

**Hertsmere Borough Council  
Draft Affordable Housing SPD  
(June 2015)**

**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 were proposed as part of a consultation on a revised SPD in September 2014, which can be 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.
  - Changes arising from various ministerial statement

- The new SPD outlines the ways the Council will use the commuted sums it collects
- 1.5 Responses were received from 13 external organisations or bodies including a number of detailed submissions from developers. These are all summarised in Appendix 2 to this statement along with the officer response to those representations.
  - 1.6 Since the consultation on the draft SPD in 2014, there have been a series of ministerial statements relating to planning, housebuilding and Affordable Housing. There have also been associated changes to the national Planning Practice Guidance. The draft SPD has therefore been further revised to take account of both these and the responses received following our consultation.
  - 1.7 The further revisions have been agreed in consultation with the Portfolio Holder for Planning and Localism, Cllr Harvey Cohen, both for a period of consultation to provide interest parties with an opportunity to make additional representations and for interim Development Management use.
  - 1.8 This statement has been produced in accordance with Regulation 12 (a) (i) of the Town and Country Planning (Local Planning) (England) Regulations 2012 sets out those persons that have been consulted in the preparation of the draft revised SPD and how those persons have been consulted.
  - 1.9 Once the further 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, pursuant to Regulation 12 (a) (ii) and (iii) of the afore mentioned Regulations.
  - 1.10 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 and following receipt of the representations in 2014.

### *Officers:*

- 2.2 Planning Policy Officers have undertaken informal consultation within the Council's Housing, Planning and Legal department as follows:
- The draft 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 draft 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.
- 2.6 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 was carefully considered by the Council and changes were made to the SPD where necessary, in consultation with the Portfolio Holder for Planning and Localism, before commencing public consultation.
- 2.7 After receipt of legal advice, a further report was prepared for the Executive in November 2014 to enable weight to be given to the draft SPD in the determination of planning applications after the date of publication of the draft SPD (29<sup>th</sup> September 2014) rather than solely those registered after this date.
- 2.8 The further revisions to the draft SPD, following the consultation in 2014 and subsequent ministerial statements, have been agreed in consultation with the Portfolio Holder for Planning and Localism.

### **3. Formal Consultation**

- 3.1 The initial consultation on the draft SPD ran from Monday 29<sup>th</sup> September 2014 to 5pm on Monday 10<sup>th</sup> November 2014.
- 3.2 All of the Council's Members and Planning Officers were 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. The Draft document was published on Hertsmere's website and placed at the various deposit points.
- 3.3 Appendix 1 outlines the specific groups that were consulted, in-line with Hertsmere's Statement of Community Involvement.
- 3.4 A further 4 week period of consultation on the additional amendments will take place, running from Monday 8<sup>th</sup> June 2015 to 5pm on Monday 6<sup>th</sup> July 2015. The consultation itself will reflect the consultation previously undertaken in 2014, as set out in paragraphs 3.2 and 3.3.

#### *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](http://www.hertsmere.gov.uk) on the planning consultations page with a link from the Affordable Housing SPD web page [www.hertsmere.gov.uk/affordablehousing](http://www.hertsmere.gov.uk/affordablehousing).
- This consultation statement.
  - The draft revised SPD (June 2015).
  - 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 England
- Historic England
- 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

## Appendix 2

### Schedule of representations.

#### Draft Affordable Housing SPD, September 2014

Ref	Name/ Body	Date Receiv- ed	Comm- ent type	Summary of representation made	Response
1	Héronslea Group	7/11/20 14	Comment	<p><b>Para 1.12</b> Affordable housing (AH) requirement should be calculated based on the net number of units to be built, rather than gross as in Core Strategy policy CS4.</p> <p><b>Para 1.22</b> Welcome commitment for early agreement on number and mix of AH units. Encourage Housing team to be involved in pre-application discussions to gain early agreement. The example of increasing the number of units is inconsistent.</p> <p><b>Para 1.26</b> Problems for registered providers (RPs) in managing AH on sites of 5-15 units.</p> <p><b>Para 1.33 &amp; 1.34</b></p>	<p><b>Para 1.12</b> As the representation acknowledges, the Core Strategy policy states that the Affordable Housing (AH) requirement will be calculated based on the gross number of units. No change.</p> <p><b>Para 1.22</b> Welcome the support, however it is unclear what is meant by the final point.</p> <p><b>Para 1.26</b> On sites of 5-14 units, the SPD seeks on-site provision of intermediate housing, which does not require the same management from RPs. No change.</p> <p><b>Para 1.33 &amp; 1.34</b></p>



