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Dear Kerry Trueman,

ARNSIDE & SILVERDALE AONB DPD: INSPECTOR'S MATTERS, ISSUES AND QUESTIONS

Thank you for consulting with the Home Builders Federation on the Arnside and Silverdale Area of Outstanding Natural Beauty Development Plan Document – Inspector's Matters, Issues and Questions.

The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

We would like to submit the following comments on selected questions posed within the Inspector's Matters, Issues and Questions.

Yours sincerely,



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Matter 3 – Housing policy, housing and mixed-use allocations

Issue 3a: AS03 – Housing Provision

Q.17 Is the policy justified in applying the affordable housing requirement to all housing sites and consistent with national policy set out in the Written Ministerial Statement (WMS) of 28 November 2014 and the Planning Practice Guidance (031 Reference ID: 23b-031-20160519) on support for small-scale developers, custom and self-builders? Would the policy be effective in requiring no less than 50% affordable housing from schemes for one housing unit?

Q.18 In regards to the Arnside and Silverdale AONB DPD Viability Assessment (ITV002.1_AONB), do the build costs assumptions fully reflect the design requirements for development in the AONB? Also, is the use of an estate housing cost appropriate given the relatively small scale of the sites under consideration? Has any assumption been made in the viability assessment for provision for accessible and adaptive homes under M4(2) of the Building Regulations?

Q.19 Would Policy AS03 be effective in addressing the need for affordable housing as set out in national policy?

Q.20 Is Policy AS03 sufficiently flexible to allow for a lower level of affordable housing provision than 50% where justified on viability grounds?

Q.21 Given the scale of the housing development proposed in the plan, is it effective to phase the delivery of affordable housing?

1. Policy AS03 requires that proposals for new housing development will be supported where they deliver no less than 50% affordable housing. It goes on to state that only where this is demonstrably unachievable will a lower percentage be acceptable.
2. The Planning Practice Guidance (PPG) (ID: 23b-031) is clear that *'in designated rural areas, local planning authorities may choose to apply a lower threshold of 5-units or less. No affordable housing or tariff-style contributions should then be sought from these developments. In addition, in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10-units in the form of cash payments which are commuted until after completion of units within the development. This applies to rural areas described under section 157(1) of the Housing Act 1985, which includes National Parks and Areas of Outstanding Natural Beauty'*. This is in line with the Written Ministerial Statement (WMS) (Nov 2014), which also stated that for 5 units or less affordable housing contributions should not be sought and that for 6 to 10 units contributions should be sought as cash payments to be commuted until after completion of units.
3. The justification for the policy suggests that the need for all new housing development to provide no less than 50% affordable housing is justified because the AONB is a sensitive landscape protected at national level. However, it is clear from the text of both the PPG and the WMS that designations such as the AONB have already been considered and that this is not sufficient to justify departure.
4. The policy is not clear what would happen in a situation where only one house is proposed, although based on the policy at present, any single property would need to

be developed as an affordable unit, this does not appear to be appropriate. If the policy was amended to reflect the WMS and the PPG this would not be an issue.

5. Whilst the HBF supports the delivery of affordable housing, the delivery of affordable housing must, however, be balanced against economic viability considerations. The HBF consider that the affordable housing requirement proposed is not viable and will hinder the delivery of both market and affordable housing if development cannot occur. The NPPF is clear that the derivation of affordable housing policies must not only take account of need but also viability. Paragraph 173 of the NPPF established the importance of viability testing to ensure that the sites and scale of development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be developed might be threatened. The evidence contained within the Viability Study (October 2016) highlights that the 50% affordable housing requirement is not viable, and that a number of sites are not viable even at the lower 35% level.
6. The HBF accept that the policy includes text to allow for a lower percentage of affordable housing where it is demonstrated it will be unachievable. However, the Council should be mindful that it is unrealistic to negotiate every site on a one by one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. Therefore, site by site negotiations on these sites should occur occasionally rather than routinely.
7. The HBF consider that phasing should not be used to artificially constrain development. If a site is considered appropriate for development, it should be brought forward not restricted by artificial limits. The inclusion of this criteria could inhibit the Council's ability to deliver homes to meet local needs.
8. HBF continue to propose that the policy is modified as follows:
 - *'Proposals for new housing development will be supported where they **contribute to the provision of** ~~deliver no less than 50%~~ affordable housing. ~~Only where this is demonstrably unachievable will a lower percentage be acceptable.'~~*