

**HOUSING MIX AND AFFORDABLE
HOUSING SUPPLEMENTARY
PLANNING DOCUMENT**

**Statement of Representations
and Responses**

July 2013

Summary of representations and responses received to the Draft Housing Mix and Affordable Housing Supplementary Planning Document.

Representation	Recommended Responses
1.3.4 – National Policies	
<ul style="list-style-type: none"> 2. Point 1.3.4 The HCA programme is known as the 'Affordable Homes Programme 2011-2015' (AHP). 	<ul style="list-style-type: none"> Noted and amended in the document.
1.4.1 – Regional Policies	
<ul style="list-style-type: none"> Bit clunky? 	<ul style="list-style-type: none"> Noted and no amendments made
1.7.4 - Viability Assessment	
<ul style="list-style-type: none"> Why 120? 120 dwellings seems a bit high 	<ul style="list-style-type: none"> Comments noted and figures checked in the Three Dragons Affordable Housing Viability Assessment and no further amendments made
1.7.5 - Local Evidence	
<ul style="list-style-type: none"> Point 1.7.5 Cluster style affordable accommodation for sharing – this form of housing provision is we understand required as a response to the impact of the Welfare Reforms. There will be management issues arising from the provision of this type of accommodation and therefore it would be useful for Registered Providers (RPs) to have a dialogue with the Housing Strategy Team to consider these. EMH does not have the appetite for shared accommodation (general needs) , as you know over the years we have converted shared housing into self – contained housing. Support for <i>The change in the single room rate threshold which broadens this restricted entitlement to a wider age group (now including single persons up to the age of 35, previously 25) may also prompt an increased demand for cluster style affordable accommodation, suitable sharing (for example in the form of Houses in Multiple Occupation, managed by Housing Associations. Benefit Cap?? Other UC impacts?? The affordable stock has very low provision for larger families with a disabled household member or members - UC impact??</i> 	<ul style="list-style-type: none"> Comments noted, no further amendments made to the document
3.1.2 - Affordable Housing on Major Sites	
<ul style="list-style-type: none"> 3.1.2 - Worth noting here that the HCA does not fund Section 106 units through grant. Also if the units are for 	<ul style="list-style-type: none"> Comments noted, no further amendments made.

<p>affordable rent then they must comply with all HCA standards as RPs will need to capture them in their AHP contracts.</p>	
<p>3.6.2 - Tenure Mix</p>	
<ul style="list-style-type: none"> 3.6.2 - This tenure split may be worth revisiting subject to the outcome of future funding decisions for affordable housing i.e. HCA funding post 2015. If the same funding model or similar is promoted then RPs will be looking to secure affordable rented nil grant units to support their bid packages to the HCA. It would be useful to build in flexibility to be able to reflect changes over time and individual circumstances. 	<ul style="list-style-type: none"> Comments noted and paragraph 3.6.2 amended accordingly.
<p>3.6.4 - House Type</p>	
<ul style="list-style-type: none"> 3.6.4 - Would it be useful to have the flexibility to have both 2 bed / 3 person and 2 bed / 4 person homes etc? this would allow for the impact of the Welfare Reforms . Just a quick query on 3.6.4 – does it help customers in terms of avoiding the bedroom tax if there are single bedrooms, rather than double ones? I don't know enough about how the over occupation assessments are being done, but wondered whether in the current climate smaller unit types help? I understand the point you're making though – double bedrooms are more sustainable in theory. 	<ul style="list-style-type: none"> Comments noted and no further amendments made. The bedroom tax will apply to households who have extra bedrooms regardless of the size of that extra bedroom. In recommending larger bedrooms allowances are being made for family expansion.
<p>3.6.5 - House Type</p>	
<ul style="list-style-type: none"> 3.6.5 - Acknowledge the preference for quarter houses , we would also consider flats for rent . Where we can minimise / design out communal areas and hence reduce service charge costs to residents. As associated point is the one I recall we discussed when we met with other RPs on the SUE in relation to management companies and service charges. Our preference is to minimise service charges where possible and to be in control of setting charges and managing the delivery of the service. 	<ul style="list-style-type: none"> Comments noted and document changed accordingly.
<p>3.9.2 - Commuted Sums</p>	
<ul style="list-style-type: none"> How open to challenge is this? Do we need to stipulate how many estate agents - registered with an 	<ul style="list-style-type: none"> The formula has been used in the calculation of commuted sums elsewhere and is therefore

<p>appropriate body? Does the calculation methodology need updating or are figures accurate?</p>	<p>considered to be robust. It is not necessary to list estate agents and as the document stipulates internal data will also be used to determine house prices.</p>
<p>4.2 - Local Needs</p>	
<ul style="list-style-type: none"> • 4.2.2: The rural Housing Enabler post may not exist! • 4.2.3: The rural Housing Enabler post may not exist!. 	<ul style="list-style-type: none"> • Noted and required amendments made to the document. • Noted and required amendments made to the document
<p>4.3 - Local Connection</p>	
<ul style="list-style-type: none"> • 4.3.1 Could you please add additional bullet point saying “ has a close family member, usually mother, father, son or daughter who has resided in the Parish for 5 years or more.....” 	<ul style="list-style-type: none"> • Noted and necessary amendment made to the document.
<p>4.4 - Scale & Design</p>	
<ul style="list-style-type: none"> • Vague? 	<ul style="list-style-type: none"> • Comment noted and no further amendments made.
<p>Policy 1</p>	
<ul style="list-style-type: none"> • Comment In Policy 1, we are concerned that the Council is being too prescriptive in its approach to housing mix In the interests of achieving mixed, balanced and sustainable communities, addressing the imbalance in the housing stock and securing an appropriate mix of housing the Council will seek that developers discuss housing requirements with the Strategic Housing Team at the pre-submission stage of the planning process, on sites of 10 or more dwellings. 1.2 This is made more evident in the supporting text; 2.1.6: As part of pre-planning application discussions, the Council will advise developers on the recommended mix and type and sizes of dwellings in any particular location. 2.1.8: Therefore the Council will generally encourage developers to make provision for a mix of dwellings including some of this type. It is a key goal to secure the most appropriate mix of housing and the extent to which the Council will seek to influence market housing provision will depend on the size of the development, and local demographic and market evidence. 1.3 We welcome pre-application discussions with the Council on the subject of 	<ul style="list-style-type: none"> • Whilst the Council appreciates the comments and suggestions made it feels that Policy 1 needs no further amendment as it provides a clear message as to how the Council wishes to work with developers from the early pre-application stage in order to address the housing needs of the District.

