

TO: **PLANNING COMMITTEE – 25<sup>th</sup> May 2005**

SUBJECT: **WEIGHT TO ATTACH TO POLICY SC9 ON AFFORDABLE HOUSING  
IN THE WARWICK DISTRICT LOCAL PLAN (1996 – 2011) – REVISED  
DEPOSIT VERSION**

FROM: **PLANNING & ENGINEERING**

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**1. PURPOSE OF REPORT**

1.1 To advise members on how policy SC9 of the local plan should be implemented.

**2. BACKGROUND**

2.1 Members will recall that in December 2003, they received a report advising them as to the weight they should attach to the policies of the Warwick District Local Plan (1996 – 2011) – First Deposit Version. This gave a framework for operating all of the local plan policies including, importantly, policy SC9 on affordable housing.

2.2 In February 2005 Members received a further report advising them as to the weight they should attach to the policy SC9. This report was presented following an appeal decision that the Council had received at 42-46 Lillington Road, Leamington Spa. In the light of this, and legal advice that the Council took at the time, the following was proposed.

*“..... the Council cannot at the present time continue to give weight to policy SC9 insofar as it proposes thresholds for affordable housing provision that are below the “normal” thresholds proposed in current Government guidance. Accordingly, the following is proposed:-*

- i) that in respect of minimum thresholds in urban areas the council reverts to those thresholds for affordable housing that it was using prior to the publication of the Warwick District Local Plan (1996 – 2011) – First Deposit Version. These are 25 or more dwellings or residential sites of 1 hectare or more, irrespective of the number of dwellings.*
- ii) that in respect of minimum thresholds in rural areas, the lower threshold proposed in policy SC9 (c) not be applied at the present time. The urban area thresholds set out in i) above should still be applied in rural areas,*
- iii) that in respect of the percentage of affordable housing sought, the council continues to seek a contribution of 40% affordable housing on appropriate sites. This is in accordance with the Housing Needs Study carried out for the Council in 2001 as represents the most up-to-date assessment of housing needs across the district at the present time.”*

2.3 My officers have been negotiating on this basis since that time and applications have been determined in accordance with these principles.

### **3. APPEAL DECISION AT ABBEY END, KENILWORTH**

3.1 Immediately after receiving the Lillington Road decision, the Council was required to submit its case in respect of an appeal for another site where we had previously refused planning permission partly on the basis of the applicant not offering to provide affordable housing on the site. This site was at Abbey End, Kenilworth (application no. W03/1517) where the applicant proposed to build 24 flats (coincidentally the same number of units as proposed at Lillington Road). Drawing from the key messages learnt from the Lillington Road decision, and taking advantage of new policies included in the recently adopted Regional Planning Guidance for the West Midlands, the council presented its evidence in respect of this appeal. As part of this we provided greater information on the level of "local" need for affordable housing in the Kenilworth area.

3.2 The department received this appeal decision on 10<sup>th</sup> May and this offers a different perspective from that obtained through the previous Lillington Road decision. The appeal was dismissed. In reaching his decision, the Inspector recognised that limited weight should be applied to the emerging local plan policy (SC9) however commented that:-

- *I consider that RPG11's [Regional Planning Guidance] advice and the urgent local need for affordable housing justify some variation in the threshold.*
- *I consider that, based on the principles of both national guidance and regional policy, some level of affordable housing should be provided in this development. It complete absence is unacceptable.*
- *The appellants cited a recent allowed appeal in the district, coincidentally also for 24 dwellings, where the inspector found that it had not been shown that the site involved was suitable for affordable housing. [This is the Lillington Road appeal.] He quoted the circular's threshold of 25, but does not appear to have been referred to RPG11. In particular, he says "the Council provide nothing to show there is a local need". The current appeal differs in these two important respects.*

3.3 This appeal decision does change the context within which we should operate. I would suggest that it gives a clear indication that planning inspectors will support some provision of affordable housing on sites below the 25 dwelling/1 hectare threshold in Government Circular 6/98 on the strength of the policy position taken in the adopted Regional Planning Guidance and where it can be clearly demonstrated that there is a local need for affordable housing. It is appropriate therefore that the council considers how it should consider further applications in the immediate future.

