

North Wiltshire Local Development Framework

Revised Affordable Housing Supplementary Planning Document (SPD)

Consultation Statement (Regulation 18 (4) (b))

CONSULTATION STATEMENT

(The Town and Country Planning (Local Development) (England) Regulations 2004, (Regulation 18))

Introduction

On the adoption of a Supplementary Planning Document (SPD) the Local Authority must make available a Consultation Statement setting out:

- A summary of the main issues raised during the formal consultation period on the Draft SPD, and
- How these main issues have been addressed in the SPD which they intend to adopt.

Guidance also indicates that this Consultation Statement can be used to:

- List the main issues raised on the corresponding Sustainability Appraisal (SA) and how they were taken into account in the development of the SPD and SA.
- Present details of monitoring arrangements for the SPD and SA.

Consultation on the Draft Affordable Housing SPD 28th November – 23rd January 2008

The Revised Affordable Housing SPD was published on the 28th November 2008 and was subject to an eight-week consultation period. During this time the Revised Affordable Housing SPD was made available on the Council website at the Council Offices and all libraries and information points across the district. At this time a letter was sent to all relevant organisations from the Spatial Plans Community database and an email shot was released.

During the consultation period the Council received representations from 18 organisations and individuals.

The following table summarises the main issues raised and the Spatial Plans/ Housing Teams response.

Note: This Revised SPD will continue to use the information outlined in the SA as outlined in the original Supplementary Planning Document, adopted August 2007.

Draft Affordable Housing SPD – Main Issues Raised and Council Response

Issue Raised	Spatial Plans/Housing Teams Response
£26k Contribution	
Justification should be provided on the £26,000 contribution figure.	The average “Total Public Subsidy” per home from the 06/08 South West Region Allocations was around £52,000. The £26,000 aims to meet 50% of the average cost of the provision of an affordable dwelling.
The figure is low compared to housing price average in the district.	Relative to average house prices the figure is low. However this policy is about securing financial contributions and the council has to be realistic and set of level of contribution that ensures the delivery of affordable housing provision.
Easing the financial contribution will increase the incentive to build the additional “odd” dwelling. Reducing the contribution may continue the high completion rates and to deliver the AH – piecemeal development/subdivision of larger sites.	There is a possibility that additional “odd” dwellings will be constructed. This highlights the difficulty faced by the council in meeting our obligation to deliver affordable housing whilst targeting growth in the most sustainable locations. NWDC recognises that these additional odd dwellings will result in increased levels of affordable housing provision helping us to deal with the demand for affordable homes.
The Council has to ensure that there is sufficient funding for AH, is the £26,000 figure sufficient?	The Council has an obligation to maximise the level of financial contribution. This requires an assessment of what level of provision is likely to be secured.
The dramatically reduced contribution figure will reduce the amount of money available for AH.	Compared to the 50% requested in the adopted SPD the £26,000 will represent a significant reduction in some instances. However, through effective monitoring of the adopted SPD it was clear that of the high level of contribution required was resulting in applications being refused or withdrawn from the planning process, removing any prospect of securing any degree of affordable housing provision. A snapshot of 14 applications showed that 13 were withdrawn, the affordable housing provision required was a major issue in every application. NWDC believes that this lower figure has a more realistic chance of actually delivering provision for affordable housing in the district.
A single tariff of £26k per property creates a climate that argues against the objective of creating smaller AH Units.	The objective of the level of contribution is to secure financial return for affordable housing.
THRESHOLDS	
This policy should only be applied at a certain a threshold of the numbers of dwellings.	Policy H6 of the Local Plan 2011 does not refer to thresholds in rural areas. This will remain the official policy position until the adoption of the Core Strategy. Therefore the proposal cannot be considered.
A single tariff of £26k per unit up to five dwellings for example.	This would result in a loss of physical affordable homes. Under the proposed revision and even the adopted SPD in the case of 5 dwellings we could secure 2 AH and an financial contribution of either 26k or 50% With the flat rate of 26k per dwelling (up to five) we may well secure 5x26k = £130k. This would