housing mix and respect the Council's concern to ensure that the mix of units provided is appropriate to meet local requirements. We recognise the extensive and fascinating work that the Council has undertaken with B. Line Consulting and others in order to derive a model for understanding the local housing market. However, the model is highly complex and subject to a great deal of uncertainty. 1.4 For example, the model's predictions about what sorts of housing, households will require are based on the assumption of a housing "career" in which individuals start off sharing a home with friends, move into a small first home, then potentially larger ones as they raise a family and finally downsize as their children move out³. However, this model is full of assumptions and, as the report accepts – some of these are fundamental. "However it [the model] should also take account of their likely current housing circumstances within typical housing histories over the 'life course', and their likely behaviour. It leads to serious mistakes to assume that smaller households will live in, or move to, smaller accommodation. The model therefore includes a variable to allow the proportion of under-occupying empty nesters to be altered from the 100% assumed in the basic type/size attributed to that age/household type cell within the projections matrix to a lesser figure, because not all of them will downsize. What this lesser figure should be is very difficult to decide. Various sources can give some indications, but none ask quite the right questions to get the numbers downsizing."

1.5 That is to say that the model makes a series of assumptions about what the market requires, any and all of which can be wrong. We note the above example because it relates to the need for downsizing accommodation for older households – a housing type for which the council expresses an unmet need in the SPD itself. However, this is based upon an assumption which B. Line admits is very difficult to make. The question of smaller accommodation for older "empty

nester” households is, indeed an interesting one – because of its potential to make more efficient use of the stock. However, this should be set in the context of the entire debate on care of the elderly and the increasing political priority ascribed to allowing older households to remain in their own homes. All of which is to say absolutely nothing of the fact that there is very little consensus about what type of housing would be suitable for these “empty nesters”. Given that almost all homes are now built to the Lifetime Homes Standard, the idea of a specific type of home aimed at older households is somewhat strange. 1.6 This is to take up just a single example of an area in which the model may be flawed or its results should not be imposed inflexibly. There are others. 1.7 Ultimately, it is the job of developers to ensure that they build what they can sell and this will be determined by raw market demand as an expression of what households want and are able to pay for. Developers bear the risk associated with meeting what they perceive the demand to and it would be unreasonable for the council to compel them to provide something different on the basis of an unproven econometric model. Were such compulsion applied, the likeliest result would be a reduced output of homes as developers refused to take the risk or an increased profit requirement imposed by the banks in recognition of the extra risk. 1.8 Recommendation: This policy should be replaced with the following Pre-application discussions on the mix of housing to be provided will be considered a matter of good practice. Whilst the Council recognises that developers will wish to develop a mix of homes that will satisfy market demand, the Council has undertaken a considerable quantity of work on the nature of the housing mix required, which can be refined to a localised assessment. Such assessments may assist house builders in identifying elements of demand in relation to specific sites and in refining their understanding of the market with a view to achieving a successful mix of homes in both the

market and affordable sectors.	
Policy 2	
<ul style="list-style-type: none"> 2.9 Comment: Again, we are concerned that the Council's approach to the mix of affordable homes to be provided would be too prescriptive. "The provision of affordable housing must reflect the housing needs and characteristics of the relevant settlement / Parish. The Strategic Housing Team will use internal data sets, local policies and strategies to determine the optimum tenure, size and type of affordable units on Section 106 and all affordable sites. Applicants are strongly encouraged to discuss the affordable housing requirements (in terms of percentage, tenure mix, types and sizes) with the Strategic Housing Team at pre-application stage. Developers should ensure that their proposals for affordable housing match these requirements." <p>2.10 In the area of affordable housing, the identified requirement is a far better guide to what should be provided than in the case of market housing. However, it is still necessary to have regard to requirements other than the raw need identified by the SHMA. Such studies have a tendency to considerably over-state the need for smaller units and, in particular one bedroom units or may identify a need for types of housing that would be incongruous within the context of the specific development under discussion.</p> <p>2.11 Recommendation: that Policy 2 is amended as follows: "The provision of affordable housing must should generally reflect the housing needs and characteristics of the relevant settlement / Parish. The Strategic Housing Team will use internal data sets, local policies and strategies to determine the optimum tenure, size and type of affordable units on Section 106 and all affordable sites. This mix may, if appropriate, be amended to take into account the specific characteristics of the development and the site. Applicants are strongly encouraged to discuss the affordable housing requirements (in terms of</p>	<ul style="list-style-type: none"> Whilst the Council appreciates the comments and suggestions made it feels that Policy 2 needs no further amendment as it provides a clear message as to how the Council wishes to work with developers from the early pre-application stage in order to address the housing needs of the District.

<p>percentage, tenure mix, types and sizes) with the Strategic Housing Team at pre-application stage in order to inform the mix of affordable housing included on the site. Proposals which do not match the identified needs may be given less positive weight in the assessment of planning merit.. Developers should ensure that their proposals for affordable housing match these requirements.”</p>	
<p>Policy 3</p>	
<ul style="list-style-type: none"> • 3.12 We welcome the inclusion of a draft S106 agreement in respect of affordable housing, noting that it is silent on some of the issues we would consider important such as the split of tenures and, of course, the mix of units to be provided. 3.13 Whilst we welcome the inclusion of comprehensive definitions and a mortgagee in possession clause, there are two areas where we feel that additional flexibility might be required. 3.14 First, the maximum cluster size sought by the S106 for the distribution of affordable homes about the site is currently set at six. Whilst this would be consistent with good practice, it is a little low in some cases. We would suggest a target cluster size of six with the flexibility to go up to 10 units on larger sites where there is justification. 3.15 The second point was that all the affordable homes should be complete and transferred to a registered provider prior to the occupation of 60% of the market homes. We would suggest that this be amended to “ready for transfer”. If the delay in the transfer is on the part of the RP, there is no reason why occupation of the 60th centile home should be delayed. Developers can only reasonably be held accountable for their own conduct rather than potential delay beyond their control. We would also suggest that the clause should refer to the homes in any specific phase of development. Obviously, in the case of a large multi-phase scheme, such a requirement would significantly and unreasonably front-load the provision of affordable homes with all the 	<ul style="list-style-type: none"> • Whilst the Council appreciates the comments and suggestions made it feels that Policy 3 needs no further amendment.

