

Agenda Item 11
Report PC19/20-61

Report to	Planning Committee
Date	11 June 2020
By	Director of Planning
Title of Report	Adoption of the Affordable Housing Supplementary Planning Document (SPD)
Purpose of Report	To present the revised Affordable Housing SPD for adoption

Recommendation: The Committee is recommended to:

- 1) Note the content of the Consultation Statement (Appendix 1 of this report); and**
- 2) Adopt the revised Affordable Housing SPD (Appendix 2 of this report).**

1. Summary

- 1.1 The South Downs Local Plan (SDLP) adopted in July 2019 includes robust policies requiring the provision of affordable housing alongside housing to be sold or rented on the open market, or as rural exception sites (RESs) to meet an identified local need. The Affordable Housing SPD supports the implementation of the SDLP, and therefore supports the wider objectives of the SDNPA (for example it supports the [Partnership Management Plan](#) Outcome 9 in relation to provision of affordable housing).
- 1.2 The SPD has been drafted to provide further detail to the policies in the SDLP that relate to affordable housing. It covers a number of implementation issues, including local connections, tenure mix, vacant building credit, and financial contributions in lieu of on-site affordable housing provision.
- 1.3 Public consultation took place in September to October 2019 on the draft SPD. The Consultation Statement, forming **Appendix 1** of this report, summarises and responds to the representations received during the consultation. Minor changes were made to the SPD in response to this consultation, as set out in the Consultation Statement. The Town and Country Planning (Local Planning) (England) Regulations 2012 (As Amended) legally require local planning authorities, prior to adopting a SPD, to publish the Consultation Statement and revised SPD for comment for a minimum four week period. This consultation took place from the 2 March to 6 April 2020. **Appendix 1** also summarises and responds to further representations received during this period. In light of these consultation responses a revised SPD is proposed and this document is at **Appendix 2** of this report.

2. Background

- 2.1 There is substantial evidence which shows most privately provided residential property in the National Park is unaffordable to families and individuals on modest incomes. Young people and young families, in particular, find it difficult to get low-cost housing that would enable them to continue living in the area. In carrying out its purposes, the South Downs National Park Authority (SDNPA) has a duty to seek to foster the economic and social well-being of the local communities within the National Park. The English National Parks Vision and Circular further sets out the Government's expectation that *new housing will be focused on meeting affordable housing requirements, supporting local employment opportunities and key*

services¹. To support the duty and address these issues the [South Downs Local Plan 2014-2033](#) (SDLP) contains robust policies that require new residential development to provide affordable homes:

- **Policy SD28: Affordable Homes** sets out a requirement for residential developments of three or more homes to provide for affordable housing. This provision should be provided on-site on sites with capacity for four or more homes. The level of provision is determined by the overall capacity of the site in terms of potential number of homes, with a minimum 50% of the total to be affordable on sites of 11 or more homes. The policy also sets out how many affordable homes should be provided as rented tenure (as opposed to shared ownership or other forms of low-cost ownership).
- **Policy SD29: Rural Exception Sites** sets a requirement that residential housing sites outside of settlement boundaries should provide 100% affordable housing. The precise mix of homes and tenures should be based on the local needs of the community, and provide specifically for local housing needs.
- **Policy SD27: Mix of Homes** sets out a broad strategic mix of affordable dwelling sizes.
- **Policy SD25: Development Strategy**, and in particular paragraphs 7.15 and 7.16, outlines the SDNPA's approach with respect to Whole Estate Plans and affordable housing.

2.2 The Affordable Housing SPD has been prepared to provide further guidance to support the implementation of the Local Plan policies, in particular Policy SD28: Affordable Homes and Policy SD29: Rural Exception Sites. In July 2019, Planning Committee approved for consultation the draft Affordable Housing SPD. Public consultation took place for eight weeks from the 24 September to 19 November 2019. During the consultation period 45 responses were received, from a range of individuals and organisations including parish councils, district councils, Community Land Trusts (CLTs), whole estate managers and developers. These are detailed in the Consultation Statement, which forms **Appendix I** of this report.

2.3 The key response themes are summarised as follows:

District Councils

- Local connection cascade may be difficult to administer
- Query the standard inputs to be used in viability appraisals

Parish Councils

- General support for the Local Plan policies on affordable housing and the guidance contained in the draft SPD
- In lieu financial contributions should be used within the parish they are collected
- Parish Councils would like greater involvement in deciding a suitable mix for a site

Community Land Trusts

- Provide some flexibility for CLTs to cross-subsidise Rural Exception Sites reflecting their aim to address local needs
- CLTs would like greater flexibility in applying the local connection criteria and cascade to respond to the objectives of the CLT

Developers

- Objections to the standard inputs proposed for viability appraisal
- A number of issues raised with the use of review mechanisms
- Unrestricted 'staircasing' should be allowed on shared ownership housing to enable outright ownership

2.4 Following the public consultation, a revised SPD was prepared. Changes were made, where necessary, as follows:

- Inclusion of criteria for the assessment of Vacant Building Credit

¹ English National Parks and the Broads: UK government vision and circular 2010 (Defra, 2010), paragraph 78

