

2018 Supplementary Planning Document consultation

Consultation statement – Affordable and Special Needs Housing and Housing Mix SPD (2018)

The Council consulted statutory and other consultees on the draft Affordable and Special Needs Housing and Housing Mix SPD in line with the approved Statement of Community Involvement (<https://www.sefton.gov.uk/sci>). The consultation period ran from mid-February to 13th April 2018.

A total of 5 comments were received:

- Jigsaw Homes Group (Registered Provider)
- Barratt Homes
- Persimmon Homes
- CPRE
- Taylor Wimpey

Consultee	Summary of comment	Response
Jigsaw	It would be beneficial to set out a minimum size of each type of property that would be able to be provided to meet the requirement to ensure that they are sustainable for affordable housing providers	The Council do not have minimum standards for rooms in new homes. It will be for RPs to ensure they only agree to accept units that are of sufficient size to meet their needs. The Council will ensure that all homes provided on a scheme are ‘tenure blind’ and that the affordable homes on a scheme are not disproportionately smaller than the market homes.
Jigsaw	Again, would be beneficial if more specific guidance could be given on either minimum space standards or required furniture layouts. A good standard for a bedroom is that as well as the minimum space for a bed it should be able to provide a wardrobe, chest of drawers/ dressing table and bedside cabinet for each occupant	See above
Jigsaw	While we welcome guidance being provided to developers for acceptable locations of affordable housing within developments and would not want to see overly large clusters of affordable housing in one location; it is essential that management issues for affordable housing providers are considered when looking at pepper potting. Examples of this are: <ul style="list-style-type: none"> • Not creating parking courts shared between tenures which raises issues of who is 	Agree in part. The SPD will be amended to make it clear that in mixed tenure flatted development the car parking should be clearly allocated to specified units. It is not agreed that communal garden areas should be restricted to

Consultee	Summary of comment	Response
	<p>managing the parking court in view of potential disputes over parking</p> <ul style="list-style-type: none"> • Not placing affordable housing directly adjoining market sale housing (part of a mews or a pair of semi-detached houses), which in our experience is not desirable for either party • Not creating shared garden / communal spaces for use by both affordable housing and market housing tenures 	<p>types of tenure as this goes against creating mixed communities. It is accepted that in practice flats will often be in a single tenure.</p>
Jigsaw	<p>Pepper potting of affordable properties within apartment blocks is not considered acceptable by affordable housing providers, this would inevitably involve complex management arrangements and affordable housing providers will need to be in a position of managing the block to ensure the level of service required is provided.</p> <p>Generally, affordable housing apartment blocks should contain a maximum of 12 units to ensure sustainability, which would also ensure a degree of pepper potting.</p> <p>It would be useful for proposals to be shared with Registered Providers (RPs) before planning is recommended so that there is a scheme approved which an RP feels able to commit to.</p>	
Jigsaw	<p>The use of Section 106s in 100% Affordable Housing developments is common in many of our areas of operation, however timing of the entering into the agreement and terms of the agreement can have a large impact of the ability to deliver a development for an RP and the following should be considered:</p> <ul style="list-style-type: none"> • Timing of issue of draft and timescales for entering into the Agreement are often critical, where a planning decision notice is not issued until a S106 is entered into can create significant issues for securing funding. It would be preferable if the S106 could be a pre-start condition, or agreed prior to planning committee • Wording of Mortgagee in Possession clauses have significant impact for affordable housing providers and the ability to charge properties in the future, it would be useful to consult on any clause with key RP partners • The wording of the S106 agreement on 100% affordable housing schemes needs to ensure that there is clarity that the agreement is to protect the affordable nature of the site, not require any developer to build affordable housing as part of a S106 agreement. This is to ensure that the whole development is eligible for grant funding from bodies such as Homes England, who would not provide funding for the development of affordable properties on market sites required under a S106 Agreement 	<p>Agree. It is accepted that in certain circumstances, a delay in issuing a decision notice to enable the signing of a section 106 may impact funding. The Council will consider, on schemes of 100% affordable homes by Registered Providers only, securing the section 106 through a pre-commencement condition. It will be up to the RP as the applicant to clearly demonstrate why this is necessary.</p> <p>It would be beneficial as part of an application for 100% affordable homes that RP submit 'heads of terms' to set out the key points that consider need to be included. This will help address the concerns in these comments and help make the process of negotiating the</p>

