

**Body:** Planning Committee

**Date:** 26 March 2013

**Subject:** Affordable Housing Implementation Technical Note

**Report Of:** Senior Head of Development & Environment

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**Ward(s)** All

**Purpose** To explain and justify the production of an Affordable Housing Implementation Technical Note to support the Housing Policy of the Eastbourne Core Strategy Local Plan.

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**Recommendation:** To endorse the Affordable Housing Implementation Technical Note and its approach to secure an increase in on-site delivery of units and financial contributions towards affordable housing.

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## **1.0 Introduction**

- 1.1 The Affordable Housing Implementation Technical Note (AHITN) has been prepared to provide detailed explanation in support of the implementation of 'Policy D5: Housing' of the Eastbourne Core Strategy Local Plan (to be adopted after Full Council on 20 February 2013). The Technical Note is intended to guide the Council, developers, agents and other stakeholders in relation to the:
- Policy requirement for the delivery of affordable housing on all residential development sites;
  - Type and standard of affordable housing that is likely to be sought;
  - Assessment of financial viability of the development;
  - Calculation of any commuted sum payments;
  - Delivery agencies for the affordable housing.

## **2.0 Policy Approach**

- 2.1 The Eastbourne Core Strategy Local Plan (the 'Core Strategy') has been assessed as 'sound' by the Planning Inspector. The Inspector's Report identifies support for Policy D5: Housing and the Council's approach towards increasing the future supply of affordable housing, balanced against the reduction in future land supply for residential development. This has been achieved through removing the policy threshold and splitting the Borough into two distinct Market Value Areas, both high and low, to reflect the

disparity between dwelling and land prices across the Borough. This disparity has a significant impact on residual site values and the financial viability of delivering affordable housing on the site. This approach is justified in financial viability evidence supporting the Core Strategy.

- 2.2 Developments located in neighbourhoods within High Value Market Areas are required to deliver 40% affordable housing and developments within Low Value Market Areas are required to deliver 30% affordable housing. This is summarised in Appendix A of this report. The affordable housing requirement will be applied to all developments that would result in net additional residential units being provided within the C3 planning Use Class. This encompasses residential units that are self contained and have all their own facilities, e.g. kitchen and bathroom.

### **3.0 Negotiation**

- 3.1 The Council will principally require affordable housing to be provided on the application site and to be delivered without any form of public subsidy, unless off-site provision, free serviced land<sup>1</sup> or a financial contribution (commuted sum) in lieu of on-site provision can be robustly justified. The Council will work through a series of options outlined in the Technical Note, to ensure that the development remains financially viable.
- 3.2 The Council's Housing Specialists will be directly involved in negotiating and agreeing tenure mix on all residential development schemes in Eastbourne. 'Policy D5: Housing' of the Core Strategy provides the starting point for the consideration of the tenure mix of the development scheme. The policy is for a ratio of 70% rented to 30% shared ownership on the scheme, with flexibility to amend the balance between rented and shared ownership to take account of up-to-date intelligence about local housing needs. The Council may also consider adjusting the tenure mix of a scheme if that is proven necessary and agreed by both the Council and the developer to secure the viability of the development.
- 3.3 Affordable housing should be delivered by one of the Council's preferred Registered Providers and will need to meet high building standards as detailed in the Technical Note, and summarised below:
- Code for Sustainable Homes – Level 4 from April 2013;
  - Homes and Communities Agency Design and Quality Standards – relating to unit size, space standards, layout and configuration in the development scheme;
  - Good quality design and construction to ensure low maintenance requirements;
  - Lifetimes Homes Standards – based on 16 set design criteria;
  - Secured By Design – to ensure safety and crime prevention within local neighbourhood.

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<sup>1</sup> Free serviced land is land with planning consent for unrestricted residential development (i.e. not restricted to purely affordable housing use, with no restrictive covenants, easements etc in place), free of land purchase cost excluding any incidental costs that may be incurred in procuring the land (i.e. legal and surveyor fees) with fully serviced road and pedestrian access, utility services provided on site and with no abnormal costs free from contamination.

