

**Maidstone Affordable and Local Needs Housing
Supplementary Planning Document - Adoption**

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

Executive Summary

The Affordable and Local Needs Housing Supplementary Planning Document is a commitment in the Maidstone Local Plan 2017. The document builds upon and provides more detailed guidance on the policies within the adopted Local Plan around the Council's preferred approach to the provision of affordable and local needs housing in Maidstone Borough.

The document has been subject to informal engagement with key stakeholders and Council Members, followed by a formal 6-week public consultation. Following consideration of the representations, the document has been subject to amendments and a final Consultation Statement has been produced, illustrating this process. The next step is for Members of this Committee to consider whether the Affordable and Local Needs Housing Supplementary Planning Document is ready to be adopted as a supplementary planning document for use as a material planning consideration in the decision-making process.

Purpose of Report

For decision. That the Committee adopt the Affordable and Local Needs Housing Supplementary Planning Document as a supplementary planning document for use as a material planning consideration in the decision-making process.

This report makes the following recommendations to this Committee:

1. That the content of the Affordable and Local Needs Housing Supplementary Planning Document and associated Consultation Statement are noted and the Affordable and Local Needs Housing Supplementary Planning Document is adopted for use in decision making

Timetable

Meeting	Date
Strategic Planning and Infrastructure Committee	7 th July 2020

Maidstone Affordable and Local Needs Housing Supplementary Planning Document - Adoption

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Accepting the recommendations will materially improve the Council's ability to achieve 'Embracing Growth and Enabling Infrastructure' and 'Homes and Communities'. We set out the reasons other choices will be less effective in section 3	Rob Jarman (Head of Planning and Development)
Cross Cutting Objectives	The report recommendations support the achievement of the 'Deprivation and Social Mobility is Improved' cross cutting objective by seeking to ensure a supply of the affordable and local needs housing that is needed	Rob Jarman (Head of Planning and Development)
Risk Management	Already covered in the risk section	Rob Jarman (Head of Planning and Development)
Financial	The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation.	Ellie Dunnet, Head of Finance
Staffing	We will deliver the recommendations with our current staffing.	Rob Jarman (Head of Planning and Development)
Legal	The documents appended to this report are compliant with the Town and Country Planning (Local Planning) (England) Regulations 2012 . The A&LNH SPD has been prepared in association with Counsel's advice.	Russell Fitzpatrick MKLS (Planning) Team Leader
Privacy and Data Protection	Accepting the recommendations will increase the volume of data held by the Council. We will hold that data in line with our retention schedules.	Policy and Information Team
Equalities	We recognise the recommendations may have	Equalities and

	varying impacts on different communities within Maidstone. Therefore, we have completed a separate equalities impact assessment	Corporate Policy Officer
Public Health	We recognise that the recommendations will not negatively impact on population health or that of individuals.	[Public Health Officer]
Crime and Disorder	No significant impact anticipated	Rob Jarman (Head of Planning and Development)
Procurement	No implications from the recommendations are anticipated	Rob Jarman (Head of Planning and Development)

1. INTRODUCTION AND BACKGROUND

- 1.1 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.
- 1.2 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 drafted. These stakeholders were Registered Providers (Housing Associations) and representatives from the housebuilding industry.
- 1.3 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 also informed the draft A&LNH SPD.
- 1.4 Supplementary Planning Documents are subject to a period of statutory public consultation prior to their adoption. Following the above pre-consultation engagement, the A&LNH SPD was agreed by this committee for public consultation at the 10th September 2019 meeting. The public consultation period of 6 weeks commenced on 7th October and finished on 18th November 2019. A Consultation Statement was published alongside the SPD that set out the pre-consultation engagement that took place during drafting, the issues raised, and how they had been addressed.
- 1.5 A total of 20 responses were received to the consultation and revisions have been made to the document in response to relevant matters raised. The resulting A&LNH SPD is attached as Appendix 1. An updated Consultation Statement summarising all engagement that has taken place, including the

6 weeks public consultation, the responses received and the changes that have been made, is provided as Appendix 2.

Summary Content of the ALNH SPD

- 1.6 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.
- 1.7 There are a number of key matters that the SPD considers, and these are set out below.
- 1.8 Following an introduction, Sections 2 and 3 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.
- 1.9 In respect of the national context, the SPD notes that production of a 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.
- 1.10 Section 4 looks at the definition of affordable housing, as well as the various types of affordable housing. Sections 5 to 7 consider the evidence of need for affordable housing, the required mix of units and when affordable housing is required.
- 1.11 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.
- 1.12 Section 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.
- 1.13 Section 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.
- 1.14 Section 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.

