

Affordable Housing

Supplementary Planning Document – Consultation Draft

May 2005

Statement of Consultation

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I. INTRODUCTION

I.1 Under the Planning and Compulsory Purchase Act 2004¹ it is a requirement to prepare and publish a Consultation Statement for a range of planning policy documents, including Supplementary Planning Documents (SPDs), to outline any initial consultation undertaken with key stakeholders and other bodies prior to formal public consultation.

I.2 This Consultation Statement describes the involvement of key stakeholders, the community, voluntary organisations and statutory consultees in the preparation of the Affordable Housing SPD.

I.3 This statement details who the authority consulted in connection with the preparation of the SPD and how they were consulted. It presents a summary of the main issues raised in these consultations and explains how these issues have been addressed in the consultation draft version of the SPD.

I.4 There have been three previous consultation events that relate to affordable housing. Details of these consultations are set out in Appendices 1, 2 and 3. The issues raised by these consultations have been taken into account when preparing the Affordable Housing SPD.

- Public consultation on the Issues Paper ‘Towards a Charnwood Local Development Framework’ undertaken in May 2004. Question 12 asked ‘What types of housing do you think are needed, for example affordable housing or sheltered housing for the elderly? Where is this housing needed?’
- Invitations were sent to the Council’s ‘Preferred Partner’ Registered Social Landlords to consider views on the scope and content of an Affordable Housing SPD. Discussions were undertaken in December 2004 with two of these.
- A Charnwood Strategic Partnership Forum Event was held in February 2005 to discuss housing issues to help shape the future direction of the Council’s Housing Strategy.

I.5 The Affordable Housing SPD seeks to:

- Expand upon existing Local Plan policies on affordable housing and clarify the Council’s position;
- Increase the provision of affordable housing by increasing the proportion of affordable housing to be sought through negotiation from 15% to 30%;
- Retaining the site size threshold in line with Government guidance;
- Defining the needs of Charnwood in terms of the tenure preferences for affordable housing;
- Indicating that the mix of affordable housing, in terms of size and type, will depend upon needs identified in that particular location and the nature of the development proposed;
- Promoting a design and layout that is high quality and makes the affordable housing indistinguishable from the market housing;
- Maintain the affordable housing long term through the involvement of a Registered Social Landlord;

¹ Regulation 17(1)(b) of the Town and Country Planning (Local Development) (England) Regulations 2004.

- Use Section 106 Agreements to secure affordable housing on-site.

The Affordable Housing SPD will be used in general for 'windfall' sites where the potential for development was not previously identified in the Local Plan. The Allocations Development Plan Document will identify specific sites for housing in general or to meet specific needs such as affordable housing in rural areas.

We recognise and understand the increasing local concern over the impact of high concentrations of students in parts of Loughborough. The Student Housing Supplementary Planning Document is being prepared to help control the distribution of student accommodation in Loughborough.

Leading in Design SPD is being prepared to encourage, promote and inspire higher design standards in development throughout Charnwood.

1.6 The draft Affordable Housing SPD was considered by Scrutiny Commission on 26th April 2005. The Scrutiny Commission resolved that the Cabinet be informed that the Commission supports the Supplementary Planning Document on Affordable Housing (Consultation Draft), subject to the following changes which it considers to be appropriate:

- (i) the replacement of the words 'expects at least' in the last sentence of the section entitled 'Social Rent' (page 11) with the words 'will seek around' to read 'Although local situations will vary, the Council will seek around 75% of all new affordable housing in the Borough to be for social rented housing';
- (ii) the first sentence of the second paragraph of the section entitled 'Financial Contributions' (page 14) being amended to read 'Financial contributions will be targeted firstly within the local area of the application site. Only in exceptional circumstances will it be spent elsewhere in the Borough, depending on priority housing need'.

1.7 The draft Affordable Housing SPD was considered by Cabinet on 28th April 2005. The Cabinet resolved:

1. that the submitted draft Affordable Housing SPD be endorsed, to enable its publication for consultation;
2. that authority be delegated to the Head of Planning Services, in consultation with the relevant Cabinet Lead Members, to make any minor revisions to the Affordable Housing SPD subsequently identified prior to the start of consultation.