Consultee	Summary of comment	Response
		<p>section 106 quicker.</p> <p>The SPD will be amended to address these issues.</p>
Jigsaw	<p>Special Needs Housing Where this is to be made available as affordable housing, this needs to be fully consulted with RPs before approved to ensure that the proposals are acceptable. Issues such as specific demand for the special needs housing should be considered – should timescales for delivery be set out to ensure that the demand is current?</p>	<p>Agree. The SPD will be amended to set out that if Special Needs Housing is to include an element of affordable housing which is to be managed by an RP, then the applicant must engage with an RP at early stage to ensure that the accommodation is acceptable.</p>
Jigsaw	<p>Consideration should be given to practicalities of provision of communal facilities in care / extra care homes for affordable housing to ensure that service charges are still affordable, whilst not excluding residents from facilities</p>	<p>As above.</p>
Barratt Homes	<p>Barratt is supportive of the aim of the SPD, which is to provide clear guidance to applicants, developers and other stakeholders regarding affordable housing. It is vital that developers have a clear understanding of the approach Sefton will take to dealing with such matters.</p>	<p>Noted</p>
Barratt Homes	<p>It is noted that the SPD uses the definitions of affordable housing from the National Planning Policy Framework (NPPF / 'the Framework'). However, the draft Revised NPPF was published on 5th March 2018 and provides an updated definition of affordable housing which omits social rent but adds other categories of affordable housing, including Starter Homes and discounted market sales.</p> <p>The adopted development plan (i.e. the Sefton Local Plan ('SLP')) remains the starting point in the determination of planning applications, in accordance with Section 38(6) of the Town and Country Planning Act 1990. However, once finalised the revised NPPF will be the most up-to-date expression of national planning policy and should be afforded significant weight in the determination of planning applications.</p> <p>Given that the final NPPF is due to be published in the next few months (understood to be prior to the summer Parliamentary recess, i.e. by 20th July 2018), preparation of the SPD should be paused and it should be redrafted to reflect the final NPPF once published. If it is not, there is a significant risk that it will immediately be inconsistent with national planning policy and out of date on publication.</p>	<p>Do not agree. Whilst it is accepted that the NPPF will amend the definition of affordable homes, the SPD covers other aspects of Affordable Housing. The Council will look to undertake a further limited consultation, if required, to reflect any inconsistencies with the NPPF. The Council will also update its Strategic Housing Market Assessment (SHMA) to determine its affordable housing need to take account of amendments to the NPPF. This will also be reflected in any updated SPD.</p>

Consultee	Summary of comment	Response
<p>Barratt Homes</p>	<p>The SPD provides guidance on the Housing Mix policy in the adopted Sefton Local Plan (Policy HC2). That policy deals with the relative proportions of different sized dwellings (measured by bedrooms) which should be provided within residential developments. The emphasis is on the provision of smaller properties (one, two and three-bedroomed dwellings).</p> <p>This section of the SPD refers to the exception criteria in policy HC2 which mean that site specific constraints, economic viability or prevailing neighbourhood characteristics may justify an alternative approach. Barratt is supportive, in principle, of the recognition that there may be circumstances which justify an alternative approach.</p> <p>The emerging SPD states that the exception for prevailing neighbourhood characteristics will not apply in many circumstances. It goes on to suggest that sites in areas characterised by larger homes the need to diversify the housing mix underlines the need for smaller dwellings.</p> <p>This ignores that a neighbourhood may be characterised by larger properties (thereby justifying, in urban design terms, a mix which includes a higher proportion of larger properties), but that at the settlement level, there may still be a need to diversify the dwelling mix. This can still be achieved if some sites deliver a higher proportion of larger dwellings but is balanced by other delivery a higher proportion of smaller dwellings. Thus, at a settlement level the SLP policy objectives can still be achieved.</p> <p>This section of the SPD then goes on to provide guidance on the pepper-potting of affordable housing as referenced by SLP policy HC1. An erroneous statement is made at paragraph 8.5 which is that Policy NH2 of the SLP requires that affordable homes should be in groupings of no more than six units. In fact, policy NH2 is concerned with nature conservation and there is no requirement in this or any other policy to avoid groupings of more than six-units.</p> <p>In any event, it is considered that such a prescriptive and inflexible requirement is not justified and unduly constrains developers. There may be circumstances when a group of six affordable dwellings may be grouped together (for example where a mews house-type is used) but, due to the size of the development and the distribution of other affordable housing within the development 'pepper-potting' could still be achieved when considered at a site-wide level. In such circumstances, a single block of 6 units grouped together would not prevent a development complying with the overall objective of SLP policy HC1.</p> <p>Paragraph 8.6 of the SPD alludes to the need to consider the distribution at a development-wide level, but is not explicit. Barratt considers that the emphasis of this part of the SPD should be changed to make this clear. In addition, the references to groupings of 6 units</p>	<p>It is considered that most large sites (as reflective of the majority of Sefton's housing allocations) are of a scale that can set their own character. Many are also at the edge of the urban area. If all sites can be considered to be characterised by larger properties (and therefore be exempt from the housing mix policy) the Local Plan policy objectives (in individual settlements) will not be achieved. The text at para 8.2 is intended to give clarity to developers so they are aware of the Council's approach to implementing its policy on housing mix.</p> <p>Agree in part. The policy reference should be Policy HC1. Part 8b sets out that groupings of more than 6 should be avoided.</p> <p>This requirement is set by Policy HC1 of the Local Plan and was supported by the Inspector. The SPD reflects this policy.</p> <p>Do not agree. The groupings of six is set in the Local Plan.</p>

