

**Draft “Meeting Housing Needs”
Supplementary Planning Document**

Statement of Consultation

As at February 2014

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Document
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1. Introduction

This document sets out how Solihull MBC has involved stakeholders in the preparation of the Draft “Meeting Housing Needs” Supplementary Planning Document. The purpose of this document is to explain how the Council is complying with Regulation 12 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

The Council is required to produce this Statement of Consultation to accompany the publication of the Draft Supplementary Planning Document for consultation. It will assist stakeholders and members of the community in determining whether the Council has undertaken the necessary consultation to comply with the regulations and its adopted Statement of Community Involvement.

The Draft Supplementary Planning Document will be consulted upon from Monday 3 March 2014 until 5pm Monday 7 April 2014.

This document sets out for each stage of the pre-production consultation, the following information:

- Which organisations and stakeholders were invited to make representations;
- A summary of the main issues raised by the representations; and
- How the representations have been taken into account.

2. Consultation Methodology

The Council is committed to involving stakeholders and the local community in the development of the Draft “Meeting Housing Needs” Supplementary Planning Document. The Council has adopted an approach that views consultation as an on-going activity that is integral to the plan-making process.

The Council has a comprehensive consultation database containing more than 1000 consultees, including residents associations, parish councils, elected representatives, community and voluntary groups, developers and businesses, infrastructure providers, government agencies and individuals.

The Council has a form on-line for persons or organisations wishing to be included on the Council’s Local Plan consultation database, or to update their details. Stakeholders and the local community have been informed by email or in writing of opportunities to get involved in plan-making.

A previous version of the Draft “Meeting Housing Needs” Supplementary Planning Document was entitled the Draft “Affordable Housing” Supplementary Planning Document.

The development of the Draft “Affordable Housing” Supplementary Planning Document was consulted on with stakeholders on a pre-production basis. Initial stakeholder roundtable meetings (in accordance with the Statement of Community Involvement) were held in November 2011, this is explained in more detail in the following chapter. Comments were taken into account by officers developing the Draft “Affordable Housing” Supplementary Planning Document that was approved by Cabinet Member for Economic Development and Regeneration in January 2012. Stakeholders invited and consulted with included for the pre-production consultation included:

- Homes and Communities Agency
- Parish Councils
- Community and Residents Organisations
- Agents
- Developers
- Landowners

Cross boundary consultation has been carried out with adjoining local authorities and parish councils. This has been completed through making reference to the Warwickshire Rural Housing Enabler Project, the SPD and the development specifically of the rural policy.

Solihull Council is a member of the Greater Birmingham and Solihull LEP (Local Economic Partnership) Housing Group that has considered a range of issues including affordable housing policy. Solihull Council is also a member of West Midlands Councils and the West Midlands Housing Officers Group.

There was a pre-production consultation of the SPD which is described in section 3.

There was a wider consultation of the Draft “Affordable Housing” Supplementary Planning Document between Friday 10 February 2012 and Friday 23 March 2012. A summary of this is discussed in section 4.

The Solihull Local Plan was submitted for examination in September 2012, with the Council adopting the Solihull Local Plan on the 3 December 2013.

Following consideration it was felt that guidance on the whole of Policy P4 would be beneficial. This expanded the remit of the Supplementary Planning Document to also include explanation of Policy P4c market housing, to ensure that new market housing contributes towards meeting local demand as identified within the latest Strategic Housing Market Assessment. Therefore it was decided that a second round of consultation was necessary.

The Council will consult on the Draft "Meeting Housing Needs" Supplementary Planning Document between Monday 3 March 2014 and 5pm Monday 7 April 2014. These organisations will include:

- Statutory Bodies
- Neighbouring Local Authorities
- Parish/Town Councils (Solihull)
- Neighbouring Parish/Town Councils
- Community and Residents Organisations
- Government Departments/Organisations/Statutory Undertakers
- Members of Parliament (Local)
- Agents
- Action, Community and Voluntary groups
- SMBC internal consultees

The Supplementary Planning Document will be publicised as follows:

- On the Council's web-site at www.solihull.gov.uk/ldf
- Letters to individuals and organisations on our database
- During normal office opening hours at the following Council offices:
 - Solihull Connect Library Square, Solihull Town Centre, Solihull. B91 3RG
 - Solihull Connect Shirley Police Station, 285 Stratford Road, Shirley. B90 3AR
 - Solihull Connect Bluebell Centre, Ground Floor West Mall, Chelmsley Wood Town Centre. B37 5TN
 - Solihull Connect at Balsall Common Library, 283 Kenilworth Road, Balsall Common. CV7 7EL
 - Solihull Connect at Kingshurst, Church Close, Kingshurst, Solihull. B37 6HA
- Paper copies of the documentation are available on request

Any representations received will be reported to the Council's Cabinet Member for Economic Development and Regeneration together with the recommended changes to the Supplementary Planning Document resulting from the consultation responses. A schedule will be attached to the report summarising the representations received, setting out requested changes and providing the Council's response.

3. Pre-production Consultation Feedback

The Draft “Affordable Housing” Supplementary Planning Document was consulted on with stakeholders on a pre-production basis at initial stakeholder roundtable meetings. As part of the Local Development Framework the Council has a Statement of Community Involvement and has developed a Consultee Database. In accordance with this, contact details were taken from this for all stakeholders who had indicated an interest in housing. The Council wrote out to all of those stakeholders concerned inviting them to attend a choice of two pre-production consultation sessions on the 1 and 4 November 2011 with a final date for written comments of the 11 November 2011. These sessions lasted for half a day, and consisted of a short presentation followed by roundtable discussions. Ahead of the sessions delegates were sent out a list of questions and then these were discussed at these half day sessions. The letter and questions are shown in Appendix A. Stakeholders invited include:

- Homes and Communities Agency
- Parish Councils
- Community and Residents Organisations
- Agents
- Developers
- Landowners

A total of 21 stakeholders attended the sessions and a list of these is shown in Appendix B.

Following the event a write-up of both of these sessions and the written sessions was produced and emailed to all of those who attended the two pre-production consultation sessions. This full write-up is available in Appendix C.

Officers have taken these comments forward and into account when developing Local Plan Policy P4 and writing the Draft “Affordable Housing” Supplementary Planning Document (and now carried forward into the Draft “Meeting Housing Needs” Supplementary Planning Document).

Feedback from the consultation resulted in the reduction in the site size threshold for the provision of affordable housing, which has now been reduced through the Local Plan. Affordable housing is now required on sites of 0.2 hectares or 3 or more (net) dwellings. This will encourage on-site provision and this is very important for rural villages who have very limited opportunities for affordable housing due to green belt constraints.

Officers have specifically taken the feedback into account within the Supplementary Planning Document by making the following amendments:

- The document provides a proportion of shared ownership for first time buyers and requires a mix of property types to meet the needs of all within a community.
- The rural exceptions policy allows parishes and other neighbourhood defined areas to develop additional affordable housing. The Supplementary Planning Document is not prescriptive and does not set targets for this, allowing parishes and neighbourhoods to develop what is appropriate for their village or area.

- The Council will look at specific planning policy on a site-by-site basis, however the Supplementary Planning Document does not give any guidance to encourage institutional investment. The pre-production feedback highlighted that all development could provide affordable housing and should make an equal part to play, no matter who is providing it or where in the Borough the housing is.
- The Supplementary Planning Document makes specific mention of the need to provide for those who are elderly and vulnerable and this will be considered on all allocated sites and appropriate other sites.
- Developers raised concerns on viability, this has been re-emphasised within the policy in that the target is subject to viability, along with an increased emphasis on deliverability.

4. Consultation Feedback

There was a wider consultation of the Draft “Affordable Housing” Supplementary Planning Document between Friday 10 February 2012 and Friday 23 March 2012. The Statement of Supplementary Planning Document Matters is shown in Appendix D.

Officers have taken these comments forward and into account when developing and writing the Draft “Meeting Housing Needs” Supplementary Planning Document.

Officers have specifically taken the feedback into account within the Supplementary Planning Document by:

- The 'at least' figure refers to all affordable housing schemes and the opportunity the rural exceptions policy brings that Parish Councils working with Registered Providers may wish to bring forward under the rural exceptions policy. This change was a “Main Modification” of the Local Plan and has now been amended within the SPD.
- As part of development of the Local Plan, the Council has commissioned a viability report to look at the deliverability of the Plan as well as the policies within, including the affordable housing obligation.
- Offering greater clarity in terms of viability.

The response to each comment is available at Appendix E.

5. Conclusion

The Council has been committed to involving stakeholders in the development of the Local Plan and the Draft “Affordable Housing” Supplementary Planning Document. This was from the early outset of developing the Draft Supplementary Planning Document through the pre-production consultation sessions.

The Council is satisfied that it will be complying with the requirements of Regulation 12 of the Town and Country Planning (Local Planning) (England) 2012 as the Draft “Meeting Housing Needs” Supplementary Planning Document goes out for consultation. It is also satisfied that it can demonstrate that consultation and involvement has been undertaken in accordance with the Council’s Statement of Community Involvement adopted in February 2007 for developing Supplementary Planning Documents.