<p>attendant consequences for overall viability.</p>	
<p>Policy 4</p>	
<ul style="list-style-type: none"> • Thank you for requesting the Parish Council's comment on the above. I am pleased to confirm the Council is supportive of the principles of the document and in particular would commend the Council for policies 4 and 6 spelling out the requirements on developers for affordable and specialist housing. Obviously we have read this policy in the context of the Core Strategy which recognises the contribution which the parish of Blaby has already made to the housing needs of the District. We will watch the development of these plans with interest and would wish to be consulted on all future developments. • Thank you for your letter dated 10th May 2013 and for giving Braunstone Town Council an opportunity to comment on the Draft Document. The matter was considered at a recent meeting of our Plans & Environment Committee and I have been asked to forward the following observations. The wording in connection with the percentage of affordable houses required throughout the document is not considered to be sufficiently robust. As an example in Policy 4 the wording should be '25% affordable housing will be required' and not '25% affordable housing will be sought', as currently stated in the document. • 4.16 Comment: In Policy 4, the 'policy' seeks to achieve a minimum of 25% affordable housing: A contribution of 25% affordable housing will be sought as a minimum on all major developments across the District comprising of 15 or more dwellings. 4.17 It is not appropriate to frame targets in terms of a "minimum" as this would imply that any development which delivered less would be refused. This would be contrary to the principals set out in Para 173, of the NPPF, and in the planning and growth act, which make 	<ul style="list-style-type: none"> • Comments noted and no further amendments required. • Comments noted, no further amendments required. The wording of the SPD conforms to that of the adopted Local Plan (Core Strategy). • Comments noted and no further amendments made. The policy complies with the wording in the adopted core strategy. The SPD gives further detail of how viability will be dealt with later in the document.

<p>clear that planning gain requirements should not put individual site viability at risk of viability. Furthermore Para 205, of the NPPF, directs local authorities to be flexible and take account of changes in market conditions over time to prevent development being stalled.</p> <p>4.18 This principle has been advanced through public examination, this was seen at the examination into the Wakefield Core Strategy DPD, where the Inspector felt that setting a minimum target restricted flexibility and did not take proper account of viability. The Inspector directed the Council: "To provide necessary flexibility, further text should be added to the Policy that permits negotiation on a site by site basis, to take account of any abnormal costs, economic viability and other requirements associated with the development... in addition, to provide certainty, to reflect poor historic rates of affordable housing delivery and the results of the economic viability appraisals, conclude that criterion (b) of Policy CS6 should be amended by deleting the 'at least' prefix to the 30% target..." 4</p> <p>4 Para 3.3.28 - Report to City of Wakefield Metropolitan District Council by Shelagh Bussey 3rd March 2009</p> <p>4.19 Recommendation: that the policy be altered as follows: A target of 25% affordable housing will be sought as a minimum on all major developments across the District comprising of 15 or more dwellings. Where this would compromise the overall viability of development, the target may be reduced, subject to the receipt of a comprehensive viability appraisal.</p>	
<p>Policy 5</p>	
<ul style="list-style-type: none"> • Policy 5 of the SPD indicates that the Council plan to review the threshold if affordable housing on an annual basis with the option to lower the threshold if market conditions improve or if affordable provision is below target. The policy suggest that any adjustment to the threshold would be confirmed on the Councils website with no reference to consultation or testing. Any 	<ul style="list-style-type: none"> • Comments considered along with the comments made by the Core Strategy examination inspector resulting in Policy 5 being removed from the document.

alteration to the threshold for affordable housing would need to be viability tested and should be 'examined' through the formal development plan process. Without viability testing and thorough examination of any reduced threshold, the Council could increase the number of developments that are unviable and therefore constrain delivery of housing development and undermine the adopted Core Strategy.

- 5.20 Comment: The intention of Policy 5 appears to be an amendment to policy whose effect would be to increase the burden of costs borne by certain categories of development. This is not an appropriate role for an SPD – the purpose of which is to elucidate, not to introduce policy. Policies which introduce new burdens upon development should be subjected to the higher standard of scrutiny implicit in the Examination process.
5.21 The Council will review the threshold of 15 dwellings annually. Should affordable housing provision be below target, or market conditions change considerably, then the Council will consider lowering the site threshold. The latest threshold will be confirmed on the Council's website.
5.22 The Blaby District Local Plan (Core Strategy), Inspector's Report, carried out under Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended) was published in February 2013. It considered whether the Core Strategy was sound and whether it was compliant with the legal requirements. Paragraph 182 of the National Planning Policy Framework (NPPF) makes clear that to be sound, a Local Plan should be positively prepared; justified; effective and consistent with national policy. The basis for the examination was the submitted Core Strategy (June 2012) which is the same as the document published for consultation in January 2012.
5.23 The Inspector's Report concluded that the Blaby District Local Plan (Core Strategy) provided an appropriate basis for the planning of the District over the next 16 years,

- Comments considered along with the comments made by the Core Strategy examination inspector resulting in Policy 5 being removed from the document.