			<p>The timing of AH delivery is important, however should be considered on a case by case basis with phasing agreed with developer. Suggest wording change to ‘on a case by case basis’.</p> <p><b>Para 1.40</b>  Alternatives to on-site provision are welcomed, including the potential to purchase existing units. Further guidance is needed on legal agreements and transferring stock. Suggest an appendix to the SPD.</p> <p><b>Para 1.45</b>  The commuted sums appear high and should be assessed in line with the Council’s development economics study to check viability.</p> <p><b>Para 1.51</b>  Rural exception sites (RES) can also be delivered via a developer in conjunction with</p>	<p>This is acknowledged and the wording has been changed as suggested. <b>A reference to clawback on schemes has also been added.</b></p> <p><b>Para 1.40</b>  <b>The support is welcomed, and further guidance on the purchase of existing units will be provided.</b></p> <p><b>Para 1.45</b>  The Viability Study for the Core Strategy showed that 40% affordable housing was viable in these areas. The SPD and the NPPF provide an opportunity to argue for a lower contribution on grounds of viability, where this can be clearly demonstrated. House prices in Radlett are very high so property is unaffordable for a large proportion of the community and a review of property prices for 12 months up to 15/01/2015 revealed that the values used to work out the commuted sums are still representative of the current values of each house type. No change.</p> <p><b>Para 1.51</b>  <b>Paragraph 1.55 (was Para 1.54) has been amended to include the wording “or exceptionally with the</b></p>
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			<p>an RP/Parish Council. These can provide off-site provision as in para. 1.40. Developer may submit an app prior to transfer to an RP.</p> <p><b>Para 1.66</b> Typical profit margins for market housing are relatively low. Funding difficult to secure if projected profit less than 20%.</p> <p><b>Para 1.71</b> Welcome the SPD has site value as EUV plus premium.</p> <p><b>Para 1.82, 1.83, 1.87</b> SPD focuses on a climbing market and does not take into account that market conditions may worsen.</p>	<p><b>involvement of a developer”</b>, as is acknowledged in para 1.57.</p> <p>The RES policy does not apply to units provided for off-site provision, but only to AH schemes to meet need in the locality.</p> <p><b>Para 1.66</b> The SPD does not refer to a fixed level of profit but states that it is not a fixed amount although 15-20% for market and 6% for affordable are typical, with schemes in Hertsmere achieving between 12% and 20%. <b>The wording has been adjusted to provide some additional recognition of the range of profit margins which can be achieved on developable site.</b> However, 15-20% is recognised to be a typical profit margin.<sup>1</sup></p> <p><b>Para 1.71</b> Support welcomed.</p> <p><b>Para 1.82, 1.83, 1.87</b> No change made to a further viability assessment being carried out after 60% of sales. However, it is recognised that the recent Ministerial Statement has stated that contributions should not be sought before</p>
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<sup>1</sup> See The challenges of brownfield land, Daniel Watney

				<p>Clawback should not be based on 60% of sales when 100% figures can be provided once all are sold.</p> <p>Fails to allow for a reduction in the amount of AH due if market conditions decline. Suggest staggering the AH requirement according to site size, taking a similar approach to Chiltern Council.</p>	<p>completion of units. <b>Para 1.83 has been amended to reflect this as have references elsewhere in the SPD which previously referred to payment on commencement.</b></p> <p>There is a reference to a declining market in Para 1.81 (was Para 1.80). However, deferred payments are only used where a scheme is shown to be unviable in current market conditions, but that it would become viable if market conditions improved. If the market was to drop and the scheme was shown not to be viable after 60% of sales, then the deferred payments would not be required.</p> <p>It is also possible for developers to apply to modify the AH requirements of a s106 agreement based on economic viability under section 106b of the 1990 Planning Act.</p> <p>The option of staggering the level of AH required is noted but cannot be considered for this SPD due to Policy CS4 in the current Core Strategy. However, it will be considered for the review of the CS.</p>
2	Planning Issues on behalf of Churchill Retirement Living	7/11/2014	Comment	<p><b>Para v)</b> Confusing. 29% of new housing was affordable, but how was AH increased as a result of commuted sums? Would be helpful to understand how much collected through commuted sums, the reasons and where money has been spent.</p>	<p><b>Para v)</b> Comments are noted. This SPD is not the place to publish a detailed breakdown of commuted sums collected on individual planning applications, or for a breakdown of expenditure. It is intended to incorporate this information into future AMRs.</p>