- 1.15 Section 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 the 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.
- 1.16 Following information on shared ownership provision there is also information 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 onto the housing ladder.
- 1.17 Sections 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 as part of the Local Plan Review. Wheelchair user requirements together with Ideal occupancy and minimum floor area requirements are also considered.
- 1.18 Although the council does not have an approved list of Registered Providers, Section 11 includes a list of providers and also states support for Housing Co-operatives regarding affordable housing generally.
- 1.19 Section 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.
- 1.20 Sections 13 and 14 deal with suggested and likely transfer values to RPs and off-site financial contributions (where applicable). These suggested and likely transfer values have been set out on a number of bedroom basis, having regard to Local Housing Allowance rents and open market values to set out final figures.
- 1.21 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, Section 14 provides relevant information for calculating the level of off-site provision.
- 1.22 Section 15 looks at how the Council will deal with viability and sets out the Council's requirements in respect of viability assessments. Viability assessments will be made publically available alongside the documentation submitted as part of the planning application. The SPD states that "*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.
- 1.23 Section 16 contains a summary of information for developers and Section 17 contains contact details for key officers.

2. AVAILABLE OPTIONS

- 2.1 The first option is for this Committee to adopt the ALNH SPD. The SPD would then be published and made available in accordance with the requirements set out in relevant legislation. This includes publication of an Adoption Statement. The adopted ALNH SPD would then be used as a material planning consideration in the decision-making process. It would also be used in decisions elsewhere in the authority.
 - 2.2 The second option is for the Committee to require significant changes to the ALNH SPD prior to adoption. This option would delay the adoption of the SPD in order that the content could be modified. This may also include further engagement with relevant parties, which would be recorded in the Consultation Statement
 - 2.3 The third option is not to proceed with the ALNH SPD. The SPD is a commitment within the Adopted Local Plan and has been subject to a significant period of production, including stakeholder and Member engagement and public consultation. This option would mean decisions would be taken in accordance with current policies without reference to the guidance and context contained within the SPD
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3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 *The first option is the preferred option. As noted above, this would mean that the ALNH SPD would be adopted and used as a material planning consideration in the decision-making process. It would also be used in decisions elsewhere in the authority.*
 - 3.2 *Following adoption of the SPD, the Council will comply with its obligations for publication, including publication of an Adoption Statement.*
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4. RISK

- 4.1 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.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 As noted earlier in this report, the ALNH SPD was subject to pre-consultation engagement with key stakeholders and Members as the document was drafted. These stakeholders were Registered Providers (Housing Associations) and representatives from the housebuilding industry. A Member Workshop was also undertaken. The responses and modifications to the draft SPD were compiled in a Consultation Statement.

- 5.2 A subsequent 6-week public consultation on the draft SPD along with the associated Consultation Statement resulted in 20 representations being made on the draft SPD.
- 5.3 A final Consultation Statement has been produced to reflect the engagement and public consultation and the resultant modifications to the SPD and this is provided as Appendix 2.
- 5.4 As noted in Appendix 2 a number of issues were raised. One of the concerns was around the SPD creating new policy and placing emphasis on social rented housing – the SPD makes it clear that it reflects current policy in the adopted 2017 Local Plan. It is our view that the SPD does not create new planning policy. It builds upon and provides more detailed advice or guidance on the policies in the adopted Local Plan, particularly strategic policies SP19 (Housing Mix) and SP20 (Affordable Housing). There should also not be an additional cost from the content of the SPD, which is provided as guidance to supplement existing policy only.
- 5.5 Concern was also raised around an enabling fee and this has been removed from the SPD. Reference to space standards for affordable housing have been removed and these will now be addressed along with space requirements for market homes as part of the Local Plan Review.
- 5.6 Amendments have also been made to reflect concerns around clustering of affordable units and to ensure the external appearance of properties reflects those of other properties in the development. Requests around greater flexibility in the SPD have also been addressed or the current approach justified.
- 5.7 Clarity has also been provided in the Consultation Statement that the SPD is not an opportunity to revisit current Local Plan Policies and that the appropriate arena to do this is through the Local Plan Review.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 Should this committee resolve to adopt the ALNH SPD, the document will be published, along with an Adoption Statement, in accordance with relevant legislation and the Council’s Adopted Statement of Community Involvement.
- 6.2 The ALNH SPD will also then be used as a material planning consideration in the decision-making process. It would also be used in decisions elsewhere in the authority.

7. REPORT APPENDICES

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

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