Consultee	Summary of comment	Response
<p>Barratt Homes</p>	<p>In principle Barratt welcomes the introduction of additional guidance for affordable housing. However, it has significant concerns about the timing of such a document given forthcoming changes in relation to affordable housing in national policy, through the draft revised NPPF.</p>	<p>Noted. Whilst it is accepted that the NPPF will amend the definition of affordable homes, the SPD covers other aspects of Affordable Housing. The Council will look to undertake a further limited consultation, if required, to reflect any inconsistencies with the NPPF. The Council will also update its Strategic Housing Market Assessment (SHMA) to determine its affordable housing need to take account of amendments to the NPPF. This will also be reflected in any updated SPD.</p>
<p>Persimmon Homes</p>	<p>Policy HC2, Part 1 of the Local Plan clearly sets out the Council’s requirements in relation to housing mix for new residential developments. It is therefore, unclear as to the purpose of the ‘Housing Mix’ element of the SPD.</p> <p>Policy HC2 states that: <i>‘In developments of 25 or more dwellings, the mix of new properties provided must be as follows unless precluded by site specific constraints, economic viability or prevailing neighbourhood characteristics’</i></p> <p>Para. 8.2 of the draft SPD then appears to try and undermine the relevance of this wording by stating that:</p> <p><i>‘The Council don’t consider that the exemption for prevailing neighbourhood characteristics will apply in many instances, particularly on the housing allocations in the Sefton Local Plan (April 2017). If an area is characterised by larger homes this does not negate this policy requirement and in fact supports to need to diversify the housing mix.’</i></p> <p>Policy HC2 is clearly worded to allow the Council flexibility where local characteristics do not support the proposed housing mix set out in the Local Plan. The Council should not attempt to remove this through the SPD and therefore, it is requested that Para. 8.2 is deleted.</p>	<p>Do not agree. This paragraph does not change the policy but rather clarifies how the Council intends this to be implemented.</p>

Consultee	Summary of comment	Response
Persimmon Homes	<p><i>Paragraph 8.6</i> This paragraph should refer to Policy HC1 not NH2.</p>	Agree. This is an error and will be amended
Persimmon Homes	<p>Para 12.3 states that: <i>'If the Council accepts that a lesser amount of affordable housing is necessary to make the development viable and deliverable, the remaining amount of affordable housing should still meet the tenure split as set out in Policy HC1 between affordable/social and intermediate housing.'</i></p> <p>It may be the case through agreement with Sefton Council that by amending the tenure split, a greater amount of affordable housing could be delivered than would otherwise be the case. Para 12.3 should therefore, be amended to allow for this.</p>	Do not agree. The Council's fundamental aim is the delivery of affordable housing that accords with the tenure mix identified as needed. This is the position the Council has consistently taken in dealing with planning applications and it will continue to apply this approach. To not do so would risk delivering more affordable housing in tenure split not reflective of local need as defined in the SHMA.
Persimmon Homes	<p>Para 12.4 states that: <i>'Where the Council accepts that a lesser amount of affordable homes due to viability issues then it will grant permission for a two year period rather than three years.'</i></p> <p>No justification is provided for this approach and due to its importance, we feel that this should be included within a Development Plan Document rather than in the SPD. We therefore, request that Para 12.4 is deleted.</p>	Agree in part. The Council consider this a valid mechanism to ensure permissions granted with reduced obligations are commenced in a reasonable timeframe and not mothballed until economic conditions improve (and thus prevent the Council securing full obligations). However, it is proposed to amend this sentence to: <i>'Where the Council accepts a lesser amount of affordable homes due to viability issues, then it will consider granting permission for a two year period, rather than three years. It will do this on a case-by-case based on the specific circumstances of each proposal.'</i>
CPRE	Par.8.12: This paragraph needs to cross reference with the relevant other SPD's and Local Plan Policies in terms of Design, Sustainability, Access to Public Transport and so on, as this is	Not required.