3.4 The Technical Note provides a detailed summary of the stages involved from pre-application stage through to submission and determination of a planning application for residential development. The Council encourages all applicants to undertake pre-application discussion with the Council's Planning and Housing Specialists to discuss any proposed residential schemes. It is essential at an early stage to discuss financial viability to deliver the affordable housing requirements. Regard will be made to:

- The viability of development, considering the need and cost of supporting infrastructure on and off the site and any unavoidable and necessary site remediation;
- The location and character of the site;
- The tenure of affordable housing and type of dwelling unit required in relation to the housing needs and the viability of specific schemes;
- The current availability of affordable housing in the local area when measured against demand for such accommodation.

3.5 If a developer considers that the mandatory requirements of the affordable housing policy cannot be met on a particular site then this must be justified in an evidenced and 'open-book' financial viability assessment and supporting statement, including all necessary information to demonstrate and justify residual values. The Council recommends instructing the District Valuation Office to undertake viability assessment and will enforce this if there is any dispute with viability evidence presented to the Council.

#### **4.0 Commuted Sums**

4.1 If it has not been possible to deliver affordable housing on-site/off-site, or the policy requirement results in only a percentage of an affordable unit to be delivered, then commuted sum payments will be explored.

4.2 The basis for assessing the cost to the developer of on-site provision will be the Affordable Housing Payments Table (Appendix B) which is broken down by housing type, size and Market Value Area. The requirement will be calculated based on the footprint (in square metres) of development. This will be multiplied by the 'contribution per sq m' cell in the payment table, and then if necessary for a percentage of a unit, a proportion of this sum to be calculated.

4.3 In some instances within the Low Value Market Areas of the Borough, negative viability will be demonstrated for smaller residential units if the affordable housing policy is delivered in full on the development scheme. The commuted sum payment table calculations show a potential negative viability level within the Low Value Market Area for flatted schemes and 1 bedroom bungalows, therefore a commuted sum payment will not be requested for these types of development. Also, if a commuted sum requirement, calculated from the payments table, equates to less than £1,000 for the whole development scheme, then a financial contribution will not be sought for this development.

## **5.0 Delivery and S106 Agreements**

- 5.1 The affordable housing element of a development should be delivered by a Registered Provider that is a partner of the HCA and has the support of the Council. The Council itself is a Registered Provider of social housing and so may also be considered as a potential partner for the provision of affordable housing. The Council has a list of Registered Providers already providing and managing homes in Eastbourne. This list is available upon request from the Housing Specialists.
- 5.2 For all planning applications where an agreed affordable housing contribution is required, applicants will be required to sign a Section 106 Agreement. The purpose of the agreement is to ensure that the affordable housing complies with the Council's housing and planning policies including making sure that affordable housing is offered to those local people most in need of it and that the rents and prices remain affordable. An example Section 106 agreement with template wording to be integrated into the agreement will be presented at the following web-link: [www.eastbourne.gov.uk/corestrategy](http://www.eastbourne.gov.uk/corestrategy).

## **6.0 Consultation**

- 6.1 The policies within the Core Strategy have been subject to wide consultation with stakeholders and the local community throughout its preparation. The Technical Note does not provide new policy, but does present a detailed interpretation to demonstrate how Policy D5 'Housing' of the Core Strategy will be implemented by the Council. The approach of preparing a Technical Note was supported by the Inspector at the Public Examination of the Core Strategy.
- 6.2 To provide opportunity for feedback on the Technical Note, targeted consultation took place with key stakeholders involving developers, planning agents, Registered Providers and consultees with an interest in housing issues. Both Local Plan Steering Group and Corporate Management Team supported the Technical note and gave authority to consultation on the Technical Note between Wednesday 20 February and 13 March 2013. A summary of the consultation responses, officer feedback and changes made to the Technical Note is available in Appendix C of this report.
- 6.3 A planning agents workshop/forum took place on Thursday 21 February 2013 to work through the requirements of the housing policy, and discuss the implications for developers and applicants. This was a successful event and provided positive feedback on the approach the Council are taking.