			<p><b>Para xi)</b> Should refer to 2014 document rather than 2013. The letter points on p.6 do not follow in sequence.</p> <p><b>Para xii)</b> Needs to be updated to take account of the current position. Hopes that the Council will meet timescales for adoption set out in Para xvii). Timetable for production of a SHMA should be changed to be more specific rather than saying 'over the next 12 months'.</p> <p><b>Tenure Mix</b> Difference between 'social' and 'affordable' rent could be significant and could affect viability. This difference needs to be recognised within the SPD and by officers.</p> <p><b>Para 1.13 - Sheltered housing</b> The SPD recognises that there are specific issues associated with the development of sheltered housing (para 1.13), however not all issues which affect viability are</p>	<p><b>Para xi)</b> Noted. <b>The corrections to the year of the SPD and the letter points have been made.</b></p> <p><b>Para xii)</b> Noted. The timescales in Para xvii) are expected timescales only although the increasingly piecemeal nature of recent government planning and housing announcements, have led to some delay whilst the Council considers how these changes should be applied.</p> <p><b>The reference to the SHMA timescale has been changed to be more specific – it is 'expected to be completed by mid-2015'.</b></p> <p><b>Tenure Mix</b> The point is noted, however it is unclear what is being sought.</p> <p><b>Para 1.13 Sheltered housing</b> Noted. <b>Paragraph has been amended to acknowledge that there are higher build costs and a higher amount of non-saleable floorspace in this</b></p>
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			<p>acknowledged in the SPD.</p> <p><b>Para 1.13 – on-site provision</b> It can be impractical/unsuitable to provide on-site affordable housing within sheltered housing schemes, and the SPD should recognise this.</p> <p><b>Appendix D</b> The calculation of commuted sums set out in Appendix D does not comply with the principle that commuted sums should be equivalent to the cost of providing AH units on site. Suggested that the approach in Development Economic Study 2011 should be adopted, whereby sums are calculated on a case by case basis.</p> <p><b>Para 1.41</b> Sheltered housing will almost always be in a position where an off-site contribution in the form of a commuted sum is the most appropriate method of providing AH.</p>	<p><b>type of development.</b></p> <p><b>Para 1.13 – on-site provision</b> The concerns are noted. <b>A distinction has been made between retirement housing and extra care housing, where commuted payments will be required if it is demonstrated it is genuinely not practical to provide AH on site.</b></p> <p><b>Appendix D</b> The approach suggested was considered but was thought not to provide sufficient clarity to developers. No change. However, Appendix is considered to comply with the need to ensure that the commuted sums are equivalent to the cost of providing AH site. The amounts are based around the average cost of purchasing land and broken down by postcode areas. In this way, the Council would not be seeking contributions which do not reflect typical land values in that locality.</p> <p><b>Para 1.41</b> This needs to be demonstrated and will be considered on a site by site basis, as it will not be the case for all sites. No change.</p> <p><b>Land value benchmarks</b></p>
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			<p><b>Para 1.74 - Land value benchmarks</b> It is surprising and contradicts the RICS guidance that the draft SPD uses EUV. RICS guidance leans towards using market value with emphasis on willing landowner and willing developer.</p> <p><b>Costs and values</b> The costs associated with developing sheltered accommodation are different to general needs housing.</p> <p><b>Para 1.79</b> Accepted that the developer will meet the costs of a viability assessment, however these must be reasonable and the developer should be offered 3 quotes to ensure a competitive rate.</p> <p><b>Para 1.81</b> Developers will require that viability assessments are dealt with in an efficient and timely manner to ensure they are not out of date through poor management of the planning process.</p>	<p>The suggested method has been considered, and the RICS guidance has been consulted. The Council has sought independent reviews of the draft SPD which all recommended different methods. A balanced view had to be taken which resulted in the decision to accept EUV. Other representations support the use of EUV plus premium.</p> <p><b>Costs and values</b> <b>A paragraph has been added (Para 1.86) to reference the costs for this type of housing.</b></p> <p><b>Para 1.79</b> Hertsmere is currently working on procuring a list of retained valuers whose services will be used to assess viability. The services of these valuers will then be used in order of their placement on the list.</p> <p><b>Para 1.81</b> The Council has to work within the statutory time constraints for dealing with planning applications, therefore viability assessments will be dealt with within these timescales unless otherwise different timescales are agreed through a planning performance</p>
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				<p><b>Para 1.82, 1.89-1.91 – Claw back and deferred payments</b>  Developers need to have certainty and assuming the market may improve is a mistake. Viability should be assessed at the time of an application, and before the implementation of a scheme or phase. Therefore the reference to ‘deferred payments’ in 1.89-1.91 should be deleted.</p>	<p>agreement.</p> <p><b>Para 1.82, 1.89-1.91 – Claw back and deferred payments</b>  The Council will take into account market conditions at the time of submission, and if a scheme is demonstrated to be unviable in the market conditions at that time, it has the ability to reduce or waive the policy requirement for AH. If conditions improve during the construction and sale of the development, resulting in a viable scheme, the Council will only then receive any additional payment. There is a reference to a declining market in Para 1.81 (was Para 1.80).</p> <p>Deferred payments are only used where a scheme is shown to be unviable, but that it would become viable if market conditions improved. If the market was to drop and the scheme was shown not to be viable after 60% of sales, then the deferred payments would not be required. It is also possible for developers to apply to modify the AH requirements of a s106 agreement based on economic viability under section 106b of the 1990 Planning Act. No change.</p>
3	Cala Homes	06/11/2014	Comment	<p><b>Para 1.8-1.9</b>  Helpful to see ‘low cost housing’ as a form of intermediate housing. The term ‘Discounted sale’ as used in 1.9 would be a more appropriate term to use. The statement that this tenure would only be</p>	<p>It is recognised that it could be offered, but house prices in Hertsmere are generally too high for it to be affordable without a significant level of discount being offered. The government definition of affordable housing for planning purposes (‘Definitions of general housing terms’, DCLG, Nov 2012) specifically</p>