Finally, the Council believes it has provided clear evidence that the representations made by stakeholders and communities have influenced the Draft “Meeting Housing Needs” Supplementary Planning Document so far and this will continue through the consultation as set out in the requirements of Regulation 12 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

Appendix A

INVITATION TO PRE-PRODUCTION CONSULTATION EVENTS AND QUESTIONS POSED TO ATTENDEES AS GUIDANCE AT THE EVENTS

Dear Sir or Madam,

Solihull Local Development Framework: Affordable Housing Policy and Affordable Housing Supplementary Planning Document

I am writing to invite you to attend a round table discussion session as part of the development of the affordable housing policy within the forthcoming Solihull Local Development Framework (LDF) and the Affordable Housing Supplementary Planning Document.

Under the Unitary Development Plan the Council has had Supplementary Planning Guidance with regards to Affordable Housing since 2003.

<http://www.solihull.gov.uk/planningservices/doineedplanningpermission.htm>

The Emerging Core LDF Strategy that was published and consulted upon at the start of 2011 highlighted challenges from housing including need, as identified by the Strategic Housing Market Assessment 2009. The Council is now keen to develop Affordable Housing Policy building on from the emerging Core Strategy and also develop a Supplementary Planning Document to give clarity to stakeholders.

<http://www.solihull.gov.uk/ldf/default.htm>

As part of the LDF the Council has a Statement of Community Involvement. In accordance with this we are keen to consult on this aspect of policy with stakeholders on pre-production basis of these documents. Your contact details for this have been taken from the LDF Consultee Database.

Any information that you provide at these events will be summarised and presented to Councillors and published on our website. This information will include your name, organisation and your comment.

The session will last for half a day, and will consist of a short presentation followed by roundtable discussions on some questions we wish to put to you.

The dates available are the:

- Tuesday 1 November 2011 9.30am to 12:30m
- Friday 4 November 2011 9.30am to 12:30pm

The session will be held in the Civic Suite behind the main Council House Offices in Central Solihull. We will confirm your booking and enclose a set of questions for you to think about ahead of the session. Unfortunately places on both sessions are limited and is limited to one person per organisation.

If you are unable to attend on either of the half days we are still keen to hear your views. We can send you a set of questions for consideration to which you can respond by email or letter. We need any written responses back by the 11 November.

To book a place please complete the attached response form or email housingstrategy@solihull.gov.uk

Yours Sincerely

Mark Collyer
Housing Strategy Officer
Policy and Spatial Planning Team



Data Protection

The information you provide will be used by Sustainable Development to prepare the Local Development Framework (LDF). You can contact Sustainable Development on 0121 704 6395. Any information you provide may be shared with other employees or agencies (such as the Planning Inspectorate) who may be involved with the LDF, now or in the future. Additionally, your personal details may be shared with other Solihull MBC departments and partner organisations to ensure our records are kept accurate and to keep you informed of future consultation documents.

AFFORDABLE HOUSING POLICY & SUPPLEMENTARY PLANNING DOCUMENT PRE-PRODUCTION EVENT

QUESTIONS TO PROMPT DISCUSSION

1. Percentage Target & Thresholds

The Strategic Housing Market Assessment (SHMA) from 2009 highlighted increased Housing Need for affordable housing compared to the previous Assessment in 2001.

In response to this, should consideration be given to lowering the threshold from 0.5 hectares or sites that contain 15 or more dwellings?; What impact would this have in meeting housing need? The Council currently has a 40% affordable housing target on sites of this size and above, consideration will also be given to see if going above this target could be achievable without significant impact on the deliverability and /or viability.

- The percentage target – what should it be?
- What lower threshold(s) should we go for?
- What proportion of affordable housing should be set at each threshold?
- Should the target be adjusted from 40% of dwellings to 40% of the square footage of the development?
- If we go to a very low threshold, is there an argument for taking a developer contribution at the lowest level?
- Density - PPS3 places importance on the efficient use of land and proposals that use land inefficiently will therefore be refused. In this context the Council will judge the acceptable density of a development proposal in the light of what is in keeping with the character of the local area. Is this the correct position to take, or should acceptable density be defined in terms of what is capable of being developed? (see also third bullet below)
- How far should the planning framework dictate the size and mix of units – either for affordable or market housing

- Should minimum standards be set – either for unit sizes or environmental/sustainable codes (noting there could be an impact on viability and therefore the quantum of affordable housing if high standards are enforced)
- Do we extend the affordable obligation for traveller site applications?
- If so, how do we express it? (e.g. a proportion of pitches to be for social rent on applications above the threshold)
- Should the Affordable Housing policy include residential moorings?

2. Geography

- Do we take a one-borough approach or go for a lower level of geography?
- Should the policy have differing targets and thresholds in different areas of the borough?
- If we do what should this be – the 3 areas? Parish boundaries if Local Plan?

Previous consultation has shown that some rural villages need additional families to make schools and other services viable, however concerns have been raised as to the suitable locations of these sites. The Council will therefore consider adopting an enabling mechanism to allow these affordable housing schemes to be taken forward by parishes through neighbourhood plans with the support of the Council.

- Rural Exceptions – should a general policy be put in place?; would we list specific rural areas only? If we do, say that Rural Exception sites will always be developed in consultation and with the agreement of the relevant Parish Council?
- Should this be an enabling policy left to the Parish Council?

3. Policy Variation

- Should we adopt an approach that waives/reduces affordable requirement if all or part of a development is for private renting by institutional investor? Would require institutional investor to covenant not to sell on open market within a defined period (20 years??) and/or should there then be a covenant for a certain percentage to then be converted to affordable?
- If we did take this approach, should we limit it to specific areas only (e.g. Town Centre development)
- Do we need to say something specific regarding affordable housing in context of mixed use schemes? (residential/commercial). A different target and threshold?; would viability assessment be different?

4. Car Parking & Standards

In general, the Council expects that the size and type of the affordable housing dwellings on a site will be broadly similar to the market provision. This reflects the level of housing need across all sizes and types of property. To this end the

Council will take into account the relative internal size dimensions of the market and affordable housing and the total sum of bedrooms in the two tenures.

- [Is this a suitable approach?](#)

The Council expects high standards of design, layout and landscaping for all developments, which respect the character of the area and reflect local distinctiveness in accordance with LDF Policy.

- [Should we define minimum sizes for affordable dwellings or take the same standards as provided by the market?](#)
- [How prescriptive should the Council be in identifying the types and sizes of affordable housing on developments?; Should this only apply to developments over a certain size threshold?;](#)
- [Should we adopt different car parking standards for affordable housing, or have the same as for market dwellings?](#)
- [Should the Council insist on development briefs on sites of a certain size threshold? If so what should this threshold be?](#)
- [Should we say that a proportion of social or affordable rent dwellings are built to Lifetime Homes standard?](#)
- [Given that affordable housing is for those on a low incomes, should the energy efficiency standards of dwelling be higher so that occupiers can keep them warm without risk of fuel poverty?](#)

5. Developer Contributions

This is the idea that sometimes it can be better not to agree on-site affordable housing but instead receive a cash sum instead. This is then used to develop affordable housing elsewhere in Solihull.

The principle is that the cash sum be of broadly equivalent value to the subsidy element provided by the developer if on-site provision had been delivered.

Circumstances where Developer Contributions can be appropriate include,

> Management. High density apartment developments for older people have a 'lodge manager'/warden along with various communal facilities. These normally include a communal lounge, guest suite, laundry facilities, landscaped gardens and a central alarm system. Residents pay a service charge to fund these items.

>Achieving on-site affordable housing is difficult because it is unlikely that there will be sufficient room in the development to operate a separate and more affordable service charge regime, but for the affordable apartments to share a management and service charge regime with open market units would make them unaffordable

> Level of on-site affordable provision. Poor economic viability, or the existence of other planning objectives, could result in a situation where the level of on-site affordable provision is so low that a Registered Provider may not want to take a single or very small number of dwellings. In this situation the Council recognises that it can be better that the developer pays a financial contribution instead.

- Is this text an appropriate guide for the circumstances in which a developer contribution would be acceptable to the Council?
- How should developer contributions be calculated?

Our proposal: That the cost to the developer of an on-site provision be established on the basis of the following assumptions for notional on-site provision,

- (a) Social rent: Registered Provider pays 35% of open market value
 - (b) Shared ownership: Registered Provider pays 65% of open market value
 - (c) The share of the affordable provision to be 70% social rent and 30% shared ownership
 - (d) The size and type of the affordable to mirror the market provision
- Are there any other circumstances where a commuted sum should be taken (in mixed use/commercial schemes)?

6. Economic Viability & Market Change

The SHMA identifies particular housing need for family accommodation which generally means that housing should be provided at a lower density, this will also impact on deliverability and viability of the amount of affordable housing that can be provided. Also the Council currently requires 60-75% of affordable housing to be social rented with the rest being intermediate (such as Shared Ownership), the SHMA 2009 identifies need for this to be increased to 80% to be social rented.

Generally, the cost of affordable housing will be met by development. There will be very little capital grant available from the HCA, successor agencies or other public bodies to support the development of affordable housing.

The onus will be on the developer to prove that meeting the standard affordable housing requirement is not deliverable due to viability considerations, the Council will probe the evidence presented. Any departure from policy, or reduction in the existing affordable agreement, shall be the minimum necessary to make the development viable.

