

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 8TH JULY 2008

Title:

INTERIM SUBSIDISED AFFORDABLE HOUSING GUIDANCE

**[Portfolio Holder: Carole Cockburn]
[Wards Affected: All]**

Summary and purpose:

The purpose of this report is to present the potential options for realising an increase in the proportion of subsidised affordable housing that can be delivered through appropriate planning applications.

The report seeks approval to investigate the development of interim subsidised affordable housing guidance and to commence work on the preparation of a Supplementary Planning Document (SPD).

Environmental implications:

No significant environmental implications.

Social / community implications:

The introduction of revised subsidised affordable housing guidance should lead to an increase in the delivery of affordable housing within the Borough.

E-Government implications:

No significant E-Government Implications.

Resource and legal implications:

The development of interim guidance and / or a Supplementary Planning Document (SPD) will be managed within existing resources.

Any revised guidance on provision of subsidised affordable housing will be replacing the requirements stipulated in the adopted Development Plan. Prior to the development of any interim guidance, Officers will investigate the potential risks of this approach, so as not to jeopardise the overall delivery of affordable housing.

Introduction

1. The Corporate Plan 2008-11 includes a commitment to introduce “supplementary planning guidance”, by December 2008, to seek a minimum of 40% affordable housing in developments of 15 units or more.

2. The main planning policy for delivering affordable housing on development sites is saved policy H5 of the Waverley Borough Local Plan 2002. That policy seeks at least 30% affordable housing on sites where the policy applies. The policy also states that if the development density is 40 dwellings per hectare or above, then this minimum percentage falls to 25%.
3. Since the Local Plan was adopted, the national, regional and county level policies on affordable housing have moved on. Policy DN11 of the 2004 Surrey Structure Plan states that Local Development Frameworks should include a target that at least 40% of all new housing provision in the County should be affordable.
4. The Structure Plan will be replaced by the South East Plan. That document includes Policy H4, which identifies the overall regional target that 25% of all new housing should be social rented, with a further 10% being other forms of affordable housing. In the London Fringe area, which affects all other Surrey districts, the sub-regional target for affordable housing is 40%.
5. Current Local Plan policy makes it impossible to meet these targets. This is because only a limited number of development sites exceed the threshold at which affordable housing becomes a requirement.
6. Officers consider that the Local Plan policy, and its requirement for 25-30% affordable housing on qualifying sites, is not only out of step with Structure Plan and South East Plan policy, but also the need on the ground.
7. The Council is still in the early stages of preparing its new LDF Core Strategy. In view of the time required to prepare a Core Strategy, officers have considered the options for changing affordable housing planning policy. Based on previous discussions with officers at GOSE, our proposed approach was to deal with new affordable housing policy mainly through the LDF Core Strategy. However, given that our Local Plan policy pre-dates the Structure Plan and the South East Plan, with their higher targets for affordable housing, officers were proposing to develop interim policy/guidance on affordable housing to cover two issues.
8. The main issue is the percentage of affordable housing required. The intention was to seek Council approval to require 40% affordable housing on qualifying sites instead of the 25-30% that is the current requirement. It was felt that this would be a reasonable approach, given the overall targets for affordable housing in the Structure Plan and the South East Plan.
9. Based on an analysis of past delivery rates, an increase from 30% to 40% would have yielded an additional 22 units over the last three years (approximately 7 per annum).
10. The second issue relates to a specific exemption set out in the Local Plan in relation to certain sheltered housing schemes. Paragraph 6.44 of the Local Plan states that it would be inappropriate to seek subsidised affordable housing as part of developments on sites of less than 0.4 ha which meet a recognised need for specialised sheltered housing. Since then, it has become

clear that in terms of affordable housing provision, the Government does not distinguish between private sheltered housing schemes and other private housing. In essence, our paragraph 6.44 is out of step with current national guidance on this matter. Therefore the aim was to seek formal Council approval to set aside paragraph 6.44 and remove this exemption.

11. In order to deliver this interim guidance, officers had proposed to take the matter through Executive and Council, to seek formal approval to this interim approach, which could then be applied to new planning applications submitted after a certain date. It would be necessary to give prospective developers early notice of the proposed change. It could also include some consultation on the two issues with stakeholders, prior to formal consideration by the Executive and Council. Officers have been putting together plans to deliver this interim affordable housing guidance by December 2008, in accordance with the Corporate Plan.
12. Officers have been reviewing this option, in the light of the new PPS12, which was published in June 2008. It states that Councils should not produce planning guidance other than SPD, where the guidance is intended to be used in decision-making or the coordination of development. Officers consider there is a risk that the weight that can be attached to such an approach could be liable to challenge. In view of this, the alternative is to examine whether this interim policy could be provided through a more formal Supplementary Planning Document (SPD). This would be subject to the more prescribed arrangements for consultation and sustainability appraisal and would, therefore require more resources and would take longer to deliver. It would also be necessary to revise the Local Development Scheme to include this piece of work. The likelihood is that any SPD would still be in draft by December. Therefore, although this approach may carry less risk, it would take longer to get the interim policy formally adopted.
13. Another option would be for the Council to introduce an interim approach whilst it commences work on a more formal Supplementary Planning Document (SPD). Officers are proposing to carry out informal consultations to assess whether introducing an interim approach would jeopardise the successful implementation of the more formal SPD route and the overall delivery of subsidised affordable housing – bearing in mind its importance as a Corporate priority.

Recommendation

It is recommended that the Executive:

- (a) instructs officers to commence work on the preparation of a Supplementary Planning Document (SPD); and
 - (b) report further on the anticipated programme for the SPD and on the advisability of adopting an interim approach.
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Background Papers (DoP&D)

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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