				<p>considered in exceptional circumstances is unreasonable and unrealistic as it can be equally as affordable as shared ownership.</p> <p><b>Para 1.8</b> The % of sale on equity share housing has not been included. The tenure includes both social rent and affordable rent. Clear guidance on when each is appropriate is required.</p>	<p>excludes 'low cost market housing'. <b>An additional paragraph has been amended however to take account of the new Starter Homes initiative which seeks at least a 20% discount for first time buyers under 40.</b></p> <p><b>Para 1.8</b> Government guidance gives no set percentage. The rate is negotiable and depends upon the capital cost of the units, and the area of the borough they are built in. For example, capital costs may be the same for a unit in Borehamwood as for one in Radlett, however the market value in Radlett is likely to be higher. In higher value areas the Council will seek to hold a higher % of the equity in order to make the unit more affordable. Para. 1.26 states that "Intermediate housing products should be discounted so that they are typically 40% of the open market price in the higher value areas set out in Policy CS4 and 50% in all other locations" <b>(Note added to Para.1.8).</b></p> <p>The private developer or house builder would transfer the equity and freehold title to the Borough Council and then have a building under licence agreement to build the said Equity Share dwellings. A S106 legal agreement would enforce this approach.</p> <p>It is not certain what is meant by equity share including both social and affordable rent, as these are defined as two separate tenure types. On developments of 15</p>
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				<p>units or more, where 75% of the AH will generally be social or affordable rented housing, the Council's Housing Officer will advise on the most appropriate tenure for the particular development.</p> <p><b>Para 1.16</b> While the Council should play a significant role in advising developers on amount, size, type and tenure of AH, the developer and RP should also contribute.</p> <p><b>Para 1.17</b> There is no reason for the Council to be provided with details of any agreement between a developer and a RP.</p> <p><b>Para 1.18</b> Need a statement explaining what should be done if a RP does not agree to 100% nominations being given in perpetuity to the Council.</p> <p><b>Para 1.20</b> Rounding numbers 'up or down accordingly' would be better expressed as 'at 0.5 or below the number will be rounded down, at</p>	<p><b>Para 1.16</b> Noted. <b>A reference to the RP has been added to the paragraph.</b></p> <p><b>Para 1.17</b> Where viability is raised as an issue, the Council will need to be provided with this information. No change.</p> <p><b>Para 1.18</b> This does not meant that all nominations will automatically go to the Council in all cases, but where there is a need for it. No change.</p> <p><b>Para 1.20</b> Noted. <b>This will be clarified but the numbers will be rounded up from 0.5 and down from 0.49 will be used.</b></p>
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			<p>0.51 and above it will be rounded up’.</p> <p><b>Para 1.21</b> The ‘size mix’ table is described as a guide and this should be emphasised. This is usually termed the ‘housing type mix’.</p> <p><b>Para 1.22</b> The example implies the percentage requirement for AH could be applied to floorspace if the private dwellings are large houses. Unacceptable as the policy refers to units not floorspace.</p> <p><b>Para 1.23</b> Unclear why tenure mix should take account of physical character of the area. Should say ‘tenure profile of the surrounding area’.</p> <p><b>Para 1.24</b> Is the table a guide or fixed? There will be rounding and it is not clear how this is achieved.</p>	<p><b>Para 1.21</b> The comments are noted but there is not considered to be a need for any change. No change.</p> <p><b>Para 1.22</b> <b>It has been added that this will apply where the developer agrees.</b></p> <p><b>Para 1.23</b> Noted. <b>This has been amended.</b></p> <p><b>Para 1.24</b> The table is fixed and takes the on-site mix for sites of 5 units or more directly from Core Strategy Policy CS4. The requirement for sites with 1-4 units but which exceed 0.2ha is more accommodating than in the Core Strategy which does not distinguish between these sites and those with 5-14 units. It is not entirely clear what the rounding refers to but if the relevant % tenure</p>
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				<p><b>Para 1.25</b> Ambiguous. Does it mean shared ownership or intermediate housing products? Information on level of discount would be better in Para 1.19 as it is a viability consideration and more explanation is needed.</p> <p><b>Para 1.26</b> Pepper potting and clustering is ambiguous and should be removed.</p> <p><b>Para 1.29</b> HCA do not give grant to AH required by planning obligations so this paragraph is irrelevant.</p> <p><b>Para 1.30</b></p>	<p>mix does not result in a round number, in terms of the number of units to be provided, it would be rounded up or down. Para 1.20 will be amended to include this.</p> <p><b>Para 1.25</b> Shared ownership is a form of intermediate housing. The second sentence of para 1.25 refers to all types of intermediate housing, including both equity share and shared ownership, which must both be discounted to be 40% or 50% of market value. The levels of discount for equity share have been included in the table at para 1.8. Paragraph 1.19 simply repeats Policy CS4. No change.</p> <p><b>Para 1.26</b> <b>Noted that this is ambiguous. The paragraph has been reworded to remove the issue.</b></p> <p><b>Para 1.29</b> This part of the SPD also applies to affordable-only schemes which may be built by an RP or the Council, so may be relevant to these. No change.</p> <p><b>Para 1.30</b></p>
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			<p>Lifetime Homes requirement to all new dwellings is overly onerous. Should be applied by agreement with RP that it is necessary.</p> <p><b>Para 1.33</b> Timing of delivery could be ambiguous and should perhaps give more detailed information as will impact on s106 wording.</p> <p><b>Para 1.36-39</b> The area of viability is quite loose and would benefit from more detail on assumptions and inputs.</p> <p><b>Para 1.40</b> The wording is unclear and percentages incorrect.</p> <p><b>Para 1.60</b> Use of BCIS as a benchmark is proven to be inaccurate and unreliable so it is good SPD acknowledges specific scheme costs should be utilised.</p>	<p><b>Core Strategy Policy CS22 states that “Where practicably possible 100% of new residential units should be built to the Lifetime Homes Standards based on the Joseph Rowntree Foundation standards...”). This has been carried through to the SPD.</b></p> <p><b>Para 1.33</b> Precise timing will be agreed with the developer and set out in the s106 agreement. <b>The paragraph has been amended based on another representation, adding that ‘the Council will consider the timing of affordable housing delivery on a case by case basis’.</b></p> <p><b>Para 1.36-39</b> There is a more detailed section on viability and what is expected from a viability assessment later on in the SPD.</p> <p><b>Para 1.40</b> <b>The percentages have been corrected to reflect the policy requirements.</b></p> <p><b>Para 1.60</b> The support is welcomed.</p>
