

**CORE POLICIES DPD – AFFORDABLE HOUSING TARGETS
PREFERRED OPTION FOR CONSULTATION
(Report by Head of Planning Services)**

1. INTRODUCTION

- 1.1 This report informs Cabinet of the suggested preferred option for inclusion in the Council's Core Strategy Development Plan Document (DPD). Cabinet is requested to recommend approval of the preferred option as a basis for public consultation.

2. BACKGROUND

- 2.1 The Core Strategy is the first policy document that the Council will produce as part of the new system of plan production. It will set out a spatial 'vision' for the area and criteria-based policies for guiding the development and use of land. It will also provide an over-arching framework for other documents, including a Planning Proposals DPD that will contain site-specific allocations.
- 2.2 All other policy approaches in the Core Strategy were recommended to Council for approval for consultation by Cabinet on 19 May 2005. These were subject to public consultation during July and August and responses to the representations received are currently being considered.

3. REASONS FOR ADDITIONAL CONSULTATION

- 3.1 The Core Strategy: Preferred Options Report included a definition of affordable housing but did not set any targets or thresholds of the scale of development where affordable housing would be sought. The intention was to set targets and thresholds in a separate Planning Obligations Development Plan Document.
- 3.2 Following the publication of Circular 05/2005 on Planning Obligations advice has been given by Go-East that if the Council's targets and thresholds for affordable housing are included in the Core Strategy Development Plan Document then all other planning obligations matters can be included within a Supplement Planning Document rather than a Development Plan Document. The Supplementary Planning Document would involve less onerous statutory procedures and could be produced more quickly and at lower cost.
- 3.3 To incorporate the affordable housing targets and thresholds into the Core Strategy before it is submitted to the Secretary of State (expected in April 2006) it is necessary to conduct public consultation on the Council's preferred option as was done with all other preferred approaches in July/ August. The preferred approach must also be subject to a sustainability assessment and the results of this made

available for public consultation too. It is hoped that consultation can be commenced in December.

4. PREFERRED APPROACH

4.1 The initial consultation with key stakeholders commenced on 19th September and the representations made and the Council's proposed responses to them are set out in a Schedule which is available in the Members' Room.

4.2 The current Housing Needs Survey (2002-2007) confirmed that a 40% target would be justified. Policy P9/1 of the Structure Plan states that '**40% or more** of the new housing in the Cambridge sub region will be affordable'. The level currently stands at 29%.

4.3 The target figure of 40% was put forward for consultation purposes with stakeholders. Consultation responses have raised the possibility that our target should reflect the Structure Plan target of '40% or more'. This approach has been adopted by neighbouring Districts e.g. South Cambridgeshire and Cambridge City who are seeking a target of 50%. Our H12 policy attached has therefore been amended to seek '40% or more' as a target. The Council will undertake further work on housing need and site viability in order to inform a viable target in the final Core Strategy. This work will be completed prior to the submission of the Core Strategy in April 2006.

4.4 Until then the preferred approach for the next stage of the consultation and the reasons for it are set out in appendix 1. This suggests that:

- ◆ Proposals for housing development should provide 40% or more of the total number of dwellings as affordable housing, as defined in preferred approach 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% 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. Alternative levels of affordable housing may be negotiated where the 40% target is shown to make development

unviable or where 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

5. NEXT STEPS

- 5.1 The preferred option will represent the Council's proposals for the content of the Core Strategy DPD. There will be a statutory six-week period for public consultation during December and January. A short piece will be placed in the next edition of District Wide to raise awareness of the forthcoming consultation as well as statutory notices. The results of that consultation will need to be considered by the Council in finalising the Core Strategy that will be submitted to the Secretary of State.

6. RECOMMENDATION

- 6.1 **It is recommended that Cabinet:**

Recommends to Council that the preferred approach for affordable housing targets be approved as a basis for public consultation.

BACKGROUND PAPERS

ODPM, 2004, *Planning Policy Statement 12: Local Development Frameworks*
Report to Cabinet, 19 May 2005, and Minutes, Core policies DPD - *Preferred Options for consultation*

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