<p>providing a number of modifications were made. One recommendation is of significance here.</p> <p>5.24 Paragraph 7.7.7 of the Submission Draft Core Strategy 2012, states that: 'The Council will monitor affordable housing delivery and housing market conditions. Should the former fall below what is required to meet the affordable housing target and/or the latter change significantly from those tested in the Viability Study Update (November 2011), the Council will consider lowering the threshold for affordable housing and/or reviewing the percentage target.'</p> <p>5.25 Paragraph 77 of the Inspectors report states that; 'It is unclear from paragraph 7.7.7 (of the draft submission) that amending the provisions of Policy 7 would require a review of the Core Strategy. In this respect it is not effective.' The inspector went onto direct the council to remove the text contained in paragraph 7.7.7 text from its final CS5.</p> <p>5.26 The council subsequently removed the above paragraph 7.7.7 from its final Core Strategy. However, it since appears that the Council has decided to reintroduce this provision here, within 'Policy 5' of this SPD.</p> <p>5.27 Recommendation: Supplementary planning documents should not be used to circumvent independent examination of development plan documents and we therefore believe that this 'policy' should be removed.</p>	
<p>Policy 6</p>	
<ul style="list-style-type: none"> • Thank you for requesting the Parish Council's comment on the above. I am pleased to confirm the Council is supportive of the principles of the document and in particular would commend the Council for policies 4 and 6 spelling out the requirements on developers for affordable and specialist housing. Obviously we have read this policy in the context of the Core Strategy which recognises the contribution which the parish of Blaby has already made to the housing needs of the District. We will watch the development of these plans with interest and would wish to 	<p>Comments noted and no further amendments necessary.</p>

<p>be consulted on all future developments.</p> <ul style="list-style-type: none"> • Policy 6 - We are supportive of this approach to include the provision of specialist / supported accommodation for specific client groups within a larger development as part of a mixed , balanced community. The only point we would make is that there is some linkage with other stakeholders e.g. health , adult and social care , County Council as appropriate to confirm demand. Support , revenue and capital funding support etc. 	<ul style="list-style-type: none"> • Comments noted and the document has been altered accordingly.
<p>Policy 7</p>	
<ul style="list-style-type: none"> • Policy 7. William Davis Ltd are concerned by the statement made in Policy 7 that the Council will not consider reducing the affordable housing requirement where the price paid or agreed for land is considered to be excessive. Again we are concerned that such a strict stance could result in a number of development sites being constrained in terms of viability. This would be particularly relevant to sites purchased at the peak of the housing market for a price that may now be seen to be excessive. However, the policy and supporting justifications in paragraphs 3.5.1 and 3.5.2 make specific reference to CIL and its associated viability testing and notes that this should be taken into account when the land is purchased. It is important to bear in mind in this regard that in charge setting for CIL the Local Planning Authority is only required to strike an appropriate 'balance' between the desirability of funding infrastructure and ensuring the development is viable under Regulation 14. As a consequence there will always be sites that will be at the margins of CIL viability and it is important that this is recognised. Given that CIL has to be paid without negotiation it is vital that flexibility is retained for reduced contributions on other items such as affordable housing. Policy 7 should therefore be deleted from the SPD. • 7.28 Comment: The fact that CIL is a non-negotiable sum once introduced means that flexibility on obligations is 	<ul style="list-style-type: none"> • Comment considered alongside the recent requirements of the 'Growth & Infrastructure Act 2013', consequently paragraph 3.52 and Policy 7 have been removed. • Comment considered alongside the recent requirements of the 'Growth & Infrastructure Act 2013',

<p>already limited and therefore restraints which threaten viability should be limited. We subsequently see the following policy as a constraint on site viability.</p> <p>7.29 The Council will not consider reducing affordable housing requirements where the price paid or agreed for land is considered to be excessive.</p> <p>7.30 Affordable housing requirements will not be reduced as a result of other Section 106/CIL obligations.</p> <p>7.31 The use of the words 'considered to be excessive' is ambiguous here as the principal for land value is set out in Para 173, of the NPPF, which states that 'competitive returns to a willing land owner and willing developer to enable the development to be deliverable". Whilst there may be some disagreement as to the level of a "competitive return" the principle is clear. As currently drafted, the Council's policy provides no basis for determining whether any given approach to land value is "excessive" or not.</p> <p>7.32 The second clause of this policy threatens viability by seeking to curtail the scope for negotiations. Under paragraph 173 of the NPPF, it falls to local planning authorities to ensure that "the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened."</p> <p>7.33 However, each site is different; some developments will be able to support a greater level of burdens than others. For example, clean, uncontaminated greenfield site which can readily be serviced and in an area where property prices are high will be able to support a far greater level of affordable housing and other planning gain than the redevelopment of land which is currently in use, which will require significant remediation and where values are low.</p> <p>7.34 Therefore, when viability is under consideration, all factors will be taken into account – planning gain, likely values, build costs, remediation, the cost of finance and</p>	<p>consequently paragraph 3.52 and Policy 7 have been removed.</p>
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<p>so forth. However, since values and costs cannot generally be changed, where viability is threatened it will normally be the planning gain which has to be reduced. In this context, the second clause of policy 7 makes no sense and we would advocate its removal.</p> <p>7.35 Recommendation: amend policy as follows</p> <p>The Council will not consider reducing affordable housing requirements where the price paid or agreed for land is considered to be excessive. significantly greater than the minimum necessary to constitute a competitive return to a willing landowner.</p> <p>Affordable housing requirements will not be reduced as a result of other Section 106/CIL obligations.</p>	
<p>Policy 8</p>	
<ul style="list-style-type: none"> • Secondly, Viability Assessment – Paragraph 173 NPP Framework. Policy 8 of this document. The reduction in value referred to in my previous point is going to lead in my view to numerous cases of dispute and hence the Policy contained in 173 and Policy 8 above is going to be of considerable importance. I understand the one book approach but the problem might well be as to what constitutes a competitive return – at what point will the fall in developer’s profit or in land values fall below the competitive return? I wonder what will happen in the case where even if the affordable housing content or requirement is reduced to a minimum or even less in the development, the scheme is still not viable and does not show a competitive return – will the scheme be pronounced dead? Will it proceed without affordable housing content? I have not thought through these various scenarios in depth as yet, but I can see difficulties. Should there be a class of cases of a special nature which in certain exceptional and or qualifying conditions will be allowed to proceed without affordable housing. • 8.36 Comment: Whilst we agree with the thrust of policy, the term “open book” is problematic and should be 	<ul style="list-style-type: none"> • Comments considered and no further adjustments made. • Comments noted and no further changes made to the SPD. Affordable housing is a corporate

removed.

