

STAGE 1

Matter 5 - Affordable Housing, Housing Mix and Standards

(Main Evidence Base : CD27 / CD25 – SHELAA / CD19 - CD22 / SD03 / EX/05)

Issue

1. The affordable housing policy and requirement (30%) (Policy HC4)

Would the 30% requirement ensure that competitive returns are provided to enable development to come forward?

Should the policy include a criterion that affordable housing be designed as an integral part of residential development?

Response

1. Yes. The affordable housing policy is supported by detailed viability evidence, as set out in Cushman & Wakefield Viability Studies (CD19 and CD21). CD19 clearly concludes that the draft Local Plan policies are broadly compliant with the viability requirements of the NPPF. The modelling undertaken is based on ensuring that there are competitive returns for development.

CD21 established that a 30% affordable housing requirement could generally be supported in all parts of the District; with the potential for higher affordable housing provision in the mid and higher value areas within the District. The updated analysis in CD19 continues to support this.

In response to the Inspectors preliminary questions (Document IN/04 – paragraph 10), the District Council has proposed a modification to amend the third paragraph of the policy to ensure that affordable housing provision is designed as an integral part of developments.

Issue

2. The split between rented and intermediate housing (80/20%)

Is the 80/20% split supported by housing needs evidence?

Does the 80/20% split within Policy HC4 provide choice and flexibility and take into account viability?

Response

2. The needs evidence for the rented and intermediate split is set out in the 2015 HEDNA. Income information has been assessed to estimate the proportion of households who are likely to be able to afford intermediate housing, and the number for whom only social or affordable rented housing will be affordable. The analysis identifies the number of households who can afford 80% or more of market rent levels; households who would potentially be able to afford more than existing social rent levels but could not afford 80% of market rents; and households who can afford no more than existing social rent levels.

Taking the gross numbers for affordable housing need and comparing this against the supply from relets of existing stock, the analysis suggests around 20% of housing could be

	<p>intermediate while 80% would need to be either social or affordable rented (CD28, page 120).</p> <p>The 80%/20% split has also been tested within the viability studies (CD19 and CD21) which confirm that this would typically be achieved in all three of the value zones identified. It identifies that starter homes would have a positive impact in further supporting viability.</p> <p>The wording of Policy HC4 is clear that the policy will be applied flexibly, outlining that “these proportions may be varied in light of individual site circumstances and local considerations with the agreement of the District Council.” This would include taking account of scheme-specific viability issues.</p>
Issue	
3.	<p>Affordable Housing Exception Sites (Policy HC5)</p> <p><i>Are the criteria of Policy HC5 sufficiently flexible to support affordable housing on exception sites, particularly in rural areas? In this respect criteria a), d) and the final paragraph including a) to d) will be discussed.</i></p>
Response	
3.	<p>Affordable Housing is one of the District Councils three corporate priorities as identified in the Corporate Plan to 2019. In support of this the District Council employs the services of a Rural Housing Enabler whose role is to proactively work with communities and developers in order to secure affordable housing across the District including in the Peak District National Park, many of which are on rural exception sites.</p> <p>Rural exception sites are by definition, sites which would not normally be used for housing. They are intended to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connections with the area.</p> <p>Policy HC5 therefore reflects this ‘exception’ by ensuring that the affordable housing needs are met through developments which are of an appropriate size and type to match the identified need in a particular area. In some cases, identified affordable housing needs arise through Parish Housing Needs Surveys across a number of different settlements. In such cases, a single ‘exception site’ affordable housing development may be capable of meeting needs arising from the wider locality and it is the role of the policy to determine whether that need can best be met.</p> <p>In regard criterion d), it is considered that exception site affordable housing still needs to have regard to the principles of sustainable development. The HEDNA Report (CD28 – paragraph 5.16) outlines the distribution of household incomes for the whole of the Derbyshire Dales. This demonstrates that just over a third (34%) of households have an income below £20,000 with a further third in the range £20,000 to £40,000. The types of households that are most likely to be in housing need are identified in Paragraph 23 of the Planning Practice Guidance (ID: 2a-023-20140306) and includes people who are in housing that is too expensive compared to their disposable income.</p> <p>Figure 80 of the HEDNA report (CD28) indicates that households spending 30% of gross income on housing costs generates an estimated level of affordable housing need of 101 households per annum.</p> <p>On the basis of the evidence, it is considered that those households in greatest housing need are likely to have less disposable income to meet the costs of travel either via the</p>

