

Approach to the Provision of Affordable Housing

Introduction

The NPPF defines 'affordable housing' as:

'Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.'

South East Lincolnshire has an identified need for affordable housing which has been evidenced in the separate Strategic Housing Market Assessments (SHMAs) covering Boston Borough and South Holland District. Therefore, there is a requirement to set policies for meeting needs in these two areas which reflect the relevant findings of the two SHMAs.

Whilst some affordable housing is developed through Government grant funding, the planning system is also required to help in delivering sufficient affordable dwellings to meet identified needs, firstly, as part of new market housing developments and, secondly, through the provision of affordable housing on 'rural exception sites'¹ (known as 'rural exception schemes').

Accordingly, the emerging South East Lincolnshire Whole Plan Viability Assessment (VA) has been assessing the level of affordable housing provision that market housing developments can afford to fund having regard to other matters impacting on their financial viability, and also the opportunities for funding rural exception schemes without Government grant. To date, the VA has produced draft findings.

Reasonable Policy Options

There are options relating to securing a proportion of new residential developments as affordable housing and the provision of rural exception schemes.

It is considered that there is only one reasonable option in seeking to secure a proportion of new residential developments as affordable housing and that is to outline a policy approach which takes into account the findings of the relevant up-to-date SHMAs and viability studies, and sets out provisions for a

¹ The NPPF defines rural exception sites as: 'Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable units without grant funding.'

flexible response to different site circumstances and changing market conditions over time.

It is considered that there are two reasonable options in seeking to promote rural exception schemes, as supported by the NPPF, which states that:

'Local planning authorities should in particular consider whether allowing some market housing would facilitate the provision of significant additional affordable housing to meet local needs.'

It is therefore reasonable to explore an option based on the provision of an element of market housing on 'rural exception schemes' (which traditionally have been one hundred per cent affordable housing) in order to encourage more use of this Government policy.

Option A: To outline a policy approach to securing an element of affordable housing in new residential developments which sets out provisions for a flexible response to site circumstances and changing market conditions over time; and provides guidance on the provision of rural exception schemes which exclude any element of market housing; and

Option B: As Option A, but allowing for the provision of an element of market housing in rural exception schemes.

Unreasonable Policy Options

It is considered unreasonable not to include a policy that seeks to utilise Government planning initiatives in helping to meet the need for affordable housing across South East Lincolnshire. To do so, would run the risk of the emerging Local Plan not being in conformity with the NPPF and would undermine attempts to create mixed and balanced communities.

Sustainability Appraisal

Table XX: Sustainability Appraisal (SA) of policy options against the SA framework topic areas

Scoring Key						
Major positive (✓✓)	Minor positive (✓)	Neutral (0)	Minor Negative (X)	Major Negative (XX)	Mixed (e.g. ✓✓/X, ✓/X)	Uncertain (?)
Scoring for Topic Areas						
	Option A	Option B				
Air Quality	X	X				
Biodiversity, Geodiversity & Green Infrastructure	X/?	X/?				
Climate Change (adaptation and mitigation)	X	X				
Community, Health and Well-being	✓	✓				
Economy and Employment	✓	✓				
Flood Risk	X	X				
Historic Environment	X/?	X/?				
Housing	✓✓	✓✓				
Land and Waste?	X	X				
Landscape	X	X				
Transport	X/✓	X/✓				
Water	X	X				

Air Quality: Both options will have a minor negative impact on air quality as any new development will probably lead to increased air pollution, primarily due to increased road traffic.

Biodiversity, Geodiversity and Green Infrastructure: Both options will have a mixed minor negative/uncertain impact. Any new development has the potential to impact upon protected sites of nature conservation importance. However, until site specifics are known (through the Site Allocations DPD and development management processes) there will be uncertainty as to the nature of the impact. With any new development there is the potential positive impact of being able to 'design-in' green infrastructure.

Climate Change (adaptation and mitigation): Both options will have a minor negative impact. Any new development will probably increase greenhouse gas emissions, both directly and indirectly. There are potential positive impacts through the opportunities to require new energy-efficient design and construction.

Community, Health and Well-being: Both options will have a minor positive impact. The provision of additional housing will have a positive impact on both health and equality. There is also the potential for new development to

support the funding of new community infrastructure. The provision of affordable housing in particular will contribute to the creation of mixed and balanced communities

Economy and Employment: Both options will have a minor positive impact. More housing will give rise to a larger population which has the potential to broaden the diversity of skills on offer and, in turn, support business diversification and growth. Specifically, the provision of additional housing will help to maintain employment in the construction sector and related industries.