The Council shall look at viability on the basis of a Residual Land Value methodology.

The viability appraisal shall be based on the market value of the site at the time of the appraisal (based on Standard RICS Valuation guidance), not the developer's purchase price.

Where the Council agrees to a reduced affordable housing obligation, two additional agreements will be required,

- > A commitment by the developer to start on site and complete within a defined period

> An Overage clause. In the case of an off-site affordable contribution, where achieved sales values of the market units are greater than those in the most recent viability appraisal a developer contribution shall be paid to capture the additional revenue, but not beyond the level of the original agreement

- Is this a reasonable and robust approach?
- Is this approach satisfactory with regard to phased developments?
- With development phased over a long period (how long?), could viability be re-assessed at each phase? (e.g. reduce obligation in first phase with possibility of catching up in later phases?)
- What should the trigger point be for these reviews, two continual quarters of economic contraction within the UK (i.e. a recession)?

Appendix B

ORGANISATIONS ATTENDING PRE-PRODUCTION CONSULTATION EVENTS ON 1ST AND 4TH NOVEMBER 2011 AND WRITTEN RESPONSES

- Hampton-in-Arden Parish Council
- George Fentham Trust
- Catesby Property Group
- WM Housing Group
- Barton Willmore
- Berkswell Parish Council
- BridgeHouse property Consultants
- Savills
- Waterloo Housing Association
- Meriden Parish Council
- CB Richard Ellis
- Lovell
- Solihull Council – Spatial Planning
- BridgeHouse property Consultants
- Bromford Housing Group
- Homes and Communities Agency
- WM Housing Group
- Hockley Heath Parish Council
- Pegasus Planning Group
- Cheswick Green Parish Council
- Bickenhill Parish Council

Appendix C

MAIN DISCUSSION POINTS FROM EVENTS ON 1ST AND 4TH NOVEMBER 2011 AND WRITTEN RESPONSES

1. Percentage Target & Thresholds

The SPD is being developed in tandem with the Local Development Framework Core Strategy Policy. It is not therefore being developed prematurely and is not diminishing the priority being given to developing the Core Strategy.

Developers need certainty so having a target gives this. 40% has been achieved on some sites and should be achievable on Greenfield sites. It may not be achievable on other sites but the target recognises the need for flexibility.

Could a requirement for 30%-35% affordable housing but more consistently applied be more appropriate? Such an approach could promote supply and involve less time and cost in viability disputes.

The Community Infrastructure Levy will affect the level of Affordable Housing that is viable – CB Richard Ellis are advising the Council on this.

The Strategic Housing Market Assessment was produced in 2009 based on 2008 data.

Generally, market demand is not for big houses, but smaller houses for first time buyers, those down sizing and the elderly. Need for more properties in lower Council Tax bands.

Need to move away from low density 'executive homes' to higher density housing for families and first time buyers. Also needs to encourage aspirational home owners rather than buy to let investors.

In small villages few sites come forward, if there is only one site and it is below 14 units this is a missed opportunity to provide much needed affordable housing in a village. The threshold should be lowered and it should be on site provision.

In terms of the economic climate, viability and the need for cross subsidy, 100% affordable housing is not usually possible. On larger sites it is important to have a mix to create sustainable communities.

Rural areas are distinctive from the urban area. In some areas they may need to focus on intermediate tenure to meet the needs of young people, families and provide options for older people 'downsizing'.

Need to identify the right development for each site. After that support for an appropriate affordable housing target that may be 40%. This should also be applied to developments of less than 15 dwellings. Affordable housing should be better integrated into development but understand the management needs for blocks of flats and small numbers of houses to be located together.

40% of square footage or bedrooms (rather than 40% of dwelling units) would lead to an increased complex policy, (what is a bedroom and another habitable room?). It is likely that the threshold would then definitely have to be lower.

It is important to have the right mix of affordable housing, however the Strategic Housing Market Assessment already shows this.

Need for aspirational affordable family housing in some parishes, with a preference for shared ownership. Location is very important to respect village identity.

It is important to understand that with any rural housing exemption policy, that either subsidy is available or open market dwellings can be sold to achieve cross subsidy, otherwise the development will be viable.

Need for viability and housing needs to be assessed. Viability needs to be done on a case by case basis. Robust evidence for housing needs is there in the form of the Strategic Housing Market Assessment. Housing needs in Solihull will always outstrip supply.

Recognition that Social Rented was most valuable form of affordable housing due to pressures from families. 80% of newly forming households need Social rented accommodation (as identified in the Strategic Housing Market Assessment).

Could the policy be reduced to encourage a variety in supply? Through lower priced owner occupied housing, elderly and intermediate products. This would provide more housing that meets need and would make affordable housing developer subsidy go further.

Maybe better to look at lower target if the focus and need is for Social Rented.

Need to avoid estates where there is 40% affordable housing with market housing that attracts buy-to-let investor who let to households on housing benefit. Need to meet the needs of the local community and get a mix, not just meeting the needs of most needy. It is also about creating balanced and sustainable communities.

Need to consider whether 40% affordable housing hold back supply. It may also have longer term undesirable effects, resulting in high density development and private housing that ends up a 'Buy to Let' to benefit dependant households.

The local authority is exercising a statutory duty in asking for affordable housing and that the 40% is a target. This is acknowledged as being aspirational and is subject to negotiation.

40% affordable housing has not given any Registered Providers in Solihull any issues in providing balanced communities

Support for a rural exceptions policy. Is only needed to meet limited local parish needs.

Varying views from Registered Providers as to the minimum number that could work on a development, one dwelling can work if there is existing stock near by. However there are costs associated with transfers of small numbers of units.

Schemes below the current threshold should still be making a contribution, even if this is only a financial contribution to affordable housing elsewhere in the borough.

Suggestion that the threshold should be reduced to 5 units.

Registered Providers will pay less for 1 unit than they would for the average of 10 units on a larger development, therefore viability needs to take this into account.

Concern was expressed that Right to Buy had already reduced the stock of social housing with only 25% being replaced and that Right to Acquire would exist for new social rented and new affordable rented dwellings.

A CIL (Community Infrastructure Levy) charge would be preferable for developers than having to provide on site. This also gives them certainty. Money must be ring fenced for affordable housing. However it would be difficult then to achieve mixed and balanced communities and it may also be difficult to spend the contributions.

The Council should also address the need for affordable housing through building more to reduce the price and this building should focus on starter homes.

Need to protect the Green Belt.

Need to provide more lower priced open market housing.

2. Geography

There are differences in the housing markets across the borough. The Affordable Housing policy needs to follow these markets and a one size approach to its implementation will not work. For example, there is likely to be a need for flexibility on the balance of affordable tenure.

Need to take into account the needs of local areas, parish Council research has indicated needs for lower priced open market accommodation and shared ownership.

The same percentage and threshold should apply across the borough. Any other planning objectives, such as north Solihull, should be dealt with on a site by site basis.

There is a very strong need for on-site provision in the rural areas.

Need for housing that bridges the gap for older people between living independently and supported housing.

Need to reflect market demand for housing.

There may need to be flexibility across the borough in terms of an 80:20 split between social rented and intermediate housing. This includes looking at existing patterns of social housing near to the development site.

Viability is also different across the borough with substantially differing house prices and the fact that in the rural areas most new site will be green belt and can provide a high degree of affordable housing. This will also help with achieving

balanced communities with a need for more social rented in south Solihull and more market housing in north Solihull.

Some villages have declining local services, more exception should therefore be given here to new development, with the approval of the Parish Council to help support the local economy.

There needs to be a shared understanding of what is needed between the parishes and the Council and that simply saying no housing is needed should not be an option. It also needs to be about delivery.

On rural development the important point is for the villages and parishes to identify their needs and which areas should be built upon. There would also be a role for a 'rural enabler' to help bring the development about.

Need for any housing to go to local people or those with a connection to the village.

85% of Solihull is designated as Green Belt. Some areas could accommodate a small amount of growth and the Council needs to look at these distinct areas where there is a need for modest growth.

Concern that recent developments have simply attracted commuters, rather households that will use local shops, businesses and services. Housing needs to be for people with a local connection to the village to maximise the chance of local businesses being used.

Concern was also expressed that land owners may not wish to sell.

3. Policy Variation

Would it be a good idea to have a lower target figure in some areas so as to encourage institutional investment of private rent?

Attracting institutional investors could help provide additional funding to provide different housing products whilst also helping to meet the Council's housing needs. A guaranteed buyer will help developers by reducing costs and improving viability. It also provides a housing solution that can improve economic growth by providing a housing solution for those on short term housing contracts. It has to be a planning policy and with strong evidence that it is needed to create a balanced community. The Council does need to be clear on timescales for disposal (e.g. 10 years) and that this may be into the owner occupied sector, but after a considerable number of years rather than simply until the market has improved.

This approach could provide additional and new money for housing, without the expense of any other development or investment. It could also help make the development work through economic ups and downs. Could be suitable for investment institutions as tax breaks kick in for REITs (Real Estate Investment Trusts) and affordable housing can provide a steady inflation proofed income.

