

# Local Development Framework Briefing Paper Affordable Housing



## Devon County Council's Advice to Local Planning Authorities

*This is one of a series of briefing papers prepared by Devon County Council to assist the preparation of Local Development Documents. To view this, and other briefing papers, see <http://www.devon.gov.uk/ldf-briefing-papers> For more information or comment contact 01392 382275 or email [environment@devon.gov.uk](mailto:environment@devon.gov.uk)*

***Local Planning Authorities are requested to take the following matters into account in preparing their Local Development Frameworks and other documents:***

- 1 The Sub Regional Context and LDDs: When preparing LDDs/SPD relating to affordable housing, authorities should take into account the findings of housing market area assessments and interpret policy in a way consistent with the outputs; jointly agree with other authorities in the same housing market area the scope and content of SPD and the definitions to be used; liaise closely with adjacent housing authorities to assess the impact of proposals on the overall sub region.***
- 2 Matters for Inclusion: LDDs should set out the overall objectives for housing in relation to housing type, mix and affordability, set in the context of the housing market area [taking into account cross boundary issues], the requirements of particular settlements and district wide housing provision. It should set out the approach to be taken to different types of site, the information that will be required for assessment of need at the community level, the thresholds and targets sought, criteria for settlements where affordable housing will be provided, the role of community and village plans in identifying need, and definitions of affordable housing and local need. In view of the affordable housing need in Devon and the emerging 30-60% affordable housing target of the draft Regional Spatial Strategy, the County Council expects LDFs to contain percentage targets in excess of the minimum 30% regional target, and for thresholds [particularly in rural areas] to be reduced in a way that reflects local housing delivery and need.***
- 3 The location of affordable housing: LDDs should have regard to the emerging work of the Local Area Agreement in identifying the characteristics of sustainable rural settlements and incorporate its findings into documents at an appropriate stage. Housing Authorities should identify which groups of villages relate to each other functionally, where housing need should be jointly assessed.***
- 4 Partnership Working: Local Authorities should be consider the impact of policies and proposals on the outcomes of the Local Area Agreement and Local Public Service Agreement relating to homelessness in young people and care leavers. The County Council welcomes early discussion of housing policies and proposals that impact on this work and where County land holdings may contribute to the achievement of multiple objectives in communities.***

## 1. Introduction

This briefing paper is prepared against the background of rapidly changing national policy relating to housing. The County Council, while not a Housing Authority, is responsible for services [for example, for young people, vulnerable adults] where the availability of housing directly impacts on people's life chances and health. The activities of the County Council in support of local communities, regeneration and economic development also have a bearing on provision of affordable housing while progress with economic development is dependant on sufficient housing being available to attract key personnel to the area. The County views an integrated cross sectoral approach to housing as being important and is committed to playing its part in this.

The role of the County Council in affordable housing, the partnership bodies involved and relevant targets are set out in Appendix 1. Appendix 2 contains relevant statistics.

The Devon Community Strategy [www.dsp.org.uk](http://www.dsp.org.uk) contains the following goal "Homes for All: Building for the future". The following challenges are identified:

- Make sure everyone has the chance of a home at a price they can afford
- Provide enough homes and minimise environmental damage
- Ensure homes are built and maintained in a way that creates healthy communities

## 2. Key Issues To Address

- Increasing the range and number of affordable houses [defined in draft PPS3 as housing for social rent; intermediate housing; key worker housing] in the context of an understanding of the housing market and the appropriate type and mix of housing required in an area.
- Implementation of, and conformity with, strategic proposals set out in the Regional Housing Strategy and Regional Spatial Strategy, and delivery of the indicative targets contained in them.
- Ensuring consistency of approach and information – to give comparability across administrative areas in the same market area, with a common understanding of the implications for site thresholds, targets and s106 obligations. This will be particularly important where proposals are strategic in nature, for example, the two new communities in East Devon and South Hams.
- Identifying priority settlements for provision of affordable housing, reflecting the needs of both urban and rural communities.
- Establishing sustainability criteria for the provision of affordable housing in smaller communities in the rural areas and the need to sustain community infrastructure.
- Taking into account new forms of housing delivery – for example, community development trusts
- Ensuring integration of affordable housing proposals with funding programmes, support services, health and education
- Meeting the needs of vulnerable groups, including gypsies and travellers [the subject of a separate briefing paper]

## 3. The Content of Local Development Frameworks

The high priority for affordable housing in the County requires incorporating into LDDs and SPDs in a way that achieves improved delivery and helps to deliver the housing provided for in the Structure Plan to 2016 and the emerging Regional Spatial Strategy.

