



## CABINET

Tuesday, 03 May 2022

<b>Subject</b>	Affordable Housing Supplementary Planning Document
<b>Report of</b>	Councillor David Ritchie, Cabinet Member with responsibility for Planning and Coastal Management
<b>Supporting Officer</b>	Andrea McMillan Principal Planner (Policy and Delivery) <a href="mailto:andrea.mcmillan@eastsuffolk.gov.uk">andrea.mcmillan@eastsuffolk.gov.uk</a> 07766 071710

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	Not applicable
<b>Wards Affected:</b>	All Wards

## Purpose and high-level overview

### **Purpose of Report:**

The purpose of this report is to recommend the adoption of the Affordable Housing Supplementary Planning Document (SPD). The Affordable Housing SPD supports the implementation of policies relating to affordable housing in the East Suffolk Council – Suffolk Coastal Local Plan and East Suffolk Council – Waveney Local Plan. The SPD provides guidance on the implementation of planning policies relating to affordable housing including in relation to types of affordable housing, identifying an appropriate mix of affordable housing, the design of affordable housing, legal agreements and carrying out local housing needs assessments. The Affordable Housing SPD is appended at Appendix A of this report.

### **Options:**

Adopt the Affordable Housing SPD. This will mean the Council has an up-to-date SPD to guide the implementation of the affordable housing planning policies.

An alternative option would be to not adopt the Affordable Housing SPD and continue to implement the planning policies without the additional guidance. However, this would be a missed opportunity to provide further clarification on the requirements of the policies and to ultimately support effective implementation of the relevant Local Plan policies.

### **Recommendation/s:**

1.1 That Cabinet adopts the Affordable Housing Supplementary Planning Document

1.2 That the Head of Planning and Coastal Management, in consultation with the Cabinet Member for Planning and Coastal Management, is authorised to make any presentational or typographical amendments to the Affordable Housing Supplementary Planning Document prior to it being published.

## Corporate Impact Assessment

### **Governance:**

No impact.

### **ESC policies and strategies that directly apply to the proposal:**

The Affordable Housing SPD primarily supports the implementation of policies SCLP5.10 Affordable Housing on Residential Developments and SCLP5.11 Affordable Housing on Exception Sites in the East Suffolk Council – Suffolk Coastal Local Plan (2020) and policies WLP8.2 Affordable Housing and WLP8.6 Affordable Housing in the Countryside in the East Suffolk Council – Waveney Local Plan (2019).

### **Environmental:**

The Affordable Housing SPD supports the implementation of planning policies relating to affordable housing. In relation to design, the Affordable Housing SPD includes reference

to sustainable construction, however appropriately defers largely to the Council's Sustainable Construction SPD on this topic. The Affordable Housing SPD also contains guidance on consideration of landscape impacts of affordable housing developments. A Strategic Environmental Assessment Screening Opinion (Appendix C) was undertaken and concluded that a full Strategic Environmental Assessment would not be necessary. A Habitats Regulations Assessment Screening Statement (Appendix D) was also undertaken and concluded that the Affordable Housing SPD will not lead to likely significant effects on protected Habitat sites.

**Equalities and Diversity:**

An Equality Impact Assessment Screening Opinion was produced in October 2021 to accompany consultation on the Draft Affordable Housing SPD (Appendix E). The SPD has also been subject to separate Equality Impact Analysis as part of the production of this report (ref: EQIA413334260) in April 2022. Both assessments concluded no differential negative impacts on those with protected characteristics.

**Financial:**

The production and adoption of the Affordable Housing SPD is covered by the existing budget of the Planning Policy and Delivery Team.

**Human Resources:**

No impact.

**ICT:**

No impact.

**Legal:**

The Affordable Housing SPD has been produced in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).

