

**Maidstone Draft Affordable and Local Needs Housing  
Supplementary Planning Document**

<b>Final Decision-Maker</b>	Strategic Planning and Infrastructure Committee
<b>Lead Head of Service</b>	Rob Jarman, Head of Planning and Development
<b>Lead Officer and Report Author</b>	Mark Egerton, Strategic Planning Manager. Andrew Connors, Housing Delivery Manager
<b>Classification</b>	Public
<b>Wards affected</b>	All

**Executive Summary**

This report introduces the draft Affordable and Local Needs Housing Supplementary Planning Document (SPD), which has been produced to provide further detail to the policies in the adopted Maidstone Local Plan (October 2017). The SPD is appended to this report and has various purposes, including to facilitate negotiations and provide certainty for landowners, lenders, housebuilders and Registered Providers regarding the council's expectations for affordable and local needs housing provision in specific development schemes. This includes guidance on the range of approaches, standards and mechanisms required to deliver a range of housing to meet identified needs. As such, the SPD is intended to facilitate delivery of truly affordable homes in the borough. The report seeks authority from this committee to undertake a 6-week public consultation on the SPD, which will be accompanied by a consultation statement.

**Purpose of Report**

Decision

**This report makes the following recommendations to this Committee:**

That:

1. The draft Affordable and Local Needs Housing Supplementary Planning Document and accompanying consultation statement be agreed for public consultation.
2. Delegated authority be granted to the Head of Planning and Development to finalise the document for publication.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Strategic Planning and Infrastructure Committee	10 <sup>th</sup> September 2019

# Report title here

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<p><b>Impact on Corporate Priorities</b></p>	<p>The four Strategic Plan priorities are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> </ul> <p>Accepting the recommendations will particularly improve the Council’s ability to achieve the ‘Embracing Growth and Enabling Infrastructure’ and ‘Homes and Communities’ priorities, including by helping meet the need for these types of housing and helping reduce pressure on temporary accommodation.</p>	<p>Rob Jarman (Head of Planning and Development)</p>
<p><b>Cross Cutting Objectives</b></p>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> <li>• Heritage is Respected</li> <li>• Health Inequalities are Addressed and Reduced</li> <li>• Deprivation is Reduced and Social Mobility is Improved</li> <li>• Biodiversity and Environmental Sustainability is respected</li> </ul> <p>The report recommendations support the achievement of the ‘deprivation is reduced and social mobility is improved’ cross cutting objective by improving the provision of affordable and local needs housing in the borough.</p>	<p>Rob Jarman (Head of Planning and Development)</p>
<p><b>Risk Management</b></p>	<p>Already covered in the risk section.</p>	<p>Rob Jarman (Head of Planning and Development)</p>

<b>Financial</b>	The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation.	Chris Hartgrove, Interim Head of Finance (Deputy Section 151 Officer)
<b>Staffing</b>	We will deliver the recommendations with our current staffing.	Rob Jarman (Head of Planning and Development)
<b>Legal</b>	Suggestions in the draft SPD relating to amending s106 agreements and how they secure Affordable Housing are noted. Mid Kent Legal Services are already working in consultation with the Housing Team to address a number of issues raised by RP's about how their financing is affected by certain terms in the agreements. It is requested that any further recommendations from the SPD be discussed with MKLS before being finalised.	Cheryl Parks Mid Kent Legal Services (Planning)
<b>Privacy and Data Protection</b>	Accepting the recommendations will increase the volume of data held by the Council. We will hold that data in line with our retention schedules.	Anna Collier Policy and Information Manager
<b>Equalities</b>	We recognise the recommendations may have varying impacts on different communities within Maidstone. Therefore, we have completed a separate equalities impact assessment.	Anna Collier Policy & Information Manager
<b>Public Health</b>	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Paul Clarke Senior Public Health Officer
<b>Crime and Disorder</b>	No significant impact anticipated.	Rob Jarman (Head of Planning and Development)
<b>Procurement</b>	No implications from the recommendations are anticipated.	Rob Jarman (Head of Planning and Development) & Chris Hartgrove, Interim Head of Finance (Deputy Section 151 Officer)

