

Report to: Cabinet



Date of Meeting Wednesday 25 November 2020

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Affordable Housing Supplementary Planning Document

Report summary:

This report outlines the responses received during the second round of public consultation on the Draft Affordable Housing Supplementary Planning Document (SPD) (January to February 2020), and shows how these comments have been taken into account in revising the SPD. The proposed final version of the Affordable Housing SPD has been considered at Strategic Planning Committee who recommended its adoption at Cabinet.

Recommendation:

Members are asked:

1. To consider and adopt the Affordable Housing Supplementary Planning Document attached at Appendix A as recommended by Strategic Planning Committee.

Reason for recommendation:

To ensure the council follows proper legal processes in adopting the Affordable Housing SPD. The intention of the SPD is to give greater clarity to developers and communities about our expectations for affordable housing delivery, assisting councillors and officers when considering affordable housing issues for new development.

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Portfolio(s) (check which apply):

- Climate Action
- Corporate Services and COVID-19 Response and Recovery
- Democracy and Transparency
- Economy and Assets
- Coast, Country and Environment
- Finance
- Strategic Planning
- Sustainable Homes and Communities

Financial implications:

There are no specific financial implications impacting upon council finances within the report.

Legal implications:

Planning obligations are contained in legal agreements set out as deeds under section 106 and s106A of the Town and Country Planning Act 1990, as amended. Once adopted the Affordable Housing SPD will form a material consideration in the determination of planning applications. Other legal implications are as set out in the report.

Equalities impact Low Impact

An Equalities Impact Assessment of the Affordable Housing SPD has been prepared, which identified that there would be no adverse impacts upon those people with “protected characteristics”. There would be positive impacts upon “age” through encouraging affordable housing provision for young people to buy and rent, and “disability” through guidance on enhanced standards for accessible and adaptable homes.

Climate change Low Impact

Risk: Low Risk; The SPD is being prepared in accordance with plan-making regulations, the council agreed protocol for preparing SPDs, and the adopted Statement of Community Involvement.

Links to background information [Strategic Planning Committee, Monday, 9 December 2019, Agenda and minutes, item 37 East Devon Local Plan 2013-2031 East Devon Local Development Scheme \(July 2018\)](#)

[Supplementary Planning Guidance Protocol National Planning Policy Framework Strategic Planning Committee, Tuesday, 20th October 2020, draft minutes item 74](#)

[Affordable Housing SPD – Consultation Statement](#)

[Affordable Housing Supplementary Planning Document for adoption – Appendix A](#)

Link to Council Plan:

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

Report in full

Background

1. Members will be aware that the East Devon Local Plan promotes the delivery of affordable housing in appropriate locations, through policies relating to affordable housing targets and tenures (Strategy 34) and rural exception sites (Strategy 35). On sites of 10 or more homes, all affordable housing should meet accessible and adaptable dwellings standards (Strategy 36).
2. The Local Development Scheme – essentially, the planning policy work programme – states that an Affordable Housing supplementary planning document (SPD) will be prepared to elaborate on policy to secure affordable housing provision in East Devon. This will provide greater clarity to developers and communities about our expectations for affordable housing delivery. By giving clear guidance upfront about issues such as tenure mix, how vacant building credit will be operated, the ‘pepper-potting’ of affordable units in a development, and where off-site contributions will be appropriate, it will enable developers and landowners to better understand policy requirements. Therefore, the SPD should assist applicants when making planning applications, and the council in determining them. However, it is important to note that SPDs can only add further detail to policies in the Local Plan, and cannot set policies themselves.
3. Strategic Planning Committee approved the first round of public consultation on a draft Affordable Housing SPD back in March 2019. The consultation responses and subsequent changes to the SPD were discussed at Strategic Planning Committee in December 2019, who approved second round of public consultation which took place over January – February 2020. The SPD was accompanied by an ‘interim’ Consultation Statement, a Screening report for Strategic Environmental Assessment and Habitats Regulations, and an Equalities Impact Assessment.