	be at the expense of 2 physical AH units. Resulting in less AH being delivered.
Onerous on the economic viability of smaller rural developments.	
	The financial burden is significantly less than the current adopted policy. Smaller developments are a common feature of rural development and NWDC has an obligation to seek to maximise the financial return to meet affordable provision from all developments.
Affordability is more an urban issue than rural.	Affordability of homes is a district wide problem; it is not confined to the main urban areas. The scale of development in rural areas is smaller, thus the opportunity for affordable homes more difficult. Policy H6 recognises this and strives to introduce a policy that can deliver in rural areas.
Why should there be a difference between rural and urban areas?	It is not practicable to apply the same policies for rural and urban areas. The two are different but not mutually exclusive, it is the responsibility of NWDC to adopt policies that reflect this.
The adopted Affordable Housing SPD has not had sufficient time to affect market conditions or address affordable housing delivery.	The SPD adopted in August was monitored closely from the date of adoption and this monitoring highlighted information that demonstrated that the policy was having a significant impact on planning applications that had the potential to deliver AH / AH provision. It is the responsibility of NWDC to maximise the level of AH contribution, it was concluded that the H6 policy should be revised in order to ensure financial contributions are achieved.
It is unreasonable land value expectations that exacerbate the problem. Making it clear that this policy is long term initiative and will give time to the market to adjust.	It is correct to make sure that this Revised SPD provides clarity to stakeholders. The revision was initiated as a result of effective monitoring and the amendments made to ensure that affordable housing provision is delivered. High land value expectations have and will impact on individual developers ambitions. NWDC can assist by adopting policies that are able to deliver and be clear to stakeholders.
Reducing overall completions in rural areas is still relevant in light of the EIP Panel on the draft RSS. This should be given the same priority as increasing affordable housing supply.	NWDC is conscious of regional policy in the Draft RSS and confirmed by the recent Panel Report that development should focus in the main urban settlements. NWDC strives to seek a balance between meeting the requirements of the Draft RSS whilst going some way to satisfy affordable housing demands across the district, particularly in rural areas.
No explanation why delivery of affordable housing has been poor before the SPD. Completions rates have been high but AH low, why?	Historical affordable housing provision appears low relative to completion rates, this was in part due to a higher threshold in rural areas.
It is possible that different types of development may justify different levels of contribution? The flat fee of £26k on single or "odd" dwellings has to be applied the same for a 1 bed flat as it does for	This approach would result in a complex calculation system that would have too many variables; it would result in a confusing and inconsistent approach to securing financial

a 4-bed detached house. Is this fair?	provision. This approach appears to ignore the fact that the subject matter of this revision to the SPD is the single or "odd", the 50% rule still applies. Applying a tier system of financial contribution would be impractical and difficult to administer. This proposal could also result in more dwellings at would demand a lower level of contribution, increasing completion rates in the rural areas. Counter to the principals of the Draft RSS.
Single dwelling builders are the group that is most impacted.	The adopted policy and the proposed revision will apply to all developments and this includes developments of single dwellings. The need to have a clear and simple policy that delivers affordable housing provision is paramount.
The impact of Unitary	The unitary process has serious implications for all areas of planning policy. Unitary will require parity of policies across the county. Prior to this it is still important that the district has a policy in place to deal with the demands for affordable homes.
A schedule of fees should be drawn up which adequately reflects the difference in costs for different sized dwellings.	Although a scale of contributions offers a perception of relative fairness, it would be difficult to administer this approach and could be open to misinterpretation and abuse.
(Policy H6) puts a financial hurdle in the way of the self-builder freedom of choice to build a house that meets the exact requirements of his/her family.	The requirements of the policy have to be taken into account when agreeing a purchase price for the land.
In areas of greatest need, this rate (of affordable housing on new developments) can be increased by up to 60% or higher and site thresholds where affordable housing is a requirement should be reduced to levels below those recommended by government guidance where possible.	It is recognised that in some areas the percentage of affordable sought is much higher than 50% requested in the adopted SPD to reflect the need in the area. NWDC feels that 50% accurately reflects the high need and scarcity of land in rural villages in North Wiltshire.