## **2. INTRODUCTION AND BACKGROUND**

- 2.1 Maidstone's Local Plan was adopted in October 2017. Strategic policies SP19 (Housing Mix) and SP20 (Affordable Housing) refer to the production of an Affordable and Local Needs Housing Supplementary Planning Document (A&LNH SPD) to expand on how the proposals contained in these policies will be implemented.
- 2.2 Following a procurement exercise, Adams Integra was appointed to take forward the A&LNH SPD and undertake pre-consultation engagement with key stakeholders as the document was produced. These stakeholders were Registered Providers (Housing Associations) and representatives from the housebuilding industry.
- 2.3 Once this exercise had been completed, a Member working group took place. This was particularly targeted at Strategic Planning, Sustainability and Infrastructure Committee, and Communities, Housing and Environment Committee Members, but was open to all Members to attend. Information obtained from this working group has also informed the draft A&LNH SPD.
- 2.4 Supplementary Planning Documents are subject to a period of statutory public consultation, prior to their adoption. The A&LNH SPD has now reached this stage of production and a consultation period of 6 weeks is proposed. There is also a requirement to publish a consultation statement alongside the SPD that sets out the pre-consultation engagement that took place during drafting, the issues raised and how they have been addressed.
- 2.5 The A&LNH SPD is provided as Appendix 1 and the consultation statement is provided as Appendix 2.

### **Content of the A&LNH SPD**

- 2.6 The SPD has various purposes, including to facilitate negotiations and provide certainty for landowners, lenders, housebuilders and Registered Providers regarding the council's expectations for affordable and local needs housing provision in specific development schemes. This includes guidance on the range of approaches, standards and mechanisms required to deliver a range of housing to meet identified needs. As such, the SPD is intended to facilitate delivery of truly affordable homes in the borough.
- 2.7 There are a number of key matters that the SPD considers, and these are set out below.
- 2.8 Chapters 1 and 2 set out the local and national planning context. The SPD notes that one of the key issues the Borough is facing is meeting housing needs by delivering affordable housing, local needs housing and accommodation for the elderly and to meet rural housing needs. It notes that the borough is failing to meet the levels of affordable housing set out in the published Strategic Housing Market Assessment.

- 2.9 In respect of the national context, the SPD notes that production of SPD has to meet legislative and guidance requirements. It also sets out the use of and requirements associated with planning obligations as the primary method of delivering affordable housing through private development schemes.
- 2.10 Chapter 3 looks at the definition of affordable housing, as well as the various types of affordable housing. This is followed in Chapters 4 to 7 that consider the evidence of need for affordable housing; required mix of units and when affordable housing is required.
- 2.11 The need for social housing is obvious and reflected nationally. The SPD notes that across the Borough as a whole, it is estimated that some 67% of need is for social or affordable rent tenures, whilst around 33% is for intermediate housing. Smaller (one and two bedroom) dwellings account for between 60% and 70% of the need with larger (three bedroom and above) dwellings accounting for between 30% and 40%. At the same time, the Maidstone Strategic Housing Market Assessment showed that over a quarter of households have an income below £20,000 with a further third in the income range of £20,000 - £30,000.
- 2.12 Chapter 6 sets out the requirements for the mix of housing and types of affordable housing, including dwelling sizes. This includes when the provision of affordable housing is required in extra care housing schemes.
- 2.13 Chapter 7 refers to policy requirements for affordable housing and provides further detail around the government's vacant building credit, the Community Infrastructure Levy and Rural Exception Site requirements.
- 2.14 Chapter 8 deals with affordability of rented and intermediate units. It makes it clear that social rent represents the largest need in the borough and the provision of social rent is the preferred option of the Council as it is the tenure that deals most effectively with affordability issues.
- 2.15 Chapter 8 also goes further to say that social rent will be the assumed tenure for rented units and that the Council will be flexible regarding the total percentage of affordable housing and/or tenure split if this results in provision of social rent on site. Reference is even made to forgoing some intermediate units in exchange for provision of social rent units as opposed to affordable rent units.
- 2.16 Following a section on shared ownership provision there is also a section on discounted homes for sale with the discount being applied in perpetuity. This is stated as a product that would be particularly suited to helping local people get onto the housing ladder.
- 2.17 Chapters 9 to 11 deal with how affordable housing should be incorporated on site, how the units are transferred to an RP and the design standards required. This includes how shared ownership properties should not be lost once full ownership is reached or the occupier moves. There is also reference to the Council investigating the potential for minimum space standards to be adopted in the Local Plan Review and ideal occupancy and