The Affordable Housing SPD has been subject to a Strategic Environmental Assessment Screening Opinion in accordance with the Environmental Assessment of Plans and Programmes Regulations 2004 (Appendix C). It has also been subject to a Habitats Regulation Assessment Screening Statement, in accordance with the Conservation of Habitats and Species Regulations 2017 (as amended) (Appendix D). An Equality Impact Assessment Screening opinion was produced to meet the requirements of the Equality Act 2010 (Appendix E).

**Risk:**

There are no risks envisaged in relation to the implementation of the recommendations.

**External Consultees:**

The Affordable Housing SPD has been subject to consultation during its preparation in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).  
The list of consultees, respondents, summaries of their comments and how these have been responded to can be found in the Consultation Statement which is appended to this report (Appendix B).

## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
<b>XXX</b>	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>How does this proposal support the priorities selected?</b></p> <p>The Affordable Housing SPD supports the delivery of Strategic Plan priority P08 by providing guidance to support the implementation of the affordable housing policies contained in the Local Plans, which will in turn help to address housing needs. The Affordable Housing SPD includes guidance on community led housing, which supports priority P07 and as a whole contributes to P01 by supporting the delivery of the housing strategies and policies of the Local Plans.</p>			

## Background and Justification for Recommendation

1	Background facts
1.1	<p>The Council has two adopted Local Plans: the East Suffolk Council – Waveney Local Plan (March 2019) and the East Suffolk Council – Suffolk Coastal Local Plan (September 2020). These Local Plans both contain policies relating to affordable housing, namely SCLP5.10 Affordable Housing on Residential Developments and SCLP5.11 Affordable Housing on Exception Sites in the Suffolk Coastal Local Plan and policies WLP8.2 Affordable Housing and WLP8.6 Affordable Housing in the Countryside in the Waveney Local Plan.</p>
1.2	<p>The Council has two current adopted guidance documents:</p> <ul style="list-style-type: none"> <li>• Supplementary Planning Guidance 2: Affordable Housing (July 2004) (this applies to the former Suffolk Coastal area;</li> <li>• Affordable Housing Supplementary Planning Document (May 2012) (this applies to the former Waveney local planning authority area).</li> </ul> <p>These are considered to be out of date in places in relation to adopted Local Plan policies and current Government policy contained within the National Planning Policy Framework (NPPF) and associated national Planning Practice Guidance. Since the production of these documents the Government also introduced the Vacant Buildings Credit, via revisions to Planning Practice Guidance, and the Council currently publishes its advice in a separate Vacant Building Credit Advice Note.</p>
1.3	<p>In May 2021, the Government issued new Planning Practice Guidance on a new tenure of affordable housing, First Homes. The Council published a First Homes Position Statement in June 2021 (and updated this in February 2022) setting out that it intended to provide guidance on implementation of the First Homes policy as part of its emerging Affordable Housing Supplementary Planning Document.</p>
1.4	<p>The Affordable Housing SPD (Appendix A) provides guidance on a range of topics including in relation to types of affordable housing, identifying an appropriate mix of affordable housing, the design of affordable housing, legal agreements and carrying out local housing needs assessments. The SPD also incorporates model Heads of Terms and Template Clauses for legal agreements relating to affordable housing. Guidance on First Homes and the Vacant Buildings Credit is included in the Affordable Housing SPD.</p>
1.5	<p>The Affordable Housing SPD does not create new policies but rather seeks to provide guidance that will help with the implementation of relevant policies in the Suffolk Coastal and Waveney Local Plans.</p>
1.6	<p>The Affordable Housing SPD has been prepared in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).</p>
1.7	<p>The preparation of the Affordable Housing SPD has been undertaken through an officer steering group, and preparation has involved officers from Planning Policy and Delivery, Housing, Development Management, Section 106 officers and Legal Services. The preparation of the Affordable Housing SPD has been overseen by the Local Plan Working Group.</p>
1.8	<p>The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) require the Council to undertake consultation to inform the production of the SPD and, as a minimum, requires that the draft document is published for four weeks and that during that time it is available on the Council’s website and</p>