1.8 The SPD is now published for public comment. Representations should be submitted to the Council by 8th July 2005.

Appendix I – Responses to the Issues Paper ‘Towards a Charnwood Local Development Framework’ May 2004

Question 12 asked ‘What types of housing do you think are needed, for example affordable housing or sheltered housing for the elderly? Where is this housing needed?’

In summary, in terms of the types of housing required, and suggested locations, the broad issues that were identified were the need for more affordable dwellings and an increase in the rental sector, in Loughborough and villages. Provide family housing and housing suitable for retired people so that they can remain in their communities, particularly as the trend is an ageing population. There is also concern that there is an imbalance between ‘executive’ dwellings and modest ‘family’ homes in the rural areas, it is expected that the LDF will redress this imbalance. Key worker housing should be considered.

Concerns were raised over impact of students occupying private housing within Loughborough, and the desire to accommodate them within purpose built accommodation.

The need to promote mixed use developments to minimise travel, and to ensure health care and education facilities are catered for was also mentioned.

Better quality housing and residential developments to have a better mix of housing types that is safe, dwellings that can respond to occupiers changing needs (flexibility), and ultimately providing choice and meeting the housing needs of the communities.

In terms of rural housing it is suggested that rural exception sites are proactively sought, and that sites for Social Diversity are allocated to provide affordable housing for local people.

In detail the comments were:

Contributor	Summary of Comments
RN02/3 Association of Charnwood Tenants	Family housing is in short supply. Stop building one bed flats – inflexible even for elderly.
RN03/11 Andrew Granger & Co	Mixed housing possibly including houses and offices.
RN05/1 BFJ Langman	Small houses/flats for retirement in locations for people to remain in the community, particularly Wwanlip/Birstall.
RN15/2 N Simpson	Queniborough needs affordable homes to allow young people to remain in the village.
RN11/10 Anstey Parish Plan Group	Ensure reasonable proportion of low cost homes and social houses provided as part of new development. A better mix of housing types in new developments, competition and increased range.
RN07/1 Mr & Mrs Hyde	50% of housing developments should be low cost housing. Loughborough should have ratios for each type – single, couple, family, student, elderly – and tenure of housing to redress community balance. Mix types not large clusters. Provide elderly/warden controlled flats close to the town centre facilities and on brownfield sites eg. Baxtergate hospital. Loughborough has an increasingly ageing population due to the impact of the University on the town – there is a need to encourage young people on a permanent basis to sustain economic development. Redevelop bars/clubs/pubs for housing. Developers should include healthcare facilities in their plans as part of