Concern was raised that any blanket policy on all sites could mean that a small number of institutions could drive down prices that are paid, if housing has to be provided in this way, it is too restrictive.

Should only be considered in specific areas where a specific need has been identified through a planning document.

Need to make sure that it is regulated and involves a Registered Provider.

It was felt that the private or intermediate rented sector could provide an important role. The role of institutions can also be provided by Registered Providers, therefore any policy should reflect this.

Could be a positive role for the redevelopment of Solihull Town Centre. Is seen as having worked successfully in other parts, with successful residential developments above shops,

There are also areas of smaller town centres, such as Balsall Common, which may also benefit from this approach.

With town centres or village centres often a barrier to this approach is the complicated ownership structures mean it can be difficult to compel them to take this approach.

Concern was also raised that developers will have invested in sites heavily over many years, then because of changes in policy, they will be able to come in and get a better return on investment.

The policy may also simply take market share away from the starter homes market.

If the policy could be fair, then it could provide a housing solution to those in housing need but who do not have an urgent need or a priority under existing legislation and policy.

Any policy should be linked to meeting need off the housing register and any subsidy recycled in accordance with planning policy.

4. Car Parking & Standards

Car parking should reflect that of the market housing. Parking can be an issue if at the rear of properties especially if there is a service charge. This will need to be taken into account with affordable rent as this must also cover service charges.

A tenure blind approach was endorsed.

It was acknowledge that anything above building control standards such as environmental measures and Lifetime homes does add to costs, and therefore potentially strains viability.

Layouts can be used to help create more sustainable locations rather than any affordable housing being isolated at the back of the site. Ideally this needs to be in clusters to assist with reducing management costs.

Layouts should also be Secured by Design, as should the properties, with good window and door locks. This can make a big difference to developments.

Apartment blocks need to ideally contain all affordable housing so that the Registered Provider can take the freehold and control service charge costs.

HCA specification is required for grant funding and delivers things such as larger bedrooms which improves the meeting of housing needs.

Concern that additional requirements for affordable housing impact on tenure blindness and adds to costs.

There is more of a need for elderly accommodation for people to downsize too rather than more large family housing being made adaptable. With changes in Local Housing Allowance, even if someone wants to stay and their home can be adapted, they may still have to move for financial reasons. The direction the government is going is encouraging older people to downsize.

Requiring 'Lifetime Homes' standards for all new housing should be considered to help meet the needs of an ageing population. Developers would then get used to factoring this in.

Under the Localism Bill Councils will also be required to develop Strategic Tenancy Policy which will aim to make best use of existing stock and free up bedrooms that are not used.

5. Developer Contributions

These should be by exception with the onus on the developer to make the case.

Concern was raised that contributions from elderly persons accommodation would take money away from a scheme and some parishes would rather see on site affordable housing.

Difficulties with providing on site provision were raised as they are often small sites and it is difficult to split service charges.

Concern that commuted sums arising from development in a parish will not stay within that parish, therefore there is a preference for on site affordable housing. Currently commuted sums are spent across the borough.

Ultimately any contribution comes off the land value and is a viability consideration.

Some elderly schemes are meeting a market need but are not affordable. Need to understand the differences between the 'McCarty and Stone' type developments and 'Extra Care Housing' which has more communal facilities and which can meet a persons needs as they become very frail.

Need for further work to encourage Shared Ownership products that work in apartment blocks for the developer, Council and owner-occupier.

How should commuted sums be calculated?

Proposed differing calculation based on 3 and a half times income model currently used at Birmingham.

With a lower threshold, it may be more practicable to use a developer contribution rather than accept on site contributions.

6. Economic Viability & Market Change

Concern that affordable housing was introduced at the top of the market and current agreements are no longer viable. Developers are now struggling with viability and affordable housing is one of many disincentives to development.

Concern over potential use of overage clauses.

More controls, impositions and constraints make it less attractive to bring sites forward. It is not unreasonable for investors to buy a site, but the restrictions make this difficult in that are we trying to get to the fine tipping point. These restrictions only benefit lawyers.

Setting affordable housing thresholds lower will deliver “more and more quickly”.

Landowners have been involved in a stand off, waiting to see if policy will reverse, however this seems unlikely. There are benefits in having a robust policy. This appears to have been shown by CIL (Community Infrastructure Levy) in that it is robust and gives certainty which would benefit being included in the affordable housing policy.

If the Council drives down viability, it is more likely that landowners will not sell.

Affordable housing should be reflected in land values. This value should be greater than other uses to encourage change in use.

If affordable rent is used either as replacement or part replacement to social rent within the policy, the Council needs to make sure that the additional funding is captured for affordable housing. Need to make sure that any affordable rents are and will remain less than Local Housing Allowance. Affordable rents will improve viability.

Approach in Birmingham is that Affordable Rent will work with smaller units while a reduced affordable rent or social rent is more suited to larger, family accommodation.

There are other areas that have robust and certain policies, however sites have still failed to deliver because of infrastructure costs.

Need to ensure that on larger sites with different phases, viability is assessed at differing points of development to capture any up or down turn. Coverage clauses can work to help keep developments moving.

Rural areas want flexibility to develop on a local basis and discuss locally.

Support was given for Stratford-Upon-Avon’s ‘Local Choice’ policy in that it fits well with neighbourhood planning. It helps if it avoids being as bureaucratic to the parish.

Other issues

Need for Flexibility in Rural areas where parishes are developing Neighbourhood plans.

Need for Local Choice in Housing market and meeting local needs, to encourage sites to come forward. Need an approach that speeds up development of new homes and encourages permissions to be given.

Appendix D – wider consultation of the Draft “Affordable Housing” Supplementary Planning Document between Friday 10 February 2012 and Friday 23 March 2012

Statement of Supplementary Planning Document Matters

Draft Affordable Housing Supplementary Planning Document

Planning and Compulsory Purchase Act 2004

The Town & Country Planning (Local Development) (England) Regulations 2004

The Town & Country Planning (Local Development) (England) (Amendment) Regulations 2008

The Town & Country Planning (Local Development) (England) (Amendment) Regulations 2009

Statement of Supplementary Planning Document Matters

Title of document:

Draft Affordable Housing Supplementary Planning Document February 2012

Subject matter and area covered:

Solihull Metropolitan Borough Council has published its Draft Affordable Housing Supplementary Planning Document for consultation in accordance with Regulation 17 of the Town and Country Planning (Local Development) (England) Regulations 2004 (as amended).

The Solihull Draft Local Plan outlines the spatial vision for how the Borough will develop up to 2028 and sets out objectives, a spatial strategy, core policies and a delivery and monitoring framework to measure the implementation of the plan. One of the key policies of the Solihull Draft Local Plan is to address the housing needs of the borough. The Draft Affordable Housing Supplementary Planning Document aims to set out the mechanisms and criteria for delivery of affordable housing through the planning system throughout the borough. It will aim to improve the delivery and maximise the opportunities available for the provision of affordable housing. Once Adopted the Draft Affordable Housing Supplementary Planning Document will replace the Affordable Housing Supplementary Planning Guidance (2003) supplementing the saved policies of the Solihull Unitary Development Plan 2006 and the Solihull Local Plan once it is adopted and replaces the UDP.

Period within which representations must be made:

The statutory period for making representations on the Draft Affordable Housing Supplementary Planning Document is for a period of six weeks starting on Friday 10 February 2012. **Representations must be submitted no later than 5:00pm on Friday 23 March 2012.**

Statement of document availability

The Draft Affordable Housing Supplementary Planning Document, together with the Statement of Consultation and relevant supporting background documents are available to view, download and comment on from Friday 10 February 2012 at www.solihull.gov.uk/ldf

Paper copies of the documents will be available for inspection at the following locations:

Solihull Connect Library Square

Ground Floor
Library Square
Solihull
B91 3RG

Opening Hours: Monday 8:30am - 5:30pm
Tuesday, Thursday, Friday 9:00am - 5:30pm
Wednesday 10:00am - 5:30pm
Saturday 9:00am - 1:00pm

Solihull Connect Shirley Police Station

285 Stratford Road
Shirley
B90 3AR

Opening Hours
Monday – Friday 9:00am - 6:00pm
Saturday 9:00am - 1:00pm

Solihull Connect at The Bluebell Centre

Ground Floor West Mall
Chelmsley Wood
B37 5TN

Opening Hours
Monday, Tuesday, Thursday & Friday
9:00am - 6:00pm
Wednesday 10:00am - 5:30pm
Saturday 9:00am - 1:00pm

Paper copies of the Draft Affordable Housing Supplementary Planning Document will also be sent to all libraries throughout the Borough and be available to view during normal opening hours and on the mobile library (please check for opening times).

How to submit representations:

Please include your name, organisation, contact details and your comment.

Electronically: Representations can be made by emailing housingstrategy@solihull.gov.uk

By post to: Housing Strategy, Solihull Council, PO Box 19, Council House, Solihull, B91 9QT

Request for future notification:

Representations may be accompanied by a request to be notified of the adoption of the Affordable Housing Supplementary Planning Document.

