



Planning Policy
South Staffs Council
Wolverhampton Road
Codsall
South Staffordshire
WV8 1PX

Date: 22 December 2022

Our Ref: M5/0308-12

By email only:
localplans@sstaffs.gov.uk

Dear Sir/Madam

RE: SOUTH STAFFORDSHIRE LOCAL PLAN REVIEW PUBLICATION PLAN CONSULTATION

Tetlow King Planning (TKP) represents the **West Midlands Housing Association Planning Consortium (WMHAPC)** which comprises leading Housing Associations across the West Midlands. Our clients' principal concern is to optimise the provision of affordable housing and to ensure the evolution and preparation of consistent policies that help deliver the wider economic and social outcomes needed throughout the West Midlands region.

As significant developers and investors in local people, the WMHAPC is well placed to contribute to Local Plan objectives and the Housing Associations to act as long-term partners in the community. The South Staffordshire Core Strategy was adopted in 2012 and covers the 20-year period 2006 to 2026. National policy requires local authorities to update their Local Plan every five years. South Staffordshire Borough Council is currently progressing a new Local Plan for the area.

We welcome the opportunity to participate in the South Staffordshire Local Plan Review Publication Plan Publication consultation.

3. To which part of the Local Plan does this representation relate?

The WMHAPC wishes to comment on the draft policies of the of South Staffordshire Publication Plan that relate to the delivery of affordable housing, namely:

- Policy HC3: Affordable Housing
- Policy HC6: Rural Exception Sites
- Policy HC7: First Homes Exception Sites
- Policy HC12: Space about dwellings and internal space

4. Do you consider the Local Plan is:

(1) Legally compliant

(2) Sound

(3) Complies with the Duty to Co-operate

Through a review of the policies that relate to the delivery of affordable housing (as above) it is considered that these policies can be viewed as legally compliant and comply with the Duty to Co-operate however, they are not considered sound. A number of inconsistencies with national policy have been identified, as set out below in our response to question 5 below.

5. Please give details of why you consider the Local Plan is not legally compliant or is unsound or fails to comply with the duty to co-operate. Please be as precise as possible.

Policy DS1: Green Belt

As currently worded Policy DS1 only allows for affordable housing on Rural Exception Sites within the Green Belt, stating:

“Limited affordable housing for local community needs in the Green Belt will be supported on small rural exceptions sites where the development complies with Policy HC6.”

In line with paragraph 78 of the NPPF (2021), where a local need is identified within rural areas the Council should consider allowing some market housing to facilitate meeting local affordable housing needs:

“In rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs. Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs and consider whether allowing some market housing on these sites would help to facilitate this.”

At present the policy wording and stance on the delivery of Rural Exception Sites in the Green Belt is too restrictive and has the potential to frustrate affordable housing delivery instead of maximising delivery where it is much needed in rural areas of the Green Belt. As such, it is suggested that the Council should allow for a limited number of market homes on Rural Exception Sites within the Green Belt to help ensure the viability of affordable led schemes and to ensure local rural housing needs are being met.

Policy HC3: Affordable Housing

Tenure Mix

As drafted, there is a concern that the tenure mix proposed by Policy HC3 ‘Affordable Housing’ (25% First Homes, 50% Social Rent, 25% Shared Ownership) completely cuts out the affordable rented tenure. The proposed tenure split therefore does not account for all affordable needs as those who qualify for affordable rent may not qualify for social rent.

The WMHAPC would like further flexibility in the policy wording to allow for affordable housing needs to be met across the full spectrum of tenures, as set out by Annex 2 of the NPPF. It is recommended that further policy text be added which allows for tenure split to be discussed on a site by site basis and be appropriately evidenced in order to demonstrate local needs.

Pepper Potting

The WMHAPC supports the Council’s approach in ensuring affordable homes are *“indistinguishable from market housing in both siting and design”* as set out in Policy H3. Policy H3 also seeks to ensure affordable housing is pepper potted throughout developments.