## **7.0 Resource Implications**

- 7.1 **Financial** – The Council will continue to use the Section 106 process and its financial mechanism for collecting and collating commuted sum payments. These monies will be ring fenced in order that the Council can use them to deliver or partially fund other affordable housing projects.
- 7.2 **Staffing** – The change in policy will result in an increase in the number of Section 106 agreements negotiated by the Council. This will have an impact on the resourcing of the specialist advisory team, housing services and legal

departments within the Council. The Planning elements of this have been accounted for in the remodelling of resources and teams as part of 'Customer First'. Consideration to the resourcing of the housing and legal services will need to be determined as part of further phases of the Future Model. Regard will need to be paid to the demand placed upon the Council upon these services on adoption of the Core Strategy.

## **8.0 Other Implications**

8.1 No other implications.

## **9.0 Conclusion**

- 9.1 Through the adoption of the Eastbourne Core Strategy Local Plan, the Council have developed a sound housing policy which aims to increase the supply of, and contributions towards, local affordable housing. As future land supply decreases, so too does the size of residential development projects. Consequently a significant change to the housing policy was required, removing the threshold and looking at financial viability at a more fine grain level across the Borough. The development of a Technical Note was required to discuss how this policy would operate, and the process by which planning applications will be determined, and affordable housing contributions negotiated and agreed.
- 9.2 Planning Committee are requested to endorse the approach taken and approve the Affordable Housing Implementation Technical Note in order to secure an increase in on-site delivery of units and financial contributions towards affordable housing. On approval at Planning Committee, the Technical Note will be able to be adopted on 1 April 2013 and will apply to all liable developments on validation of relevant planning applications from this date.

**Craig Steenhoff**  
**Senior Planning Policy Officer**

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### **Background Papers:**

The Background Papers used in compiling this report were as follows:

*Affordable Housing Implementation Technical Note*

*Eastbourne Core Strategy Local Plan (2006-2027)*

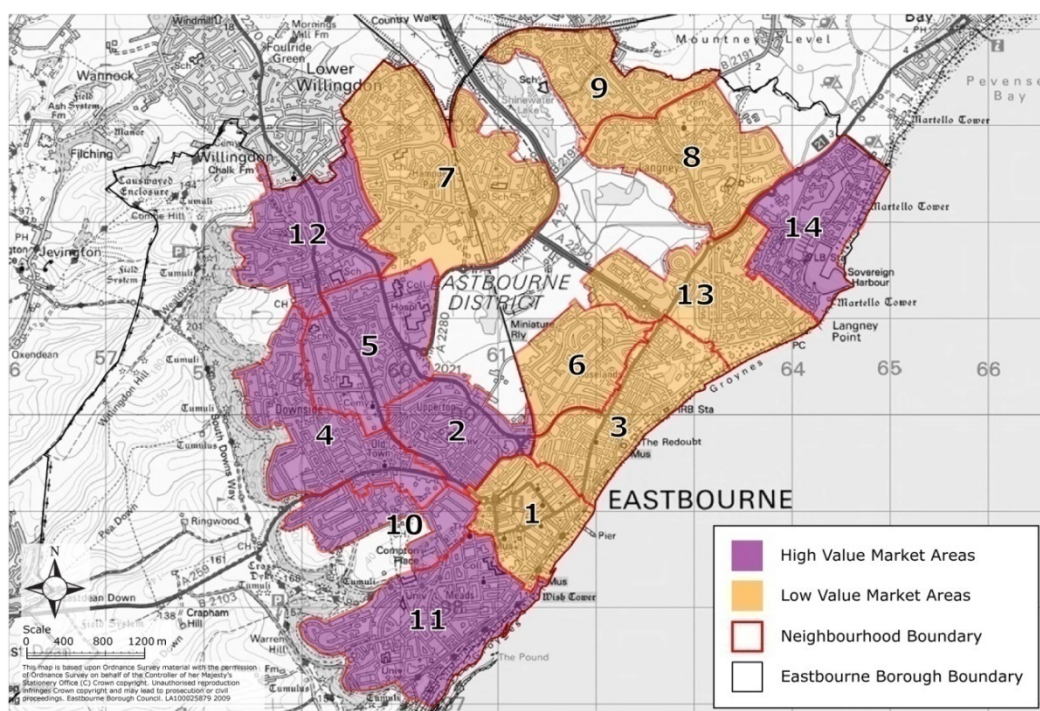
To inspect or obtain copies of background papers please refer to the contact officer listed above.

