

AGENDA ITEM NO.

**COMT
CABINET**

22 NOVEMBER 2007

**DEVELOPER CONTRIBUTIONS TOWARDS AFFORDABLE HOUSING
SUPPLEMENTARY PLANNING DOCUMENT**

(Report by Head of Planning Services)

1 INTRODUCTION

- 1.1 This report outlines the background and content of the draft of a Supplementary Planning Document (SPD) on Developer Contributions Towards Affordable Housing. Cabinet is asked to approve the document for adoption.

2 BACKGROUND

- 2.1 The need for Affordable Housing is recognised as a significant issue both locally and nationally.
- 2.2 A first draft SPD on Developer Contributions Towards Affordable Housing was the subject of public participation from 25th September 2006 to 6th November 2006. The Second Draft incorporated changes in Government policy set out in PPS3 released in December 2006 and a number of changes suggested by those responding to the First Draft SPD. The Second Draft was reported to Cabinet in June 2007 and was the subject of public participation from Friday 15 June to Friday 27 July 2007. The Local Development Scheme contains a target for adopting the SPD in November 2007.
- 2.3 The SPD is subject to a Sustainability Appraisal which will be published alongside the document, together with a statement of the consultation that was undertaken.
- 2.4 Since the closing date for representations there have been some government announcements which necessitate amendments to the SPD.

3 CONTENT OF THE DRAFT SPD AND REPRESENTATIONS

- 3.1 The SPD proposes a number of policies to support negotiations for affordable housing upon development. These policies must be supplementary to policies that already exist in the Development Plan.
- 3.2 The announcements at the end of September 2007 by Go East of the policies saved in the Development Plan beyond 27 September 2007 have necessitated a number of changes. The SPD as drafted was based on Policies AH1, AH2, AH3 and AH4 of the Local Plan Alteration 2002 and Policies 5/4 and 9/1 of the

Cambridgeshire and Peterborough Structure Plan 2003. Of these, only Policy AH4 of the Local Plan Alteration 2002 remains. Objectors raised a concern about whether the requirement for 40% affordable housing in the Cambridge sub-region and 29% elsewhere is in accordance with the Development Plan and the emerging East of England Regional Plan. The text of the SPD has been revised in response to these representations following the change in the saved policies. The text is in Appendix 1 to this report.

- 3.3 Changes are also required to note the government's announcement in October 2007 that they will not be pursuing proposals for a planning gain supplement but instead a statutory planning charge. As there are no representations about this, the change is not in response to any representations but is instead simply updating the text.
- 3.4 The Housing Green Paper of July 2007 and the Housing Corporation's prospectus released in September 2007 for the Affordable Housing programme also need to be mentioned. These amendments will address the concern of some objectors that funding from the Housing Corporation has been limited recently.
- 3.5 Objectors are primarily concerned about the cost of providing affordable housing and the impact that will have on the viability of housing schemes. The SPD notes that viability will be taken into account in development control decisions and that matters will be negotiated in Section 106 agreements.
- 3.6 Objectors are concerned at the proposed split of 70% social rented housing and 30% intermediate housing. The SPD indicates that the split may vary from site to site. The split reflects the high need for social rented housing.
- 3.7 Objectors are also concerned that affordable housing will be sought on all developments in settlements of less than 3,000 population and on all developments of more than 15 houses in larger settlements. These thresholds reflect Policy AH4 of the Local Plan Alteration 2002 in respect of developments in settlements of less than 3,000 population and the more up to date PPS3 2006 which reduces the threshold from 25 houses to 15 houses in larger settlements. The site size of 1ha in the Local Plan Alteration 2002 has also been reduced to 0.5ha to reflect the equivalent of 15 houses at the PPS3 indicative minimum density of 30 houses per hectare.
- 3.8 Objectors consider that the Housing Needs Assessment Update indicates that the need has reduced since 2002. The difference in figures is primarily due to a change in the methodology of the study. There is still a high level of housing need in Huntingdonshire. The total need of 1055 houses per year is 188% of the new build target of 559 houses per year. Further reference to the Strategic Housing Market Assessment is now proposed in the SPD as this is in the process of being undertaken.
- 3.9 A full copy of the representations and officer's recommendations is attached as Appendix 2.

4 NEXT STEPS

- 4.1 The adopted SPD, together with supporting material such as the sustainability appraisal, will be publicised through newspaper advertisements and the Council's web site.

5 RECOMMENDATION

- 5.1 It is recommended that Cabinet:
1. Accepts the Officer's Recommendations on representations set out in Appendix 2.
 2. Approves the text amendments (mostly resulting from changed circumstances) in Appendix 1.
 3. Adopts the 'Developer Contributions Towards Affordable Housing Supplementary Planning Document' as amended in Appendix 3.
 4. Adopts the accompanying Sustainability Appraisal in Appendix 4.
 5. Adopts the accompanying Consultation Statement in Appendix 5.
 6. Delegates authority to the Executive Councillor for Planning Strategy for any minor editing changes of the 'Developer Contributions Towards Affordable Housing' Supplementary Planning Document, Sustainability Appraisal and Consultation Statement.

Appendix 1	Schedule of Text changes
Appendix 2	Recommendations on Representations in Document Order
Appendix 3	Supplementary Planning Document as amended
Appendix 4	Sustainability Appraisal
Appendix 5	Consultation Statement

Background Papers:

Dept for Communities & Local Government, 2006, *Planning Policy Statement 3: Housing*

HDC, 2006, *First Draft SPD Developer Contributions Towards Affordable Housing*

HDC, 2007, *Second Draft SPD Developer Contributions Towards Affordable Housing*

HDC, 2005, *Sustainability Appraisal: Scoping Report*

HDC/Fordham Research, 2002, *Housing Needs Survey*

HDC/Fordham Research, 2006, *Housing Needs Survey Update*

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