For further information please contact:

Address: Housing Strategy Team Solihull Council, Church Hill House, PO Box 19, Solihull, West Midlands. B91 9QT
Telephone: 0121 704 8145
Email: housingstrategy@solihull.gov.uk

Appendix E

Responses to wider consultation of the Draft “Affordable Housing” Supplementary Planning Document between Friday 10 February 2012 and Friday 23 March 2012

Comment Number	Comment	Response
1	<p>The Solihull LDF Draft Affordable Housing SPD should set a strategic context requiring developer contributions towards rail infrastructure whereby new development will create a significant change in the usage of a part of the transport network and thus generate requirement for new or improved infrastructure and/or station facilities.</p> <p>Specifically, we request that a Policy is included within the document which requires developers to fund any qualitative improvements required in relation to existing facilities and infrastructure as a direct result of increased patronage resulting from new development. Developer contributions should also apply to proposals that arise from the Solihull LDF Draft Affordable Housing SPD.</p>	<p>The SPD cannot introduce any new policy, only implement the existing policy outlined within the Local Plan, therefore this is outside of the scope of this Affordable Housing SPD consultation.</p>
2	<p>Although well intentioned I am not sure if SMBC is aware of the overpopulation problem rather than housing and that SMBC compounds this by encouraging in order to increase income? This is exemplified by the David Attenborough BBC programme of the 24.11.11, "How many people can live on planet earth".</p>	<p>The SPD cannot introduce any new policy, only implement the existing policy outlined within the Local Plan, therefore this is outside of the scope of this Affordable Housing SPD consultation.</p>
3	<p>This is to advise you that I have read through the draft SPD and believe it to represent a fair and balanced approach to delivery of affordable housing within the Borough. As a Registered Provider in good standing with the Council and committed to helping the Council to deliver affordable housing to meet the evidenced needs, I believe the draft SPD provides a solid platform to enable us to work with you to meet that objective. Whilst outlining clear targets and approaches, it nevertheless also contains sufficient flexibility, if operated in practise, to enable more challenging situations to be addressed.</p>	<p>Response noted.</p>
4	<p>We do not believe that this SPD will impact upon Natural England's interests and we therefore have no comments to make.</p>	<p>Response noted.</p>
5	<p>The policies set out in this document will not affect the strategic road network. Therefore, the Highways Agency has no comment to make regarding this consultation.</p>	<p>Response noted.</p>

6	<p>The Definition of Affordable Housing</p> <p>Whilst we support the Council's local definition of affordable housing, this being in line with PPS3 guidance, we are concerned that the definition taking into account Appendix 4 may be applied inflexibly. The Council should be aware of the need to apply a local definition of affordable housing need and demand flexibly to ensure the maximisation of delivery to meet a range of needs. Applying such exact figures is too prescriptive and unresponsive to change, even where an annual update is conducted, as applying a borough-wide approach is blind to local variations in viability and existing housing stock conditions. The Council should not therefore seek to apply the figures set out in Appendix 4 as maximum affordable housing price thresholds but instead use these as a rough guide when assessing individual applications.</p>	<p>The 'at least' figure refers to all affordable housing schemes and the opportunity the rural exceptions policy brings that Parish Councils working with Registered Providers may wish to bring forward under the rural exceptions policy. This will be amended. The policy makes this clear that this is subject to negotiation and viability.</p>
7	<p>Site Thresholds</p> <p>The Council should also now be considering conducting an update to the Strategic Housing Market Assessment which is now quite outdated. Updates using national statistics will not be a sufficient substitute for having up to date local knowledge of market conditions. For this reason, a full viability assessment should be commissioned to consider viability conditions which are likely to be a considerable barrier to affordable housing delivery at present. Without this background evidence the Council cannot be certain of site thresholds meeting viability conditions.</p>	<p>The Strategic Housing Market Assessment (SHMA) was commissioned in 2008, since then the Council's Housing Register has continued to increase. Therefore the Council considers that there is still overwhelming evidence of need for affordable housing. As part of development of the Local Plan, the Council has commissioned a viability report to look at the deliverability of the Plan as well as the policies within, including the affordable housing obligation.</p>
8	<p>Affordable Housing Requirement</p> <p>As with our comments above, without a full viability assessment we are unable to comment fully on the proposed affordable housing requirement. Though we are supportive of the Council setting a challenging target for delivery, this figure cannot be implemented robustly without the supporting evidence. The Council is already aware of this requirement, as the 2009 SHMA notes: "An affordable housing viability assessment is required to support affordable housing planning policies."</p>	<p>As part of development of the Local Plan, the Council has commissioned a viability report to look at the deliverability of the plan as well as the policies within including the affordable housing obligation.</p>

9	<p>Affordable Housing Requirement We also disagree with the Council's approach to setting a threshold target, without a full numeric target for affordable housing delivery over the Plan period. Without a numeric target it will be more difficult for the Council to monitor the overall performance of either the emerging Local Plan or the SPD, and so to plan adequately to meet its need over the lifetime of the Plan. PPS3 requires local authorities to set out the circumstances in which action will be required to "ensure performance is achieved in line with the housing and previously developed land trajectories" and to set out trigger-points for management action on, for example, underdelivery of housing. The Council should set a numeric target for affordable housing delivery, with an annualised figure to allow for continuous monitoring through the Annual Monitoring Report. Without this figure, the proposed monitoring indicator set out in part 9, Monitoring and Review, is set out of context and is meaningless.</p>	<p>The SHMA assessment identifies that 70% of newly forming households cannot afford to buy or rent in Solihull. The 40% affordable housing target set out in the Local Plan is subject to negotiation and viability of sites. This is the maximum that can be delivered without making development unviable. The target is subject to negotiation and viability which will also vary according to the economic conditions at the time.</p>
10	<p>Affordable Housing Requirement We support the Council's intention to flexibly apply the 40% affordable housing requirement on a site-by-site basis.</p>	<p>Response noted.</p>
11	<p>Indicative Tenure Mix We support the Council's approach to seeking a more balanced affordable housing mix of social / affordable rent and intermediate housing, in accordance with PPS3 and housing need evidence. This mix should however be supported by an up to date assessment of housing need and viability to ensure this mix is robust and can be implemented.</p>	<p>The SHMA was commissioned in 2008, since then the Housing Register has continued to increase, therefore the Council considers that there is still overwhelming evidence of need for affordable housing.</p>
12	<p>Planning Obligations This section should make explicit reference to the CIL Regulations which now govern how planning obligations and financial contributions on developments are managed. It would be useful if the Council indicated whether they intend to bring forward a Community Infrastructure Levy Charging Schedule.</p>	<p>The proposal to bring forward a CIL (Community Infrastructure Levy) is outlined else where within the Local Plan.</p>
13	<p>Registered Providers We support the Council's recognition of the benefits of working with Registered Providers. Those HARPs operating in and around Solihull have a wealth of experience and local knowledge which should be recognised when dealing with RP-led developments.</p>	<p>Response noted.</p>

14	<p>Rural Exceptions Policy We have set out our representations to this policy in the Local Plan to that specific consultation. For clarity, we reiterate them here. Part b) on rural exception sites is very tightly drawn and should be relaxed to allow for the delivery of affordable housing through cross-subsidy where it can be demonstrated that affordable housing development cannot be achieved without an element of open market housing. This will encourage continued delivery of affordable housing across the borough at a time when economic circumstances and reductions in Government subsidy have significantly reduced viability of 100% affordable housing developments.</p> <p>We support the reference to development proposals being acceptable where there is no Parish Plan and being brought forward to meet an unmet identified need.</p>	<p>There is no evidence that cross subsidy is necessary. One scheme has been delivered in the rural area of Solihull which is all rented (11 three and four bedroom houses). If viability is an issue developers and housing associations should engage the Council for guidance on accessing funding sources.</p>
15	<p>Perpetuity Affordable housing is only required by PPS3 to be retained in perpetuity where this is delivered on rural exception sites. It is not appropriate for the Council to seek to adopt this approach for all affordable housing across the borough and the text should be amended to explicitly reflect this.</p>	<p>This has been superseded by the definition of affordable housing as set out in National Planning Policy Framework in Annex 2.</p>
16	<p>Shared Ownership We are concerned that the approach to notification of the Parish Council / Neighbourhood Forum upon the intended sale of shared ownership properties is too intrusive and should not be shared with members of the public outside Solihull Metropolitan Borough Council. A statement of eligibility from the local authority to the Parish Council or Neighbourhood Forum should suffice to meet the need to demonstrate this.</p>	<p>We are keen to ensure that accommodation meets the needs of local people and have been built using an element of local subsidy. As the properties would need to be advertised to local people first the Parish/Neighbourhood, we also do not feel that this is too intrusive.</p>
17	<p>We strongly advise the Council to commission an update to its Strategic Housing Market Assessment and to conduct a full viability assessment to ensure the SPD policies can be implemented. Without this evidence the Council's approach may be undermined when negotiating on individual sites and so result in overall under delivery of affordable housing.</p>	<p>The Strategic Housing Market Assessment was commissioned in 2008, since then the Housing Register has continues to increase, therefore the Council considers that there is still overwhelming evidence of need for affordable housing.</p>
18	<p>Overall, this SPD demonstrates the Council's commitment to increasing the number and diversity of affordable housing delivered across the Borough. The document is however unsupported by clear, up to date evidence that gives weight to the policy. Further, the SPD is based on an untested Local Plan policy that may yet be subject to change. We strongly urge the Council to await adoption of that document before setting out in detail the mechanisms for implementation of that policy.</p>	<p>The SPD will not be adopted until the Local Plan is adopted by the Council. The Strategic Housing Market Assessment was commissioned in 2008, since then the Housing Register has continues to increase, therefore the Council considers that there is still overwhelming evidence of need for affordable housing. The Council has an existing Affordable Housing policy and Supplementary Planning</p>

