



ADUR DISTRICT
C O U N C I L

Adur Planning Committee
10 February 2020
Agenda Item no. 7

Ward: All wards outside of South Downs National
Park Authority

Clarification of Adur Affordable Housing Threshold

Report by the Director for the Economy

1.0 Summary

1.1 This report seeks to clarify the threshold for seeking affordable housing for development in the Adur Local Plan area. Although the Adur Local Plan (adopted in 2017) includes such a threshold (11 dwellings), the National Planning Policy Framework published subsequent to this in 2018 has provided a national minimum level at which contributions can be sought (10 dwellings). This report therefore recommends an approach which would see the Adur threshold being slightly revised to fall in line with national policy.

2.0 Background

2.1 To help understand how the adopted Local Plan threshold was arrived at, it is worth setting out a brief summary of the national policy context at the time the plan was developed, and adopted.

2.2 Prior to the adoption of the Adur Local Plan in 2017, draft versions of the document proposed an affordable policy with 'stepped' thresholds - that is, seeking a range of affordable contributions from all developments which included housing. This was phased as follows:

- 1-5 dwellings - a 10% affordable housing contribution
- 6-14 dwellings - a 20% affordable housing contribution
- 15 dwellings or more - a 30% affordable housing contribution would be sought.

- 2.3 This stepped approach aimed to ensure that a disproportionate burden was not placed on smaller developments, and the approach was fully supported by viability work.
- 2.4 Prior to this, in 2014, the Government had published a Written Ministerial Statement (WMS 28th November 2014), which stated that ‘tariff-style’ section 106 contributions should not be sought on sites of 10 dwellings or less. This was designed to incentivise house building, particularly for smaller sites and local builders, and brownfield development. This WMS was subject to several legal challenges and appeals and a High Court judgement clarified that it was still up to the ‘decision maker’ to decide how much weight should be given to the national policy in light of local circumstances, and that there may be cases where an exception would be justified.
- 2.5 Whilst this Council acknowledged that there are many areas of the country with high levels of affordable need, given the high level of affordable housing need in Adur, and the significant contribution smaller sites make to housing delivery in the area, it was considered that evidence existed to justify an exception to the national approach, and therefore to continue to seek contributions from smaller developments (10 or less). Unfortunately the Inspector examining the Adur Local Plan did not consider there were any compelling circumstances or sufficient weight to justify an exception to national policy, and recommended an amendment to the Plan accordingly. The adopted Adur Local Plan 2017 therefore states that affordable housing contributions will be sought from developments of **11 dwellings or more, consistent with the 2014 WMS**. (Policy 21 of the Adur Local Plan 2017).
- 2.6 In July 2018 the Government published an update to their planning policy guidance within the revised National Planning Policy Framework (NPPF). This reaffirmed their view that contributions should not be sought from smaller developments. Paragraph 63 of the NPPF 2018 states:

‘Provision of affordable housing should not be sought for residential developments that are not major developments.’

(Major developments are defined in the Glossary to the NPPF as ‘development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more). In other words, affordable housing cannot be sought from minor development (9 units or less). As such this allows affordable housing to be sought for developments of 10 or more dwellings, and differs from the WMS and adopted Adur Local Plan wording. The NPPF

is, of course, the Government's planning policy guidance, and a material consideration in the assessment of planning applications.

3 Proposals

- 3.1 Given that the national policy context has changed it seems appropriate to clarify how the approach to affordable housing in Adur will operate. Given that high levels of affordable need still exist, that small sites continue to play a valuable role in Adur's housing supply, and that previous viability work supported contributions from developments as small as 1 unit, it is proposed that the contributions threshold set out in the NPPF (10 dwellings or more) will be used as a revised threshold for securing affordable housing contributions, for development management purposes.
- 3.2 This is proposed as an interim measure prior to the review of the Adur Local Plan. Attached at Appendix 1 is a proposed Interim Statement which sets out the suggested approach. (All other elements of Policy 21 would remain the same).
- 3.3 To ensure that there are no adverse impacts on development, where viability constraints can be robustly demonstrated the Council will continue to apply a degree of flexibility against this requirement to ensure that appropriate and sustainable development continues to come forward in Adur.
- 3.4 It should be noted that the NPPF is a statement of policy, rather than legislation; while there is no requirement for the Council to change its approach at this stage it is considered appropriate to take an approach which falls in line with the national position and is supported by local evidence and need.