minimum floor area requirement are set out. Requirements for wheelchair users are also provided.

- 2.18 Although the council does not have an approved list of Registered Providers, Chapter 11 includes an overall list of providers and also states support for Housing Co-operatives regarding affordable housing generally.
- 2.19 Chapter 12 deals with housing for the elderly, including extra care, older persons and specialist housing. This includes the clarification around application of the affordable housing requirements to these types of housing.
- 2.20 Chapters 13 and 14 deal with suggested and likely transfer values from RPs and off-site financial contributions (where applicable). These suggested and likely transfer values have been fixed and set out on a number of bedroom basis, having regard to Local Housing Allowance rents and open market values to set out final figures.
- 2.21 The guidance in the SPD regarding off-site financial contributions makes it clear that affordable housing provision should be on site and that exceptional circumstances would need to exist to justify alternative provision. In the event that such exceptional circumstances are agreed by the Council, Chapter 14 provides relevant information for calculating the level of provision off-site.
- 2.22 Chapter 15 looks at how the Council will deal with viability issues. The SPD provides clear requirements and also that the Council will publish viability assessments with all information relevant to any planning application. The SPD also states "it is not sufficient for developers to argue that they did not take into account the need to provide affordable housing in the amount they have paid for the land as it is reasonable to expect that land values will reflect the requirements of the Local Plan." It is also clear that other development costs, including site demolition, infrastructure provision and flood mitigation should also have been factored into the amount paid for the land. The information required for a viability assessment is also set out.
- 2.23 Chapter 16 deals with enabling fees. These are intended to maximise affordable housing delivery by assisting Registered Providers with support. This would be through assistance to the Council's affordable housing enabling service. A proposed figure of £550 per affordable unit is suggested in this draft SPD.
- 2.24 Chapter 17 contains a summary of information for developers and Chapter 18 contains contact details for key officers.

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### **3. AVAILABLE OPTIONS**

- 3.1 The Regulations prescribe that public consultation should take place in the draft SPD (minimum 4 weeks). There is also a requirement to publish a consultation statement alongside the SPD that sets out the pre-consultation

engagement that took place during drafting, the issues raised and how they have been addressed.

- 3.2 Option A – seek additional changes to the A&LNH SPD prior to commencing public consultation on both the SPD and consultation statement
  - 3.3 This option would delay the production of the SPD in order that the guidance contained therein could be modified. This may also include further discussions with those involved in the pre-consultation engagement, which would be recorded in the consultation statement.
  - 3.4 Option B – prepare for and consult on the A&LNH SPD and associated consultation statement
  - 3.5 This option would mean that the SPD with accompanying consultation statement would be subject to public consultation for a proposed period of 6 weeks. The documents would be made available on the Council’s website, at the Contact Centre and local libraries. Notifications would be sent to those contained on the Council’s LDF database, as well as those contained on the Council’s equalities database.
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#### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 Option B is the preferred option. As noted above, this would ensure a prompt commencement of the public consultation, with a target date of commencement of Monday 7<sup>th</sup> October 2019 and finishing on Monday 18<sup>th</sup> November 2019.
  - 4.2 Following the completion of public consultation, the representations will be considered when producing the final version of the SPD.
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#### **5. RISK**

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council’s Risk Management Framework. We are satisfied that the risks associated are within the Council’s risk appetite and will be managed as per the policy.
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#### **6. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix 1: Maidstone Draft Affordable and Local Needs Housing Supplementary Planning Document
  - Appendix 2: Consultation Statement
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