The WMHAPC recommends that affordable housing is clustered across larger sites rather than pepper potted, with policy expressing a maximum group size or range of 10 to 15 dwellings for each cluster. Clustering can be achieved while delivering visually indistinguishable housing products that are well dispersed throughout developments. Clustering also allows effective management and maintenance of affordable homes over the life time of the development.

Securing Affordable Housing in Perpetuity

Policy HC3 seeks to secure affordable housing in perpetuity:

“Affordable housing will be secured in perpetuity and monitored via an appropriate legal means e.g. Section 106 agreement, subject to Right to Buy/Acquire, staircasing and mortgagee in possession provisions. Delivery must be phased with the market housing on site in accordance with triggers specified in the Section 106 agreement.”

National policy only references the ability to secure homes in perpetuity on Rural Exception Sites as contained within the Glossary at Annex 2 of the NPPF. Securing affordable housing in perpetuity for all major housing developments, as Policy HC3 intends, will likely affect the viability of affordable housing delivery on development sites and is not support by the WMHAPC.

Securing affordable housing in perpetuity on all major development sites may restrict a lender's appetite to fund development, as mortgage provision becomes more difficult with greater restrictions on individual properties. Private companies will not typically invest in developments if there is no prospect of realising the original investment and any returns.

We therefore request that the policy wording provide clarity only making reference to affordable housing in perpetuity where the policy specifically relates to rural exception sites.

Staircasing in Designated Protected Areas (DPAs)

Policy H3 states that *"Shared ownership housing will be subject to staircasing restrictions in Designated Protected Areas in accordance with the relevant legislation, in order to safeguard new provision."*

Where shared ownership properties are to be provided as intermediate housing on sites in DPAs, there are often financial implications for housing associations. Not only do staircasing restrictions impact consumer appetites for the product, but it also has a financial impact on housing associations as they have to be prepared to buy back the property. Shared ownership properties are expected to play a significant role in providing the affordable homes required in South Staffordshire.

As DPAs are found across the South Staffordshire area, we ask as a minimum that Policy H3 recognises that there will be occasions where special circumstances apply that warrant the removal of the staircasing restriction provided that this request is justified with evidence. It is accepted that this will be done on a case by case basis as the evidence often relates to the site's specific circumstances.

We note the statement regarding Homes England's Affordable Homes Programme and that it is possible for the Council to apply for a waiver to lift the restrictions on staircasing required by the Capital Funding Guide. We also accept that the decision is made on a case by case basis justified by evidence from developers or registered providers and that early engagement is encouraged.

Affordable Housing Need

It is also important to raise that at present the Publication Plan does not offer an affordable housing needs figure or requirement and only sets out a total housing requirement of *"9,089 homes over the period 2018-2039 to meet the district's housing target"*.

While it is appreciated that Planning Practice Guidance (PPG) states *"Strategic policy-making authorities will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market¹, as the Council has done through the 2022 Strategic Housing Market Assessment Update (SHMA), it is nevertheless good practice to include the affordable housing requirements within the Plan itself.*

Policy HC6: Rural Exception Sites

The WMHAPC welcomes the Council's recognition of the importance of proactively engaging with various development stakeholders, including housing associations in order to bring Rural Exception Sites forward, as stated at paragraph 7.17 on page 96 of the Publication Plan.

Evidencing Need for Rural Exception Sites

Part b) of Policy H6 requires applicants to demonstrate *"An affordable housing need has been identified in the parish through a robust housing need survey, which considers all tenures of affordable housing identified in the NPPF definition, for the type, tenure and scale of development proposed. In parishes with more than one settlement, the survey should include data or be supplemented with additional information to demonstrate the housing need specifically in the settlement in which the development is proposed."*

In its current form part b) of Policy H6 offers no flexibility in how applicants can demonstrate and justify the need for a Rural Exception Site. The current policy wording could frustrate the delivery of affordable housing in South Staffordshire. PPG is clear that the use of a housing needs survey is not the sole means of identifying local needs:

¹ PPG Paragraph: 019 ID: 2a-019-20190220

“Rural exception sites should seek to address the affordable housing needs of local communities. They can be used to deliver any form of affordable housing, including First Homes, provided this is supported by appropriate evidence of local need, such as a local housing needs survey.”