*M:/LDF/Affordable Housing/AHITN Planning Committee Report 26 March 2013 Report.docx*

## Appendix A

### Core Strategy – Affordable Housing Requirements

High Value Neighbourhoods (40% affordable housing requirement)	Low Value Neighbourhoods (30% affordable housing requirement)
Neighbourhood 2: Upperton	Neighbourhood 1: Town Centre
Neighbourhood 4: Old Town	Neighbourhood 3: Seaside
Neighbourhood 5: Ocklynge & Rodmill	Neighbourhood 6: Roselands & Bridgemere
Neighbourhood 10: Summerdown & Saffrons	Neighbourhood 7: Hampden Park
Neighbourhood 11: Meads	Neighbourhood 8: Langney
Neighbourhood 12: Ratton & Willingdon Village	Neighbourhood 9: Shinewater & North Langney
Neighbourhood 14: Sovereign Harbour	Neighbourhood 13: St Anthony's & Langney Point



Map of the Borough's 14 Neighbourhoods within the High and Low Value Market Areas

Net residential units	High Value Market Area (40% affordable housing requirement)		Low Value Market Area (30% affordable housing requirement)	
	Whole affordable unit required	Part of unit (commuted sum required*)	Whole affordable unit required	Part of unit (commuted sum required*)
1		0.4		0.3
2		0.8		0.6
3	1	0.2		0.9
4	1	0.6	1	0.2
5	2		1	0.5
6	2	0.4	1	0.8
7	2	0.8	2	0.1
8	3	0.2	2	0.4
9	3	0.6	2	0.7
10	4		3	

\*Commuted sum requirements are discussed in detail in the Technical Note

## Appendix B

### Affordable Housing Commuted Sum Payment Table

Figures as of December 2012

#### Eastbourne - High Value Area - 40% Affordable (70% Social Rented and 30% Shared Ownership)

Commuted Sum Values	Studio Flat*	1 Bed Flat*	2 Bed Flat*	3+ Bed Flat*	2 Bed House	3 Bed House
Unit Size - m <sup>2</sup>	40	46	67	84	68	90
MV completed unit	£ 90,000	£ 130,000	£ 175,000	£ 225,000	£ 215,000	£ 315,000
Serviced plot value per unit	£ 8,178	£ 9,405	£ 13,698	£ 17,174	£ 54,082	£ 93,303
<b>40% Policy compliant contribution:</b>	<b>£ 3,273</b>	<b>£ 3,762</b>	<b>£ 5,479</b>	<b>£ 6,870</b>	<b>£ 21,633</b>	<b>£ 37,321</b>
<b>Contribution per sq m</b>	<b>£ 81.78</b>	<b>£ 81.78</b>	<b>£ 81.78</b>	<b>£ 81.78</b>	<b>£ 318.13</b>	<b>£ 414.68</b>

\* For the purposes of flatted development the contribution has been averaged across all unit sizes, to provide one contribution per sq m.

Commuted Sum Values	4 Bed House	5+ Bed House	1 Bed Bungalow	2 Bed Bungalow	3+ Bed Bungalow	
Unit Size - m <sup>2</sup>	106	125	73	85	95	
MV completed unit	£ 410,000	£ 495,000	£ 175,000	£ 225,000	£ 275,000	
Serviced plot value per unit	£ 136,529	£ 169,501	£ 13,969	£ 31,109	£ 50,893	
<b>40% Policy compliant contribution:</b>	<b>£ 54,611</b>	<b>£ 67,800</b>	<b>£ 5,588</b>	<b>£ 12,444</b>	<b>£ 20,357</b>	
<b>Contribution per sq m</b>	<b>£ 515.20</b>	<b>£ 542.40</b>	<b>£ 76.54</b>	<b>£ 146.40</b>	<b>£ 214.29</b>	

