



Cabinet

Tuesday, 8 February 2022

Affordable Housing Supplementary Planning Document

Report of the Director – Development and Economic Growth

Cabinet Portfolio Holder for Business and Growth, Councillor A Edyvean

1. Purpose of report

The purpose of the report is to recommend that the revised draft Affordable Housing Supplementary Planning Document (SPD) is adopted. Once adopted as supplementary guidance, it will inform the Council's decisions when determining planning applications that are required to provide affordable housing contributions.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) approves the proposed revisions to the draft Affordable Housing Supplementary Planning Document;
- b) approves the adoption of the draft Affordable Housing Supplementary Planning Document; and
- c) delegates authority to the Director – Development and Economic Growth, in consultation with the Cabinet Portfolio Holder for Business and Growth, to make any necessary final minor textual, graphical, and presentational changes required to the SPD prior to publication.

3. Reasons for Recommendation

If adopted, the Affordable Housing SPD will provide guidance on the application of Local Plan Part 1: Core Strategy Policy 8 and pertinent national policy and guidance within the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG). Its key role is to ensure that the required affordable housing contributions as set out within the Local Plan are delivered and that they contribute to the creation of sustainable communities as required by national policy.

4. Supporting Information

- 4.1. Part 4 of Policy 8 within the adopted Local Plan Part 1: Core Strategy requires new residential developments of five dwellings or more or 0.2 hectares or more

should provide a proportion of affordable housing¹. The proportion of affordable housing should be sought through negotiation on strategic sites and within each housing submarket is as follows:

Strategic (Policies 20 to 25)	Up to 30%
West Bridgford, Rushcliffe Rural, Radcliffe, Gamston, Ruddington and Compton Acres	30%
'Leake', Keyworth and Bingham	20%
Cotgrave	10%

- 4.2. Part 5 of Policy 8 establishes that the overall proportion and mix of affordable housing will be determined by: evidence of housing need, including where appropriate, housing tenure, property type and size; existing tenure mix in the local area; viability; and the availability of subsidy.
- 4.3. Parts 7 and 8 of Policy 8 address the approach to rural affordable housing. Rural exception sites are permitted within or adjacent to rural settlements, require robust evidence of local need, such as a Housing Needs Survey, and should be available to people that have a connection to the settlement and are in housing need.
- 4.4. The Local Plan therefore establishes the affordable housing contributions that a development should make. When applying this Policy there are other policies in the Plan and a wide number of material considerations that will influence the contributions finally agreed and their delivery. These material considerations include national policy within the NPPF and guidance in the PPG that set out approaches to: viability, which may reduce or alter the affordable homes provided; exceptions site, that deliver affordable housing in locations where open market housing would be refused; homes for agricultural and essential workers; and applying the vacant building credit. A critical objective of this SPD is to provide local context to the application of these national policies and guidance.
- 4.5. In addition, the SPD will establish the Council's position regarding financial contributions in lieu of homes being built onsite, consideration of the design and layout that avoid the concentration of homes in particular areas and their separation from occupants of open market homes.
- 4.6. As the delivery of affordable housing is ensured through the use of legal agreements (Section 106 legal agreements), the SPD outlines the obligations that should be agreed, including the affordable housing types and tenures, occupancy and resale restrictions, the completion of an Affordable Housing Scheme prior to development commencing, and the delivery timescales for the affordable homes.

¹ The Borough Council, however, now only seeks affordable housing contributions on sites of 10 dwellings or more or 0.5 hectares or more. This is due to changes in national guidance since the adoption of the Core Strategy in 2014.

