Briefing Paper for Members Scrutiny Committee 12th September 2012

# What is housing need?

1. Need for affordable housing in the National Park can be considered through evidence emerging from:
   * + The Local Housing Market Assessment
     + Housing Needs carried out the Rural Housing Enabler
     + Community Appraisals where appropriate
     + The Common Housing Register
2. The National Park Authority relies primarily on the housing register in Pembrokeshire as it is likely that it provides a good indication of the current need for social housing at a community level.
3. The figures below are taken from the Common Housing Register.
4. More detail can be found in the Authority’s affordable housing supplementary planning guidance.[[1]](#footnote-1)

2010 Figures

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Net housing need** | Number of bedrooms | | | | |  |
| Area | 1 | 2 | 3 | 4 | 5 | Totals |
| **Not in National Park** | 866 | 874 | 286 | 58 | 10 | 2094 |
| **Partly in National Park** | 24 | 26 | 16 | 2 | 0 | 68 |
| **In National Park** | 162 | 134 | 63 | 4 | 1 | 364 |
| Totals | 1052 | 1034 | 365 | 64 | 11 | 2526 |

# How are viability assessments done?

1. Affordable housing requirements will add cost to a housing development, though it will be partly recovered either through the sale of completed units, or through rent accrued from tenants. The requirements will also lower the value of land.
2. The viability of housing requirements on allocated sites has been assessed using the 3-Dragons Development Appraisal Toolkit, which allows a reasonable amount to be paid to a landowner for the land, and for developers and contractors to make a profit.
3. However while most allocated sites are on greenfield land, it is recognised that some sites may have constraints or extraordinary costs. We negotiate with developers on the level of affordable housing, where viability is an issue, and will take into account extraordinary costs and existing land values. Where a proposal cannot deliver the level of affordable housing required by the development plan policies a planning application may be refused.
4. Where an applicant advises that the cost of providing affordable housing means that the site will not be viable to develop they will be expected to prove this providing a viability appraisal. The Authority’s supplementary planning guidance[[2]](#footnote-2) sets out the minimum requirements for an appraisal.
5. If the Authority is minded to approve a proposal with lower percentages of affordable housing than set in Policy 45, because of poor market conditions a short-term permission may be granted.

# What is a S1O6?

1. Section 106 (S106) of the Town and Country Planning Act 1990 allows a local planning authority (LPA) to enter into a legally-binding agreement or planning obligation with a landowner in association with the granting of planning permission. The obligation is termed a Section 106 Agreement.
2. These agreements are a way of delivering or addressing matters that are necessary to make a development acceptable in planning terms. They are increasingly used to support the provision of services and infrastructure, such as highways, recreational facilities, education, health and affordable housing. The scope of such agreements is laid out in Circular 13/97. [[3]](#footnote-3)Matters agreed as part of a S106 must be:

* relevant to planning
* necessary to make the proposed development acceptable in planning terms
* directly related to the proposed development
* fairly and reasonably related in scale and kind to the proposed development
* reasonable in all other respects.

1. A planning authority’s approach to securing benefits through the S106 process should be grounded in evidence-based policy. The Authority uses S106 agreements for affordable housing in conjunction with Policy 45[[4]](#footnote-4) of the Local Development Plan and for community facilities in conjunction with Policy 48.[[5]](#footnote-5) Supplementary Planning Guidance has been prepared on both topic areas. A link to the affordable housing guidance has already been provided. This is the link to the planning obligations guidance.[[6]](#footnote-6)

# What is the affordable housing contribution?

1. Policy 45 d) seeks a commuted sum to help with the delivery of affordable housing on housing developments below the threshold of 2 units (i.e. on proposals for single residential units.
2. An affordable housing contribution of £250 per square metre of the proposed dwelling is required.[[7]](#footnote-7) To ease transition it is proposed that the contribution has a phased introduction. From 1st October 2011 the contribution will be £100 per square metre. This will rise to £150 on the 1st October 2012 and from the 1st October 2013 it will be £250. The figure uses Acceptable Cost Guideline figures and will require updating after 2013 as new Acceptable Cost Guideline figures are published. The approach in principle is considered viable and would be comparable with that taken on larger sites.
3. The contribution will be required as a condition of the permission granted and will be required to be provided prior to first occupancy.
4. **Exemptions:** The following exemptions will apply:

* Affordable housing for local people as defined in the supplementary planning guidance
* Replacement dwellings
* Accommodation limited in its occupation by condition or legal agreement, for example as an agricultural worker or managers dwelling or self catering accommodation. [[8]](#footnote-8)

1. If removal of an occupancy condition is sought, and the Authority is minded to allow full residential use, then this will only be approved if it is replaced by an appropriate affordable housing contribution condition.
2. **Spend:** In the first instance spend will be restricted to the local Community Council area and land within adjacent Community Councils which lies within the National Park. Any land in these Community Councils which lies outside the National Park would be excluded.
3. If the money is not spent within 3 years in the local area (as defined in the previous paragraph) the money should be made available to spend on the delivery of affordable housing in the remainder of the Community Council and adjacent Community Council area if outside the National Park. [[9]](#footnote-9) This would acknowledge the fact that there are some split settlements where it would be reasonable to allow spend in the same locality to meet the need. If not spent within 5 years then it should be returned to the applicant. The money will be held by the Housing Authority, as current affordable housing contributions are.

1. <http://www.pembrokeshirecoast.org.uk/Files/Files/dev%20plans/AffordableHousingSpgAdoptedWorkingDraft.pdf> [↑](#footnote-ref-1)
2. <http://www.pembrokeshirecoast.org.uk/Files/Files/dev%20plans/AffordableHousingSpgAdoptedWorkingDraft.pdf> [↑](#footnote-ref-2)
3. <http://wales.gov.uk/topics/planning/policy/circulars/welshofficecirculars/circular1397/;jsessionid=P8vLQGhLHRMQYLFgj6GJTH2Wkn3GGyBbyKpyZvZF4TWZlN8KhwQK!1219044931?lang=en> [↑](#footnote-ref-3)
4. <http://www.pembrokeshirecoast.org.uk/Files/Files/Dev%20Plans/LDPTextEng/LDP4E.pdf#Start> [↑](#footnote-ref-4)
5. <http://www.pembrokeshirecoast.org.uk/Files/Files/Dev%20Plans/LDPTextEng/LDP4F.pdf#ComFac> [↑](#footnote-ref-5)
6. <http://www.pembrokeshirecoast.org.uk/Files/Files/dev%20plans/AdoptedSPG/WebPlanningObligationsFinalJune11E.pdf> [↑](#footnote-ref-6)
7. This is based on the assumption that a charge of £250 per square metre of a reasonably sized market house would be capable of subsidising 30% of the Acceptable Cost Guideline cost of constructing a 2 bedroomed 3 person affordable house. [↑](#footnote-ref-7)
8. Please note that Technical Advice Note 6; Planning for Sustainable Rural Communities, July 2010 provides for an occupancy condition for a rural enterprise dwelling which includes the possibility of it either being occupied by a rural enterprise worker or if there are no such eligible occupiers then to those in need of affordable housing (paragraph 4.13.1). It also advises at paragraph 4.13.5 that where Authorities are minded to remove existing agricultural occupancy conditions then they could be replaced with a rural enterprise condition. Weblink: <http://wales.gov.uk/topics/planning/policy/tans/?lang=en> [↑](#footnote-ref-8)
9. Excluding the main towns of the County, Haverfordwest, Milford Haven, Pembroke/Pembroke Dock, Neyland, Fishguard & Goodwick. [↑](#footnote-ref-9)