#### Eastbourne - Low Value Area - 30% Affordable (70% Social Rented and 30% Shared Ownership)

Commuted Sum Values	Studio Flat	1 Bed Flat	2 Bed Flat	3+ Bed Flat	2 Bed House	3 Bed House
Unit Size - m <sup>2</sup>	40	46	67	84	68	90
MV completed unit	£ 65,000	£ 90,000	£ 125,000	£ 160,000	£ 150,000	£ 200,000
Serviced plot value per unit	-£ 16,668	-£ 7,875	-£ 13,374	-£ 13,220	£ 15,814	£ 23,577
<b>30% Policy compliant contribution:</b>	<b>£ 0</b>	<b>£ 0</b>	<b>£ 0</b>	<b>£ 0</b>	<b>£ 4,744</b>	<b>£ 7,073</b>
<b>Contribution per sq m</b>	<b>£ 0</b>	<b>£ 0</b>	<b>£ 0</b>	<b>£ 0</b>	<b>£ 69.77</b>	<b>£ 78.59</b>

Commuted Sum Values	4 Bed House	5+ Bed House	1 Bed Bungalow	2 Bed Bungalow	3+ Bed Bungalow	
Unit size - m <sup>2</sup>	106	125	73	85	95	
MV completed unit	£ 240,000	£ 300,000	£ 135,000	£ 190,000	£ 215,000	
Serviced plot value per unit	£ 31,735	£ 50,060	-£ 8,262	£ 13,878	£ 17,932	
<b>30% Policy compliant contribution:</b>	<b>£ 9,521</b>	<b>£ 15,018</b>	<b>£ 0</b>	<b>£ 4,163</b>	<b>£ 5,380</b>	
<b>Contribution per sq m</b>	<b>£ 89.82</b>	<b>£ 120.14</b>	<b>£ 0</b>	<b>£ 48.98</b>	<b>£ 56.63</b>	

## Appendix C



*\*Note - Representations have been summarised. The full representations are available on request.*

ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
1	Mrs Angela Forman	Whole Report	<p>My only comment and observation in this town is that there needs to be more ward assisted homes built in order to free up large homes, whether private-owned houses and bungalows or Council homes, where people can move out and be looked after without having care assistants having to travel miles to assist vulnerable disabled or elderly people.</p> <p>If these homes are supervised by reasonably educated, compassionate and dedicated staff, it would attract more people to move into these homes and free up homes to families, rather than build new developments.</p>	<p>The Council supports and is committed to the delivery of sheltered accommodation, as part of future overall housing supply. A major sheltered housing scheme 'Cranbrook' has been recently completed at Pembury Road and there are further opportunities for developments on other available sites.</p> <p>It is not in the remit of the AHITN to provide a strategy for increase in sheltered accommodation. This will be addressed in the Council's emerging Housing Strategy.</p>	None
2	Mr Laurence Keeley	Whole Report	<p>I would like to bring your attention to the new localism Act (15th November 2011) and the community right to build order, Which talks of creating land community trust. May I refer you to my website <a href="http://www.campaign-for-change.co.uk">www.campaign-for-change.co.uk</a> which explains my vision for affordable housing.</p> <p>Every village and town should look at their housing need, select some sites to build houses, there is no need for development boundaries, offer the land owner an annual rental of £1000 per acre. Or possibly a £50,000 50 year lease paid up front.</p> <p>Create a land community trust that would build the</p>	<p>Thank you for your comments. Your commentary on the Community Rights to Build is strategic and is not specifically related to the detail of the Technical Note. We encourage you to participate in the consultation on the emerging Housing Strategy.</p>	None



ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
			<p>houses with the opportunity for the people to purchase them at cost estimated to be between £80-£90,000 this would also include £100 per year ground rent, the restriction would be that the purchaser could only sell them back to the trust.</p> <p>Therefore there is no need to build any more houses for open market, anyone needing an opening market house can buy one anywhere in the area as there are loads for sale. Market housing is causing debt and despair, especially for the young people.</p> <p>The new right to build policy and The Localism Act should apply where the local people will decide on where and what should be built, the developers would then be invited to tender for the job. How long will it take before people realize that a house can only be worth what it cost to put together, if food cost had risen like house prices there would have been riots in the streets, if we paid more for your food and less on rents or mortgaged we would all be beneficiaries. Once the house is paid for one could begin to save for a family pension fund.</p> <p>These designs would be built with steel frames off ground with wood bolt on timber with sheep wool for insulation. This would also save dredging the sea beds for shingle, destroying the fish breeding beds. Benefits would be saving energy; child care would be easier, and more affordable, child poverty could be reduced, older peoples care would be improved and general well-being could be established.</p>		
3	Hayley	General	I do not understand the requirement for Code 4 for	The implications of the Code for	None

ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
	Frankham, Housing Development Team Leader, Wealden DC	Comment	affordable housing from April 2013. Although I appreciate it would be great to achieve this, I am concerned it could undermine the viability of your schemes, especially in the current financial climate.	Sustainable Homes Level 4 have been taken into account in the viability assessment analysis by the District Valuation Office. If this requirement is having a significant impact on the viability of development then we will consider flexibility as we would for the delivery of affordable housing to ensure that overall we are able to achieve sustainable development that benefits the town. These issues should be raised at pre-applications stage as identified in the Technical Note.	
4	Hayley Frankham, Housing Development Team Leader, Wealden DC	Page 5	Definition for shared equity – I would add an additional line stating there will be no charge or rent on the unsold equity.	Agreed. An additional bullet point will be added to cover this issue.	Add third bullet to definition of 'Shared Equity' point to state: <i>'There will be no charge or rent on the unsold equity'</i>
5	Hayley Frankham, Housing Development Team Leader, Wealden DC	Para 5.11	To cover the Government's push for private rented housing it may be worth adding in the case of rent occupied or some form of lease agreement with a managing agent.	See response to ID10 below	See response to ID10 below
6	Hayley Frankham, Housing Development Team Leader, Wealden DC	Para 8.1	You may wish to add free serviced land to this paragraph.	See response to ID9 below.	See response to ID9 below.

ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
7	Hayley Frankham, Housing Development Team Leader, Wealden DC	Section 7	On payment of commuted sum had you thought about a trigger point for payment? I would recommend start on site.	Agreed. This is the approach that we currently take for commuted sum payments and text will be added to this affect.	Add paragraph 7.7 to the end of Section 7 with the title ' <b>Payment of Commuted Sums</b> '. Para 7.7 shall read: ' <i>Committed sums shall be paid to the Council on commencement of the development and this will be reflected in the Section 106 Agreement.</i> '
8	Kieran O'Leary, Housing Development Officer, Rother DC	6.4	I think perhaps that para 6.4 should say that RICS valuations need to be Red Book compliant with the express proviso that they can be relied upon by both the applicant and local authority.	Agreed. This would be a useful addition as a footnote to RICS within Para 6.4	Para 6.4 Change RCIS to <i>Royal Institute of Chartered Surveyors (RICS)</i> and add footnote that states: <i>"RICS valuations need to be Red Book compliant so that they can be relied upon by both the applicant and the local authority."</i>
9	Kieran O'Leary, Housing Development Officer, Rother DC	6.5	This refers to supporting information/check list. Appendix A covers the basics but you may want to make reference to Appendix C of the 'RICS Financial Viability in Planning' document attached.	Agreed. This would be a useful addition as a footnote to Appendix A.	Appendix A – Add footnote to the Appendix to state: <i>"Reference should also be made to Appendix C of the RICS Viability in Planning document which can be accessed from:</i> <a href="http://www.pas.gov.uk/pas/aio/2784163">http://www.pas.gov.uk/pas/aio/2784163</a>
10	Kieran O'Leary, Housing Development Officer, Rother DC	5.11	Timeline: last sentence '40% of the market units on the site have been sold'. Perhaps sold/occupied would cover this more appropriately.	Agreed. Additional text to state 'sold or occupied' will be provided to Para 5.11.	Add 'or occupied' to the end of Para. 5.11 so the sentence reads ' <i>the market units on the site have been sold or occupied</i> '.
11	Kieran O'Leary,	8.1	Perhaps the second from last sentence should cover 'applicant/developer delivers affordable	Agreed. Add free service land as that may be an available option	Amend end of Para 8.1. To state:

ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
	Housing Development Officer, Rother DC		housing on site, contributes financially through commuted sum payments or free serviced land.	to the Council.	<i>'applicant/developer delivers affordable housing on site, off-site or contributes financially through commuted sum payments or free serviced land'</i>
12	Marie Nagy, Teal Planning (on behalf of Sovereign Harbour Ltd)	General comment	The following response is made on behalf of Sovereign Harbour Ltd in the context of its interest in nine remaining sites at the Harbour. The critical issue for meeting affordable housing policy requirements is development viability. Whilst this is acknowledged within the Technical Note, further acknowledgement of this constraint is required with regard to Sovereign Harbour in view of the viability matters that relate specifically to this area, and as addressed within the now adopted Sovereign Harbour SPD.	The issue of financial viability is relevant to development across the whole of Eastbourne. The Technical Note discusses how the issue of financial viability will be considered on future development proposals and the flexible approach that will be taken to affordable housing provision to ensure development remains viable overall. Sovereign Harbour does not need to be singled out as a special case as other sites across the borough may have similar constraints which impact viability. These constraints will be discussed in an open and transparent way when considering development proposals.	None.
13	Marie Nagy, Teal Planning (on behalf of Sovereign Harbour Ltd)	General Comment, Policy Context	<p>We note that reference is made to the Eastbourne Core Strategy Local Plan (CSLP) Policy D5 which addresses housing.</p> <p>That policy and its related text at paragraph 4.5.8 refer to the various neighbourhoods of Eastbourne being classified as either High or Low Value. Sovereign Harbour is classified as High Value. This was disputed through the Local Plan review</p>	<p>As highlighted the principle of the Housing Policy (D5 of the Eastbourne Core Strategy Local Plan) was considered sound by the Inspector, and the Core Strategy has now been formally adopted by the Council.</p> <p>The policy position provides a</p>	None

ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
			<p>process on the basis of the abnormal costs that must be covered to deliver new development at the Harbour and that fact that high price residential development does not mean high residual value (net profit) where such abnormal costs must be taken into account. Those costs have been acknowledged by EBC through its evidence base documents and other related appraisals undertaken on behalf of EBC in respect of Sites 6 and 7 at the Harbour and are in addition to other factors that must also be taken into account, namely the range of lower value uses and the community infrastructure package that are also sought through planning policy to be provided here.</p> <p>Whilst the reclassification of Sovereign Harbour as a Low Value neighbourhood for the purposes of setting a starting requirement for new affordable housing in the area was not accepted by the Local Plan Inspector, SHL's position on this remains unchanged and issues of development viability and the balance between development costs and end (residual) value have been accepted as relevant both within the Local Plan and within the linked adopted Sovereign Harbour SPD.</p> <p>Paragraph 3.2.5 of the SPD lists a priority order of social and economic infrastructure that is to be provided at the Harbour as part of related development contributions. That priority listing is:</p> <ul style="list-style-type: none"> <li>• Provision of community facilities</li> <li>• Creation of jobs</li> <li>• Provision of additional retail/food and drink uses</li> <li>• Off-site transport provision</li> <li>• Provision of affordable housing.</li> </ul>	<p>starting point for contributions towards affordable housing to be discussed and provided. The Council accept that development viability may affect the ability to deliver the requirements of the policy and will work through the options stated in para. 6.8 to ensure that development remains viable.</p> <p>The Sovereign Harbour SPD does identify the specific social and economic infrastructure priorities for the neighbourhood and this will be taken into account when development proposals (planning applications) are discussed in detail with planning and housing officers of the Council. As an SPD does exist specifically for Sovereign Harbour, and this will be a material planning consideration when determining a planning application, there is therefore no need to single out the Sovereign Harbour neighbourhood in the Technical Note.</p>	

ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
			This additional policy context and specific objective setting that is particular to the Harbour should be acknowledged within the Technical Note.		
14	Marie Nagy, Teal Planning (on behalf of Sovereign Harbour Ltd)	Para 6.8, Step 4 – Next Steps if the site is assessed as unviable	<p>We note that nine options are identified to be considered jointly by the Council and prospective developers in order to seek to agree a viable affordable housing response for a particular development. We note that these nine options provide 'further elaboration' to the five that are identified within the CSLP and that the listing of the options is not intended to be sequential. One of the additional options set out in the Technical Note is to abandon the requirement for affordable housing. The inclusion of this is welcomed and we consider accords with both:</p> <p>(1) the potential outcome of viability testing at Sovereign Harbour in view of the priority objectives that are to be met by new development here; and</p> <p>(2) objectives of the Growth and Infrastructure Bill which includes the removal of agreed affordable housing requirements in order to help guarantee the delivery of much needed new market housing which would otherwise be abandoned should an affordable requirement remain.</p> <p>In order to address and acknowledge the above matters, we consider that paragraph 6.8 of the Technical Note should be redrafted to read: 'If it is agreed that the <u>Council's housing policy or any other policy related matters that place specific priorities and objectives on the development of a site</u> will render that development unviable, the</p>	<p>The Technical Note is clear that the decision to abandon the requirement for affordable housing will not be considered unless there is clear, justifiable and independently verified evidence that none of the alternative options are viable.</p> <p>The Sovereign Harbour SPD provides a clear policy basis for considering residential development proposals within the neighbourhood. This helps address the variety of issues that affect development viability to ensure that development comes forward to support its growth as a sustainable centre.</p> <p>As the Technical Note is purely related to affordable housing in line with the requirements of Policy D5: Housing of the Core Strategy, it is important to refer only to Council's housing policy. This does not affect the Council's ability to consider the SPD, as with any other policy documents, in considering overall viability and the sustainability of development.</p>	None.

ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
			Council's Housing and Planning Specialists will work with the development through the following options...		
15	Marie Nagy, Teal Planning (on behalf of Sovereign Harbour Ltd)	Section 2, Definition of Affordable Housing	<p>We welcome the breadth of definitions that are proposed to be used for affordable housing tenures and types; namely: social and target rented housing; affordable rent; shared ownership; shared equity; discounted sale and intermediate rent.</p> <p>The definition of affordable tenures and delivery mechanisms however does develop and evolve over time in response to government and other market delivery mechanisms. We therefore request that the potential for additional alternative acceptable definitions and tenure types to take effect is also acknowledged within the document.</p> <p>This is consistent with the current debate on affordable housing delivery and related proposed amendments to the Growth and Infrastructure Bill. Following amendments introduced by the House of Commons during its initial reading of the Bill, it is now proposed to enable the Secretary of State by order to amend the definition of 'affordable housing requirement' to 'ensure that the definition can keep up with new forms of affordable housing.'</p>	There will be opportunity to revise and amend the Technical Note on an annual basis, as with the commuted sum payment table. This ensures that terminology, evidence and financial contributions are kept as up-to-date as possible. This ensures a fit for purpose Technical Note that supports the Housing policy of the Core Strategy.	None.
16	Marie Nagy, Teal Planning (on behalf of Sovereign Harbour Ltd)	Appendix D, Methodology for Commuted Sum Payments	We have significant concern regarding the proposed use of benchmark data that may be applied on a generic basis across sites within the Borough (e.g. Appendix D of the Guidance). This is inappropriate. All sites must be considered independently and within the context of site specific costs and potential values. Any reference to the proposed application of benchmark data should therefore be removed. We will be happy to	<p>Appendix D provides a summary of the methodology used to calculate the commuted sum payment table and will not necessarily be used to determine data and values used in individual viability appraisals.</p> <p>Individual viability assessments</p>	None.



ID	Consultee	Section/ Para.	Representation*	Officer Response	Modifications Required
			discuss this further.	may use benchmark data, but they also can their own justified localised costing if applicable. Consideration of viability assessments will be an open and transparent process where details can be discussed, justified and agreed.	

### **Further additions required on adoption of the Technical Note.**

*Add additional paragraph to the introduction as follows:*

Para. 1.4      The Technical Note has been subject to targeted consultation with key stakeholders including planning agents, developers, consultants and those with an interest in housing matters, from 20 February to 13 March 2013. Consultation responses and any necessary amendments were presented to Planning Committee on 26 March 2013. Planning Committee resolved to adopt the Technical Note on 1 April 2013.