8.37 Having considered the key principles in this document, should the applicant feel that a proposed development cannot financially withstand the Council's affordable housing requirement, the Council will require evidence that the scheme is not viable. An open book approach with independent scrutiny of the viability assessment will be required (this should be reassessed should the market improve), the cost of which will be borne by the applicant.

8.38 The term open book suggests complete transparency – that negotiations should be conducted, effectively in public. This would be unreasonable – financial viability appraisals often contain information of a sensitive nature. Moreover, in order to be effective, they will often need to take place at a time when delicate negotiations as to land acquisition and equalisation are still underway. Whilst the final position reached may need to be a matter of record in order to ensure the transparency of the planning system, it is not reasonable to expect all of these negotiations to be conducted in public as the term "open book" implies. Such respect for the sensitive nature of negotiations does not, in any way diminish the scope for professional, independent scrutiny.

8.39 Recommendation: amend policy as follows:

Having considered the key principles in this document, should the applicant feel that a proposed development cannot financially withstand the Council's affordable housing requirement, the Council will require evidence that the scheme is not viable. An open book approach with independent scrutiny of the viability assessment will be required (this should be reassessed should the market improve), Such evidence should take the form of an appropriate residual appraisal with evidence as to the source of the inputs. The appraisal may be subjected to independent, third party scrutiny the cost of which will be borne by the applicant.

- Secondly, Viability Assessment –

priority for the Council and as such the Council will take all necessary steps to ensure that sites requiring a reduction in the percentage can robustly justify their viability issues.

<p>Paragraph 173 NPP Framework. Policy 8 of this document. The reduction in value referred to in my previous point is going to lead in my view to numerous cases of dispute and hence the Policy contained in 173 and Policy 8 above is going to be of considerable importance. I understand the one book approach but the problem might well be as to what constitutes a competitive return – at what point will the fall in developer's profit or in land values fall below the competitive return? I wonder what will happen in the case where even if the affordable housing content or requirement is reduced to a minimum or even less in the development, the scheme is still not viable and does not show a competitive return – will the scheme be pronounced dead? Will it proceed without affordable housing content? I have not thought through these various scenarios in depth as yet, but I can see difficulties. Should there be a class of cases of a special nature which in certain exceptional and or qualifying conditions will be allowed to proceed without affordable housing.</p>	
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Policy 9

<ul style="list-style-type: none"> 9.40 Comment: The HCA and the government has been quite clear that their preferred tenure for new affordable homes is affordable rent – not social rent. Whether the Council likes it or not, this is the position as clearly set out in the Framework Document which accompanied the Affordable Homes Programme – for a local authority to insist upon the provision of social rented homes is therefore inappropriate. As a guide affordable housing on qualifying sites should broadly represent a tenure split of: Social Rent 40% Affordable Rent 40% Intermediate Products (E.g. Shared Ownership) 20% These percentages will be assessed on a site by site basis and may differ by area. No affordable rent products will be allowed on qualifying sites that received planning permission prior to April 2011. 	<ul style="list-style-type: none"> Comments noted and no further changes made. The Council considers that enough flexibility has been built into policy 9 in order to address such circumstances in which social rent is phased out. However social rent remains an important product with many low income households unable to afford affordable rent, additionally it still remains as an affordable housing option as defined in Appendix 2 of the NPPF.
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The Council reserves the right to change this key principle should there be changes to current Government policy.

9.41 The 2011-15 Affordable Homes Programme Framework, produced by the HCA and CLG offers insight into the current government's view of phasing out Social Rent, it states: Social rent provision will only be supported in limited circumstances. For example, social rent could be considered in regeneration schemes where decanting existing social tenants into new homes is necessary.⁶ In all cases providers, supported by the relevant local authorities, will have to make a strong case to demonstrate why Affordable Rent would not be a viable alternative. All such cases will be considered on their individual merits.

7 9.42 Furthermore, several Housing Associations with whom we have spoken have expressed concern about the delivery of affordable and rented homes on the same site because of the potential for the perception of unfairness on the part of tenants allocated through the same Choice Based Letting system but receiving very different outcomes. Whilst we recognise that the Council has discussed the matter with its preferred partner RSLs, we would wish to see evidence that that the two tenure types can successfully be integrated before any decisions were taken to include them side by side as it were.

9.43 In short, we are not at all convinced by the approach taken in the document "Establishing the need for provision of Affordable Rent housing in Blaby" (2012). This paper started from the premise that the intention of the Affordable Rented tenure was to make affordable housing accessible to working households. However, this makes no sense. After all, at the same time as the introduction of affordable rent, the Government made it clear that Affordable Rent would be made available through the exact same allocation process as social rent – an aspect of affordable rent now included in the definition set out in the NPPF.

9.44 Moreover, shortly after the

<p>introduction of affordable rent, the Government made it clear that allocations should be even more focussed than ever on need, as the consultation document “Local Decisions: A fairer future for affordable housing” made explicit. Given all this to be the case, the only way in which affordable rent properties could be focussed on households who were in any way different from the cohort receiving social rented allocation would be if the supply of affordable homes were significantly increased.</p> <p>9.45 Not only has this significant increase never occurred, it was never intended to do so since the Government’s target for the provision of affordable homes of all tenures for the four years 2011-2015 was just 150,000 (of which 60,000 were units funded under the old national affordable housing programme and in receipt of grant). That, is, the government’s implicit concern was not to increase output of affordable homes relative to the preceding period but to arrest the slide in the number of new affordable homes delivered, relative to what would be delivered without the introduction of affordable rent.</p> <p>9.46 The provision for disallowing affordable rent products on sites which received planning permission prior to April 2011 would surely depend upon the drafting of the S106 agreements signed for those specific schemes.</p> <p>Recommendations: That this policy is re-drafted in order to remove reference to social rented housing and for the Council to set a new indicative tenure balance reflecting its affordable housing needs and priorities.</p>	
<p>Policy 10</p>	
<ul style="list-style-type: none"> • With regard to Blaby’s Draft Housing Mix and Affordable Housing Supplementary Planning Document consultation and your letter dated 10th May. As Housing Policy Officer for Melton Borough Council – I can confirm that Melton have no formal comments to make on the proposed Draft Housing Mix and Affordable Housing SPD. However, I would state that Policy 10 is a positive 	<ul style="list-style-type: none"> • Comments noted and no further amendments made.

