

Hertsmere Borough Council
Draft Affordable Housing SPD
(August 2014)

Pre-Formal Consultation Statement

1. Introduction

- 1.1 This SPD aims to provide advice to developers, including Housing Associations and other Registered Providers on the Council's approach to Affordable Housing provision. Guidance is presented on the criteria for Affordable Housing, including the thresholds and percentages applicable, as well as advice on viability and how and when commuted payments will be considered. The SPD also provides advice on Section 106 agreements, which will be used to secure the provision of Affordable Housing on new developments.
- 1.2 The Council's current SPD on Affordable Housing was adopted in October 2008 and since then there have been significant changes in national and local planning policy, together with changes to the way Affordable Housing is funded and a series of welfare reforms.
- 1.3 In January 2013 the Council adopted the Hertsmere Local Plan Core Strategy which sets out the strategy for the Borough for the next fifteen years. The Core Strategy contains a range of policies to help meet the need for Affordable Housing. These policies are underpinned by new evidence and supersede the Affordable Housing policies contained in the Local Plan 2003.
- 1.4 A number of changes to the SPD are proposed as part of this consultation, summarised as follows:
 - Changes to some of the detail to aid consistency and understanding
 - The Affordable Housing threshold has been updated in line with the Core Strategy
 - The Affordable Housing percentage has been updated in line with the Core Strategy
 - Inclusion of the Government's revised definition of Affordable Housing (see Appendix A)
 - An explanation of viability assessments has been included in line with the Government advice in the PPG
 - There is an increased emphasis on the importance of delivering Affordable Housing *units* and on the importance of engaging in early dialogue with planning and housing officers to help achieve the needed units
 - Clarification of when and where different tenures will be sought and what will be regarded as genuinely 'affordable'
 - The revised SPD reflects the practical issues around delivery which can occur on small sites of 5-10 units now covered by affordable housing policy
 - It is acknowledged that commuted sums will be sought on more schemes than in 2008 due to the lower threshold for Affordable Housing in the Core Strategy
 - Commuted sums will be based on local house prices (from the Land Registry) and linked to subsequent changes in sales prices for the local area available from the Land Registry. This will help to provide an element of 'future-proofing'.
 - New and alternative methods of collecting commuted sums are explained. These are deferred payments and clawback arrangements, to enable a percentage of future profit to be used for Affordable Housing.

- The new SPD outlines the ways the Council will use the commuted sums it collects
- 1.5 This statement has been produced in accordance with Regulation 12 (a) (i) of the Town and Country Planning (Local Planning) (England) Regulations 2012 and sets out those persons that have been consulted in the preparation of the draft revised SPD and how those persons have been consulted.
- 1.6 Once the formal consultation period has been completed, this statement will be updated to include a summary of the main issues raised by those persons and how those issues have been addressed in the draft SPD, pursuant to Regulation 12 (a) (ii) and (iii) of the afore mentioned Regulations.
- 1.7 The consultation has been undertaken in accordance with Regulation 12 (b) and 13 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

2. Informal Consultation

- 2.1 Officers have undertaken a collaborative approach whilst reviewing and updating the Affordable Housing SPD before the period of public consultation commenced.

Officers:

- 2.2 Planning Policy Officers have undertaken informal consultation within the Council's Housing, Planning and Legal department as follows:
- The SPD was produced in conjunction with the Council's Affordable Housing Coordinator to ensure that the SPD is capable of delivering affordable housing which meets housing need in the Borough.
 - The Development Management (DM) team were consulted in order to gauge whether the proposed changes would be acceptable in practice in order to support appropriate development.
 - The Legal team were consulted to ensure that the SPD is compliant with regulations and is able to be implemented in terms of drafting Section 106 agreements.
 - The SPD was presented to Chief Officers Board on 17 June 2014 and was approved for consultation with Members.