Consultee	Summary of comment	Response
	not sufficiently clear.	
Taylor Wimpey	<p>Policy HC2 (Housing Type, Mix and Choice) of the Local Plan requires a mix of different size homes (in terms of the number of bedrooms) for schemes of 25 dwellings or more, unless precluded by site specific constraints, economic viability or prevailing neighbourhood characteristics. The required mix includes a minimum of 25% of market dwellings being 1 or 2 bedroom properties and a minimum of 40% of market dwellings being 3 bedroom properties. It states that wholly apartment/flatted, extra care, sheltered housing and new affordable dwellings are exempt from these requirements.</p> <p>The SPD states at paragraph 8.3 that:</p> <p>"If an applicant considers that meeting the housing mix requirement would compromise the viability of the scheme, or that it would require a relaxation of other policies, a viability assessment should be submitted. The Council's retained viability consultant will assess this, at a cost to the applicant, and determine if the viability concerns are justified. The Council will determine, on a case-by-case basis, which policies or planning obligations, if any, will be relaxed."</p> <p>In relation to housing mix, TWUK broadly supports the Council's requirement for a mix of different size homes to delivering a wide choice of homes and create mixed communities, which is consistent with Policy HC2 of the Local Plan. TWUK also supports the inclusion of a mechanism within the SPD to allow the submission of a viability assessment where meeting the housing mix requirement would compromise the viability and/or deliverability of the scheme. Ensuring schemes are viable and deliverable is essential for delivering the overall levels of housing required in the Borough to meet the identified housing needs. As such, paragraph 8.3 should be reworded as follows:</p> <p>"If an applicant considers that meeting the housing mix requirement would compromise the viability and/or deliverability of the scheme, or that it would require a relaxation of other policies, a viability assessment should be submitted. The Council's retained viability consultant will assess this, at a cost to the applicant, and determine if the viability concerns are justified. The Council will determine, on a case-by-case basis, which policies or planning</p>	Do not agree. It is considered that the current paragraph is sufficient and reflects the policy.

Consultee	Summary of comment	Response
	obligations, if any, will be relaxed."	
Taylor Wimpey	TWUK acknowledges that the Council's use of bed spaces to calculate the total affordable housing requirement seeks to prevent affordable housing within a scheme being provided entirely within one or two bedroom homes. However, whilst TWUK does not necessarily object to this approach in principle, further clarification is needed on how it will work in practice. Of particular concern is how this approach will apply to outline planning applications in which precise bed space numbers/ house types have not yet been determined. Affordable housing provision within outline schemes cannot be accurately calculated with such an approach. Therefore, the Council must provide clarification and justification for this approach to ensure that it works in practice and that the affordable housing requirement for all proposals is clear and transparent.	In an outline scheme a section 106 agreement will seek to secure 30% of the scheme (calculated by bedspaces) will be required. This is the same approach that would be used if units were used to calculate the affordable housing requirement. It will then be necessary, in a reserved matters application, to ensure the minimum requirement for affordable housing is met.
Taylor Wimpey	Clarity is needed on whether or not the Council intends to prescribe the mix and tenure/split of affordable provision in policy as opposed to reflecting local need which the SPD sets out as 434 affordable homes per annum. Whilst the SPD should acknowledge the SHMA, it should also be able to react to the latest evidence on housing need and have flexibility to respond to up to date information. TWUK would support the SPD being based on evidence, however the Council's evidence is already out of date and therefore this needs to be updated.	Policy HC1 of the Local Plan sets out the tenure split required for affordable housing in Sefton. This is based on the most recent evidence (SHMA). Part 11 of Policy HC1 sets out that the Council will have regard to new evidence on housing need. The Council intends to update its SHMA later this year. The Local Plan does not prescribe the housing mix (i.e. number of bedrooms) that affordable housing should be.
Taylor Wimpey	The SPD's emphasis on pepper-potting of affordable housing is consistent with Policy HC1 of the Local Plan. TWUK does not object in principle however, consideration should be given to the requirements of the Registered Providers. An additional bullet point should be included within the above: <ul style="list-style-type: none"> • "Are there particular needs of the Registered Provider in terms of managing affordable housing that should be taken account of?" 	Part 8 of Policy HC1 sets out the Council's approach to pepper-potting. The SPD cannot introduce additional criteria for how it will apply this.
Taylor Wimpey	The exceptional circumstances to justify an alternative to on-site affordable housing provision, should include a trigger requiring viability evidence for financial contributions in	Agree in part. Will add a sentence to the end of paragraph 9.4 that off-site