<p>approach to encouraging the integration of affordable units in an open-market - S106 development. I trust this is of some assistance, if you require anything further, please do not hesitate to get in contact.</p> <ul style="list-style-type: none"> 11.47 Comment: With regard to locating affordable housing within new development, we recognise the desirability of distributing the affordable units in clusters across the site, although, in certain circumstances it may be necessary to have a little more flexibility. The second part of the policy would appear to repeat the content of policy 2 and should be removed. In the interests of creating sustainable and mixed communities, affordable units should be fully integrated with market properties and should be spread across the development in clusters of no more than 6 dwellings. Properties should be appropriate to the households likely to be allocated to them – type and size issues should be discussed with the District Council. <p>11.48 Recommendation: Amend Policy as follows In the interests of creating sustainable and mixed communities, affordable units should be as fully integrated with market properties as is practicable. Units and should be spread across the development in clusters – generally of no more than 6 dwellings although , in certain circumstances, clusters of up to 10 units may be acceptable. Properties should be appropriate to the households likely to be allocated to them – type and size issues should be discussed with the District Council.</p>	<ul style="list-style-type: none"> Comments noted and no further amendments made. The Council has consulted RP's and Developers with regard to this policy and as a result is comfortable with clusters of 6 affordable homes on section 106 sites.
<p>Policy 11</p>	
<ul style="list-style-type: none"> Advertising through the CBL scheme is one for RPs in particular to be aware of and is general practice , however we are also aware of the challenges for some RPs in promoting sustainable / balanced communities. 	<ul style="list-style-type: none"> Comment noted.
<p>Policy 12</p>	
<ul style="list-style-type: none"> 12.49 Comment: We agree that 	<ul style="list-style-type: none"> Comments considered and changes

principle where off site provision is concerned is for the provision to be of broadly equal value to that which could have been achieved on an alternative site. However, the policy seems to refer to off-site provision and the supporting text to provision in kind. This is muddled and would benefit from clarification.

Any off-site provision of affordable units agreed by the Council will replicate the numbers that would have been provided on the original development.

Such provision will be located in an area that the Council has identified as being in need of affordable housing and already has the benefit of planning

permission and is suitable for that purpose.

Off-site provision will only be considered in exceptional circumstances.

12.50 Where affordable homes are provided off-site, it may not always be appropriate to replicate the number of homes that would have been provided on site nor even the type. It may, after all be vastly cheaper or more expensive to provide a similar number of affordable homes in another part of the District. Alternatively, it may be desirable to deliver a different mix of homes from those which would have been provided on the main site.

12.51 Under such circumstances, the policy as drafted gives us no guidance as to the manner in which a small number of large units in one part of the District might be compared to a larger number of smaller units in another part.

12.52 Nor is it entirely appropriate to require that off-site provision be made upon a site which already has planning permission. The fact is that affordable housing will be delivered on the main application site unless the Council itself concedes that there is a case for an alternative delivery route. It is likely that the Council will accede to this under only two circumstances – where on-site provision is impracticable (e.g. in a block of flats where separate access and common parts cannot be achieved) or where off-site provision would achieve a better result for the

have been made to the wording in policy 12 to improve clarity. Further amendments are considered unnecessary as clarity is sufficient elsewhere in the document.

<p>Council (e.g. where provision might be made in an area where need is more acute).</p> <p>12.53 In the former case, there may be no alternative to go off site and it would not be reasonable to hold up provision until an alternative site had been found. It might well be better to ensure equivalency by calculating provision on the basis of a commuted sum and then seeking opportunities to spend the money which would deliver an optimal result.</p> <p>12.54 Where the Council is accepting a commuted sum on the basis that it achieves a better outcome then it will be for the Council to consider how advanced the secondary site would need to be in order to be “preferable”.</p> <p>12.55 Recommendation: That the policy be redrafted as follows Any off-site contribution towards affordable housing will be at the discretion of the Council and will need to be of broadly equivalent value to the level of affordable housing that would have been achieved on site. provision of affordable units agreed by the Council will replicate the numbers that would have been provided on the original development. Such provision will be located in an area that the Council has identified as being in need of affordable housing and already has the benefit of planning permission and is suitable for that purpose. Off-site provision will only be considered in exceptional circumstances where it is considered that on-site provision is impractical or that off-site provision would be preferable to conventional on-site provision.</p>	
<p>Policy 13</p>	
<ul style="list-style-type: none"> 13.56 Comment: We consider the commuted sum formula set out in the supporting text to policy 13 to be flawed. <p>13.57 Where commuted sums are sought as an alternative to on-site provision the Council will use the principle, described in paragraph 3.8.2 and demonstrated in example 1 (above) for assessing the level of financial contributions.</p> <p>13.58 As noted above, the proper</p>	<ul style="list-style-type: none"> Comments considered and no further amendments made. The Councils approach is to ensure that the developer / landowner contribution is equivalent to the contribution made if affordable housing is provided 'on-site' and the method demonstrated in the document is considered to be the fairest way of calculating a commuted sum.

basis for the calculation of off-site contributions is that they should be of broadly equivalent value to the contribution that the developer would have made, were it possible to deliver the contribution on site. Where it is not possible (for whatever reason) to deliver affordable housing on-site, then neither the developer nor the Council should be penalised as a result.

13.59 Because planning permissions run with the land, obligations levied through the planning process properly fall on the land value. The most appropriate mechanism for expressing the scale of the contribution in cash terms is therefore by means of a residual viability appraisal of the type described above – typically, one would assess the economics of development with the affordable housing in place and then without it. The difference between the residually determined land values with the affordable housing in place and without is the scale of the contribution that the land owner would have made.

13.60 This is not what the Council's formula does because, in basing the contribution upon the difference between OMV and "Affordable Housing Value" the formula makes no allowance for the difference in the cost of delivering market and affordable housing.