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			<p><b>Para 1.87</b> If clawback is to capture uncertainty it should be structured to work in both directions so commuted sums can be returned to developer if outturn is worse.</p> <p><b>Para 2.2</b> The 'equity share' tenure does not accurately tie in with the reference in table in para 1.8. Not clear who retains the equity.</p> <p><b>Para 2.4</b> Not clear how the 'mix of tenures overall percentage 'of AH can influence how it is 'affordable'.</p>	<p><b>Para 1.87</b> Deferred payments are only used where a scheme is shown to be unviable, but that it would become viable if market conditions improved. If the market was to drop and the scheme was shown not to be viable after 60% of sales, then the deferred payments would not be required. On very large schemes, viability would be reviewed after 60% of sales in each phase, which would take account of any changes in market conditions before the remaining phases are developed.</p> <p>It is also possible for developers to apply to modify the AH requirements of a s106 agreement based on economic viability under section 106b of the 1990 Planning Act, so the legislation already provides a provision for taking into account a falling market.</p> <p><b>Para 2.2</b> <b>Noted. Paragraphs 1.8 and 2.2 have been amended to refer to the Council, RPs and developers.</b></p> <p><b>Para 2.4</b> <b>Noted. Text 'and is affordable' removed.</b></p>
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4	Pegasus Group on behalf of Hamlin Estates	5/11/2014	Comment	<p><b>Extra Care Housing</b>  These type of housing schemes function as a single planning unit despite each unit within them being self-contained with its own kitchen, bathroom and living areas. Therefore AH should not apply to extra care housing schemes.</p>	<p><b>Extra Care Housing</b>  Circular 05/2010 defines dwelling houses for the purposes of the Use Classes Order as “buildings that ordinarily afford the facilities required for day to day private domestic existence”. Premises which form a single dwelling house are “a single, self contained unit of occupation which can be regarded as being a separate ‘planning unit’ distinct from any other part of the building containing them and designed or adapted for residential purposes-containing the normal facilities for cooking, eating and sleeping associated with use as a dwelling house”.</p> <p>Whether extra care housing should be viewed as being within use class C2 or C3 may depend upon the degree of independent living, the type of accommodation, any obligations to provide a care package through s106, and the minimum level of care available to residents.</p> <p>For the purposes of council tax, extra care housing units are seen as independent units and the occupants of each unit are liable to pay council tax. It might be argued that the purpose of extra care housing schemes is to provide people with independent living with the option of taking up care services as and when they are needed.</p> <p>As there is no universal requirement for people buying</p>
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				<p><b>Viability of extra care housing schemes</b>          Whilst the draft SPD makes allowance for consideration of viability, production of a detailed viability assessment is time-consuming and adds to expense of the development of such schemes. No viability modelling suggesting extra care housing can viably contribute to AH.</p>	<p>a unit in an extra care scheme to prove that they need the extra care facilities on offer, it is considered reasonable to treat them as separate units for planning purposes. If, in a particular case, a scheme places restrictions on occupation based on pre-existing health conditions as well as age, for example, then it may be considered that, exceptionally, that particular scheme falls within use class C2 rather than C3.</p> <p>No change.</p> <p><b>Viability of extra care housing schemes</b>          The NPPF focuses on delivering sustainable development and on viability as a key concern over the provision of AH. This means that, in the same way as any other type of housing scheme, a viability assessment is required in order to justify not providing the full policy amount of AH on-site. If this is shown not to be viable alternatives to on-site provision will be considered. However, where it can be clearly demonstrated that a scheme cannot practically accommodate on-site AH, it is recognised that there should not be a required for a viability assessment</p> <p><b>Para 1.13</b>  <b>Amended to state: “Where it is demonstrated that</b></p>
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					it is genuinely not practical to provide on-site affordable housing units on extra-care housing schemes, a commuted payment will be accepted without a need to first provide a viability assessment, subject to the required contribution being offered..”
5	Hightown Praetorian and Churches Housing Association	30/10/2014	Comment	<p><b>Para 1.31</b> 100% Lifetime Homes not supported. Larger so reduce total number of units built. Encourage under-occupation of affordable homes.</p>	<p><b>Para 1.31</b> Core Strategy Policy CS22 states that “<i>Where practicably possible 100% of new residential units should be built to the Lifetime Homes Standards based on the Joseph Rowntree Foundation standards...</i>”). This has been carried through to the SPD but there is a difference between Lifetime Homes and Wheelchair Accessible housing. The SPD also stresses the importance of entering into a dialogue with the Council’s Housing Department and any RP involved at an early stage, where the precise local need can be identified.</p>
6	Resident	06/10/2014	Comment	<ol style="list-style-type: none"> <li>1. Properly affordable, based on 2.5x average salary.</li> <li>2. Local people to get priority.</li> <li>3. Proper sizes, not shoeboxes.</li> </ol>	<ol style="list-style-type: none"> <li>1. Affordability will be considered on a case-by-case basis to ensure that units are affordable in the particular areas of the borough. Para 2.3 emphasises that rent levels will need to be consistent with the Council’s Tenancy Strategy,</li> <li>2. The AH provided will be allocated to those on the Council waiting list for social housing, or an RP’s waiting lists for intermediate housing.</li> <li>3. The Council’s internal space standards for new dwellings are set out in the Planning and Design Guide Part D (213) which applies to both market and affordable housing. These are minimum standards which should be exceeded wherever possible. If any housing is to receive grant funding</li> </ol>