Officer Conclusions and Recommendations.

The representations received highlight the difficulty in formulating an Affordable Housing policy that delivers affordable housing (physical units or financial contribution) without making development schemes unviable resulting in the loss of any sort of provision. The objective is to produce a policy that is clear and easily applied, and more importantly delivers affordable housing.

In consideration of all the comments received during this consultant process The Spatial Plans Team in conjunction with Housing Officers have formulated a number of options for Members to consider.

The Options

Option 1 - Maintain the current position as the adopted Affordable Housing SPD August 2007.

Pros

- ◆ Possibility of maximising financial provision for affordable housing through section 106 agreements.
- ◆ Clear and simple policy

Cons

- ◆ Financial burden on developers which has the potential to make schemes unviable resulting in loss of any rural affordable housing provision.
- ◆ Perceived unfairness of a blanket policy

Option 2 - Adopt revised AH SPD and implement a flat fee of £26,000 on single or odd dwellings.

Pros

- ◆ Schemes are likely to become more viable with less financial burden on developers.
- ◆ It ensures that single dwellings continue to contribute to affordable housing provision, whilst having sufficient impact to limit some rural development.
- ◆ Improves deliverability of rural schemes.
- ◆ A consistent approach with clear and simple policy.
- ◆ Enables us to meet our objectives of delivering affordable housing in rural areas.
- ◆ Reflects the realities of the situation, balancing the need to deliver affordable housing provision with the need to ensure that developments are not unviable.

Cons

- ◆ Less financial contribution compared to the 50% required under the current SPD.
- ◆ Potential for developers to include the extra “odd” dwelling, increasing completion levels in the rural areas.

Option 3 – Set a threshold.

Pros

- ◆ Small schemes are more financially viable.

Cons

- ◆ This policy does not conform with the adopted North Wiltshire Local Plan 2011, any change along such lines could only be incorporated within the Core Strategy Development Plan Document.
- ◆ Reduction in the number of affordable units in rural areas.
- ◆ Option benefits the developer and not the council.
- ◆ Increase in number of units in rural areas runs counter to the RSS, whilst simultaneously removing the possibility of any affordable housing provision from smaller schemes.

Option 4 – Scale of contributions to reflect costs of different sized dwellings.

Pros

- ◆ Perception of fairness

Cons

- ◆ Developers encouraged to build smaller dwellings resulting in increased build rates, counter to RSS
- ◆ Not a clear policy, difficult to administer.
- ◆ Could be misinterpreted and open to abuse.

Officer Recommendations.

Officers recommend that Option 2 is adopted.

This option, we believe has the greatest potential to deliver affordable housing provision within the rural areas of the district. It represents a clear and simple approach to the policy and significantly reduces the financial burden placed on developers by the SPD adopted in August 2007.

The district must consider the priority to provide affordable housing whilst ensuring compliance with regional requirements to target growth in the most sustainable locations. Option 2 provides the best opportunity to do this.

Officers would also like to include the provision that in cases of conversions in rural areas, affordable housing policies should be applied on a case by case basis. Decisions on whether to apply this policy should be made after discussions between applicants, planning officers and the Spatial Plans Team.

Revised Affordable Housing SPD – Sustainability Appraisal – Main Issues Raised and Council Response

Consultation on the SA raised no significant social, economic or environmental effects. The Affordable Housing SPD has therefore not been changed as a result of the SA process.