### **(a) The sub Regional Context and LDDs**

In preparing LDDs and SPDs housing authorities should take account of the sub regional housing market, to ensure cross boundary issues are dealt with appropriately. The importance attached to an evidence led approach to planning requires proposals to be embedded in sub regional assessments of the housing market and for the provision of affordable housing to be seen as part of the overall housing provision for an area. Such an approach will lead to a more consistent policy response across housing markets. The County Council suggests:

- Preparation of LDDs and SPDs on affordable housing should take into account the findings of housing market area assessments and interpret policy in a way consistent with the outputs
- Housing Authorities located in the same housing market area should jointly agree definitions, thresholds and targets etc applicable to their area and any cross boundary areas, so that they complement the findings of relevant sub regional housing market assessments.
- Housing Authorities within a housing market area should jointly agree the scope and content of any individual SPDs so that they are complementary in content

## **(b) Core Strategies and Policies**

The overall approach to housing, including affordable housing should be set out in Core Strategies. Matters for inclusion are:

- The overall strategic objectives relating to housing type, mix and affordable housing
- The housing market context and proposals to address issues which cross administrative boundaries
- The approach to provision in different settlement types
- The approach to be taken to different types of site [for example, allocated sites; windfall sites; exceptions sites; conversions]
- The information that will be required for assessment of need at the community level
- The overall site thresholds and targets that will be sought, distinguishing between urban and rural situations where appropriate.
- Sustainability criteria for settlements where affordable housing will be provided, to take into account the economic and social context
- The role of village and community plans in identifying need
- Definitions of affordable housing; local need

In view of the affordable housing need in Devon, and the 30-60% affordable housing target contained in draft RSS, the County Council expects LDFs to contain percentage targets in excess of the minimum 30% regional target, consistent with the opportunities for maximising affordable housing delivery in the local context. In determining the appropriate thresholds [particularly in rural areas] for sites, account should be taken of the overall proportion of housing delivered on smaller sites, and thresholds reduced where the evidence supports such an approach.

## **(c) The Location of Affordable Housing**

Local Planning Authorities have a range of tools available to them to identify sites for affordable housing in LDDs. Particularly in rural areas, affordable housing should generally be located in sustainable locations. Work to assist the identification of sustainable locations is being undertaken as part of the LAA. It is expected that the outcome of this work will be reflected in emerging LDDs [where possible, subject to LDS] and their subsequent reviews. Discussion regarding the sustainability of rural settlements can also be viewed on <http://www.ruralcommunities.gov.uk/article.asp?aID=87&pID=2>. It is expected that work for the LAA will inform the content of LDDs, and will be carried forward in appropriate area action plans [including rural and/or affordable housing actions plans] and development control policies. Local Planning Authorities should contact the County Council for up to date information on progress with this work.

Low earnings in the rural areas mean the additional cost of accessing services and facilities should be avoided where possible. In these circumstances some villages would be expected to cater for the affordable housing need of surrounding villages as well. Local Planning Authorities should consider which groups of settlements have functional relationships that justify their treatment in this way, and identify them in their LDDs. However, the appropriate mechanism for bringing land forward will depend on the role and function of the village and what is required in a development context to make that settlement more sustainable. In securing land for affordable housing LDFs should consider a range of alternatives ranging from allocation for mixed housing, allocation for affordable housing or reliance on exceptions policy, depending on the local circumstances, profile of housing need and the role and function of the settlement.

## **(d) Partnership Working**

Local Authorities should be mindful of the impact of policies and proposals on the outcomes of the Local Area Agreement and Local Public Service Agreement relating to homelessness in young people and care leavers. The County Council welcomes early discussion of housing policies and proposals that impact on this work and where County land holdings may contribute to the achievement of multiple objectives in communities.

The County Council monitors housing completions and land availability, and will continue to work with District and Unitary Authorities to present sub regional information to assist LDF and housing market area assessments.

## **Key Structure Plan Policies**

Policy ST18 Affordable Housing  
Policy ST18a Mix and Type of Housing

## Devon County Council's Role In Affordable Housing

1 **Enabling housing work through funding:** £8.85m was set aside for housing related spending by the County Council [from Council Tax on second homes] for the financial years 04/05-05/06. Some of this money has been returned to districts for capital investment; some will be used to support housing related services [for example, supported lodgings for younger people]. For the financial year 2006-07 £2.5m will be allocated for spending on extra care housing.

2 **Evidence and information:** The County Council maintains and updates "Devon: The Evidence" and annual profile of housing facts and figures published by the Devon Strategic Housing Group that is comparable to the digest of statistics produced by the National Housing Federation. It can also contribute to the research and information needs of Housing Market Assessments [required to inform LDFs].

3 **Partnership working:** Three housing partnership posts are jointly funded in Devon:

- o An affordable housing co-ordinator;
- o a homelessness co-ordinator;
- o and, the rural housing enabler[s].

