

Hearing Statement - Affordable Housing

Question 1

1. The latest Housing Evidence Report indicates that the total of number of houses completed in the period 2001-2013 amounts to a total of 6,398 dwellings at an annual average of 533 dwellings per year. Whilst that number peaked at 921 dwellings in 2007-8 the following years up to the present day have only resulted in approximately 300 dwellings per year.
2. Paragraph 3.5.8 of the Local Plan confirms that 693 affordable dwellings will be needed per year, if the backlog is to be addressed and newly arising need met. In our opinion it is totally unrealistic to expect this number to be reached, when it considerably exceeds the total number of dwellings completed on average over the last 13 years and is more than double the figure completed in the period 2008-2013.
3. The Council's position that the level of need should be one of the main factors in determining the level of affordable housing required (Paragraph 3.5.8) has no credibility if that level is so far removed from what can realistically be achieved.
4. The situation is in fact further distorted, because much of the affordable housing in Fenland is not achieved as a result of the percentage of market housing, but from stand-alone affordable housing schemes. Paragraphs 3.10 and 3.11 of the Housing Evidence Report (CD025a) refer to a constant delivery of affordable housing since 2001 with no significant peaks, even when the level of market housing was at its highest and suggest that this may provide potential for the delivery of higher levels of affordable housing in the future when market housing recovers. There is no evidence to support such a supposition, since it is the viability of schemes which will finally determine the level of affordable housing in areas such as Fenland.

Question 2

5. The Council's Affordable Housing Statement of May 2012 following publication of the National Planning Policy Framework indicated affordable housing would be determined on a case by case basis, set against "targets" of affordable housing provision ranging from 20% to 30% depending upon the size of development and its location. Whilst Policy CS5 of the Local Plan indicates that the affordable housing requirement may be met "through negotiation" and the term "target" is referred to later in the policy explanation, there is no in-built flexibility to the policy itself.
6. In our opinion the 25% figure is not achievable in today's market and we understand recent viability assessments do not support affordable housing at that level. We consider it is imperative that more flexibility is included in Policy CS5 so that it can respond to any changes in

market conditions and we suggest that a yearly assessment of the market is carried out in conjunction with developers and stakeholders without a specific figure being identified in the Plan.

7. Such a course of action would provide the flexibility required by Paragraph 50 of the NPPF for policies to take account of changing market conditions over time.
8. Policy 173 of the NPPF makes it quite clear that plans should not contain such a level of policy requirements that the viability and deliverability of developments is threatened. We consider that would be exactly the case in Fenland. There is surely no point in setting a percentage level at a rate, which will always need to be the subject of reduction by viability assessment and further negotiation.
9. With regard to the re-wording of Policy CS5 we suggest reference to a specific percentage is omitted from the policy and the policy re-worded to indicate that affordable housing will be required at a rate in accordance with a level agreed from year to year with stakeholders and developers. This would enable the requirement to increase as the housing market recovers, provide the flexibility required by the NPPF, and move towards satisfying the housing need.
10. We consider such a change should also do away with the requirement related to provide affordable housing on schemes of 5-9 dwellings, because there is little likelihood of an affordable housing provider taking on a single dwelling responsibility. This should be replaced by a financial payment towards a general affordable housing fund, but only in circumstances where viability is proven.

Question 3

11. As indicated in our original representations we consider that it is both time consuming and unreasonable to expect developers to provide a comprehensive viability study related to every development simply because the requirement is set too high. A more flexible approach generally would reduce the number of times such a viability assessment would need to be submitted to the Council.
12. However, if the assessment is well argued and documented, there should be no need for the Council to seek further advice. In our view it is wholly unreasonable for developers to have to fund two separate assessments. No charges are made by the Council in making other assessments (for example, in respect of agricultural justification). In any event application fees already paid by developers should be used to fund any further consultation the Council feels is necessary.