4.0 Legal

- 4.1 Affordable housing contributions are secured under Section 106 of the Town and Country Planning Act 1990 (as amended) and the Community Infrastructure Levy Regulations 2010 (as amended)

5.0 Financial implications

- 5.1 There are no direct financial implications arising from the proposed change to the Local Plan. Viability matters affecting individual housing proposals will be assessed on a case-by-case basis.

6.0 Recommendation

- 6.1 It is recommended that members of the Planning Committee forward any comments to the Executive Member for Regeneration with regards to the adoption of a revised threshold for affordable housing to be amended to 10 dwellings in line with national policy, as set out in the attached Interim Policy Statement which revises the affordable housing policy threshold.

Local Government Act 1972

Background Papers:

Written Ministerial Statement 28th November 2014.

National Planning Policy Framework July 2018 (and 2019 update)

Adur Local Plan 2017.

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Schedule of Other Matters

1.0 Council Priority

1.1 Platform 2 - Our Social Economy.

2.0 Specific Action Plans

2.1 (A) 2.2: Enabling and increasing the number of affordable and suitable homes in our communities.

(B) The Government seeks to increase the supply of affordable homes of all tenures.

3.0 Sustainability Issues

3.1 No specific issues identified; Policy 21 of the Adur Local Plan 2017 was subject to Sustainability Appraisal as part of the Local Plan process.

4.0 Equality Issues

4.1 No issues identified.

5.0 Community Safety Issues (Section 17)

5.1 No issues identified.

6.0 Human Rights Issues

6.1 No issues identified.

7.0 Reputation

7.1 This proposal will have a positive benefit by securing a higher number of affordable homes.

8.0 Consultations

8.1 Policy 21 of the Adur Local Plan 2017 was subject to several statutory stages of consultation.

9.0 Risk Assessment

9.1 None identified.

10.0 Health & Safety Issues

10.1 None identified.

11.0 Procurement Strategy

11.1 No issues identified.

12.0 Partnership Working

12.1 None identified.

DRAFT ADUR INTERIM AFFORDABLE HOUSING POSITION STATEMENT 2020

Policy 21 of the Adur Local Plan 2017 states that affordable housing contributions will be sought from developments of 11 dwellings or more.

Since adoption of the Local Plan, the Government has published a revised version of the National Planning Policy Framework. Paragraph 63 of the National Planning Policy Framework (NPPF) 2019 states:

‘Provision of affordable housing should not be sought for residential developments that are not major developments.’

Major developments are defined in the Glossary to the NPPF as *‘development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more’*.

National policy therefore allows affordable housing to be sought from developments of 10 or more dwellings. This is a material consideration for development management purposes and it is considered appropriate to review the Council’s position.

As such, from XXDATEXX Adur District Council will use the NPPF threshold of 10 dwellings for seeking affordable housing contributions. The justification for this approach is based on:

- The importance of small sites in contributing to Adur’s housing supply;
- The high levels of need for affordable homes in Adur;
- Previous viability work which supports this approach, together with assessments of viability on a case-by-case basis.

This is an interim position statement that establishes the Council’s approach in advance of a review of Policy 22 of the Adur Local Plan. This interim approach would help to deliver some additional affordable homes in Adur and ensure a consistent approach with national planning policy. It is not considered that this will have an adverse impact on the viability of development in Adur. However, it should be noted that where viability matters can be robustly demonstrated the Council will continue to apply a degree of flexibility against this requirement to ensure that appropriate and sustainable development continues to come forward in Adur.

Date.