



AGENDA ITEM: 8.

CABINET:
17 March 2015

PLANNING COMMITTEE:
19 March 2015

Report of: Assistant Director Planning

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor M Forshaw

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SUBJECT: AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To recommend the draft Affordable Housing Supplementary Planning Document (SPD) for public consultation in May / June 2015.

2.0 RECOMMENDATIONS TO CABINET

- 2.1 That the draft Affordable Housing SPD (Appendix A to this report) be approved for public consultation, subject to any amendments made by the Assistant Director Planning, in consultation with the Portfolio Holder, as per recommendation 2.2 below.
- 2.2 That the Assistant Director Planning, be authorised, in consultation with the Portfolio Holder, to make any necessary amendments to the Affordable Housing SPD, in the light of agreed comments from Planning Committee, before the document is published for consultation.

3.0 RECOMMENDATIONS TO PLANNING COMMITTEE

- 3.1 That the content of this report be considered and that agreed comments be referred to the Assistant Director Planning, in consultation with the Portfolio

Holder, for consideration of whether any amendments should be made to the draft SPD before the start of the public consultation period.

4.0 BACKGROUND

- 4.1 Securing and / or facilitating the provision of affordable housing is a priority for West Lancashire Borough Council. The most recent Housing Needs Study (published in November 2010) concluded there was a need to provide 214 net new affordable homes per annum to meet newly-arising affordable housing needs, and to make up the backlog in affordable housing provision.
- 4.2 Policy RS2 of the adopted West Lancashire Local Plan 2012-2027 (WLLP) sets out a requirement that a percentage of the units in most residential development schemes of 8 units and more should be affordable, the percentage varying according to the size of the residential scheme and its location in the Borough. Policy RS2 also covers such matters as affordable housing outside settlement boundaries, on and off-site affordable housing provision, and specialist housing for the elderly.
- 4.3 WLLP policy RS2 makes reference to a “forthcoming Supplementary Planning Document” (SPD) which will provide more detailed policy to aid the implementation of affordable housing, covering the size, type and tenure of affordable units, and which will be able to vary the percentage requirements for affordable housing, should more up-to-date evidence become available on matters such as housing needs.
- 4.4 WLLP policy RS1 includes a requirement that in housing developments of 15 dwellings or more, 20% of the units should be designed specifically to accommodate the elderly. The justification for this requirement stems from the ageing population of West Lancashire (43% of households in West Lancashire are projected to comprise people aged 65 or over by 2033). The WLLP allows for the affordable housing and elderly persons’ housing requirements to overlap where appropriate, in order *inter alia* to help ensure the viability of development and to ensure provision of an appropriate mix of affordable and market accommodation for the elderly.
- 4.5 Since the adoption of the WLLP, central government has amended national planning policy guidance with regard to affordable housing thresholds. In November 2014, it was announced that outside “designated rural areas” (West Lancashire does not contain any designated rural areas), affordable housing contributions cannot be sought from developments of 10 dwellings or fewer, unless the total floorspace of the development is more than 1,000 square metres. This threshold is not consistent with the threshold of 8 units set out in WLLP policy RS2.
- 4.6 The November 2014 change to national affordable housing thresholds was accompanied by a new mechanism entitled ‘Vacant Building Credit’. This applies to the redevelopment of brownfield sites. It requires that where existing buildings are demolished or brought back into lawful use, these buildings’ gross floorspace

should be deducted from the calculation of any affordable housing contributions sought from relevant development schemes.

- 4.7 The Council adopted a Community Infrastructure Levy (CIL) charging schedule in July 2014, which took effect from 1 September 2014. CIL is chargeable on residential development across the majority of West Lancashire. However, under the CIL Regulations, social housing can qualify for relief from CIL payments, subject to certain criteria being satisfied.

5.0 CURRENT POSITION

- 5.1 A draft affordable housing SPD has been prepared, based upon policies RS1 and RS2 of the West Lancashire Local Plan, adding more detail or further clarification to these policies, whilst taking into account changes to national planning policy and / or guidance with regard to affordable housing, as well as the Council's adoption and implementation of the CIL charging schedule.

- 5.2 The draft SPD covers the matters set out below, and contains a number of policies and / or points of clarification:

- Quantity of affordable housing – the SPD repeats the percentage requirements for affordable housing set out in WLLP policy RS2, except where policy RS2 is at odds with the new national threshold of 11 units. The national threshold prevails, except in the case of housing schemes of 5 units or more in Small Rural Villages, where it is proposed that WLLP policy will continue to apply, as this aspect of policy RS2 is consistent with paragraph 54 of the National Planning Policy Framework. Where development in the Green Belt is deemed acceptable, for example where the development proposal meets one of the exceptions set out in paragraph 89 of the NPPF then affordable housing contributions will be expected from housing developments in the Green Belt of 11 dwellings or more. It also acknowledges central government's recent introduction of 'Vacant Building Credit'.
- Tenure and type of affordable housing – the SPD sets out in more detail the Council's position with regard to what types and tenures of housing will count as 'affordable housing' for the purposes of WLLP policy RS2.
- Specialist housing for the elderly – the SPD provides further clarification on what will constitute 'specialist housing for the elderly' for the purposes of WLLP policy RS1, how this relates to affordable housing provision, and how / to what extent the two requirements may overlap.
- On / off site affordable housing – the SPD provides further clarification to the WLLP policy RS2 provisions with regard to off-site affordable housing. It reiterates that the Borough Council will not accept commuted sum payments in lieu of actual built affordable housing provision.
- Viability considerations – the SPD outlines the Council's position with regard to how the various policy requirements may be varied in certain cases in order to ensure the viability of proposed developments. This ties together