	<p>that hard copies are available for inspection in the Council offices. The latter requirement was temporarily removed until 31<sup>st</sup> December 2021 (through amending legislation related to the Covid-19 pandemic) however the Council still provided that service as far as was reasonably possible. The Council's adopted Statement of Community Involvement (April 2021) also sets out further measures and actions that the Council will undertake when consulting on a draft SPD including publicising via social media sites and making copies of documents available in libraries.</p>
1.9	<p>The Affordable Housing SPD was subject to two rounds of consultation during its preparation, the details of which are contained in the Consultation Statement (Appendix B). The first was an initial consultation to inform the scope and content of the SPD. The initial consultation was carried out between 9<sup>th</sup> November and 21<sup>st</sup> December 2020. In total 22 individuals and organisations responded to the consultation. Between them they made 194 comments. Virtual roundtable sessions were also held to inform the preparation of the Model Heads of Terms and Template Clauses. The responses received to the initial stage of consultation were used to inform preparation of a draft document which was subsequently subject to a public consultation. Summaries of the consultation responses, and how they were addressed in drafting the SPD, are contained in the Consultation Statement (Appendix B).</p>
1.10	<p>The Draft Affordable Housing SPD consultation ran from 1<sup>st</sup> November until 13<sup>th</sup> December 2021. The consultation was advertised on the Council's website, as well as on social media. 4,069 emails and 583 letters were sent out at the start of the consultation to the consultees on the planning policy mailing list which includes town and parish councils, individuals and organisations, including those who were previously contacted or responded to the informal stage of the consultation. In total 27 individuals and organisations responded to the consultation. Between them they made 111 comments.</p>
1.11	<p>The main themes of the comments received are summarised below; however, some of the comments covered very specific matters and it is not possible to summarise all of them here in a succinct manner. The full consultation responses have been published on the Council's consultation website (see - <a href="https://eastsuffolk.inconsult.uk/ESAFFHSGDRAFT/listResponses">https://eastsuffolk.inconsult.uk/ESAFFHSGDRAFT/listResponses</a>) and are all summarised in the Consultation Statement (Appendix B).</p>
1.12	<p>The main issues raised through the consultation on the Draft Affordable Housing SPD were:</p> <p>General comments / Ch 1. Introduction</p> <ul style="list-style-type: none"> <li>• Overall support from some respondents;</li> <li>• The SPD should recognise that the Broads Local Plan defers to the Waveney Local Plan affordable housing policies;</li> <li>• The SPD could include more contextual information including on the types of development that come forward and the housing enabling function;</li> <li>• Service Family Accommodation should be included as a form of affordable housing;</li> <li>• The SPD should facilitate affordable housing delivery rather than hinder it.</li> </ul> <p>Ch 2. Types of affordable housing</p> <ul style="list-style-type: none"> <li>• Discounted sale housing is not affordable where house prices are high;</li> <li>• Affordable self build is impractical / further detail on mechanisms for affordable self build should be included;</li> </ul>

- Affordable housing for key health workers should be considered.

#### Ch 3. Mix of affordable housing

- There should be flexibility on tenure;
- Both support and objection to the approach to applying the requirement for 25% First Homes in place of discounted market housing;
- Varying views on provision of affordable housing on specialist housing developments, including that it is best provided off-site and that the SPD should be clear on requirements for affordable housing on residential care developments;
- Provision of accessible and adaptable dwellings should be focused on affordable housing.

#### Ch 4. Section 106 agreements

- There should be more flexibility in relation to when information must be provided and the point in a development when triggers associated with delivering affordable housing will apply;
- S106 agreements must be rigorously enforced.

#### Ch 5. Financial contributions

- Issues raised over the use of open market plot values to calculate commuted sums, including that current values are too high.