Contributor	Summary of Comments
	planning consent.
RN19/12 Mr Porter	Layout another estate like Shelthorpe. Development of Dishley, Maxwell Drive and Old Ashby Roads has been a disaster, poor planning
RN24/11 Thorpe Acre 2000	The statistics show where the needs are. Quality affordable housing is important for young families.
RN34/12 T Birkinshaw	Current trend suggests both types will increasingly be needed.
RN33/5 Mrs Gerrard	There are enough empty homes for the less affluent. All nursing homes that have been shut can be reopened for the elderly.
RN37/8 Woodhouse Parish Council	Consideration should be given to providing affordable housing at reasonable rates to allow the younger residents to remain in Woodhouse and Woodhouse Eaves.
RN45/6 CPRE - Charnwood	Up to date surveys on the need for affordable housing are required so that enough is provided in the District. There should be a general inclusive mix of housing types to meet all needs – young and old, new to market, downsizing and larger households – on all sites not just larger allocations. Must be provision for affordable homes in every village so that there is a balanced mixed community. Avoid creation of large areas of housing with similar characteristics. Plan must enable and encourage planning applications for rural exceptions sites through active search for such sites. Must ensure safe areas for children to play in any new development.
RN53/4 Smith Stuart Reynolds (George Wimpey East Midlands Ltd)	Concerned about the use of term 'affordable' in the sustainable environment section. It is misleading to imply the LDF will only provide homes that are affordable. This does not comply with the usual meaning in the context of housing and development plan policy.
RN53/10 Smith Stuart Reynolds (George Wimpey East Midlands Ltd)	Provide a range of house types and sizes including an element of affordable housing consisting of social and intermediate housing to meet the identified needs of key workers and others.
RN54/8 A Kay	Number of households is increasing but their average size is decreasing. Yet many new residential developments contain a high proportion of larger (4 and 5 bedroom) houses. Planning policies should insist new developments consist mostly smaller houses or flats. A substantial proportion must be affordable, although there is also a need for more luxurious one or two bedroom units for the increasing number of single, financially well-off people.
RN51/2 British Waterways	Consideration should be given to opportunities for houseboats.
RN64/6 Ms Humphreys	Affordable/starting homes. New developments should be flexible to cater for students or starter homes depending on demand, rather than building cluster flats which preclude anything except short term student use.
RN70/5 Government Office for the East Midlands	Third bullet conflicts with Circular 06/98 and proposed change to PPG3 which states 'affordable housing should not normally be sought on sites less than 0.5 hectares or developments less than 15 dwellings'.
RN63/3 Action for a Better Charnwood	Up to date surveys on the need for affordable housing are required so that enough is provided in the District. There should be a general inclusive mix of housing types to meet all needs – young and old, new to market, downsizing and larger households – on all sites not just larger allocations. Must be provision for affordable homes in every village site so that there is a balanced mixed community. Avoid

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	<p>creation of large areas of housing with similar characteristics.</p> <p>Plan must enable and encourage planning applications for rural exceptions sites through active search for such sites.</p>
RN65/1 M Johnstone	<p>Increase supply of housing and reduce house prices by building student accommodation on campus or in town away from residential areas.</p> <p>Help first time buyers, low earners and pensioners by returning to low cost council housing for rent with the option to buy.</p>
RN68/1 Sileby Parish Council	<p>Development must be within Sileby village boundaries and should include centrally located sheltered housing. Sileby has had large amount of development in the past, new development should be located to smaller villages where affordable housing for first time buyers should be made available, as there is no suitable properties for this group.</p> <p>Parking in Loughborough for all people should be charged as that for Borough councillors and officers.</p>
RN78/2 TR Brown	<p>More sheltered housing for elderly not mixed in with other types of housing. More affordable housing in villages to stop young people having to move out.</p>
RN80/2 Stephen Roberts Associates	<p>Land at Brick Kiln Lane, Shepshed is capable of accepting a proportion of affordable housing to accommodate local residents.</p>
RN82/8 Pegasus Planning Group (David Wilson Estates/ Wilson Bowden Devts)	<p>Need for a variety of types of houses in terms of size and tenure. Edge of urban area greenfield sites often the best location to guarantee delivery of affordable housing in appropriate numbers. The requirements for affordable housing are often not met through the re-use of previously developed land in urban areas.</p>
RN85/14 Leicestershire County Council	<p>These sites should be identified through a comprehensive study of local needs. Housing Policy 4 refers to affordable housing. The housing and care needs of the ageing population need to be addressed in the Framework. By 2016, the over 80 year old population is projected to increase by 46%.</p>
RN69/8 Ms Youngs	<p>Terraced houses provide affordable housing, but most are rented to students. Could the University be forced to provide more student accommodation.</p>
RN87/1 Charnwood CVS	<p>Mixed/single/family housing and for young and old. Housing for young families and young people who need to get on the housing ladder – price of property plus buy to let excludes many people.</p>
RN90/2 HBF	<p>Text states Loughborough housing market affected by high demand for student rented accommodation, which has inflated price of terraced housing. It is vital in setting housing requirement that the Council takes account of additional housing needs that are being generated by these higher number of students.</p>
RN97/5 Mr Hill	<p>If trend is towards smaller homes and we have an ageing population, homes for them should be priority. Need to take action on trends.</p>
RN94/15 Countryside Agency	<p>The provision of affordable rural housing could be provided by allocation of Sites for Social Diversity (SDD), to redress socio-economic imbalances within rural communities caused by open market housing. It would comprise of allocations of affordable housing for local people only, where housing needs surveys demonstrate a need. 'Exceptions' policies are common in rural areas but often fail to secure the most suitable or sustainable sites. The Agency has taken legal advice on such a policy and concluded that when framed as to be tenure neutral, based on land use objectives it will withstand legal challenge, and is in line with PPG3. Note that submission includes a suggested policy to be included on this. Would like to highlight the consultation draft of proposed revisions to PPG3 published</p>

