

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 03 June 2024

<b>Portfolio:</b>	Planning and Development
<b>Subject:</b>	<b>Affordable Housing Supplementary Planning Document</b>
<b>Report of:</b>	Director of Planning and Regeneration
<b>Corporate Priorities:</b>	Provides Housing Choices Responsive, Inclusive and Innovative Council

#### **Purpose:**

To approve the Affordable Housing Supplementary Planning Document for adoption.

#### **Executive summary:**

The Affordable Housing Supplementary Planning Document (SPD) is proposed to replace the current Affordable Housing SPD which was adopted in December 2005. The new SPD seeks to support the implementation of the Fareham Local Plan 2037 affordable housing policies HP5 and HP6 by providing information, guidance and advice on meeting policy requirements for affordable housing.

The SPD highlights the importance of early engagement with the Council's Planning and Housing teams, whilst drawing attention to the importance of design and placemaking, to ensure that development achieves consistent design quality and social inclusion.

To accompany the SPD, a commuted sums calculator has been commissioned by the Council. This calculator will inform the level of financial contributions which will be payable by developers in the event that affordable housing provision cannot be provided on-site and a financial contribution towards off-site provision is agreed.

The draft SPD was presented to the Executive on 5<sup>th</sup> February 2024 and approved for public consultation. A six-week period of consultation was undertaken between 16<sup>th</sup> February and 29<sup>th</sup> March 2024. Following the consultation, the responses have been considered, summarised and responded to in the Council's Statement of Consultation and the final version of the SPD is now presented to Executive for consideration.

**Recommendation:**

It is recommended that the Executive:

(a) notes the consultation comments received on the Draft Supplementary Planning Document together with the Council's responses to the representations as set out in the Statement of Consultation at Appendix A to this report; and

(b) agrees to adopt the Affordable Housing Supplementary Planning Document as set out in Appendix B to this report with effect from the 1 July 2024.

**Reason:**

To enable the Affordable Housing Supplementary Planning Document to be adopted and afforded due weight as a material consideration in the determination of planning applications.

**Cost of proposals:**

There are no direct financial implications arising from this report and no additional costs to the council, arising from the consultation.

**Appendices:**

**A:** Statement of Consultation

**B:** Affordable Housing Supplementary Planning Document

**C:** SEA and HRA Screening Assessment

**Background papers:** None

**Reference papers:**

Fareham Corporate Strategy 2023-2029

Fareham Local Plan 2037

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## BOROUGH COUNCIL

### Executive Briefing Paper

<b>Date:</b>	03 June 2024
<b>Subject:</b>	Affordable Housing Supplementary Planning Document
<b>Briefing by:</b>	Director of Planning and Regeneration
<b>Portfolio:</b>	Planning and Development

#### INTRODUCTION

1. Supplementary planning documents (SPDs) build upon and provide more detailed advice or guidance on policies in an adopted local plan. As they do not form part of the development plan, they cannot introduce new planning policies into the development plan. They are however a material consideration in decision-making and play a key role in describing and explaining how adopted planning policies should be interpreted and delivered through the development management process.
2. The Council's Corporate Strategy 2023-2029 sets out the priority to provide housing choices for borough residents. The strategy recognises that the ratio between average house prices and earnings is higher in Fareham than the national average.
3. To address this, the Corporate Strategy sets out that the Council will continue to provide high quality affordable housing that offers choice to residents. The Fareham Local Plan 2037 supports this priority through its Provision of Affordable Housing Policy, requiring certain development to include affordable housing in their delivery of homes.
4. The Affordable Housing Supplementary Planning Document (SPD) has been prepared to replace the existing Affordable Housing SPD adopted in 2005 and supports the Council's updated affordable housing policy set out in the Fareham Local Plan 2037. Planning Strategy, Development Management and Fareham Housing have worked closely together to prepare the SPD, ensuring it provides the information needed to guide applicants through the planning process to secure affordable housing provision which meets the needs of the Borough's residents.
5. The SPD now proposed for adoption provides guidance for developers, house builders and the community regarding the requirements of Policy HP5: Provision of Affordable Housing and Policy HP6: Exception Sites, in the Fareham Local Plan 2037. The SPD also draws attention to the importance of design and placemaking, to ensure that development achieves consistent design quality and social inclusion.