				<p>4. Adequate parking at least 1.5 spaces per property.</p> <p>5. Low rise.</p> <p>6. Some character, not more Wimpey clones.</p> <p>7. Mechanism in place to prevent profiteering from market.</p> <p>8. No buy to let.</p> <p>9. Decent sites, not just the ones next to motorways and railways that developers don't want.</p>	<p>then Homes and Communities Agency space standards must be complied with, which are higher than general standards.</p> <p>4. The Council's general standards set out in the Parking Standards SPD (214) apply to all new development. Standards for affordable units are the same as for market units and start at 1.5 units for a studio or 1-bedroom unit.</p> <p>5. The Council seeks for affordable housing provision to reflect the provision of market housing, so the height of blocks/units will depend on the height of market housing proposed.</p> <p>6. The design of affordable housing should be the same as market housing provided on the same site. The Planning and Design Guide Part D seeks high quality design in all new developments; however it is not always possible to enforce design principles as there need to be robust reasons if a scheme is to be refused planning permission.</p> <p>7. Developers of affordable housing are generally developing it alongside market housing, from which they seek to make a profit. The National Planning Policy Framework places emphasis on the viability of developments, so in order for a development to be viable the developer has to make a profit.</p> <p>8. Legal agreements will restrict the type of mortgage people can take out in order to purchase equity share or shared ownership units, preventing these properties from being bought and then rented on the private rental market.</p> <p>9. The Council seeks affordable housing provision on the same sites as market housing; therefore sites should be suitable for both types of housing. In the instances that alternative sites are provided, or a</p>
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				<p>10. Infrastructure in place first.</p> <p>11. Measures in place to deal with problem neighbours/residents.</p>	<p>financial contribution is used to purchase land by the Council or a RP, sites will need to ensure appropriate living conditions for future residents in line with Council policy in the Core Strategy and Design Guide Part D.</p> <p>10. Affordable housing will ideally be provided alongside market housing so infrastructure will need to be in place before people can move in, and is usually provided by the developer. Where infrastructure is required up front, to enable a development to take place, a condition or s106 agreement can be used to achieve this.</p> <p>11. Such measures are not part of the planning process so are outside the scope of this document. These are down to the allocation of social housing tenants by the Council's Housing department and the management of properties by Registered Providers.</p>
7	Herts Police Architectural Liaison (Michael Clare)	03/10/2014	Comment	<p><b>Design of new homes</b>  <b>Para 1.27-1.29</b>  Requests additional part regarding standard of physical security required/expected by Council. Secured by Design developments suffer lower rates of burglar, vehicle crime and criminal damage. Crime also has a large environmental impact which would be reduced. Policy CS22 and NPPF back this up.  Wording suggested for a new paragraph:  <i>All social housing will be required / expected to achieve part 2 of the Secured by Design award in relation to physical security which is the police approved minimum security</i></p>	<p><b>Para 1.27-1.29</b>  <b>New paragraph added:</b>  <b>All social housing will be expected to achieve part 2 of the Secured by Design award in relation to physical security which is the police approved minimum security standard.</b></p>

