



THE HOME BUILDERS FEDERATION

H Kelly
Affordable Housing Division
Zone 1/A3
Eland House
Bressenden Place
London
SW1E 5DU

8 April 2011

Dear Madam

PPS3: Planning for Housing
Technical change to Annex B, Affordable Housing Definition

Thank you for consulting the Home Builders Federation (HBF) with regard to the proposals for developers to consult with communities prior to submitting certain planning applications. The HBF is the principle representative body of the housebuilding industry in England and Wales and our representations reflect the views of our membership of multinational plc's, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.

In general terms we are supportive of the affordable rent model and thus support the proposal to include it in the definition of affordable housing in PPS3. However, the introduction of this type of flexible product (being "up to" 80% of local market rents) calls into question the requirement for the home to remain at an affordable price in the future or for the subsidy to be recycled as set out in the second bullet point of Annex B. We would, therefore, wish to include reference to the various cascade mechanisms now commonly in place that allow for greater flexibility between tenures in the provision of affordable housing.

Affordable rented housing is described as "rented housing *provided* by registered providers of social housing". The use of the word "provided" could be misinterpreted as being only those dwellings built by such providers, whereas much of the new affordable housing stock is built by private sector developers.

This possible misunderstanding should be clarified in the definition. We suggest the following:

Rented housing owned or managed by local authorities and registered providers, that is provided outside of the national rent regime, but is subject to other rent controls that require it to be offered to eligible households at a rent of up to 80 per cent of local market rents. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency as a condition of the affordable homes programme.

The first sentence address the issue above regarding the confusion over “provided” while the second sentence ensures consistency with the existing provisions of social rented housing by unregulated providers.

I trust that you find the above comments helpful and look forward to the issue of a suitably amended definition of affordable housing in due course.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Andrew Whitaker', with a long horizontal flourish extending to the right.

Andrew Whitaker
HBF Planning Director