Issue Raised	Spatial Plans/Housing Teams Response
Tables , Representations relate to:	
It is not obvious how the ticks and crosses are derived.	Agree, a key will be added to each table to explain the meaning of the symbols used.
Table B1a , Representations relate to	
It is not obvious why the 8 local plan policies were chosen, and not clear how the 8 local plan policies at the top relate to the rest of the table. It is not obvious where the local plan 2011 objectives come from.	Agree. Insert additional text. 'Table (B1a) lists the eight Local Plan policies that the Affordable Housing SPD provides supplementary planning guidance for. These eight policies have been summarised into five clear objectives (A-E) in accordance with guidance. The compatibility of the plan objectives is tested against the relevant SA Objectives and Indicators.'
B3/B4 Accessibility to local Services & employment opportunities , Representations relate to	
Sentence does not make sense.	Agree. Replace existing text. Accessibility to local Services & employment opportunities 'Option 3 presents planning guidance that limits development to the most sustainable locations. Sustainable locations are sites with good access to local services and employment opportunities. Options 1, 2 and 4 correspondingly limit development to the most sustainable locations. The effect is not considered permanent.'
B3/B4 Maintain and enhance bio-diversity, geo-diversity, flora and fauna , Representations relate to	
The assumption seems to be that development of greenfield sites will always lead to biodiversity loss. This does not acknowledge that brownfield sites may also support valuable biodiversity. Equally, some greenfield sites such as intensive arable fields may not be that rich in biodiversity. Also, it is not clear why the word "local" is used (it	Agree. Replace existing text. Maintain and enhance bio-diversity, geo-diversity, flora and fauna 'Option 3 encourages the greatest proportion of affordable housing development. The development of either green or brown field sites for housing would result in a loss of the existing

isn't in the heading), there is no statement on likelihood or magnitude of impact, and it is not clear why the impact from option 4 is "to a lesser extent".	wildlife however this does not necessarily result in a loss of overall bio-diversity. The effect is considered permanent.'
B3/B4 Conclusions , Representations relate to:	
The negative impact is judged to be significant and potential, but this does not follow from the section where wildlife is discussed. Also, there is no explanation of the methodology of how the positive and negative impacts are weighed against each other.	Agree. Replace existing text. 'A permanent loss of existing wildlife, although not necessarily bio-diversity levels.' Agree. Insert additional text. 'The assessment of the Affordable Housing SPD and its positive and negative impacts have been weighed by the information presented at stage B3/4 and by the judgement of the Officer.'
B6: Proposing measures to monitor the environmental effects of plan implementation , Representations relate to:	
B6 should read "monitor the significant effects", not "environmental".	Agree, All title will be changed to reflect those presented in 'Sustainability Appraisal of Regional Spatial Strategies and Local Development Documents' (November 2005)

Affordable Housing SPD – Monitoring Indicators

The following table sets out how the Council will actively monitor the success of the affordable housing policies to ensuring that the procedures for implementing affordable housing is up to date and meeting the Councils targets. This monitoring review will occur within the Councils Annual Monitoring Report (AMR). The AMR will identify the key challenges and opportunities to the provision of Affordable Housing and the revisions to be made. During the consultation period no representations were received regarding the draft monitoring indicators. The table below presents the finalised monitoring indicators.

Core Indicators

LDF Indicator	Other Indicator	Policy	Indicator	Target
AH1	NCOI 2d, SOC14, A1	Policy H5, H6 & H7	Affordable Housing Completions	150 Dwellings – North Wiltshire Corporate Plan

Output Indicators

LDF Indicator	Other Indicator	Policy	Indicator
AH2	-	Policy H5	No. of affordable homes built in urban areas as defined by policy H5
AH3	-	Policy H6	No. of affordable homes built in rural areas as defined by policy H6
AH4	-	Policy H7	No. of affordable homes provided through the "Rural Exceptions Policy H7"
AH5	-	Policy H3	Affordable housing completions on allocated & windfall sites
AH6	NCOI 2d	Policy H3, H5, H6 & H7	Provision of affordable housing by: <ul style="list-style-type: none"> - RSL - Developer contributions - Mix of public subsidy and developer
AH7	-		No. affordable homes lost through: <ul style="list-style-type: none"> - Right to buy - Rights to acquire - Staircase to shared ownership - Sale