- 4.7. A first draft of the SPD was previously presented to the Local Development Framework Group on 17 March 2021, prior to public consultation in accordance with Regulation 12 of the Town and Country Planning Regulations 2012, between 6 August 2021 and 17 September 2021.
- 4.8. The Council received 67 representations from 11 individuals or groups. A summary of these representations and the proposed Council response, including proposed changes where considered appropriate, is included in Appendix 1. Comments submitted addressed a wide range of issues, including: the possible discounts to Discount Market Sales housing; the implications of First Homes (which will be sold at a 30% discount); placing local occupancy restrictions upon affordable homes delivered through S106 legal agreements; the provision of bungalows and their locations; and the spending of commuted sums within areas where the money is generated. All representations received have to be considered against the provisions of national and local planning policy, together with other relevant planning considerations.
- 4.9. The main changes proposed to the draft SPD include:
- Additional explanatory text on Shared Ownership affordable housing;
 - Updating the discounts required for Discount Market Sales housing, using more recent house price data and a salary multiplier of 4 x salary to determine affordability;
 - Further details on First Homes and the approach taken by the Council to their delivery;
 - Additional text on 'pepper potting' to address the distribution of groups of affordable housing within small/medium sites and those above 200 units; and
 - Inclusion of text on Entry-Level Exception Sites, which, according to the NPPF can deliver homes for first time buyers on the edge of villages that are not within the Green Belt.
- 4.10. Following consultation and revision, the draft SPD was presented to the Local Development Group again on 16 December 2021, where, subject to some minor additional amendments, the revisions to the document were supported and it was recommended to Cabinet that the draft SPD is adopted. These additional amendments included: greater emphasis that commuted sums (in lieu of on-site delivery) will only be accepted in exceptional circumstances; recognition that, as of 31 December 2021, First Homes can comprise an element of the affordable housing mix; and emphasis that all affordable housing should be positioned as close as possible to public transport, consistent with the requirement to 'pepper-pot'.
- 4.11. The proposed changes to the SPD are illustrated in Appendix 2. It is proposed that text that is struck through will be deleted from the SPD, whilst text that is underlined will be added to the SPD.

5. Alternative options considered and reasons for rejection

If Cabinet decides not to adopt the draft SPD, Rushcliffe will continue to risk inconsistent interpretation of local and national planning policies and guidance. This inconsistency results from the wide range of considerations that inform discussions on affordable housing contributions, from pre-application advice to on-site delivery and occupation.

6. Risks and Uncertainties

The Greater Nottingham Strategic Plan is being prepared, which will replace the Rushcliffe Core Strategy and Policy 8, using the outcomes of a recently published Housing Needs Assessment. There have also been recent changes to the definition of affordable housing in national policy. Changes to local plan policy requirements and national policy would need consideration when determining compliance with the SPD and would need reflecting in an updated SPD. The SPD does however recognise that whilst the overall quantum and/or mix of housing tenure and type may change as a consequence of the emerging Strategic Plan, the range of material considerations, and Borough-wide priorities and principles are unlikely to change.

7. Implications

7.1. Financial Implications

There are no direct financial implications for the Council arising from this report other than the officer time in preparing the relevant documents and costs associated with any consultation process, which should not be significant. Adoption of the SPD will assist the Council to collect commuted sums, where affordable homes cannot be delivered on-site. These funds can be used to subsidise the delivery of affordable homes elsewhere within the Borough.

7.2. Legal Implications

The SPD supplements policy and ensures more robust decision making through the provision of greater detail and advice on existing policies as set out in the Local Plan. The SPD also supports the provision of clear guidance to applicants at pre-application stage which in turn supports transparent and open decision making.

7.3. Equalities Implications

The SPD assists the interpretation and application of those policies within the Rushcliffe Local Plan that have implications for the delivery of affordable homes. The Local Plan has already been subject to Equalities Impact Assessments and means that the policy basis underpinning the SPD has already been assessed from an equality perspective.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no direct crime and disorder implications arising from matters covered in this report.

8. Link to Corporate Priorities

Quality of Life	The SPD will assist the Council to negotiate optimal outcomes for affordable housing (quality and quantity) to meet the needs of Rushcliffe residents.
Efficient Services	The SPD will assist the Council in providing sound planning advice to stakeholders on affordable housing requirements, reducing the time taken negotiating contributions and reducing inconsistencies in advice and decisions.
Sustainable Growth	If adopted, the SPD will assist the delivery of sustainable communities, which comprise housing for different people within the same development.
The Environment	The SPD requires affordable housing is of equal quality to the open market housing.

9. Recommendation

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- c) delegates authority to the Director – Development and Economic Growth, in consultation with the Cabinet Portfolio Holder for Business and Growth, to make any necessary final minor textual, graphical, and presentational changes required to the SPD prior to publication.

For more information contact:	Richard Mapletoft Planning Policy Manager 0115 914 8457 rmapletoft@rushcliffe.gov.uk
Background papers available for inspection:	Local Plan Part 1: Core Strategy https://www.rushcliffe.gov.uk/media/1rushcliffe/media/documents/pdf/planningandbuilding/planningpolicy/corestrategyexamination/9%20Local%20Plan%20Part%201%20Rushcliffe%20Core%20Strategy.pdf
List of appendices:	Appendix 1: Draft Affordable Housing Supplementary Planning Document – Summary of Consultation Responses

	<p>Appendix 2: Draft Affordable Housing Supplementary Planning Document</p> <p>Appendix 3: Draft Affordable Housing Supplementary Planning Document – Sustainability Appraisal Screening Report</p>
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