Flood Risk: Both options will have a minor negative impact in providing for additional dwellings within areas categorised as either a Red, Orange or Yellow flood-hazard zone.

Historic Environment: Both options will have a negative impact. This is because the identification of broad locations for housing development in both Boston and Spalding has revealed the presence of recorded historic assets both within and abutting them. However, until site specifics are known (through the Site Allocations DPD and development management processes) there will be uncertainty as to the nature of the impact. There is potential to address this issue in a sympathetic manner which delivers conservation benefits as part of the overall planning of new development.

Housing: Both options will have a major positive impact as it will help to meet the housing needs of South East Lincolnshire.

Land and Waste: Both options will have a minor negative impact. Any new greenfield development will result in permanent loss of agricultural land. New development will also probably lead to greater levels of waste generation.

Landscape: Both options will have a minor negative impact. Any new development on greenfield land will inevitably impact upon landscape but the precise nature of that impact will be dependent on the design, layout and landscaping of a particular development.

Transport: Both options will have a mixed minor negative/positive impact. Any new development will probably lead to higher levels of road traffic and could exacerbate perceived congestion problems, particularly in Boston and Spalding. However, given the preferred options for guiding the distribution of housing development set out earlier in this chapter, there is potential to provide the critical mass of development required in a larger existing centre to promote sustainable modes of transport.

Water: Both options will have a minor negative impact. Any new development will probably increase pressure on water resources.

Conclusion: Both options score the same. Whilst there is some uncertainty over the impacts of both options and potential for minor negative impacts, they both have a major positive impact in seeking to meet the housing needs of South East Lincolnshire. The precise nature of some of the impacts will be

dependent on the final proposals relating to the broad locations for housing and the Site Allocations DPD, and subsequent development management decisions.

Delivery

Both options will be delivered through the development management process.

There are relative delivery benefits in Option B as it has been conceived with a view to improving the financial viability of schemes and, therefore, helping to ensure delivery. Significant housing development will require appropriate supporting infrastructure, which will be identified through the IDP.

The delivery of overall targets for affordable housing will be monitored through the Monitoring Report.

Preferred Option

Option B is the preferred option because it offers a more flexible approach to the delivery of affordable housing across South East Lincolnshire.

Provision for Affordable Housing

In residential schemes of three or more dwellings, the South East Lincolnshire Authorities will seek to secure 20% of dwellings as affordable housing, the nature of which will have regard to the most up-to-date assessment of housing need.

The Authorities will adopt a flexible approach in responding to proposals according to particular site or scheme-specific considerations. Normally on-site provision will be made and a flexible approach will be taken to tenure mix depending upon need. Where the size of site, mitigation requirements or affordability needs require a different approach to the proportion of affordable housing provided (as part of the scheme) or as an off-site contribution, the Authority or developer will provide sound evidence and proposals for an exceptional approach to be taken.

Rural Exception Schemes

Proposals for affordable housing on sites situated outside but adjoining the designated boundaries of Main Service Centres and Service Villages may be permitted provided the following criteria are met:

- the scheme would meet an identified local need for affordable housing;
- the scale of the development would be in keeping with the role and function of the designated settlement; and
- pre-application engagement with the local community has been

undertaken to the satisfaction of the local planning authority.

Where it is demonstrated that a proportion of market housing is necessary to cross-subsidise the affordable housing element, the minimum number of market houses should be provided up to a maximum of 50% of the total number of dwellings.

HRA/AA Screening – Housing Implementation Strategy

Screening of Preferred Policy Approach (✓/X)						
Does the policy lead to development?	Does the policy specify a quantity or type of development?	Does the policy specify a location for development?	Is the policy implemented through other policies?	Does the policy concentrate development in urban areas?	Does the policy steer development away from European or Ramsar sites?	Does the policy protect the natural environment?
✓	✓	✓	✓	✓	✓	X

Given that this policy approach is concerned with promoting development, it is considered that there is potential for significant effects on a European or Ramsar site. As such, it should be screened by the Habitats Regulations Assessment process.

Equalities Assessment – Housing Implementation Strategy

Equalities Analysis of Preferred Policy Approach (✓ - may benefit) (0 – neutral) (X – adverse impact)								
Age	Disability	Gender re-assignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation
0	0	0	0	0	0	0	0	0

The provisions of this policy will have the same impact on all groups.