	private car or public transport (where available). The availability of services and facilities is therefore regarded as a relevant consideration. As such it is considered appropriate that affordable housing is provided in those locations where occupiers of such properties can more readily access services and facilities. However, the requirement of criterion (d) does not indicate that there has to be access to a specific level of services and facilities and as such allows for flexibility in the determination of individual proposals.
Issue	
4.	The housing mix (Policy HC11).
	<i>Is the housing mix sought by Policy HC11 too prescriptive? What are the implications for the deliverability of sites?</i>
Response	
4.	<p>Policy HC11 clearly outlines that the mix of housing on development schemes of 10 or more dwellings should respond to local and district housing needs in terms of mix, size and tenure. It clearly articulates the District's needs.</p> <p>The implications of delivery have been assessed in Document CD19 (Page 51).The policy is clear that the mix achieved on individual sites will be informed by the nature of the site, character of the area and evidence of local housing need. The policy is clearly not intended to set a prescribed mix which is applied rigidly to every site.</p> <p>In discussions relating to individual sites, the policy therefore provides a clear starting point for negotiations; there is clearly potential for discussions to take place between the Council and site promoters regarding the appropriate housing mix.</p>
Issue	
5.	Space and Accessibility Standards (Policy HC11)
	<i>Are the space and accessibility standards within Policy HC11 justified as required by the Planning Practice Guidance (PPG)?</i>
Response	
5.	<p>The District Council has proposed modifications to this policy (SD03, Modification 33). In respect of space standards, the Council's Viability Studies (CD19 and CD21) provide evidence of the types of dwellings currently being built in the area. They apply space standards for new development akin to the nationally described space standards. The Council considers that the evidence base thus provides adequate justification for the policy and demonstrates that it will not prejudice viability.</p> <p>In respect of the proposed requirement for new development to meet accessibility standards set out in Building Regulations (Part M4 (2)), the HEDNA (CD28, Pages 141 – 152) provides the evidence regarding need. It points to an increasing population of older persons, of an increase of almost 2,500 persons in the District with mobility problems over the plan period (Figure 106, p146) and of 5,200 persons with a long-term health problem or disability. The proposed policy requirement was tested in the Council's Viability Study (CD19) with the build cost increased by 0.5% to take account of the policy requirement. This did not prejudice viability.</p>

	<p>Table 5.7 indicates the potential impact on the cost of development. The conclusions of the study do not indicate that this policy will have an adverse impact upon the deliverability of sites within the Local Plan.</p>
<p>Issue</p>	
<p>6.</p>	<p>Self-build housing (Policy HC3)</p> <p><i>Does the policy provide sufficient encouragement for self-build housing whilst recognising that it should be applied with flexibility having regard to viability considerations?</i></p>
<p>Response</p>	
<p>6.</p>	<p>The Government has indicated its support for self-build in the Housing White Paper ‘<i>Fixing our Broken Housing Market</i>’ (February 2017).</p> <p>Since April 2016, local authorities have been required to hold a register of people who want to acquire serviced plots of land in their area for self-build and custom housebuilding. In October 2016, the Government brought forward regulations under the provisions of the Self-Build and Custom Housebuilding Act 2015 which requires local authorities to permission sufficient land suitable for self-build housing to meet the demand on their register within three years. In this regard, accompanying planning guidance is currently awaited.</p> <p>The District Council consider that the self-build and custom housebuilding register is an indicator of demand for self-build and custom housebuilding, rather than a direct expression of need. It is clearly intended to provide an opportunity for individuals to register their interest in acquiring serviced plots of land without any requirement to commit to land acquisition.</p> <p>Policy HC3 of the Local Plan acknowledges the role of self-build housing and seeks to provide opportunity for its provision subject to viability considerations. However, the policy does not require developers to provide land as part of the Policy HC2 housing allocations and it is not clear how the District council can require developers to sell land to other potential developers.</p> <p>In bringing forward this Policy the District Council were mindful of the comments made by the Inspector in Paragraph 46 his report on the East Devon Local Plan¹ where he stated that:</p> <p><i>“Policy H2 requires sites of 15 dwellings/0.5ha or more to incorporate a mix of dwelling sizes. As submitted the policy also sought to require developers to make at least 10% of plots available for sale to small builders or for self-build. Making provision for a mix of suppliers of housing will help to meet the District’s needs. However, I don’t see how the planning system can make developers sell land to potential rivals (and at a reasonable price) and MM151 amends the policy to encourage rather than require them to do so.”</i></p> <p>Since the publication of the Derbyshire Dales Local Plan Pre Submission Draft in August 2016, the practicalities of facilitating self-build provision have also been commented upon by the Inspector who considered the Cornwall Local Plan. Paragraph 168 of his report² comments that:</p>

¹ <http://eastdevon.gov.uk/media/1450925/east-devon-report-v1-2.pdf>

² <https://www.cornwall.gov.uk/media/21914730/cornwall-inspectors-report-final-23-september.pdf>

“As submitted, policy 6 Housing Mix is unsound because it does not refer to the full range of types of housing and needs that developments should seek to meet. This has been addressed in MMs 43, 44, 45 and 46. The Council’s published change on this policy (J.1, 46) was too prescriptive in requiring larger developments to provide at least 5% of development as serviced plots for self-build/custom-build. There is not yet the evidence to justify this level of prescription and there must be considerable uncertainty as to whether plots on large new housing estates would be attractive to self-build/custom builders.”

At the present time, there are 32 entries on the District Council’s Self-Build and Custom Housebuilding Register. However, not all entries specify that they would be likely to bring forward self-build housing developments solely within the plan area. On this basis, the District Council considers that there is only limited demand for self-build properties within the plan area and as such, there is insufficient evidence to justify a policy which ‘requires’ a developer to make provision for any self-build properties.

In practice, the implementation of the policy will be influenced by the level of demand and a housebuilders propensity/ability to release land for self-build development. In such circumstances, viability issues will be a key factor for consideration and these will be considered by the District Council at the appropriate point of determination.

In response to the Inspectors preliminary questions (IN/04 paragraph 7) the District Council has proposed a modification to policy HC3.

Policy HC3 is therefore considered to be a positive policy supporting the delivery of self and custom-build housing. It encourages such development on allocated sites within the plan, whilst seeking to recognise site-specific circumstances and viability. The Council expects that in practice most self-build development in the District will take place on smaller sites including windfalls.