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	by ODPM, which has some changes from a rural perspective.
RN98/7 Charnwood & North West Leicestershire Primary Care Trust	Important that the planning of housing developments takes into account access to healthcare and education facilities.
RN98/8 Charnwood & North West Leicestershire Primary Care Trust	Design of houses should consider the needs of the ageing population – providing flexibility to enable people to live longer in their own homes eg. design of staircases, positioning of electrical sockets etc.
RNI08/3 Cllr Edwards	Under-supply of starter homes and with an ageing population need to have a 'homes for life' build strategy. Retirement communities such as in Markfield and Thurcaston, could be considered but in more sustainable locations, middle sized villages seem appropriate.
RNI02/1 A Newtown Linford Parish Councillor (anonymous)	Emphasis on affordable homes, especially in villages. Need a clear strategy to recognise the difficulties and solve the issues. Need to recognise changing profile of population, LDF covers 10-15 years, must accommodate changes. More sheltered accommodation may be necessary. As pointed out in our Village Appraisal 2001.
RNI10/7 Hoton Parish Council	Low cost housing, possibly with housing associations to help first time buyers.
RNI11/1 Mr and Mrs Hill	Extend limits to development on east side of Main Street, Ratcliffe on the Wreake, to allow older village residents to live in smaller properties, thus releasing larger properties for younger families.
RNI12/8 Wymeswold Parish Council	Welcome emphasis of housing which meets the needs of the community. Parish is having a Housing Need Survey conducted which could provide information. Concern that recent developments are unsuitable for local needs as they have all been large homes.
RNI14/12 Ms Edmands	In Burton need sheltered housing and affordable housing
RNI11/2 Mr & Mrs Hill	There is a need for smaller properties for the retired and bungalow and cottage style homes for the farming community. Young people in Ratcliffe and Thrussington find it difficult to find affordable homes. Many retired people want to remain in their village but downsize to a smaller property. Overdevelopment in Syston and Birstall with 900 homes but little is done to accommodate the farming and retired folk.

Appendix 2 – Summary of Discussions with ‘Preferred Partner’ Registered Social Landlords December 2004

East Midlands Housing Association
Nottingham Community Housing Association

RSL Involvement in Planning Gain Negotiations

Involve RSLs as soon as possible.

Consider meeting a small group of ‘developing’ RSLs regularly and nominating a ‘lead’ RSL for each development. CBC can’t prescribe an RSL but can seek to persuade a developer by pointing out that:

- the nominated RSL knows the Council and can expedite negotiations, and
- the Council will only endorse the nominated RSL for Housing Corporation funds or its own Enabling Grant.

This arrangement worked well at Northampton until recently. It encourages early involvement by an RSL and discourages developers from choosing an RSL purely on the basis of the price it is willing to pay for the affordable properties. At present, competitive bidding means that RSL resources are, in effect, used to increase developers’ profits. The benefit of nominating a lead RSL is obvious for RSLs collectively. For the Council, there is likely to be more RSL support in the negotiations but an additional mechanism is necessary to ensure that the RSL resources retained are then invested in the Council’s area.

Halve the number of Preferred Partners. Concentrating on a smaller number of Partners will improve communication and strengthen relationships. The size of CBC’s affordable housing programme is not sufficient to sustain interest from 12 RSLs.