#### **4. THE WAY FORWARD**

- 4.1 Whilst the appeal decision does not specify a level of affordable housing that is appropriate to sites below 25 dwellings, it would be reasonable to seek to set some guideline principles for working purposes to enable officers and councillors to consider applications. I would propose that these guidelines are as follows:-
1. It would not be reasonable at the present time to seek affordable housing on sites of less than 15 dwellings or 0.5 hectares since this would be below the lower threshold set in circular 6/98.
  2. The inspector's decision does question the Council's ability to seek the full 40% requirement on sites below the 25 dwellings/1 hectare threshold in advance of the policy being considered through the local plan inquiry. A lower figure would therefore be appropriate.
  3. The decision does, however, give full recognition to the significant local need in the district for affordable housing and therefore it would be reasonable that "some" affordable housing should not be allowed to be a token amount but should reflect that level of need. Furthermore, Housing Associations who deliver many of our affordable housing often find difficulty in effectively managing schemes involving very small numbers of dwellings. I consider that a figure of 30% would therefore be reasonable, particularly since this was the figure previously used by the Council prior to the first deposit version of the Warwick District Local Plan.
- 4.2 Accordingly, it is proposed that until further notice, for working purposes, the Council seeks to negotiate a figure of 30% affordable housing on schemes of between 15-24 dwellings and on sites of between 0.5 and 0.99 hectares (irrespective of the number of dwellings). Below these thresholds, the Council will not seek to secure affordable housing of residential sites as these come forward. On sites of 25 dwellings and 1 hectare and above, the Council will continue to require 40% affordable housing as set out in policy SC9.
- 4.3 As was made clear in the February report, it should be noted that this approach in no way contradicts the Council's overall aspiration for achieving more affordable housing through the imposition of lower thresholds. The broad aims of policy SC9 will remain the Council's intention for how it wishes to secure more affordable housing and we will continue to develop this policy as the local plan progresses. Members will be aware that at its meeting on 16<sup>th</sup> May the council approved the revised deposit version local plan and recommended that this be placed on deposit for public consultation. The revised policy SC9 now reads as follows:-

## **SC9 Affordable Housing**

**Residential development on the following sites will not be permitted unless provision is made for a minimum of 40% affordable housing to meet local needs:-**

- a) within towns, sites of 10 or more dwellings or 0.25 hectare or more in area irrespective of the number of dwellings; and**
- b) within the rural areas, sites of 3 or more dwellings.**

**The form of provision, its location on the site and the means of delivery of the affordable element of the proposal.....**

4.4 It is likely that our negotiating position for affordable housing may need to be reviewed again in the near future, particularly if the Government publishes its response to the present consultation on PPG3. I will advise members accordingly as appropriate.

## **5. POLICY AND BUDGET FRAMEWORK**

5.1 The successful implementation of local plan policy will support the achievement of the Council's corporate strategy in respect of maximizing affordable housing.

## **6. OUTCOME(S) REQUIRED**

6.1 It is requested that the approach outlined in paragraph 4.2 above be approved as a working approach to negotiating affordable housing at the present time.

John Archer  
Head of Planning & Engineering

## **BACKGROUND PAPERS**

Warwick District Local Plan (1996 – 2011) – Revised Deposit Version (approved by Council on 16<sup>th</sup> May 2005)  
Report to Planning committee, 9<sup>th</sup> December 2003, 14<sup>th</sup> February 2005

**Areas in District Affected:** *All.*

**Executive Portfolio Area and Holder:** **Environment, Cllr. Mrs. Margaret Begg**

### **For further information about this report please contact:**

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