- Detail on the marketing and eligibility criteria for Discount Market Sales affordable housing
 - Removal of S106 template from appendices (this will be a standalone template which can be updated more frequently separate from the SPD)
- 2.5 The Town and Country Planning (Local Planning) (England) Regulations 2012 (As Amended) legally require local planning authorities, prior to adopting a SPD, to publish the Consultation Statement and revised SPD for comment for a minimum four week period. This consultation took place from the 2 March to 6 April 2020. A further eight representations were received during this period and these are detailed in the Consultation Statement, which forms **Appendix 1** of this report. The representations largely concerned detailed matters and some minor changes to the SPD are set out in response to these in the Consultation Statement and included in the revised SPD, which forms **Appendix 2** of this report. The most substantive representation, from a developer, concerned the inclusion of standard viability appraisal inputs and detailed requirements regarding the use of review mechanisms. The representation maintained that the inclusion of these elements was not appropriate for a SPD. These representations were considered and in response, these elements have been removed from the revised SPD.
- 3. Next steps**
- 3.1 The recommendation of this report is that Members note the content of the Consultation Statement and adopt the revised Affordable Housing SPD.
- 3.2 Once adopted, the SPD will be a material consideration in the determination of planning applications. As such, it will help to maximise the number of new affordable homes provided in the South Downs National Park in a way which meets local needs, whilst also supporting the landscape-led approach.
- 3.3 The SDNPA is preparing a suite of SPDs on Parking, Trees, Sustainable Construction, Design and Biodiversity Net Gain, which will be presented to Planning Committee over the next few months before they go out to consultation; they all support the implementation of the South Downs Local Plan. It is proposed all new SPDs will be formatted and designed into a common style. As this will not change the content of the Affordable Housing SPD, the formatting and design work can occur following adoption of the SPD.
- 4. Sustainability Appraisal and Habitats Regulations Assessment screening**
- 4.1 The European Union Directive 2001/42/EC sets out legislation on the assessment of the effects of certain plans and programmes on the environment (known as 'Strategic Environmental Assessment' or 'SEA'). Where the Authority determines that SEA is not required then under Regulation 9(3) the Authority must prepare a statement setting out the reasons for this determination.
- 4.2 The SDNPA therefore produced a draft SEA Screening Statement. Consultation on the draft Statement, with the three statutory bodies: the Environment Agency, Natural England and Historic England, took place from the 24 June to 8 July 2019. The Environment Agency responded to state they did not consider that the SPD has the potential to give rise to significant environmental effects for areas within their remit. No response was received from Natural England or Historic England. The determination therefore concludes that the Affordable Housing SPD is not likely to have any significant environmental effects, and therefore does not require an SEA.
- 4.3 As required by Habitats Regulations Assessment (HRA), the SDNPA has also assessed whether the policies and proposals set out in the Affordable Housing SPD will have any significant impacts on Natura 2000 sites, thereby necessitating an Appropriate Assessment to consider the impact on the integrity of any such sites. The HRA Screening Statement concludes that the SPD does not set the principle of development nor does it direct development to a specific location. Therefore, as with the assessment of SD28 and SD29 there are no linking impact pathways present and there are no HRA implications. Subject to the outcome of consulting the three statutory bodies listed in paragraph 3.2 above, it is considered that a full appropriate assessment is not required.
- 4.4 The combined SEA Screening Statement and HRA Screening Statement is presented as **Appendix 3** to this report.

5. Other Implications

Implication	Yes*/No
Will further decisions be required by another committee/full authority?	No.
Does the proposal raise any Resource implications?	The SPD has been produced using existing internal resources. The costs of further formatting and design production of the SPD will be met within existing budgets.
Has due regard been taken of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	<p>The Authority has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:</p> <ul style="list-style-type: none"> • Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act; • Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it; • Foster good relations between persons who share a relevant protected characteristic and persons who do not share it. • Due regard in this context involves having due regard in particular to: <ul style="list-style-type: none"> a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic; b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it; c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low. <p>The Affordable Housing SPD promotes the advancement of opportunity for people within the communities of the National Park, who have lower incomes. This will in particular advance equality of opportunity for younger people who are currently often disadvantaged by the poor availability of affordable homes close to existing family or areas of potential employment. There are also likely to be indirect benefits for those with other protected characteristics who due to those characteristics find themselves to have lower incomes than might otherwise be the case.</p>
Are there any Human Rights implications arising from the proposal?	None.
Are there any Crime & Disorder implications arising from the proposal?	None.
Are there any Health & Safety implications arising from the proposal?	None.

Are there any Sustainability implications based on the 5 principles set out in the SDNPA Sustainability Strategy:	<p>2. Ensuring a strong healthy and just society: The provision of affordable housing strongly supports this strategic objective, as it promotes justice and supports the health of those in housing need.</p> <p>3. Achieving a sustainable economy: The provision of affordable housing strongly supports this strategic objective, as it helps local communities retain and attract working age people who are economically active and therefore supports local enterprise.</p>
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6. Risks Associated with the Proposed Decision

6.1 A risk assessment is provided in the table below.

Risk	Likelihood	Impact	Mitigation
If adopted: Third party challenge to the principle of the SPD or the guidance contained within. A challenge can be made within a three month period following adoption.	Possible (3)	Moderate (3)	The SPD has been prepared in compliance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (As Amended).

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Appendices

1. Consultation Statement
2. Revised Affordable Housing Supplementary Planning Document
3. SEA Screening Statement and HRA Screening Statement Determination Statement

SDNPA Consultees: Legal Services; Chief Finance Officer; Monitoring Officer; Director of Planning

External Consultees: None