the different references to viability in the WLLP, as well as reflecting national policy and guidance. The SPD also sets out in more detail what would be expected in a viability statement, and how such statements will be assessed.

- The Community Infrastructure Levy – the SPD sets out the criteria that would need to be satisfied if development is to qualify for mandatory relief from CIL charges.

5.3 In accordance with Regulation 12(a) of the Town and Country Planning (Local Planning) (England) Regulations 2012, the Council wrote to a number of statutory consultees and other interested parties during January and February 2015, advising of the Council's intention to prepare an affordable housing SPD, indicating what the SPD would be likely to contain, and asking for views on what topics the SPD should cover.

5.4 A total of 13 representations were received to this consultation, 6 with comments, and 7 advising they had no comments to make at this stage. The following points were made:

- Developments of over 50 units should be accompanied by a transport statement;
- Affordable housing should only be allowed on sites with adequate amenities and facilities;
- The percentage requirements of the Local Plan policy RS2 should be met in full, on-site, and should not be allowed to be offset or avoided;
- Brownfield and non-Green Belt development is preferred to greenfield / Green Belt development;
- Dwellings should be sufficiently large, and should allow front to rear access (e.g. for refuse) without needing to pass through the building;
- 30 dwellings per hectare should be a maximum density in rural areas;
- The SPD must not vary affordable housing percentage requirements from the Local Plan, but should take account of the recent national change to thresholds and the introduction of vacant building credit;
- Extra detail would be welcome on tenure and type of affordable housing, elderly housing, on-off site provision and CIL;
- The proposed section on viability would be welcome;
- The SPD cannot have a policy on space standards; such a policy needs to be in a Local Plan or Development Plan Document that has been subject to public examination and viability testing.

5.5 A summary of the comments received and the Council's response to these comments (including how the issues raised are being addressed, or why they are not being addressed, in the SPD) is provided at Appendix B for Cabinet to take into account as they consider recommendation 2.1 above.

6.0 NEXT STEPS

- 6.1 Should Cabinet endorse the draft SPD for public consultation, the consultation is proposed to take place for six weeks, from Thursday 14 May – Friday 26 June 2015.
- 6.2 Following the consultation period, all comments submitted to the Council will be recorded, acknowledged and considered, and any necessary amendments to the SPD will be made. It is anticipated that the final SPD will be brought to Cabinet seeking authority to adopt in September 2015.

7.0 SUSTAINABILITY IMPLICATIONS / COMMUNITY STRATEGY

- 7.1 The provision of sufficient affordable housing for residents across West Lancashire makes a contribution towards the social aspect of sustainability by providing lower income residents with opportunities to live in the settlement of their choice. If this also provides such residents with easier access to services and employment, it can contribute towards environmental and economic sustainability.
- 7.2 As part of the preparatory work on the Affordable Housing SPD, a screening exercise was carried out by Council officers, to test whether the SPD needed a Sustainability Appraisal (SA). It was concluded that no SA of the SPD is required. This view was backed up by the statutory consultees who were consulted as part of the screening process.
- 7.3 Providing more appropriate and affordable housing to meet the needs of local people is one of the key objectives of the West Lancashire Sustainable Community Strategy 2007-2017.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 8.1 The preparation of the Affordable Housing SPD (and consultation on it) can be resourced through the Planning Service's revenue budgets.
- 8.2 The adoption and implementation of the proposed policies set out in the SPD should result in the provision of additional affordable housing in the Borough. This in turn should lead to the receipt of extra New Homes Bonus funding for the Council.

9.0 RISK ASSESSMENT

- 9.1 Not having an up-to-date affordable housing SPD that clarifies WLLP policies RS1 and RS2, and that reflects changes to national policy introduced since the adoption of the WLLP in October 2013, could lead to developers challenging some of the Council's requirements for affordable housing in new residential developments, possibly leading to a loss in potential contributions towards meeting the Borough's affordable housing needs. The speedy preparation and adoption of this SPD should ensure that the above scenario is avoided.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected Members and / or stakeholders. Therefore an Equality Impact Assessment is required. A formal Equality Impact Assessment is attached as Appendix C to this report, the results of which have been taken into account in the recommendations contained within this report.

Appendices

- A. Draft Affordable Housing SPD
- B. Consultation Statement
- C. Equality Impact Assessment
- D. Minute of Cabinet 17 March 2015 (Planning Committee only)