#### Ch 6. Exception sites

- Entry level and First Homes exception sites should reflect district, rather than local, needs;
- Consider developing exception sites for key health workers;
- Greater recognition could be made of Registered Providers delivering exception sites.

#### Ch 7. Design

- Support for tenure-blind design;
- Design guidance should be focused on Registered Providers' requirements;
- Concern over maximum affordable housing 'cluster' size being set at ten dwellings;
- Concern over preference for mixed-tenure apartment blocks;
- Consideration should be given to affordable housing with shared facilities;
- The SPD could promote sustainable construction methods.

#### Ch 8. Local Housing Needs Assessments

- Assessments of housing need should take account of the cost of private rents;
- The roles of Parish Councils, the Housing Enabling functions and Registered Providers should be laid out.

#### Ch 12. Making a Planning Application

- The size and mix of affordable housing should not need to be submitted at outline stage

#### Appendix 1 – Affordable Housing Needs by Tenure (SHMA)

- There should be more interpretation of the information.

#### Appendix 2 – Section 106 Model Heads of Terms and Template Clauses

- Respondents suggested that there should be more flexibility, for example in relation to triggers for contracts with a Registered Provider and for delivery.

1.13

Changes have been made to address many of the comments received, where appropriate, including:

- Reference made to the Broads Local Plan policies which defer to the Waveney Local Plan, and the guidance in the SPD may therefore be relevant to the Broads in Chapter 1 and Chapter 5;
- Further information on the Council's role in developing and facilitating affordable housing in Chapter 1;
- Addition of reference to Service Family Accommodation in the context of affordable housing in Chapter 2;
- Additional information on Cohousing in Chapter 2;
- Addition of reference to other site specific considerations that may inform the mix of affordable housing in Chapter 3;
- Amendments explaining the approach to application of the Government's First Homes policy, in Chapter 3;
- Amending the guidance on accessible and adaptable dwellings, as required under Local Plan policies SCLP5.8 and WLP8.31, to focus further on affordable housing, in Chapter 3 and Chapter 7;
- Further clarity on the information expected at outline planning stage in Chapter 4;
- Amendments to reflect national policy on First Homes exceptions sites in Chapter 4, Chapter 6 and Appendix 2;
- Further explanation of the methodology for calculating financial contributions in Chapter 5;
- Additional text to recognise that the procedural guidance for bringing forward exception sites may not apply for every situation, and is recommended in Chapter 6;
- Amendments to guidance on mixed tenure apartment blocks to acknowledge operational complexities associated with these in Chapter 7;
- Additional text to explain the rationale for seeking to limit the size of 'clusters' of affordable housing on any one site;
- Additional text acknowledging the benefits of sustainable construction in Chapter 7;
- Amendments in relation to provision of details, including details of Registered Providers, in Appendix 2;
- Minor changes for correction or clarity.

Full details of how comments have been responded to are contained in the Consultation Statement (Appendix B).

The Government published Template Clauses for legal agreements relating to First Homes in December 2021 after the close of the consultation. This was anticipated, and the Draft Affordable Housing SPD had set out that the Council would consider using these once they were published. Where appropriate, the Government's Template Clauses have therefore been incorporated into the Model Heads of Terms and Template Clauses in Appendix 2 of the SPD.

In addition, further changes have been made to address typographical and grammatical errors and to provide clarity on certain elements of guidance.

1.14	Under the Environmental Assessment of Plans and Programmes Regulations 2004 screening was carried out on the draft Affordable Housing SPD to determine whether a full Strategic Environmental Assessment would be required. The screening concluded that this was not required. The final Strategic Environmental Assessment Screening Opinion is appended to this report (Appendix C).
1.15	Habitat Regulations Assessment screening was also undertaken which concluded that implementation of the Affordable Housing SPD would not lead to likely significant effects on protected Habitat sites and that it is therefore not considered necessary to undertake an Appropriate Assessment. The final Habitat Regulations Assessment Screening Statement is appended to this report (Appendix D).