Form of Delivery

Require developers to build the affordable housing (to agreed standards) and to transfer completed units to the RSL. The advantages are –

- economies of scale,
- uniform designs and styles regardless of tenure, and
- a building site controlled by one organisation.

Developers often have standard designs for affordable dwellings; some of these may be to SDS standards although these are unlikely to be offered unless grant is available. The best S106 agreements include a price at which completed dwellings must be offered to the RSL (or, in the case of shared ownership, the percentage of open market value). Agreements which give a smaller number of properties to an RSL for £1 are not favoured because of the complexity involved in identifying, and using, the ‘additional’ surplus which the RSL will make.

Disperse affordable dwellings across a development site in groups. There are practical and legal complications if terraces are split between affordable and market properties. Flats can be particularly difficult. It is impossible to ignore the effect that the perception of affordable housing has on the market values of adjoining properties.

Dwelling Standards

Include a requirement that affordable dwellings should be built to Housing Corporation SDS standards. These include minimum dwelling sizes. Unless grant is available, it is unlikely that SDS standards will be achieved but the inclusion of a requirement can be useful in negotiations.

Beware of including local or unusual standards. Developers have supply chains which produce standard products; anything which disrupts these chains creates great difficulty and major cost implications. There are problems in Northampton and Leicester, for instance, because the Councils have their own disability specifications. Developers often have standard designs for affordable dwellings, sometimes in accordance with SDS standards.

Note that the 'Eco' standard is expensive to satisfy. Similarly, 'Lifetime' home standards are costly because, in creating space for equipment which may be needed in the future, dwellings must be larger and use more land. An alternative may be to request a proportion of affordable dwellings in the form of wheelchair accessible bungalows.

Negotiation

Accept that everything is part of the negotiation. An SPD with plenty of requirements is useful, not because it is likely to deliver them all but because they strengthen the Council's opening position in the negotiation. In the end, Councils must be realistic. If Section 106 requirements reduce the value of a site to that of its existing use, there is no incentive to develop it. A strong Housing Needs Survey is crucial.

Funding Guidelines

Note the financial implications for developers of properties for rent and for shared ownership, especially if there is no grant. The RSL will be able to borrow about £35,000-£37,000 against a 2 bed house and, with its own contribution, will be able to offer the developer about £43,000 to £46,000 for each rented unit. However, with shared ownership, the RSL can pay between 70% and 75% of the open market value; with current values, this gives the developer a receipt of between £85,000 and £95,000 for the same 2 bed house.

Consider giving an 'indicative mix' in the SPD, showing acceptable proportions of the different tenures. This will need to be referenced to the Housing Needs Survey but should also take account of the wish to create sustainable communities. If the affordable target rises from 15% to 30%, a different mix may be required. Many RSL developments now aspire to equal proportions of social rent, shared ownership and outright sale.

Appendix 3 – Local Strategic Partnership, Housing Consultation Day on 11th February 2005

Extract from ‘Who Needs Housing? News’

Results of Consultation on Priorities

Below you will find the results of the “Wall of Democracy” with the number of votes cast for each of the 3 priorities of the 9 Key Themes. Of over 800 votes, a total number of 339 were registered. We shall assume that those of you who didn’t vote were aware of how important all the priorities were and couldn’t bring yourself to differentiate between them, or for some reason, had an alternative need for nine small green stickers. Just to remind you of the rules, everyone had nine green stickers that could be used to vote for the priorities. Delegates were free to share their votes out as they pleased adding as many votes to one theme as they deemed fit.

