ANGLESEY & GWYNEDD JOINT LOCAL DEVELOPMENT PLAN (2011 – 2026)

PUBLIC EXAMINATION:

Hearing Session 4 – Affordable Housing



1. Action Point 8 (S4/PG8) - Policy TAI 10

Consider an alternative option to facilitate developments by Housing Associations, Housing Departments or Community Housing Trusts and introduce a Matters Arising Change to the second part of Policy TAI 10 and its explanation.

2. <u>The Councils' Response</u>

- 2.1 The Councils believe that it is important that consideration be given to alternative methods of providing affordable housing, especially in view of factors such as the reduction in the social housing grant. It is believed that there is room for innovation in the delivery of affordable housing to help meet demand.
- 2.2 The second part of Policy TAI10 facilitates the provision of a minimum of open market housing in developments on rural exception sites in order to make the development viable if there is a connection with Registered Social Landlords, Community Land Trusts or Strategic Housing Authorities. Following the discussion in Hearing Session 4, it is accepted that this is not consistent with what is required by Planning Policy Wales and Technical Advice Note 2. National planning policy and guidance states that rural exception sites should be small and for affordable housing only.
- 2.3 Paragraph 9.2.23 of Planning Policy Wales states a policy can be introduced to allow the release of small sites on the edge of development boundaries for the development of affordable housing to meet local needs (as an exception to the general housing provision). It is noted that such exception sites are not appropriate for open market housing. On this basis, it is believed that the first part of Policy TAI 10, which refers to plans to provide 100% affordable housing on such sites, should be retained.
- 2.4 During the discussion, reference was made to two options, namely (i) to include more land within the development boundaries of Centres and Villages and to prepare a policy that would require a small level of market housing on relevant sites with the remainder being affordable housing on the additional sites, or (ii) to allocate land for 100% affordable housing. It is noted that such sites should reflect local circumstances in order to create sustainable communities.
- 2.5 By implementing option (i) above, it is possible therefore to identify specific sites within development boundaries that would act in the same way as the sites that will be facilitated by the second part of Policy TAI 10. A high percentage of affordable housing can be identified for these sites, with a small element of market housing that would

help to finance them. However, in contrast to what is promoted by Policy TAI 10, this would provide certainty in terms of location of such developments.

- 2.6 There is a question therefore whether a Matters Arising Change should be introduced in order to provide an additional policy or to amend existing policies in order to identify such sites in the Plan (either 100% affordable housing or with a significant element of affordable housing)?
- 2.7 These options have been considered and must be set aside for the following reasons:
 - Including sites within development boundaries usually brings an element of added value to the site, so there would be a risk that Registered Social Landlords, Community Land Trusts or Strategic Housing Authorities could not afford to develop them;
 - Including sites within development boundaries and identifying some of them
 to develop a greater percentage of affordable housing than the others means
 treating them differently from other sites within the same settlement and is
 likely to be inconsistent with the conclusions of the Affordable Housing
 Viability Assessment, that would identify a lower percentage of affordable
 housing;
 - There is no evidence to justify identifying specific sites for 100% affordable housing within development boundaries.
- 2.8 Based on the above, and in order to refine the wording of the Policy, the Council proposes the following changes to policy TAI 10 and the Explanation as Matters Arising Changes to the Plan (the changes are shown in Red or with a strike through):

POLICY TAI10: EXCEPTION SITES

Where it is demonstrated that there is a proven local need for affordable housing (as defined in the Glossary of Terms) that cannot reasonably be delivered within a reasonable timescale on a market site inside the development boundary that includes a requirement for affordable housing within a reasonable timescale, as an exception, proposals for 100% affordable housing schemes on sites immediately adjacent to development boundaries that form a reasonable extension to the settlement will be granted. Proposals must be for a small scale development, which are proportionate to the size of the settlement, unless it can be clearly demonstrated that there is a demonstrable requirement for a larger site, with priority, where it is appropriate, given to suitable previously developed land.

In exceptional circumstances, subject to evidence that it is not viable to provide a 100% affordable housing to meet a proven local need for affordable housing on sites immediately adjacent to the development boundary, proposals for an enabled exception site will be granted provided that all the following criteria are satisfied:

1. Only a minimum number of open market housing dwellings are included to make the

proposal viable;

- 2. The development is by or in partnership with a Registered Social Landlord and/or a Community Land Trust and/or the Strategic Housing Authority;
- 3. The open market provision does not exceed the growth level anticipated within the Plan's settlement strategy.

Explanation:

- 7.4.73 Planning Policy Wales refers to affordable housing exception sites as small housing sites within or adjoining existing settlements for the provision of affordable housing to meet local needs. This is further clarified in TAN2 which states rural exception sites should be small (as locally defined in the plan), solely for affordable housing and on land within or adjoining existing rural settlements which would not otherwise be released for market housing.
- 7.4.74 Due to the rural nature of the area exception sites will be considered for all the settlements identified in the Plan however they should be of a scale compatible to the role of the centre. The only exception should be if justification is provided to explain how a proposal serves a wider area than the settlement itself e.g. due to lack of opportunities in other settlements within the same area. Sites adjacent to the boundary should not form an unacceptable intrusion into the countryside or create a fragmented development pattern.
- 7.4.75 Even though there have been permissive exception sites policies for a number of years in both Anglesey and Gwynedd there has only been limited development delivered through these policies. Further information is provided in Topic Paper 3 Population and Housing.
- 7.4.76 Paragraph 4.2.2 of TAN6 states that "Planning authorities should employ all available policy approaches, in an innovative way, to maximise the supply of affordable housing as defined in TAN2."
- 7.4.77 <u>A reduction in the availability of social housing grants and the need for authorities to be innovative in delivering affordable housing provision has led to the inclusion of an enabled exception sites element to policy TAI10.</u>
- 7.4.78 The enabled exception sites is seen as an innovative way to ensure that proposals by or in partnership with a Registered Social Landlords and/or a Community Land Trust (CLT) and/or the Strategic Housing Authority are viable and can therefore be brought forward to deliver a proven local need for affordable housing.

- 7.4.79 Proposals should be supported by robust evidence that the proposal would not be viable without an open market element as part of the proposal. The number of open market units should be the least amount required. The onus will be on the developer to provide evidence to satisfy the local planning authority that it is not viable to develop an exception sites without an element of open market provision. Any open market element justified in such a proposal should be of a scale and type to meet the communities need for market development and not lead to an over provision within the settlement.
- 7.4.80 <u>In settlements identified under policy TAI5 as Local Market housing the open market element on an enabled exception sites within these settlements will have to comply with policy TAI5.</u>
- 7.4.81 <u>Consideration will be given towards the settlement strategy and the expected growth</u>
 <u>level when considering the impact of any open market provision as part of a proposal</u>
 <u>considered under this policy.</u>
- 7.4.82 <u>A CLT is a not-for-profit, community organisation run by local people to develop housing and other assets at permanently affordable levels for long-term community benefit. It is a constituted, legal entity with the ability to hold and manage assets, and is defined in law.</u>
- 7.4.83 It is imperative that the affordable housing developed on an enabled exception site are completed concurrently with the market housing. The development of these sites should not be phased and there should not be a time gap between the completion of the market housing and the completion of the affordable housing.