## 2 Current position

2.1	<p>Adopted planning policy on affordable housing is set out in the Council's two Local Plans. The two adopted local plans are the East Suffolk Council – Suffolk Coastal Local Plan (September 2020) and the East Suffolk Council – Waveney Local Plan (March 2019).</p> <p>Guidance is also currently provided in:</p> <ul style="list-style-type: none"> <li>• Supplementary Planning Guidance 2: Affordable Housing (July 2004) (this applies to the former Suffolk Coastal area);</li> <li>• Affordable Housing Supplementary Planning Document (May 2012) (this applies to the former Waveney local planning authority area).</li> </ul> <p>These guidance documents are considered to be out of date in places in relation to adopted Local Plan policies and current Government policy contained within the National Planning Policy Framework (NPPF) and associated government guidance. These documents also refer to planning policies that are no longer in place.</p> <p>The Council has also separately published a Vacant Building Credit Advice Note and a First Homes Position Statement.</p>
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## 3 How to address current situation

3.1	The Affordable Housing SPD (Appendix A) contains comprehensive planning guidance on affordable housing issues within a single document. It has been prepared to support the implementation of policies contained in the adopted Local Plans, as well as being consistent with Government policy, principally that contained within the National Planning Policy Framework as well as associated national Planning Practice Guidance. The production of the Affordable Housing SPD enables guidance on First Homes and Vacant Building Credit to also be incorporated into the SPD as appropriate.
3.2	On adoption the Affordable Housing SPD will be a material consideration in the determination of planning applications.
3.3	<p>Once adopted, the Affordable Housing SPD will replace the following adopted SPD/SPG:</p> <ul style="list-style-type: none"> <li>• Supplementary Planning Guidance 2: Affordable Housing (July 2004) (this applies to the former Suffolk Coastal area);</li> </ul>

	<ul style="list-style-type: none"> <li>Affordable Housing Supplementary Planning Document (May 2012) (this applies to the former Waveney local planning authority area).</li> </ul>
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#### 4 Reason/s for recommendation

4.1	Adoption of the Affordable Housing SPD will provide up to date guidance to assist with the implementation of the Council's Local Plan policies which relate to affordable housing.
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## Appendices

Appendices:	
<b>Appendix A</b>	Affordable Housing Supplementary Planning Document
<b>Appendix B</b>	Consultation Statement (April 2022)
<b>Appendix C</b>	Strategic Environmental Assessment Screening Opinion (October 2021, updated April 2022) (produced to accompany consultation on Draft SPD, and updated in April 2022)
<b>Appendix D</b>	Habitat Regulations Assessment Screening Statement (October 2021) (produced to accompany consultation on Draft SPD)
<b>Appendix E</b>	Equality Impact Assessment Screening Opinion (October 2021) (produced to accompany consultation on Draft SPD)

Background reference papers:		
Date	Type	Available From
March 2019	East Suffolk Council- Waveney Local Plan	<a href="https://www.eastsuffolk.gov.uk/planning/planning-policy-and-local-plans/local-plans/">https://www.eastsuffolk.gov.uk/planning/planning-policy-and-local-plans/local-plans/</a>
September 2020	East Suffolk Council- Suffolk Coastal Local Plan	<a href="https://www.eastsuffolk.gov.uk/planning/planning-policy-and-local-plans/local-plans/">https://www.eastsuffolk.gov.uk/planning/planning-policy-and-local-plans/local-plans/</a>
June 2021 (Updated February 2022)	First Homes Position Statement	<a href="#">First-Homes-Position-Statement.pdf (eastsuffolk.gov.uk)</a>
September 2018	Vacant Building Credit – Advice Note	<a href="#">Vacant-Building-Credit-advice-note.pdf (eastsuffolk.gov.uk)</a>
April 2021	Statement of Community Involvement	<a href="#">Statement-of-Community-Involvement.pdf (eastsuffolk.gov.uk)</a>