affordable housing will need to be built to increasingly high standards with the Government proposing that all new homes should be 'zero carbon' by 2016.

12. OTHER IMPLICATIONS

Procurement Issues	None
Personnel	None
Governance/Performance Management	None
Community Safety including Section 17 of Crime and Disorder Act 1998	None
Policy	Affordable Housing SPD sets clear planning policy in respect of the provision of affordable housing
Biodiversity	None

13. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	No
Executive Director – Planning, Regeneration and Housing Services	Yes
Executive Director – Section 51	No
Executive Director and Deputy Chief Executive	No
Director of Policy Performance and Partnerships	No
Head of Planning and Regeneration	No
Head of Resources	No
Head of Legal, Equalities & Democratic Services	No
Corporate Procurement Team	No

14. WARDS AFFECTED

All Wards

15. APPENDICES

Appendix 1 GOWM response to Affordable housing SPD

16. BACKGROUND PAPERS

Draft Affordable housing SPD

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