		Document and this continues to build on it.
19	The Coal Authority has no specific comments to make on this document at this stage	Response noted.
20	William Davis Ltd consider the consultation of this document to be premature considering the Local Plan Policy which the document is supposed to supplement and support is yet to be formally adopted. Until Policy P4 is formally adopted along with the Local Plan we do not consider it suitable to consult on supplementary and supporting guidance to a policy which under examination may yet be found to be unsound. It is the opinion of William Davis Ltd that Policy 4 of the Draft Local Plan is inconsistent with National Planning Policy and is not justified and as a consequence should be found to be unsound. We have made this argument in detail in our representations on Policy 4 submitted to the consultation of the Draft Local Plan which ended on the 5th of March.	The SPD will not be adopted until the Local Plan is adopted by the Council. The Council is keen to have the SPD in place when the Local Plan is adopted to help to give certainty to developers bringing sites forward.
21	As indicated in the above representations paragraph 23 of PPS3 requires that "Local Planning Authorities will need to undertake an informed assessment of the economic viability of any thresholds and proportions of affordable housing proposed, including their likely impact upon overall levels of housing delivery". This national policy requirement is reiterated in paragraph 39 of the draft NPPF highlighting that the need to test the viability of affordable housing requirements is not only an extant national policy requirement, but is also part of emerging national policy. An Affordable Housing Viability Assessment has clearly not been carried out by the Borough Council and therefore the thresholds and proportions of affordable housing required by Policy 4 and reiterated in the SPD have not been viability tested as required by national planning policy. Until such testing has taken place, we do not consider Policy 4 to be sound and the Draft Affordable Housing SPD to be appropriate.	As part of development of the Local Plan, the Council has commissioned a viability report to look at the deliverability of the plan as well as the policies with in including the affordable housing obligation.

22	<p>The Draft SPD indicates a required tenure mix of 65% social rent and 35% intermediate housing. William Davis Ltd do not consider the SPD to be the correct document to introduce the tenure mix and strongly believe that such a requirement should be included within the Local Plan DPD and tested thoroughly within that document. Due to the nature of the SPD, the proposed tenure split will not be thoroughly tested, which we do not consider to be an acceptable approach to establishing an important element of planning policy. The draft NPPF indicates a limited role for SPD's in the future and states in paragraph 21 that "Supplementary planning documents should only be necessary where their production can help bring forward sustainable development at an accelerated rate, and must not be used to add to the financial burdens on development". Clearly the SPD is not in line with the draft NPPF, and the tenure requirement established in the draft does add a new financial burden on development. It is also worth noting that the tenure split proposed has not been viability tested, as is required by national planning policy. Consequently it is evident that any tenure split proposed by the council should be considered in terms of its viability, and included in a DPD policy to enable it to be thoroughly tested.</p>	<p>The tenure split does not add to the financial weight but actually reduces it from that in the existing SPG. The SPD will not be adopted until the Local Plan is adopted by the Council. The Council is keen to have the SPD in place when the Local Plan is adopted to help to give certainty to developers bringing sites forward.</p>
23	<p>The Design and Layout section of the draft SPD indicates that affordable housing should be evenly distributed across the site in what we effectively consider to be a pepper potting policy for affordable housing on residential development. Pepper Potting of affordable housing is not a favoured approach for Housing Developers and Housing Associations alike as it makes the management of affordable housing units very difficult. A preferred approach is for affordable housing to be grouped in small clusters in new residential development which makes the management process considerably more straightforward for housing associations.</p>	<p>This was not intending to form an approach of pepper potting individual affordable properties across developments.</p>
24	<p>Overall William Davis clearly have a number of significant concerns regarding the affordable housing policy established by the Council in both the Draft Local Plan and Draft Affordable Housing SPD. We strongly recommend the Council revisit their policy on affordable housing, starting with a thorough affordable housing viability assessment to help guide a suitable target requirement. Until this work has been completed in line with extant and emerging national planning policy and a viable target established further policy guidance, including this SPD, should not be adopted.</p>	<p>As part of development of the Local Plan, the Council has commissioned a viability report to look at the deliverability of the plan as well as the policies with in including the affordable housing obligation.</p>

25	<p>Under section 1, the SPD suggests extending the affordable obligation for traveller site applications, and if so, how this should be expressed.</p> <p>Having had an opportunity to discuss this issue in more depth with colleagues, it is clear that all Gypsy/Traveller site provision should be treated as affordable housing for planning purposes, and it is more akin to provision via an exceptions policy. Requiring affordable provision from such sites would be like requiring affordable housing schemes to contribute towards more affordable housing.</p> <p>Therefore the affordable obligation should not be extended to Traveller site applications.</p>	This is set out in Policy P4a within the Solihull Local Plan and therefore is not an issue here.
26	<p>Having considered the draft SPD could I suggest it is made clear that the location and design of any new home (irrespective of tenure) should accord with the relevant national and Borough wide planning policy for the historic environment to ensure it compliments the historic identity and character of the settlement concerned.</p> <p>It may be useful to signpost Knowing Your Place, and Place Check as user friendly means to determine the historic sensitivity of small rural settlements. Often the margins of villages contain features and characteristics of historic significance and are important to the settlements setting.</p>	The affordable housing should be no different in terms of design and standards of design to that which is expected of market housing. Design of Housing is separate to the Affordable Housing SPD and not directly dealt with through the Affordable Housing Policy or this SPD.
27	<p>Minimum target of 40% affordable housing – While it is accepted that this figure has had currency in Solihull for some time and the Council has been largely successful in securing affordable housing at this level based on the housing need evidence base, PPS3 also requires the Local Planning Authority to verify that its proposed target level of affordable housing does not compromise the likelihood of site coming forward on the grounds that the scale of affordable housing materially impacts on viability. A number of Local Authorities have commissioned an independent assessment of the impact of different levels of affordable housing on scheme viability as part of the evidence base for their Local Development Framework and Core Strategy. We can find no evidence that this exercise has been undertaken in Solihull which could leave the Council open to challenge.</p>	As part of development of the Local Plan, the Council has commissioned a viability report to look at the deliverability of the plan as well as the policies with in including the affordable housing obligation.
28	<p>Scheme Representative Mix of Affordable Housing on Mixed Tenure Sites – It would appear to be unreasonable for the Council to request that the affordable housing proposed on any given site be representative of the development as a whole if potentially this conflicts with the prevailing housing needs across the Borough. Where there is clear evidence of specific affordable housing needs to be met in the locality of the proposed development, that should be the overriding driver for the mix of affordable housing on site.</p>	The mix refers to property type rather than size. It would be inappropriate to ask for affordable houses on a site that was providing open market apartments; therefore the type of property should mirror the mix of properties. The text will be reviewed to ensure this is more clear

29	<p>Intermediate Affordable – Greater clarity may be needed that Intermediate Affordable Housing could be either Low Cost Discounted Sale (in perpetuity delivered by a developer) or Shared equity (delivered by either a developer or a Registered Provider) or Shared Ownership (delivered by a Registered Provider. In terms of the 'Indicative Scheme Mix' there are fundamental issues of affordability and mortgageability is requested that any element of the Intermediate Affordable on a site should be either 1 Bedroom Flats or 4 Bedroom Houses. Intermediate Affordable products are essentially targeted at First Time Buyers and should therefore be either 2 Bedroom Properties (80-100%) or 3 Bedroom Properties (0-20%).</p>	<p>The Strategic Housing Market Assessment identifies the housing needs of the borough. This identifies that due to the high values within the borough, shared ownership was the most appropriate form of intermediate housing, however the Council will look at other forms of intermediate housing if this can be affordable for local people at set out within the Strategic Housing Market Assessment.</p>
30	<p>Developer Contributions – The suggested levels of Commuted Sums in lieu of on-site affordable housing appear excessive and do not take into account the risk associated with developing market sale properties. Registered Providers (depending on location and property type) will normally pay 45% of Market Value for Social Rented properties and 65% of Market Value for Intermediate Affordable when delivered as Shared Ownership. In determining an appropriate level of commuted sum to enable a developer to convert properties to market sale should also take into account that profit (at say 20% of market value) is to cover risk, overheads and generate a return and this should be allowable to the developer in such a calculation. Using the worked example in the draft SPD and our suggested values above the sum per rented property should be £52,500 (£150,000 X 35%) where the subsidy equals full market value less income from a Registered provider less profit. The equivalent figure for a Shared Ownership property would then be £22,500 per unit. These values are much more consistent with the level of Grant funding that a Registered Provider could have reasonably expected to receive from the Homes and Communities Agency prior to the 2001-2015 Programme.</p>	<p>The Council has amended this part of the draft SPD to be less prescriptive. The document makes clear that the principle is 'broadly equivalent value' to on-site affordable housing provision. It is open to developers to suggest different approaches within this principle.</p>
31	<p>Overage Clause Where Concessions Have Been Allowed – On the basis that planning obligations can only reasonably be fixed at a moment in time, it is suggested that overage arrangements should only apply on larger schemes which by their nature will be phased allowing for financial viability to be re-tested on the commencement of each new subsequent phase. Where overage does apply this should relate to any betterment in the residual land value derived from the out-turn scheme rather than simply sales income and it should be capped at the maximum level of contribution that the scheme should have delivered at the outset.</p>	<p>The Council has used overage clauses in the way described in the draft SPD and this has been acceptable to developers.</p>