Responses received in the second round of public consultation (Jan-Feb 2020) and how they have been taken into account

4. The accompanying Consultation Statement (chapter 3) states who we consulted and how, including all parish councils, numerous planning agents, Registered Providers operating in East Devon, and around 2,300 individuals who had expressed an interest in planning policy matters.
5. A total of 22 responses were received in the second round of public consultation on the Draft Affordable Housing SPD.¹ The Consultation Statement includes a response to each of the comments made. Some of the main issues raised in consultation are set out below (by chapter):

Thresholds and targets

- Object to the overage clause as it causes delay, uncertainty, and is not an effective basis for delivery.
- Concern about references to negotiation and viability testing after planning permission has been granted – the level of affordable housing should not be reduced.
- Support the thresholds as it aligns with the NPPF and allows applicants to justify where it would not be appropriate to meet affordable housing targets.
- Does not cover the potential to change the mix of tenures before lowering the amount of affordable housing.
- Welcome the text on determining an acceptable return for landowners, and removal of reference to an arbitrary 20% uplift on existing use value.

Tenure and mix

- Tenure mix is expressed as a target, so the need to justify an alternative mix will not simply be related to viability but could include a range of circumstances.
- Delete reference to the Council's priorities for shared ownership, relevant equity loans, and other low cost homes for sale; as this limits opportunities to meet housing need.
- NPPF para 64 requires 10% of the total number of dwellings to be for affordable home ownership – this is largely reflected in the SPD, but clarification is needed.

Design and layout

- Do not support the inclusion of a phased approach to the delivery of affordable housing alongside market housing as this is unduly restrictive.
- Suggest that larger clusters are allowed in larger sites.
- Support a stronger reference to National Space Standards within the document.
- Reference to National Space Standards should be removed as it introduces uncertainty for developers, and the council has not adopted policy on this.

Rural exception sites

- The section on rural exception sites appears helpful in confirming what is expected in terms of housing needs survey and access to services and facilities.

Pre-application, legal agreements and occupancy

- Welcome the reference to those with a connection to Exeter, but suggest this could also include Mid Devon.

Other issues

- Devon County Council will seek developer funding towards transport and education improvements from all housing, including affordable units.

¹ The comments received can be seen in full on our website: <https://eastdevon.gov.uk/planning/planning-policy/housing-issues/affordable-housing/>

- Should identify the huge variations from settlement to settlement in the need/supply of affordable housing to ensure the housing is provided where it is needed.
 - Important that the cost implications of the delivery of strategic sites are explicitly referenced, which could be a reason for reduced affordable housing.
6. Several, relatively minor, changes have been made to the SPD as a result of the comments made, as detailed in the Consultation Statement. An overview of the proposed council response to the comments is set out in the following paragraphs.
 7. Overage is a requirement of the Local Plan where affordable housing levels fall below policy targets, which cannot be changed through the SPD. The level of affordable housing can be reduced where there are viability issues, but the SPD has been amended to more clearly say that changes to tenure mix will be considered before lowering overall levels of affordable housing, making clear that the tenure mix in the policy is a target.
 8. It is acknowledged that evidence for East Devon is currently lacking for some of the products in the latest NPPF definition of affordable housing, so we will consider any up-to-date evidence rather than setting priorities without this evidence. It is not entirely clear whether the NPPF (para 64) requirement for at least 10% of homes on major development as affordable home ownership relates to 10% of all homes, or 10% of the affordable homes. However, in light of consultation responses, further clarity in the Housing White Paper, and approaches being taken by other local authorities, it is considered that national policy is that 10% of all homes on major development should be available for affordable home ownership.
 9. It is important to include guidance on phasing for the effective delivery of affordable housing, but a minor change to the SPD will help make clear that the identified phasing is something the council will aspire to, rather than a stringent requirement. Larger clusters (than 10 dwellings) of affordable homes can come forward where necessary and able to promote social cohesion and a mixed and balanced community. The SPD does not require Nationally Described Space Standards – these can only be introduced in a local plan.
 10. In terms of occupancy, there is an issue regarding local connection which has arisen in respect of the strategic sites on the edge of Exeter – whilst the administrative boundary divides these sites from Exeter, there is no obvious boundary ‘on the ground’, so connections to Exeter should be allowed. This particular issue does not apply for Mid Devon, but sites elsewhere in East Devon can consider those with a connection to the county of Devon. If no-one can be found in Devon, then connections with adjacent counties will be considered.

Next steps

11. The Affordable Housing SPD has been amended as appropriate in light of comments received during two rounds of public consultation. The proposed version for adoption was discussed at Strategic Planning Committee on Tuesday 20 October, who recommended to Cabinet that the Affordable Housing SPD attached at Appendix A be considered and adopted.
12. Once adopted, the SPD will be used to assist applicants and the council in considering affordable housing issues and making decisions on planning applications. The SPD should also be helpful for communities when preparing neighbourhood plans.