Community Safety

Physical Environment (designing out crime)	11
Community Development and Engagement	9
Appropriate intervention (police response, support from street wardens, mediation, housing response to complaints)	18
Total for theme	38

Sustainable Communities

Rural issues: balancing needs, affordable housing, retaining village character, integrate new population with existing	32
Student impact on housing market in Loughborough	13
Affordable family homes	24
Total for theme	69

Decent Homes

A logical approach to the programming of work to tenants homes	5
Achieving the Charnwood standard	19
Good quality works that bring about reduced running costs for tenants	11
Total for theme	35

Healthy Homes

Incorporate Health into planning issues	13
Address health inequalities, target specific groups, (e.g. travellers, older people, teenage parents, homeless)	8
Health Checks for neighbourhoods- pilot money from ODPM	4
Total for theme	25

Support and Sustainment

Joint working- sufficient resources, and a model	1
Individually tailored support- recommend specialisms	20
Supported accommodation for different needs	18
Total for theme	39

Affordable Warmth

To use efficient appliances	6
Continue insulation upgrades to homes	7
Good quality maintenance	14
Total for theme	27

Affordable Housing

Increase affordable housing targets on sites to 30%	17
Need for flexibility in provision and a better understanding of sub-area needs	24
Need to make provision for specialist housing	6
Total for theme	47

Homelessness

Need emergency direct access accommodation	22
Joined up working- inter-departmental, common aims, resources	17
Prevention, prevention, prevention	27
Total for theme	66

Balanced Housing Markets

Provision for ageing population	17
Key workers and housing need	7
Council to consider type and size of housing provided locally	29
Total for theme	53

So the top 5 themes are (votes):

1. Sustainable Communities
2. Homelessness
3. Balanced Housing Markets
4. Affordable Housing
5. Support & Sustainment

And the top 5 priorities are (votes):

1. Rural Issues (32)
2. Council to Consider size and type of housing (29)
3. Prevention [of homelessness] (27)
4. Affordable homes (24)
5. Need for flexibility in provision and better understanding of sub-area (24)

Groups and Organisations attending the Charnwood Strategic Partnership Forum event:

All Saints Resident Association	Charnwood Council for Voluntary Service
Anstey Parish Plan Group	Charnwood Shelter Project
Ashby Road Estates Community Association	Community Housing Task Force, ODPM
ASRA Midlands Housing Association	Derwent Living
Association of Charnwood Tenants	Eastern Leicester Primary Care Trust
Blaby District Council	FCH Housing and Care
Charnwood & North West Leicestershire PCT	Geeta Bhawan
Charnwood Borough Council - Change Management	Gorse Covert Community Association
Charnwood Borough Council - Contract & Public Services	Government Office for the East Midlands
Charnwood Borough Council - Councillor Betty Newton	Harborough District Council
Charnwood Borough Council - Councillor Bush	Housing Quality Network
Charnwood Borough Council - Councillor Edwards	Leicester Housing Association
Charnwood Borough Council - Councillor Gay	Leicestershire and Rutland Probation Service
Charnwood Borough Council - Councillor M Jones	Leicestershire County Council - Social Services
Charnwood Borough Council - Councillor Muldoon	Leicestershire Police - Crime Prevention Officer
Charnwood Borough Council - Councillor Rodgers	Leicestershire Supporting People Team
Charnwood Borough Council - Councillor Shepherd	Leics & Rutland Rural Community Council
Charnwood Borough Council - Councillor Slater	Lifeline for the Homeless
Charnwood Borough Council - Councillor Snartt	Longcliffe Road Senior Citizens Club
Charnwood Borough Council - Cultural Services	Loughborough Chamber of Trade
Charnwood Borough Council - Deputy Chief Executive	Loughborough Women's Aid
Charnwood Borough Council - Director of Community Engagement	Mariners Quay Residents Association
Charnwood Borough Council - Environmental Health Services	Mental Health Forum
Charnwood Borough Council - Financial Services	North West Leicestershire District Council
Charnwood Borough Council - Housing Services	Raglan Housing Association
Charnwood Borough Council - Housing Services	Rushcliffe Borough Council
Charnwood Borough Council - Planning Services	Stamford Homes Ltd
Charnwood Borough Council - Property Services	Thrussington Life
	Thrussington Parish Council
	Thurcaston & Cropston Parish Council
	TPAS
	William Davis Ltd
	Wymeswold Parish Council
	Mr Barraclough
	Mr Bentley
	Mr Cunningham
	Mrs Maton