32	<p>The intention of the policy appears to be that applications for residential moorings are to be considered as being subject to the affordable housing obligations policy, rather than them being an affordable housing product such as social rented and affordable rented, intermediate affordable housing etc. The use of a boat for residential purposes is not in itself development, many people live on their craft but continuously cruise the inland waterway network and this does not require planning permission. Planning permission is only required for residential use of the land when the mooring of the boat in the same place can be regarded as bringing about a material change in use of the land. To summarise we consider that residential moorings do not fall within use class C3. There is therefore an inconsistency between statement within the Draft SPD that affordable housing obligations under Policy P4(a) only arise from planning applications for dwelling/houses (Use Class C3) and the requirement that the policy be applied to residential moorings. Residential moorings should not be treated as being subject to affordable housing obligations.</p>	<p>This is set out in Policy P4a within the Solihull Local Plan and therefore is not an issue here.</p>
33	<p>The airport has no specific comments to make on the document but support the aims of the document.</p>	<p>Response noted.</p>
34	<p>The use of the prefix “at least” when quoting the 40% is unhelpful and leaves potential applicants uncertain on a scheme by scheme basis. Elsewhere the 40% is used as an absolute figure so to be consistent the “at least” wording should be deleted wherever it appears. We suspect this is intended to capture schemes proposed by an RP (as referred to at the top of p14). If this is the case then it is suggested that this is made clear as early as possible so that developers of schemes intended to be for Private Sale will not be open to pressure to deliver more than 40%.</p>	<p>"At Least" has been removed as part of the main modifications to the Solihull Local Plan</p>
35	<p>The reference to the threshold of 0.2 hectares should specify “net developable area” to avoid very small sites being unfairly burdened where in fact there are valid constraints such as ecological constraints including tress and wildlife protection for example.</p>	<p>0.2 hectares is a large area when compared to 3 or more net dwellings. 3 dwellings is just 15 dwellings per hectare, therefore a generous allowance has been made for site constraints.</p>
36	<p>In “Site Thresholds” the use of the word “appropriate” in the 6th line should be clarified. When is a site appropriate to have an affordable housing requirement? This paragraph again should specify net developable area when it refers to 0.2 hectares.</p>	<p>The appropriate reference refers to on site provision, if the site is not appropriate an off site commuted sum will be sought. 0.2 hectares is a large area when compared to 3 or more net dwellings. 3 dwellings is just 15 dwellings per hectare, therefore a generous allowance has been made for site constraints.</p>
37	<p>In “Affordable Housing Requirement” again the term “at least” is used in some places and not others. In the 3rd paragraph, the provision should be rounded down to the nearest whole unit, not percentage point.</p>	<p>"At Least" has been removed as part of the main modifications to the Solihull Local Plan</p>

38	<p>Policy H4 in the Feb 2006 UP is referred to but when the viability work was carried out on this it was deemed the most that could practically be demanded of developers given market conditions at the time was 40%. In our opinion, there has been a substantial market downturn since then and 40% is now unsustainable in many cases. In fact, maintaining this very high level will continue to stifle delivery of affordable homes. For example, under a 30% regime sites would be delivered sooner and more often and the resultant number of affordable dwellings coming forward would in fact be greater than under 40%.</p>	<p>As part of development of the Local Plan, the Council has commissioned a viability report to look at the deliverability of the plan as well as the policies within including the affordable housing obligation.</p>
39	<p>In "Developer Contributions" there needs to be much clearer and more realistic acknowledgement of the factors that will be considered where a developer is proposing an off-site contribution. In particular: Where the proposed scheme is for housing aimed at a market sector buying at the higher end of the home ownership scale they have the ability to exercise choice and thus are, inevitably, cautious about close proximity of affordable housing. This affects values and sales rates dramatically in expensive properties. In such cases we further believe the on-site provision will be impractical because the nature of the homes are excessively large and costly to maintain for social housing purposes, would be unsuitable in terms of running costs for the occupant (council tax, utilities bills etc) and above all the RP has confirmed that it would not be something they want to deal with. Additionally the scheme would not work for socio-economic reasons as it would not make for a mixed and balanced sustainable development.</p>	<p>The Council considers that affordable housing and market housing can be provided and deliver successful and sustainable communities. The SPD gives guidance that affordable housing and the provision of on site affordable housing should be built into the design.</p>
40	<p>All the foregoing arguments should be acknowledged in the SPD as valid considerations when a request for an off-site contribution is requested by a developer. The three bullet points used to illustrate "Potential circumstances" go some way towards this (in the second one) but the third bullet point could be expanded to reflect the argument put forward above in respect of "executive homes".</p>	<p>The Council considers that affordable housing and market housing can be provided and deliver successful and sustainable communities. The SPD gives guidance that affordable housing and the provision of on site affordable housing should be built into the design.</p>
41	<p>In terms of the calculation there is a fundamental omission in that the basis of calculation is derived from the open market units proposed on the site. It should be based on the equivalent affordable housing sizes as per the table on Page 16. In many local authorities it is clearly acknowledged that if a developer is proposing, say, 5 x 2,500sqft 5b houses then it is disproportionate to base the calculation of the contribution on these units. The equivalent affordable housing unit would be, say, approx 1,000sqft and the difference between the open market value of that unit and the RP offer should be the basis of the calculation.</p>	<p>The Council has amended this part of the draft SPD to be less prescriptive. The document makes clear that the principle is 'broadly equivalent value' to on-site affordable housing provision. It is open to developers to suggest different approaches within this principle.</p>

42	<p>The assumption that the contribution should be based upon what an RP might pay for a social housing unit (35% OMV) ignores the fact that the current HCA framework agreement with RPs is exclusively based upon Affordable Rent (and shared ownership) so the offer value would be substantially greater. It is our view that the whole point of Affordable Rent is to release more value in the property in the absence of Grant. To ignore this tenure in the calculation is to unfairly increase the level of contribution.</p>	<p>The Council has amended this part of the draft SPD to be less prescriptive. The document makes clear that the principle is 'broadly equivalent value' to on-site affordable housing provision. It is open to developers to suggest different approaches within this principle.</p>
43	<p>The section on viability does not address the real-world issues faced by developers. The SPD is clear in that it considers the site or market value as the basis for valuation. However there are two issues with this. 1) this approach should follow the HCA guidance and recognise the need to incentivise the landowner to sell, for example, his large house by offering an uplift on Existing Use Value. This is the protocol used by many local authorities and their professional advisers. The uplift of between 20-30% is normal practice when there is not a forced sale scenario. The SPD should address this matter in detail because this issue is the basis of all economic appraisal justifications and residual land value should be in excess of the uplifted EUV to allow a contribution. 2) The purchase price required by a vendor, even when it is in excess of existing use value uplifted, is important. If the SPD wording is followed, then this is ignored and that will lead to situations where delivery is halted on the site for years. It should be clearly stated that where for example the EUV is minimal, but that the vendor would not sell unless he gets a reasonable return, it should be accepted that Market Value of the land could not be the benchmark and that commercial considerations and the interests of getting some contribution rather than none outweighs other arguments.</p>	<p>The provision of onsite affordable housing and other planning considerations should be reflected within the price paid land/site. The affordable Housing Policy states that viability would be looked at and tested.</p>
44	<p>The basis of the price to be paid by the RP for the affordable housing has no place in a s106 and should be deleted. There is no mechanism in the SPD for how this should be calculated serves no purpose even if it did. There are adequate provisions for ensuring the cost to the tenant / buyer of the AH units is affordable, and in any event an RP won't pay more than it can afford anyway so this stipulation is redundant.</p>	<p>Agreed the principle is that the affordable housing should be affordable to local people in housing need. The inclusion of the text is to help guide developers to price the provision of affordable housing into the development and ultimately the price paid for the land.</p>

45	The appendix contains typos and phrases that are unclear. E.g. 3b on Page 40 does not make sense. However the Council should reflect on the fact the appendix adds nothing in terms of guidance or policy and is not a template to assist applicants with the type of detail they need. The appendix should be deleted.	The demonstration of consultation is required by planning legislation.
46	Document is thorough, albeit somewhat one-sided in favour of SMBC; the danger with this concept is that some developments would become unviable, thereby defeating the purpose. It is not clear how much flexibility is available. This is particularly important for Balsall Common where infrastructure has been neglected for many years. Any housing development beyond small windfalls, (e.g. dwellings in double figures) will add to pressure on already stretched resources. The neglect of infrastructure merely enhances existing difficulties. 1. What is the basis of allocation, where no proven need can be justified? Is this a case of plucking sites out of the air? If so, why were sites out of the village centre chosen over more adjacent sites?	The Affordable Housing SPD looks to implement the Policy outlined within the Local Plan. This question is dealt within the Local Plan so is outside of this consultation.
47	All developments have an impact on local infrastructure, e.g. schooling, medical facilities, sports, traffic etc. Where this is already lacking, a preference should be given to correcting the imbalance in advance of the provision of housing. Infrastructure should therefore be an integral part of the process. This is covered in part on pages 24/27. 2. Infrastructure requirements – where these have been neglected in the past, do they have priority over housing numbers? INCO yes to 2 above, policies to this effect need to be agreed.	The Affordable Housing SPD looks to implement the Policy outlined within the local plan. This question is dealt within the Local Plan so is outside of this consultation.
48	Neighbourhood Plans are also an important part in this process. The procedure adopted for the Balsall Common Village Plan covered aspect set out in Neighbourhood Planning – apart from action by SMBC. There is a need for more flexibility than that set out on page 18 in respect of developments not on site. This would particularly be the case where other planning advantages could be gained. An example in Balsall Common would be improvements to the shopping area, including parking. The concept of a Village Trust as set out in the Balsall Common Village Plan could cover local requirements. 3. What account of the Balsall Common Village Plan will be taken of considerations for Balsall Common?	As long as the Village Plan is consistent with the Local Plan it will have planning weight in providing additional Affordable Housing.