(Paragraph: 012 ID: 67-012-20210524)

Undertaking a local housing needs assessment can often be difficult (due to sourcing or local politics for example) and/or delay the progress of an application detrimentally. As such, in line with PPG the WMHAPC asks that the Council takes a more flexible approach by allowing applicants to justify local needs using other forms of “*appropriate evidence*” such as the housing register and government data returns.

Cross-Subsidy

Policy HC6 seeks to limit the level of market housing to come forward on Rural Exception Sites outside of the Green Belt to 10% and details specific design standards for the delivery of market housing on such sites:

“In exceptional circumstances in areas outside the Green Belt, a maximum of 10% market housing may be permitted at the council’s discretion, where it can be robustly demonstrated to be essential to the viability of the scheme. In such cases, the market housing must be fully integrated with, and of a consistent standard and design as, the affordable homes in accordance with the adopted Affordable Housing SPD.”

Paragraph 7.18 on page 96 of the Publication Plan attempts to justify the 10% limit of market housing provision of Rural Exception Sites stating, “*A number of rural exception sites have been successfully developed in the past in South Staffordshire, none of which have required the provision of market housing in order to secure viability of the site.*” As the Council may appreciate the viability of Rural Exception Sites is likely to differ on a site-by-site basis, as such setting a limit on the number of market homes that can come forward on rural exception sites without demonstrating ‘proportionate evidence’ will likely limit the number of affordable homes being delivered on such sites.

Policy HC7: First Homes Exception Sites

Similarly, with reference to our comments in response to Policy HC6 ‘Rural Exception Sites’ above Policy HC7 also attempts to introduce a 10% limit on the number of market homes provided on site. We echo our comments noting that setting a limit on the number of market homes that can come forward on First Homes exception sites without demonstrating ‘proportionate evidence’ will likely limit the number of affordable homes being delivered on such sites.

The WMHAPC welcomes the introduction of an Affordable Housing Supplementary Planning Document as suggested by Policy HC7 including the further guidance that it will offer on the Councils application of its First Homes policy.

Policy HC12: Space About Dwellings and Internal Space

Policy HC12 seeks to ensure “*All new residential developments must meet or exceed the Government’s Technical Housing Standards – Nationally Described Space Standard (2015) or subsequent editions.*” In line with PPG², the WMHAPC welcomes the Council’s efforts to demonstrate a need, the viability and timing of the introduction of Nationally Described Space Standards (NDSS).

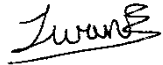
However, it is important to understand that NDSS are not a building regulation and can only be applied within the planning system as a form of technical planning standard. Whilst it is understood that the Council has attempted to demonstrate a need to apply NDSS through an audit of the existing dwellings being delivered, where dwellings are not meeting NDSS it does not necessarily mean that the dwellings being delivered are of poor quality. The application of NDSS is not essential for all dwellings to achieve these standards in order to provide good quality living. For affordable housing in particular, there may be instances where achieving NDSS is impractical and unnecessary.

² PPG Paragraph: 020 ID: 56-020-20150327

Conclusions

The above comments are intended to be constructive, to ensure the policies are found sound at examination. We would like to be consulted on further stages of the above document and other publications by the South Staffordshire, by email only to consultation@tetlow-king.co.uk; please ensure that the West Midlands Housing Association Planning Consortium is retained on the consultation database, with Tetlow King Planning listed as its agent.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Iwan Evans', with a horizontal line underneath.

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For and On Behalf Of
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