				<i>standard.</i>	
8	Aldenham Parish Council	27/10/2014	Support	'In principle we are in agreement with the proposals outlined in the Affordable Housing Document.'	The support is noted.
9	Heathrow Airport Safeguarding	30/09/2014	No Comment	No safeguarding concerns raised.	Noted.
10	Shire Consulting	29/10/2014	Objection	<p>Council has not taken into account primary cause of Hertsmere's apparent problem with the affordability of housing in the District which is the Council's persistent refusal to allocate sufficient housing land to meet demand.</p> <p>Evident from the tone of the covering letter and from the stated intention to use the document for DC purposes even before responses to consultation are received, that this alleged consultation is just a box-ticking exercise that has no serious intent.</p>	<p>The affordability of housing in Hertsmere is also linked to the proximity of the borough to London, where house prices are very high, and the existence of very high value areas within the borough (e.g. Radlett). This document does not address land supply, however the Council has a sufficient supply of land to meet projected need. A Strategic Housing Market Assessment is underway which will identify future demand.</p> <p>It is normal practice to introduce supplementary planning documents for interim Development Management use alongside public consultation. This allows any issues with the use of documents to be discovered and changes made prior to adoption. Representations received during the consultation period will be carefully considered and taken into account before the document is adopted.</p>
11	Elstree and Borehamw	06/11/2014	Support	Believed the document overall is comprehensive and well thought out. Family sized homes are in demand in Elstree and	The support is noted, as is the comment on family-sized homes.

