

TONBRIDGE & MALLING BOROUGH COUNCIL

PLANNING and TRANSPORTATION ADVISORY BOARD

03 June 2008

Joint Report of the Director of Planning Transport and Leisure and the Director of Health and Housing

Part 1- Public

Matters for Recommendation to Cabinet - Council Decision

1 AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT (SPD) RESPONSE TO FORMAL CONSULTATION

Summary

The revised Affordable Housing SPD has now been subject to formal consultation. A number of responses have been received and some further changes to the document are now recommended before it is adopted.

1.1 Introduction

1.1.1 The purpose of the SPD is to amplify the Council's affordable housing policy in Core Policy CP 17 and Rural Exception Site Policy (CP19). Its aim is to provide developers with more detail on what the Council will expect to secure in terms of affordable housing in new residential developments.

1.1.2 In October 2007 a draft of this document was approved for the purposes of initial targeted consultation. The draft document was subject to targeted consultation over a period of 6 weeks starting on 6 November 2007. At its meeting on 25 February the PTAB considered its response to the informal consultation and proposed a number of changes to the document.

1.1.3 The revised SPD was placed on formal deposit under Reg 17 of the LDF Regulations on 14 March 2008 with a statutory 6 week period for comment. It is the purpose of this report to set out the response to that formal consultation and, where appropriate, to recommend changes to the document before it is recommended for adoption by the Council as part of its Policy Framework.

1.2 Response to consultation

1.2.1 At this stage in the process a statutory advertisement was placed in local press and all statutory consultees together with all of those previously notified were informed of the availability of the document and of the Council's responses to the earlier consultation together with the Sustainability Appraisal. Those who had previously commented were sent copies of the revised document and of the

Council's Response to Consultation. In the event 21 responses were received which is more than at the informal draft stage. Of those who had commented previously, most recognised that improvements had been made to the document but they still argued that some further changes were necessary. The representations are summarised under **Annex 1** together with our recommended response.

1.2.2 Most RSLs strongly support the document, one indicating that it is the best of its type they have seen. Consultants, landowners, developers and the Homebuilders Federation were more critical though most recognised that improvements had been made compared to the original draft. In summary, they raised the following main issues:

- There was still some concern about the length and complexity of the document and whether in some places it duplicated the Core Strategy. There were questions about the relative status of the Annexes compared to the main document.
- There was still general concern about impact on development viability particularly in the absence of grant and about the process and criteria to be taken into account. Viability assessments should be confidential with clarification as to who should pay for them.
- There were concerns about the level of service charges and whether it is right and possible to seek to control them in the long term.
- There was still some concern about the detailed wording of the model condition and Section 106 Agreement.
- There was concern expressed about the fact that the same level of car parking provision was specified for both the affordable housing and market housing elements of a scheme.
- It should be made clear that Council generally wishes to give priority to affordable housing over other development contributions
- There was concern that the affordable housing policy had not been based on a Strategic Housing Market Assessment (SHMA) and clarification was sought on how the results of such an assessment would be taken into account.
- There was concern about the requirement to build to Lifetime Homes Standard and to require a proportion of homes to be wheelchair accessible
- There was concern about provision for Key Workers and Student accommodation.

- There was also concern about the requirement to exceed minimum Housing Quality Indicator standards
- Clarification was sought as to what “other arrangements” could be entered into if sufficient grant is not available;
- Some changes to the aims were suggested;
- Specialist Housing should be within and not additional to other forms of affordable housing;
- There was concern about the requirement to mix affordable housing seamlessly with the market housing on a site;
- There was general concern about the extent to which the Council can influence the availability of grant for individual schemes;
- Likewise there was concern about the use of nomination rights and form of land transfer;
- There was general concern about specifying preferred RSL partners and the absence of criteria against which they would be judged;
- The indicative housing mix in Annex C should be interpreted flexibly;
- There should be greater clarification of the “cascade mechanism” and of the Council’s sequential preferences for off-site provision.
- The Council’s whole approach to off-site provision is unacceptable and unreasonable

1.3 Proposed Changes to the SPD

1.3.1 In the light of the response to consultation **Annex 1** identifies a number of places in the SPD where further changes could usefully be made in order to clarify the meaning of the document and respond to some of the suggestions made. Accompanying this agenda Members will find a completely revised draft of the SPD with the main areas of change highlighted in grey. Most of the changes are of a minor nature aimed at clarifying or amplifying certain statements in the SPD, but the most significant changes are as follows:

- In para 1.4.5 it is now clarified that the Council will normally give priority to the provision of affordable housing over other development contributions.
- A new paragraph (3.1.3) has been added to explain the relationship of the SPD with the Strategic Housing Market Assessment (SHMA). The requirement for the preparation of a SHMA was introduced by PPS3 which was published after the Core Strategy was submitted to the Secretary of

State. Fortunately, the Core Strategy was found to be sound without the need for a SHMA. Our neighbours in Tunbridge Wells and Sevenoaks have not yet submitted their Core Strategies and are therefore having to produce a SHMA. They cannot do this alone, because a SHMA needs to be prepared for the entire Housing Market Area which includes Tonbridge and Malling. We have therefore agreed to work in partnership with them to prepare such a study and consultants David Couttie Associates (who were previously responsible for preparing all three Housing and Market Needs Assessments) have been commissioned to take the matter forward. The SHMA should be available by the autumn and we will report on the findings at that time. As it says in para 3.1.3, its conclusions are most unlikely to materially affect the Core Strategy policy or the content of the SPD though some of the Annexes may need to be updated.

- It is made clear in para 3.3.1 that any specialist housing provision (eg for the elderly) lies within, and is not additional to, the affordable housing requirement.
- Throughout the document there are now numerous references to the affordable housing requirements being subject to the viability assessment and to the factors that might affect that assessment.
- Since the whole document is the start point for negotiations its tone has been changed in certain places to reflect the fact that the Council is seeking to achieve certain objectives rather than actually requiring them to be met and that each case will be considered on its merits depending on the circumstances of the site.
- It is made clear throughout the document that the open-book viability assessment would remain confidential.
- In para 7.1.2 it is now made clear that that the Council will expect to receive 100% nomination rights whether a scheme is wholly or only partly funded by public subsidy.
- Para 8.2.5 has been substantially rewritten to reflect the latest policy of the Housing Corporation in relation grant availability and to index linking.
- Para 9.1.3 has been changed in line with PPS3 to make it clear that any payment-in-lieu of on-site provision will have to be broadly equivalent to the value of the total units forfeited.
- In line with the recommendation to Strategic Housing Advisory Board on 19 May 2008, the Guinness Trust has been added to the list of preferred RSL partners in Annex F (subject to Council ratification).

Overall it is considered that these amendments will help the interpretation and usefulness of the document. None of them materially affect the sustainability of

the SPD. It is now considered to be fit for purpose and ready to be recommended for adoption.

1.4 Adoption

1.4.1 The Affordable Housing SPD has been subject to two stages of public consultation and has been revised as a result. It is conformity with the Core Strategy and has been prepared in accordance with the Regulations, including the preparation of a Sustainability Appraisal. It can now be progressed to adoption. It first needs to be considered by Policy Overview Committee on 5 June 2008 which will be invited to recommend to Cabinet on 18 June 2008 and thereafter Council on 8 July that the SPD be adopted as part of the Council's Policy Framework and as a material consideration for development control.

1.5 Legal Implications

1.5.1 The Council is committed to producing an Affordable Housing SPD in the 2007 Local Development Scheme. This SPD will provide guidance on the legal instruments that can be used to secure affordable housing through the planning system.

1.6 Financial and Value for Money Considerations

1.6.1 This SPD will assist in securing the amount and type of affordable housing that is needed in the Borough and represents good value for money in streamlining the process of promoting and pursuing one of the Council's key objectives.

1.7 Risk Assessment

1.7.1 The main risk is that without this SPD what the Council will expect to secure in terms of affordable housing in new residential development cannot be so clearly set out and defined. Consequently, the amount of affordable housing delivered may be less than with this SPD formally in place to supplement the Council's planning policy.

1.7.2 There is an inherent risk the full policy expectation of affordable housing on individual sites will not be achieved due to other planning considerations including viability. The role of the SPD, however, should assist in clarifying the approach to affordable housing so that it can be taken fully into account in the early stages of the development process.

1.8 Policy Considerations

1.8.1 By definition, this document takes forward and amplifies two of the Council's main Core Policies in its adopted Core Strategy.

1.9 Recommendation

1.9.1 That the Affordable Housing SPD, as amended, be recommended to Policy Overview Committee and thereafter to Cabinet and to Council for adoption as part of the Council's Policy Framework and as a material consideration in Development Control.

Background papers:

Responses to consultation
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