13.61 Principally, the difference lies in the risk premium associated with developing for an uncertain housing market and developing affordable housing where one has a known buyer and a known price.

13.62 There are three different econometric models which have been developed by the public sector for assessing the impact of affordable housing on scheme viability – the Economic Appraisal Tool and Development Appraisal Tools (both developed on behalf of the HCA and the Development Control Model which was developed for the GLA. All three recognise different profit rates for market and affordable housing (17-20% of GDV for market and 6% of cost for affordable)

13.63 What the Council's current formula does is to leave him with the

<p>risk associated with market housing and the profit from affordable housing. This increased risk makes an off-site contribution calculated on this basis more onerous than on-site provision would have been.</p> <p>13.64 This might have been appropriate in the event that it was for the developer to choose whether to locate the affordable homes off-site but, since it will only be allowed where the Council accepts on-site provision is impractical or off-site provision more beneficial, this would be unreasonable.</p> <p>13.65 Recommendation: That policy be amended to reflect the principle that commuted sums should be based upon the difference in the land value that arises from developing the site with and without affordable housing. If the Council wishes to provide a formula by means of reay-reckoner, it should reflect the different risk weighting form market and affordable housing.</p>	
<p>Policy 15</p>	
<ul style="list-style-type: none"> The rural Housing Enabler post may not exist! 	<ul style="list-style-type: none"> Noted and necessary amendments made to the document.
<p>Appendix</p>	
<ul style="list-style-type: none"> Appendix Supporting Evidence Leicester and Leicestershire SHMA 2007/2008 4.1 The Leicester and Leicestershire Strategic Housing Market Assessment (2008) (SHMA) indicated that the District of Blaby required 289 affordable houses a year for a 7.5 year period. The Leicester & Leicestershire Housing Market Area Managing and Updating of Data Project (2010) included an update of the affordable housing requirement indicating that need in the District had increased to 344 affordable houses per year over the next 7.5 years. To meet this need would require 94% of all new housing to be affordable, which is not considered to be viable or achievable. The SHMA, using a version of the 'Bramley' housing needs model developed for the study and with input assumptions agreed by the 	

SHMA steering group, it was found that the total extent of need for additional affordable units above current supply levels was estimated at some 2,700 a year.

4.2 This would constitute some 68% of new supply in the Regional Spatial Strategy building targets, and give local authority figures ranging from 38% to over 200% of new supply. The level of affordable housing is not directly related to or dependent on the level of new development, although there may be indirect links through market supply/ demand and pricing effects.

4.4 The long term (1991-2011) average building rate was 345 dwellings pa. However, completions from 2006-2011 fell to an average of 223 pa partly due to economic circumstances. Of this figure only 38 affordable houses were provided each year on average between 2006-2011.

Type Overall Need 289 % Social rent 78% % Intermediate Housing 22% Overall targets for affordable 289 1 bed general needs 2% 2 bed upsizing general needs flat 2% 2 bed downsizing flats/bungalows 9% 2 bed general needs houses 2% 3 bed general needs flats 1% 3 bed general needs houses 28% 4+bed general needs 1% 2 bed elderly person (s) 13% sheltered/supported 4%
Figure 1: Breakdown of Social Housing Type Need.

4.5 The SHMA's figure of aiming to achieve 289 new affordable homes per annum is completely unrealistic when taking in conjunction with the RSS aim of achieving a total build figure of 380 new homes.

Blaby District Viability Study 2009

4.6 The Council commissioned a joint Affordable Housing Viability Assessment (2009) to establish an achievable and viable target and threshold for affordable housing. The report provided options for policy setting based on viability and since its publication the Council used a single percentage target across the whole District of 25% on sites of 15 or more dwellings. To ensure this approach remained reasonable and viable in the current market conditions the Council commissioned a Viability Study Update (November

2011) which concluded that the policy options remain robust.

4.7 The viability study looked at sub market settlements within Blaby District Council. It found that the town of Blaby falls into major settlements category along with the towns of Whetstone and Enderby/Narborough. The final report provided three main options for policy setting based on viability. These were: A single percentage target across the whole District. Given the range of residual values that were found, "it consider that a target of 25% would be a reasonable starting point, although this would still depend on grant being available for the weaker market value areas locations, A split target which seeks 30% affordable housing in the highest value area – Kirby Muxloe 30%; then 20% elsewhere, accepting that grant will be needed to support schemes in the weakest housing market. A more refined split target aiming to deliver 30% affordable housing in Kirby Muxloe; 20% in Outlying and Major Settlements and 10% at the Leicester Fringe."

4.8 The extent of estimated need in all areas now means that the proportion of affordable housing actually sought in policy must be more dependent on specific local factors of land availability, site viability, the extent and type of other new supply, and longer term policy aims to encourage better balanced and more functional housing markets, local 'housing ladders, and mixed communities.

4.9 The viability study found that a key potential tenure change could see an increased provision in Affordable Rented housing at the expense of Social Rented housing. And it clearly stated that "we do not consider here the merit of either tenure in terms of its affordability and ability to meet housing needs; only the impact on the viability of schemes. In doing so, the Council will need to satisfy itself that Affordable Rent is an appropriate tenure to deliver in a location such as Blaby."

