

POLICY SCOPING: KEY PRINCIPLES

Policy area

H12 Affordable housing targets /and contributions

Policy approach

Policies in the plan will indicate that:

- Proposals for housing development should provide 40% or more of the total number of dwellings as affordable housing, as defined in policy area H2, on housing sites
 - of 0.5 ha or more and all developments containing 15 dwellings or more in market towns or key centres as defined in the settlement hierarchy
 - on all developments containing 2 or more dwellings in smaller settlements as defined in the settlement hierarchy, subject to the effect of such provision on the financial viability of any scheme
- Contributions should be made in the form of free serviced land. Additional contributions, including capital, may be sought to ensure that at least half of the resultant affordable housing is of social rented tenure.
- Where the 40% or more target would result in less than 1 complete dwelling unit being sought an equivalent capital contribution will be sought for off-site provision.
- Account will be taken of any particular costs associated with the development and whether there are other planning objectives which need to be given priority
- The appropriate mix of housing tenures and sizes of affordable housing within a development will be determined in response to identified needs in the local area and funding priorities at the time of the development

Policy source(s)

PPGs / PPSs / Circulars	PPG3, circular 6/98 and 05/2005,
RPG6 / draft RPG14	RPG6 (policy 10), draft East of England Plan
Structure Plan	P5/4, P9/1
Existing LP policies	AH1, AH2, AH4
Community Strategy	Priority action to promote social inclusion by ensuring everyone has access to a decent home
Best practice guidance	<i>Local Housing Needs Assessment: A Guide to Good Practice</i> (DETR,2000)
Other sources	<i>2002 Housing Needs Survey</i> by Fordham Research for HDC (2003), Consultation papers <i>Planning for Mixed Communities</i> and <i>Planning for Housing Provision</i> ODPM 2005

Reason for policy approach

It has become increasingly difficult for local people on low to modest incomes to gain access to suitable housing. A growing gap between average earnings and housing costs, a limited supply of new affordable properties and the loss of existing social housing through 'right to buy' / 'right to acquire' provisions have all contributed to this problem.

The *2002 Housing Needs Survey* estimated a total requirement for new affordable housing 2003-2007 of 5,065 dwellings. This equates to a need for 1013 new affordable dwellings each year. The Structure Plan states a build rate of only 500 dwellings per year in Huntingdonshire. Even if 100% of new dwellings were affordable this would be insufficient to meet the proven need. The survey recommends that 40% would be justified.

The County Council's Structure Plan states that '40% or more of the new housing in the sub region will be affordable'. The Housing Needs Survey notes that the Council's responsibility as a housing and planning authority operates at the level of the whole district. The Council has to meet need where it

can best do so, it is unrealistic to expect that those parts of the district with greatest numbers of housing allocations will exactly match with the greatest levels of identified need.

Reducing the threshold from a site size of 25 dwellings to 15 dwellings is in accordance with the government's attitude in *Planning for Mixed Communities* and should generate around a further 50 affordable dwellings per year than a threshold of 25 dwellings. Rather than use a 3000 population cut-off figure the preferred approach sets targets based on a settlement's position in the settlement hierarchy as proposed in policy area P2. The reason for this is to ensure that Key Centres (limited growth) with a population in excess of 3000 would still be eligible for affordable housing provision although development is restricted to minor schemes. A threshold of 2 dwellings for sites in smaller settlements is proposed as policy area H1 would only allow for infill development to take place in such settlements. This would typically give rise to 10 affordable homes per year. A higher threshold would result in no affordable housing provision in smaller settlements, other than rural exceptions sites.

The Housing Needs Survey shows that social rented housing is by far the highest need in the district. Following changes in Social Housing Grant legislation (which means it is more difficult to secure) the Council will in future expect contributions to be at a level which ensures that at least 50% of the resultant affordable housing is social rented regardless of the availability of grant. The Council and providers will then seek to secure grant to a level which will deliver 80% social rented and 20% other tenure (such as shared ownership). The contribution is likely to be at least free serviced land. To secure a 50/50 tenure split, additional contributions including capital may be sought.

Alternative approaches

The Cambridgeshire and Peterborough Structure Plan particularly notes a need for provision of affordable housing within the Cambridge sub-region. An alternative approach to the targets for affordable housing provision could acknowledge this and set higher targets within the Cambridge sub-region than the rest of the district. Targets could be set at 40% within the Cambridge sub-region and 30% within the rest of the district of the total number of dwellings on developments containing 15 dwellings or more in settlements with a population over 3,000 and on all developments containing 2 or more dwellings in settlements with a population of 3,000 or less. This would equate to an adjustment to 40% for the Cambridge sub-region in line with the Structure Plan target and virtually a continuation of the current approach elsewhere. This would conflict with the advice given in the *Housing Needs Survey* to respond to the Council's responsibility at a district-wide level in order to meet need where it can best do so. A further variation would be to increase the thresholds to 50% for the Cambridge sub-region and 40% elsewhere. This would bring Huntingdonshire in line with the targets sought in South Cambridgeshire and Cambridge City and have the advantage of promoting a consistent approach throughout the wider area. However, the housing market in Huntingdonshire differs from that in South Cambridgeshire and Cambridge City and this approach would not reflect the variation in house and land prices.