Members:

- 2.3 The SPD was presented to the Council's Management Board on 25 June 2014 where it was approved by Members and Chief Officers before being put to the Council's Executive.
- 2.4 The Portfolio Holder for Planning and Localism presented the draft SPD to members of the Executive during the 23 July 2014 meeting. This was in order to request that the contents of the draft SPD be approved for public consultation and for interim development management use for all applications registered on or after its date of publication, subject to any changes to be agreed by the Director of Environment in consultation with the Portfolio Holder for Planning and Localism.
- 2.5 It was also decided that officers be requested to explore the scope to charge build costs as part of any commuted payments and that, following any viability assessment required, further changes to the SPD be considered by the Portfolio Holder for Planning and Localism.

Further:

- 2.5 Following the approval at the Executive meeting the draft SPD was sent to three independent viability consultants for their comment. The feedback from these reviews has been carefully considered by the Council and changes have been made to the SPD where necessary before commencing public consultation.

3. Formal Consultation

- 3.1 The formal consultation period will run from Monday 29th September 2014 to 5pm on Monday 10th November 2014.
- 3.2 All of the Council's Members and Planning Officers will be notified as well as all specific statutory consultees, government departments and neighbouring authorities and 520 general consultation organisations and interested parties, identified from Hertsmere's development plans database.
- 3.3 The Draft document will be published on Hertsmere's website.
- 3.4 Appendix 1 outlines the specific groups that have been consulted, in-line with Hertsmere's Statement of Community Involvement.

Website

- 3.5 Pursuant to Regulation 12 (b) and 35 (1) a and b, a copy of the following will be made available on Hertsmere's website at the following location www.hertsmere.gov.uk on the planning consultations page with a link from the Affordable Housing SPD web page www.hertsmere.gov.uk/affordablehousing.
 - This pre-formal consultation statement.
 - The draft revised SPD (August 2014).
 - A copy of the covering letter that will be circulated to consultees.
 - A notice outlining the address where representations can be sent to (via letter and/or email) and by which date they are to be made.
 - The address and opening times of the inspection points (including the Civic Offices as the principal office) where hard copies of the documents can be viewed.

Appendix 1: A List of statutory consultees.

Specific statutory consultation organisations (in line with the Planning and Compulsory Purchase Act and Regulations)*

- Natural England
- The Environment Agency
- Highways Agency
- The Historic Buildings and Monument Commission for England (English Heritage)
- Natural England – Essex, Hertfordshire and London Team
- Local clinical commissioning groups and the National Health Service Commissioning Board
- Network Rail Infrastructure Limited
- Homes and Communities Agency
- Relevant Electricity Undertakers
- Relevant Gas Companies
- Relevant Sewerage Undertakers
- Relevant Telecommunications Companies
- Relevant Water Undertakers
- British Waterways Board
- The Coal Authority
- Marine Management Organisations

Government Departments

- Department for Environment, Food and Rural Affairs
- Department for Transport
- Department of Health (through relevant Regional Public Health Group)
- Department of Trade and Industry
- Ministry of Defence
- Department of Work and Pensions
- Department for Culture, Media and Sport

Neighbouring and other local authorities

- St Albans City and District Council
- Three Rivers District Council
- Watford Borough Council
- Welwyn Hatfield Borough Council
- London Borough of Barnet

- London Borough of Enfield
- London Borough of Harrow
- Broxbourne Borough Council
- Dacorum Borough Council
- East Hertfordshire District Council
- Hertfordshire County Council
- Mayor of London (GLA)
- North Hertfordshire District Council
- Stevenage Borough Council
- Luton Borough Council
- Central Bedfordshire Council
- Colney Heath Parish Council
- North Mymms Parish Council
- London Colney Parish Council
- Greater London Authority (Mayor of London)

Parish and town councils of Hertsmere

- Aldenham Parish Council
- Elstree and Borehamwood Town Council
- Shenley Parish Council
- South Mimms Parish Council