These post holders are working to agreed partnership action plans which aim to lever in more resources for housing; help consistency of policy and delivery; "unblock" barriers to housing delivery; spread good practice; and, organise training for housing professionals.

4 The **Local Area Agreement (LAA)** represents an invitation by central government to locally based organisations to identify what needs to be done to improve life for local people, and to make this happen by aligning or pooling money which is currently held by different organisations, or has been earmarked for specific projects. Central government will support this LAA process by relaxing some of its rules and regulations concerning funding and performance targets. The County Council and its partners have identified housing as a cross cutting theme in the LAA and are actively negotiating with the Government regarding freedoms and flexibilities relating to provision of affordable housing in small rural communities. For further details of the components of the LAA see [http://www.devon.gov.uk/local\\_area\\_agreement.htm](http://www.devon.gov.uk/local_area_agreement.htm)

The Local Area Agreement identifies implementation of the Devon Children's Trust Housing Support Strategy for Vulnerable Children, Young People and Families as a key area for action to improve housing. This will have three principal work programmes:

[i]. Integrated planning and commissioning between children's services, district councils, Supporting People and housing providers to meet the Strategy outcomes. This includes information sharing, common assessment, referral protocols and staff training and links to multiagency electronic housing lists.

[ii]. Building on the LPSA-2 [see below] reducing homelessness target to include reducing the impact and duration of disruption on children of homeless families and those fleeing domestic violence.

[iii]. Joint planning and agreements between district councils and the county council. Including land, planning arrangements, affordable housing, transport and council tax initiatives

The economic block of the LAA also refers to measures to identify priority locations for affordable housing in rural areas, based on sustainability criteria and local housing need; developing the evidence base for housing; and addressing key worker housing needs.

The County Council and partners are committed to a **Local Performance Service Agreement [LPSA2]** which aims to cut youth homelessness by 50% by 2008. Implementation of this target is being taken forward by the Devon Children's Trust. For full details see <http://www.devon.gov.uk/psa>

6 The County Council's Regeneration Role and Action Plan identifies the importance of community planning in bringing forward affordable housing proposals – see <http://www.devon.gov.uk/index/business/regeneration/rrap.htm> . The regeneration service provides advice relating to community development trusts, community banking and aims to realise opportunities arising from land in public ownership.

### Housing Statistics

<b>KEY FACTS</b>	
<p><b>Affordability Ratios Are High</b></p> <ul style="list-style-type: none"> <li>○ In 2004 the ratio of lower quartile house prices to lower quartile earnings was 2004</li> </ul> <p><b>House Prices Are High</b></p> <ul style="list-style-type: none"> <li>○ In 2004 the average salary needed for an average house in Devon was £55,610. The same figure for England was £49,205. [Assuming a mortgage on 3.5 times salary and a 5% deposit].</li> <li>○ Average house prices in Devon have increased by 131% between 1999 and 2004, compared to 84% in England.</li> </ul> <p><b>Salaries Are Low</b></p> <ul style="list-style-type: none"> <li>○ Average male earnings are about 25% below the national average</li> </ul> <p><b>Demand Is Increasing</b></p> <ul style="list-style-type: none"> <li>○ Demand for affordable housing has increased with Local Authority Housing Registers increasing by 48.7% in 5 years [from 11,687 households to 17,384]</li> <li>○ The demand for all housing is increasing with a net, average growth in population of 4,400 per annum</li> </ul>	<ul style="list-style-type: none"> <li>○ Current development plans provide for 4,300 new dwellings a year</li> <li>○ The emerging Regional Spatial Strategy may increase this by as much as a third [based on the emerging RSS, December 2005]</li> </ul> <p><b>Supply Is Not Keeping Up With Demand</b></p> <p><u>Losses</u></p> <ul style="list-style-type: none"> <li>○ 16,894 right to buy sales have taken place in Devon between April 1979 and March 2004</li> <li>○ 11,108 dwellings are second homes</li> </ul> <p><u>Gains</u></p> <ul style="list-style-type: none"> <li>○ 45,550 new dwellings [of all tenures] have been completed between 2001 and 2005</li> <li>○ 1,295 social rented and shared ownership dwelling were allocated funding by the Housing Corporation for new affordable homes in the two years between 2004 and 2006 [this excludes dwellings delivered without grant through the planning system]</li> </ul> <p><i>Sources:</i>  <i>National Housing Federation</i>  <i>Annual Survey of Hours and Earnings 2004</i>  <i>ODPM statistics</i>  <i>Devon 2016/Regional Planning Guidance</i>  <i>Census 2001</i>  <i>Housing Corporation SW Allocation Statements</i></p>