Consultee	Summary of comment	Response
	<p>lieu of on-site provision. As such paragraph 9.2 should include the following bullet point:</p> <ul style="list-style-type: none"> • "If an applicant considers that meeting the affordable housing requirement would compromise the viability and/or deliverability of the scheme, or that would require the relaxation of other policies, a viability assessment should be submitted." <p>In addition, the SPD sets out further guidance relating to demonstrating a lack of economic viability to justify a reduced provision of affordable homes. The SPD includes a calculation and method to work out the off-site contributions and states at paragraph 12.4: 'Where the Council accepts that a lesser amount of affordable homes due to viability issues then it will grant permission for a two year period rather than three years'.</p> <p>TWUK objects to the proposed two year time limit where a viability argument is upheld. This represents a departure from the adopted Local Plan as no reference is made to a change in time limit on permissions in Policy HC1. As SPDs are not part of the Development Plan and are only intended to add further detail to the policies in the Local Plan, as set out in the National Planning Policy Framework (NPPF), introducing a revised time limit within the SPD is not appropriate or justified and would put unnecessary pressure on developers, impacting the deliverability of much-needed housing in the Borough. Paragraph 12.4 and the 2 year time limit should be omitted from the SPD.</p>	<p>financial contributions will be subject to the same test of viability as on-site affordable housing as set out in section 12. Agree in part. The Council consider this a valid mechanism to ensure permissions granted with reduced obligations are commenced in a reasonable timeframe and not mothballed until economic conditions improve (and thus prevent the Council securing full obligations). However, it is proposed to amend this sentence to:</p> <p><i>Where the Council accepts a lesser amount of affordable homes due to viability issues, then it will consider granting permission for a two year period, rather than three years. It will do this on a case-by-case based on the specific circumstances of each proposal.</i></p>
<p>Taylor Wimpey</p>	<p>The Government is consulting on a draft revised NPPF from 5th March 2018 to 10th May 2018. Within the proposed revised NPPF wording, the updated glossary proposes a broader definition of affordable housing which now includes starter homes; a new form of affordable housing for first time buyers, discount market sales housing; housing sold at discount of at least 20% below local market value, and other affordable routes to home ownership. In terms of starter homes, the proposed wording states that the definition of a starter home should reflect the meaning set out in statute at the time of plan-preparation or decision-making. Eligibility to purchase a starter home will be restricted to those who have maximum household incomes of £80,000 a year or less (or £90,000 a year or less in Greater London). Whilst the revised NPPF is subject to consultation and is not yet adopted, the SPD should take account of its contents moving forward.</p>	<p>Noted. Whilst it is accepted that the NPPF will amend the definition of affordable homes, the SPD covers other aspects of Affordable Housing. The Council will look to undertake a further limited consultation, if required, to reflect any inconsistencies with the NPPF. The Council will also update its Strategic Housing Market Assessment (SHMA) to determine its affordable housing need to take account of amendments to the NPPF. This will also</p>

Consultee	Summary of comment	Response
	<p>Furthermore, with regards to viability, the draft NPPF, has been published alongside proposed guidance on viability in planning. This includes a requirement that all viability assessments (where needed) should be made publically available. Whilst this is a consideration, viability is critical when it comes to delivering a development. If information is to be published within the public domain, this could potentially jeopardise a house builder as confidential information, such as purchase price, will be available for their competitors to see. As such, this approach should be treated with caution until a full understanding is available.</p>	<p>be reflected in any updated SPD.</p> <p>The Council will await the final guidance of reporting of viability evidence prior to making such information public.</p>