

	<p align="center">REPORT TO PLANNING & DEVELOPMENT COMMITTEE TO BE HELD ON 8 OCTOBER, CABINET ON 20 OCTOBER AND COUNCIL ON 2 NOVEMBER 2015.</p>	
	Key Decision	YES
Corporate Priority: Aim 1.2: Good quality, affordable housing for all	Cabinet Portfolio Holder	Cllr J Plant Cabinet Member for Strategic Planning and Transformation

REPORT OF DIRECTOR (TW) – 15/237

WARDS AFFECTED: ALL

SUBJECT: AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT: NOVEMBER 2015 UPDATE

RECOMMENDATION (S):

It is recommended that The Borough Council resolves to adopt the revised Affordable Housing Supplementary Planning Document incorporating the changes referred to in this report.

REASON FOR RECOMMENDATION (S):

Since the Affordable Housing Supplementary Planning Document (SPD) was updated and adopted in July 2015, a recent High Court judgement has quashed the national planning policy changes introduced by the Ministerial Statement of November 2014. The relevant parts of the online Planning Practice Guidance have been immediately updated by Government, with the thresholds for the provision of affordable housing and the ‘vacant building credit’ rule both removed. As a consequence the Borough Council’s recently adopted Affordable Housing SPD is not in accordance with current national planning policy.

HIGHLIGHTED RISKS:

The risks associated with not taking forward the proposed alterations are that the SPD will not reflect the recent High Court judgement and will result in the Borough Council failing to achieve the optimum level of affordable housing on housing schemes.

1. INTRODUCTION

- 1.1 The current Affordable Housing SPD was adopted in July 2015.
- 1.2 In the short period since adoption a major legal decision affecting the contents of the SPD has been issued. The High Court has quashed the changes to national planning policy instigated by Ministerial Statement in November 2014, thereby removing the introduced affordable housing thresholds and 'vacant building credit'.
- 1.3 This report provides Members with a précis of the changes proposed to the SPD as a result of this judgement.

2. CORPORATE OBJECTIVES AND THE COMMUNITY PLAN

- 2.1 The Affordable Housing SPD has a significant impact on the delivery of objectives in the Corporate Plan and the Sustainable Community Strategy in relation to:
 - Increasing the availability of affordable housing in the Borough to meet identified housing need; and
 - Sustaining the delivery of rural affordable homes, to meet identified local housing needs.

3. BACKGROUND AND ISSUES

- 3.1 The issues for Members' consideration and attention are:
 - The proposed alterations to the Affordable Housing SPD.

4. CONSULTATION

- 4.1 It is not proposed to carry out any further consultation on this document as a result of the changes proposed. These changes result in the SPD reverting back to what was in the previous version prior to the most recent update in July 2015, and has been subject to previous consultation. These changes are wholly based on, and recommended in response to; the High Court judgement and no further alterations are proposed.

5. ASSESSMENT

- 5.1 The revised Supplementary Planning Document is appended (Appendix A) and should be read in conjunction with this report.
- 5.2 Members of Planning and Development Committee will recall the recent report (15/151) that set out the implications of the Ministerial Statement (November 2014) on the provision of affordable housing. The SPD was updated to accord with that guidance in relation to the affordable housing thresholds and the introduction of ‘vacant building credit’. At the same time as making these alterations, officers considered it an opportune moment to make amendments to affordable housing transfer values and the required tenure mix.
- 5.3 At the time of this previous change your officers expressed concern at the impact on affordable housing provision and the likely loss of commuted sums, however, this change in national policy was implemented by Government and was brought in immediately following the release of the statement.
- 5.4 The recent High Court judgement found that the Ministerial Statement and its impacts were “incompatible” with the statutory planning framework.
- 5.5 This ruling resulted in the Government updating their guidance contained within the online Planning Practice Guidance, immediately removing all references to affordable housing thresholds and ‘vacant building credit’.
- 5.6 Although the Department for Communities and Local Government has indicated that they will investigate appealing the decision, this process could take many months to take forward, and the Council will be required to determine planning applications with affordable housing issues over that period.. The ‘repeal’ of the policy changes implemented Ministerial Statement took approximately nine months from challenge to decision and as such, it is considered that the most appropriate course of action for the Borough Council is to re-instate the previously agreed affordable thresholds that were based on robust evidence arising from the Affordable Housing Economic Viability Assessment. Whilst the preparation of SPD normally must follow prescribed process and consultation, in this instance it is considered appropriate and expedient – for the Council as Local Planning Authority and for planning applicants - to simply amend the SPD in line with Government policy with immediate effect, to all intents and purposes reinstating the policy framework that was in place prior to the Ministerial Statement.
- 5.7 It is therefore proposed to return the thresholds for negotiation to that as shown in the following table.

No of Dwellings	Housing Market Areas		
	Scarborough	Filey/Hunmanby/Southern Parishes	Whitby/Northern & Western Parishes
15+	20%	30%	40%
10-14	20%	20%	30%
5-9	Financial Contribution		20%
1-4	Financial Contribution		

6. IMPLICATIONS

(a) Policy

6.1 Subject to the Members approval, the affordable housing policy of the Borough Council will be amended as set out in this report

(b) Financial

6.2 The Forward Planning budget takes into account the commitments and resource implications of the preparation and updating of SPD.

(c) Environmental Implications

6.3 A sustainability appraisal of the SPD has been prepared.

(d) Legal

6.3 There are not considered be any legal implications.

(d) Planning Implications

6.4 The planning implications are as described under (a) Policy.

6.5 I have considered whether the following implications arise from this report and am satisfied that there is no identified implications will arise from this decision in relation to Staffing Implications, Crime and Disorder Implications, Health and Safety implications, Co-operation with Health Authorities, Equality implications, Human Rights Act or Environmental implications.

7. ACTION PLAN

7.1 Arising for the consideration of the issues, the following action plan is proposed:

Objective	Target
A. Report considered by P&D	17 September 2015
B. Report considered by Cabinet	20 October 2015
C. Report considered/adopted by Council	2 November 2015



Trevor Watson
Director

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Background Papers:

Please give details of all publicly accessible (non private) background papers applicable to the report.

Report ref: 14/429

Affordable Housing Supplementary Planning Document (November 2015)
Affordable Housing SPD Sustainability Appraisal

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT OR WISH TO INSPECT ANY OF THE BACKGROUND PAPERS, PLEASE CONTACT Steve Wilson ON 01723 232482 e-mail steve.wilson@scarborough.gov.uk

RISK MATRIX

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/Responsible Officer	Action Plan
1	August 2015	Council does not update the SPD in line with latest High Court judgement.	SPD is not based on up to date evidence and affordable housing will not be achieved to its optimum level.	Adopt revised SPD.	C2	A2	Mr D Walker / Mr S Wilson	None

Glossary of Terms

Risk	An event which may prevent the Council achieving its objectives
Consequences	The outcome if the risk materialised
Mitigation	The processes and procedures that are in place to reduce the risk
Current Risk Score	The likelihood and impact score with the current mitigation measures in place
Corporate Objectives	An assessment of the Corporate Objectives that are affected by the risk identified.
Target Risk Score	The likelihood and impact score that the Council is aiming to achieve
Service Unit Manager	The Service Unit or Officer responsible for managing the risk
Action Plan	The proposed actions to be implemented in order to reduce the risk to the target score

Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
		A	B	C	D	E
	Likelihood					

Likelihood:

- A = Very Low
- B = Not Likely
- C = Likely
- D = Very Likely
- E = Almost Certain

Impact

- 1 = Low
- 2 = Minor
- 3 = Medium
- 4 = Major
- 5 = Disaster