49	<p>The inherent problem with seeking to achieve affordable housing in this way is that it creates the potential for difficult housing management. In those days LHAs could acquire properties on the open market – in short wherever they could be acquired. This led to significant costs in the “management” process. The requirement that all affordable housing built as part of an overall development should be “discernibly different” is political correctness gone mad. Whether the units are managed by Solihull Community Housing (SCH) or by a Housing Association, the management issues are the same. A common sense solution for Balsall Common could be for SMBC to allocate the whole of the Riddings Hill site for affordable housing in all its forms. If funds are lacking overall, these can be obtained from s.106 contributions on other sites. It could be that a greater fund for social housing could be built by allowing some developments to be completely unencumbered in terms of the affordable content. This could allow areas of different character to be developed and ensure that land is developed to its maximum potential. A “one size fits all” solution fails to recognise that different localities have variable characteristics. This does not mean that social housing should be designed in a different way; all developments should be of high standards.</p>	<p>The Council considers that affordable housing and market housing can be provided and be flourishing and sustainable communities. The SPD gives guidance that affordable housing and the provision of on site affordable housing should be built into the design.</p>
50	<p>The market decides values. It is for SMBC to get the best value by promoting a policy of sufficient flexibility that obtains that value.</p>	<p>The Council is keen to have the SPD in place when the Local Plan is adopted to help to give certainty to developers bringing sites forward.</p>
51	<p>Small and medium units are needed, with various tenure arrangements, for young people starting in the housing market and the elderly wishing to downsize, so freeing up larger housing units for families. We are working with the 'Hampton in Arden George Fentham Trust' to identify and then develop appropriate small sites within the village to be used for affordable housing in perpetuity for those with a strong village connection.</p>	<p>Response Noted. Where Consistent with the Local Plan the Council welcomes with the support of the Parish Council additional opportunities to bring forward affordable housing.</p>
52	<p>Welcome aspects of Policy including: reduced threshold, to provide affordable extra care accommodation schemes, recognise opportunity to develop village, parish and neighbourhood plans, welcome statement clarifying local or parish connection, welcome statement on housing density and character or area.</p>	<p>Response noted.</p>

53	<p>Taking the first point, reference is made in the fifth paragraph on Page 20 of the document to clarify the question of viability. It appears to suggest that only the applicant can determine whether or not the provision of 40% affordable housing of the total proposal is viable in respect of each application. At the same time in the following three paragraphs on Page 20, it appears the assumption is that the only provider should be an RSL (Registered Social Landlord) but without public capital grant. However, the applicant may be in the position of being able to provide ownership of the affordable housing offered by the developer through a shared-ownership, or 'intermediate tenure' agreement, as described in the last paragraph on Page 14 and to which reference is made in Appendix 6 on Page 41, third paragraph headed 'Discounted Market', albeit mention to which is excluded on Page 13.</p>	<p>The Council considers that affordable housing and market housing can deliver successful and sustainable communities. The SPD gives guidance that affordable housing and the provision of on site affordable housing should be built into the design.</p>
54	<p>With regard to our second point, financial contributions being paid in lieu, Knowle has had no provision of any new affordable housing for at least 35 years. The Society believes this has adversely affected the residential market insofar as those residential schemes developed over this period have houses with three, four or five bedrooms with some two bedroom bungalows included but all of a size to maximise value. Consequently, other than for the two more recent developments of apartments in Knowle, ie Copt Heath Croft on the Warwick Road by Crest and Katherine Place on Station Road, not only have homes of one or two bedrooms not been provided but what has been developed, has been at market value. To avoid further distortion in the balance in the local population, the offer of a financial contribution being for being offered in lieu of affordable homes elsewhere in the Borough should be avoided and such a financial contribution used for their provision in Knowle.</p>	<p>The Council understands the concerns of Knowle Society. The point was discussed at the Solihull Local Plan Examination. The Inspector confirmed in his final report (paragraph 107) that "suggestions that affordable housing contributions should be retained and used within particular local areas, like Knowle, would be difficult to implement".</p>
55	<p>Page 17, sub-headed 'On Site', second paragraph, there is no reference to any alternative source of supply of affordable housing save through a 'Registered Provider' which is assumed to be a Registered Social Landlord, ie a Housing Association. The draft appears to acknowledge that there are alternative means of supply, and once again reference is made to Appendix 6, Page 41, third paragraph headed 'Discounted Market'. We therefore suggest that the list on Page 17 mentioned above be extended to include this reference to this suggested method for the provision of affordable housing. Page 17, sub-headed 'Off Site', second paragraph, the reference to the 'transfer site' be identified from the point of view of Knowle, that such alternative location outside Knowle would not be accepted.</p>	<p>The definition of Affordable Housing is set by National Planning Policy Framework at Annex 2. This excludes the use of 'Low cost market' as Affordable Housing.</p>

56	Economic Viability - Page 20, fifth paragraph, there is reference to the need for 'proper evidence' having to be provided to justify the non-viability of providing 40% affordable housing of the total included in the development. In the event that the request for 'Discounted Market' housing be included in the list on Page 17, sub-headed 'On Site' as mentioned above, it is difficult to see how any site could not be non-viable. The view taken therefore, with this fifth paragraph on Page 20 as written, is that the Council view of the alternative provision of affordable housing save that through 'registered providers' would be unacceptable.	The definition of Affordable Housing is set by National Planning Policy Framework at Annex 2. This excludes the use of 'Low cost market' as Affordable Housing.
57	There is confusion concerning the National Planning Policy Framework which has no formal legal status. However, all local and neighbourhood plans must have regard to it. The Council would like to seek clarity on this matter as we are in the final stages of developing one for Hockley Heath.	National Planning Policy Framework has now been adopted by the Government.
58	It is agreed that the Parish Council should look to support Intermediate Affordable Housing in order to support the retention of residents through all stages of their lives. It is also felt that the 40% affordable housing target should be strictly adhered to for future developments.	Noted. This is enable by the SPD through the Rural Exceptions Policy P4b.
59	The Parish Council strongly supports the statement concerning registered providers being the most effective providers and managers of affordable housing.	Noted and agreed.
60	The concern of the Parish Council is twofold: Firstly, that in order for a Parish / community to identify their needs, this would be done through a Village Plan. In order to get the village plan formally adopted, the Parish would need to undertake a local referendum and then place the document up for adoption at SMBC. All of this would take up finances which are already scarce to the Parish Council and involve a timescale that could be abused by developers. Secondly: Hockley Heath village is classed as an inset village within the Green Belt. The Parish Council feel that the recognition of being within the Green Belt should not be treated lightly, and that the mentioning of opportunities to develop on Green Belt land, gives, at the very least, an amber light to developers to try and pick away at the current settlement boundary to the village. We have planning evidence of this occurring already.	There is no need for Parish Councils to complete a housing needs survey as part of the Solihull Local Plan policy P4b or the SPD. The policy enables the development of rural affordable housing on green belt land with the Parish Council's support.

61	<p>There is concern that the new National Planning Policy Framework puts the financial emphasis on the Parish Council to see that a village plan is formally adopted by SMBC. Hockley Heath Parish Council would like to see significant financial support from SMBC in achieving this outcome. The expense of developing questionnaire, collecting and collating the information etc. has all been at the expense of the local community and the Parish Council. It is felt that SMBC should support the village in undertaking the referendum to get the document formally accepted by the Borough Council.</p>	<p>There is no legal requirement for a Parish Plan or Village Plan to be subject to a referendum. Only if the Parish or neighbourhood choose to develop a Neighbourhood Plan would a referendum be required.</p>
62	<p>There is confusion about the line “provided the Village, Parish and Neighbourhood proposal is consistent with the Local Plan”. Hockley Heath Parish Council would like to see the guidelines and how this will be applied to arrive at the view that a Village Plan is compliant.</p>	<p>This is set out within the Localism Act. The document would need the approval of the Parish Council.</p>