## **BACKGROUND**

6. Policy HP5 in the Fareham Local Plan 2037 provides support for the delivery of affordable homes. It sets out a requirement for all sites that can accommodate 10 or more dwellings, or sites with an area of 0.5 hectares or more, to provide affordable housing. The required proportion of affordable home provision differs depending on the type of development site. On greenfield sites the proportion that should be delivered as affordable homes is 40%, however in the case of brownfield sites the proportion is 35% and for sites located within the defined Fareham Town Centre boundary, 20% of homes must be delivered as affordable housing. The threshold and percentages have been viability tested through the Local Plan process.
7. The main purpose of the SPD is to enable developers and planning applicants to understand how Policy HP5, HP6 - Rural and Entry Level Exception Sites and HP7 - Adaptable and Accessible Dwellings will apply to relevant planning applications in Fareham, as well as the wider Local Plan policies which should be considered, such as specialist housing and design.
8. The SPD sets out what is expected of applicants regarding the delivery of affordable units, including what the Council expect in terms of design, in line with guidance from the National Design Guide. This includes the highlighting of a series of common design issues which are encountered in relation to the delivery of affordable homes within housing developments and how the Council considers these can be addressed.
9. Throughout the SPD, there is an emphasis on the importance of engaging with the Council's Planning and Housing Teams early in the planning process to discuss considerations such as housing sizes and types and the appropriate tenure split for sites, recognising local need.
10. The SPD details the Council's approach to commuted sums in lieu of on-site affordable housing. As set out in Local Plan Policy, the Council expect that affordable housing will be delivered on site and will normally only accept a financial contribution, known as a commuted sum, in lieu of on-site provision where applicants can robustly justify why it is not possible to provide it on-site.
11. Commuted sums are also accepted as a contribution for a partial unit i.e. where the calculation of affordable housing requirement for a site results in a 'part' of a dwelling being required. Three Dragons has developed a calculator on behalf of this Council, which is consistent with methodology employed by other Councils to accurately reflect the financial burden of providing the required units elsewhere in the Borough.

## **PUBLIC CONSULTATION**

12. A six-week consultation on the draft SPD was held between 16<sup>th</sup> February 2024 to 29<sup>th</sup> March 2024; a total of five responses were received.
13. A statement of consultation is attached as Appendix B to this report, which sets out in the detail the representations received, along with responses to the matters raised by consultees.

## **EFFECT OF THE SUPPLEMENTARY PLANNING DOCUMENT**

14. Planning Practice Guidance states that when producing a Supplementary Planning

Document an SEA may be required in exceptional circumstances if the content of the SPD is likely to have significant environmental effects that have not already been assessed during the preparation of the Local Plan. This SPD expands upon policies within the adopted Fareham Local Plan 2037 which has undergone appraisal as part of the Local Plan examination processes and has been found to have likely positive effects. The Council therefore determined that an SEA is not required. In accordance with the regulations, the Council prepared a Regulation 9(3) statement confirming this and consulted the statutory agencies. These statutory bodies responded that they agreed with the Council's opinion that an SEA of the SPD was not required. This is available in Appendix C.

15. The Conservation of Habitats and Species Regulations 2017 sets out that, if a proposed plan or project is likely to have a significant effect on a protected habitats site (either individually or in combination with other plans or projects) then an appropriate assessment of the implications for the site, in view of the site's conservation objectives, must be undertaken (regulation 63). The Affordable Housing SPD expands upon policies within the Fareham Local Plan 2037 and those policies have already been subject to an appropriate assessment and were screened out at an early stage as being unlikely to have a significant effect on relevant designated sites (SPA, SAC and Ramsar). The SPD does not introduce new proposals of a type and/or scale outside the parameters of the Local Plan. It is therefore considered that the Affordable Housing SPD is not likely to have a significant effect on any European sites which means that an appropriate assessment is not required. Natural England agreed with this view, and their response to the Screening Statement is at Appendix C.

#### **ENVIRONMENTAL CONSIDERATIONS/CARBON IMPACT ASSESSMENT**

16. The subject matter of this report is not anticipated to have an impact on the Council's carbon footprint, nor is it expected to have a detrimental or beneficial impact to the wider environment.

#### **CONCLUSION**

17. The Affordable Housing SPD supplements the Fareham Local Plan 2037 by providing information, advice, and guidance on the delivery of Affordable Housing in the Borough.
18. It is recommended that the Executive approve the Affordable Housing SPD for Adoption.
19. Upon adoption, the Affordable Housing SPD will replace the previous 2005 Affordable Housing SPD. The new SPD will be available for inspection at the Council's offices and on its website together with an adoption statement.

#### **Enquiries:**

For further information on this report please contact Lee Smith, Head of Planning 01329 824427.