	ood Town Council			Borehamwood and the Council recognises the important of supporting people who cannot afford homes on the open market. Measures in the SPD need to be realistic and achievable.	
12	English Heritage	30/10/2014	Comment	<p>We do not have any substantive comments, but suggest that in the section on Design of new affordable homes at Page 13, the role that the reuse of buildings can make to the affordable housing stock, particularly in rural areas, as well as the importance of good design could be recognised. See guidance on affordable housing and the historic environment:  <a href="http://www.helm.org.uk/place-and-placemaking/housing/affordable-rural-housing/">http://www.helm.org.uk/place-and-placemaking/housing/affordable-rural-housing/</a></p> <p>In the section on Rural Exception Sites (RES) at Page 18 it is important that even where rural exception sites are proposed, they should take account of the provisions of any Conservation Area Appraisals/ Management Plans, Village Design Statements or Parish Plans. Our affordable housing guidance is relevant and also our guidance on the conversion of traditional farm buildings:  <a href="http://www.helm.org.uk/guidance-library/conversion-of-traditional-farm-buildings/">http://www.helm.org.uk/guidance-library/conversion-of-traditional-farm-buildings/</a></p>	<p><b>Page 13 – Design of new affordable homes</b></p> <p>Noted. New paragraph 1.31 added to reference this.  <b>“Where historic buildings are being converted to provide affordable housing, the impact on the historic environment needs to be taken into consideration. Further information can be found in the English Heritage guidance on affordable housing and the historic environment at: <a href="http://www.helm.org.uk/place-and-placemaking/housing/affordable-rural-housing/">www.helm.org.uk/place-and-placemaking/housing/affordable-rural-housing/</a>.”</b></p> <p><b>Rural Exception Sites</b>  <b>Where rural exception sites are proposed, they should take account of the provisions of any Conservation Area Appraisals/ Management Plans, Village Design Statements or Parish Plans. The English Heritage affordable housing guidance is relevant (<a href="http://www.helm.org.uk/place-and-placemaking/housing/affordable-rural-housing/">www.helm.org.uk/place-and-placemaking/housing/affordable-rural-housing/</a>) and also the guidance on the conversion of traditional farm buildings (<a href="http://www.helm.org.uk/guidance-library/conversion-of-traditional-farm-buildings/">www.helm.org.uk/guidance-library/conversion-of-traditional-farm-buildings/</a>).</b></p>

				<a href="#">buildings/</a>	
13	Natural England	26/09/2014	No Comment	Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development. Whilst we welcome this opportunity to give our views, the topic of the Supplementary Planning Document does not relate to our remit to any significant extent. We do not therefore wish to comment.	Noted.