4.10 The affordable housing target for the District is 2,105 between 2006 and 2029, 1,275 of which will be delivered within the SUE. The target

<p>represents a minimum number of affordable houses to be provided and has been derived by assuming that 30% of housing in the SUE will be affordable, and that 80% of the balance outside of the SUE (based on historic completions) will qualify to provide 25% affordable housing. Accordingly the minimum target is lower than the overall affordable housing need in the District. The Council considers that this target will predominantly be delivered through developer contributions on sites for market housing. However it is acknowledged that Council and Registered Provider led schemes, purchase of existing stock and other sources make an important contribution to the provision of affordable housing.</p> <p>4.11 The Council states that it will monitor affordable housing delivery and housing market conditions. Should the former fall below what is required to meet the affordable housing target and/or the latter change significantly from those tested in the Viability Study Update (November 2011), the Council claims it will consider lowering the threshold for affordable housing and/or reviewing the percentage target. We can see that this has been a continuing trend throughout the councils policy despite the inspector of the core Strategy recommending that this provision would not be possible.</p> <ul style="list-style-type: none"> • "Leicestershire Choice Based Lettings Scheme" - means the (add in 'countryside') system utilised by the District. 	
<p>Appendix C</p>	
<ul style="list-style-type: none"> • Stage 1 - Replace Development Control with Planning Delivery Team. Stage 2 - Insert <i>planning application</i>. Stage 3 - Where the proposal is (add <i>seemed to be</i>) acceptable the Development Control Committee will agree to grant planning permission subject (delete <i>the</i>) appropriate conditions (add <i>and a legal agreement</i>) 	
<p>Misc Comments</p>	
<ul style="list-style-type: none"> • Thank you for requesting the Parish Council's comment on the above. I 	<ul style="list-style-type: none"> • Comments noted and no amendments required.

am pleased to confirm the Council is supportive of the principles of the document and in particular would commend the Council for policies 4 and 6 spelling out the requirements on developers for affordable and specialist housing. Obviously we have read this policy in the context of the Core Strategy which recognises the contribution which the parish of Blaby has already made to the housing needs of the District. We will watch the development of these plans with interest and would wish to be consulted on all future developments.

- Thank you for your letter dated 10th May 2013 and for giving Braunstone Town Council an opportunity to comment on the Draft Document. The matter was considered at a recent meeting of our Plans & Environment Committee and I have been asked to forward the following observations.
The wording in connection with the percentage of affordable houses required throughout the document is not considered to be sufficiently robust. As an example in Policy 4 the wording should be '25% affordable housing will be required' and not '25% affordable housing will be sought', as currently stated in the document.
- With regard to Blaby's Draft Housing Mix and Affordable Housing Supplementary Planning Document consultation and your letter dated 10th May. As Housing Policy Officer for Melton Borough Council – I can confirm that Melton have no formal comments to make on the proposed Draft Housing Mix and Affordable Housing SPD. However, I would state that Policy 10 is a positive approach to encouraging the integration of affordable units in an open-market - S106 development. I trust this is of some assistance, if you require anything further, please do not hesitate to get in contact.
- It is the unanimous view of the Council that any Housing Mix and Affordable housing that is considered for this village should meet two criteria points. i) That priority should

- Comments noted and no further amendments made. The wording of policy 6 complies with the terminology used in the adopted Local Plan (Core Strategy).

- Comments noted and no further changes made. The required percentage of affordable housing will only differ should a developer be able to prove (in accordance with Policy 7

<p>be given to Cosby residents. ii) That there should be serious consideration given to the supply of bungalows for the benefit of elderly residents of Cosby who may wish to relocate to such housing whether by down-sizing or by virtue of the fact that their current properties are no longer deemed to be suitable due to age or infirmity. It is noted that there is a high likelihood that a development will soon take place on the former Coates Yard site and the Council urge that attention is given to the above views as and when this may happen. Item (ii) above seems to meet the Council's Local Housing Strategy 2009 which states that a key action point is to "encourage the development of good quality and inspirational homes for older people" It is also noted that Policy 4 states: "A contribution of 25% affordable housing will be sought as a minimum on all major developments across the District comprising 15 or more dwellings" The Parish Council would like to know whether or not this percentage is in any way flexible?</p> <ul style="list-style-type: none"> • Thank you for your letter of 10th May in relation to the above consultation. I can confirm that we have no detailed comments to make on the draft document. • Thank you for consulting the City Council on the Draft Housing Mix and Affordable Housing SPD. I can confirm that the City Council do not wish to raise any comments or objections to the document. • In relation to the above, would the HST consider the following proposal: When deciding on a new site, where do you planners place/mix privately owned housing with housing association and council owned housing provision? Based on evidence in the Core Strategy and on personal experience, it is better not to label housing or to put them in one place. It is like labelling people. It is better for social cohesion to sprinkle ownership equally over a new development, the pepper pot approach. The mix at BDC is probably about right 25% of social landlord with 75% of private 	<p>and paragraph 3.5.3) that a site is not able to support the affordable housing requirement.</p> <ul style="list-style-type: none"> • Comments noted • Comments noted, no further amendments required. • Comments noted and covered in paragraph 3.6.7 and in Policy 8. Therefore no further amendments required.
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ownership but this has to have a flexibility element regarding viability and buy to let elements. As regards site preference, brownfield sites should always be given priority.

- I refer to I refer to your letter of 10th May 2013, seeking representations from my client on the Draft Housing Mix and Affordable Planning Document. My comments or representations on behalf of my client are as follows:- I have read the draft document carefully – there is a lot of guidance set down for landowners, developers, surveyors and others. More detail may come to light as time goes on. I will keep my comments to the main points, as I see them at the moment, which should be clearly understood. I presume the policies and procedure in this document accord with the policies set out in the Core Strategy and of course the National Planning Policy Framework and as such they are acceptable. Firstly, Effect on Land Values. We accept of course that there is clearly a substantial need for affordable housing and not only in Blaby, but Nationwide. I feel I should point out that it has to be appreciated, as I am sure in the main it is, that in principle the requirement for Affordable Housing has and will have the effect of reducing land values (land values for development) that is or the developer's profit. We are not saying that this is a bad thing but merely that the general reduction has to be recognised and appreciated because it seems to me that in general the reduction can be substantial and perhaps very considerable in some cases. I do not necessarily believe that it is or will be the developer who will suffer this reduction and it will be in most cases the landowners. Secondly, Viability Assessment – Paragraph 173 NPP Framework. Policy 8 of this document. The reduction in value referred to in my previous point is going to lead in my view to numerous cases of dispute and hence the Policy contained in 173 and Policy 8 above is going to be of considerable importance. I understand the one book approach but the problem might well be as to what constitutes a competitive return

- Comments noted and no further amendments required.

– at what point will the fall in developer's profit or in land values fall below the competitive return? I wonder what will happen in the case where even if the affordable housing content or requirement is reduced to a minimum or even less in the development, the scheme is still not viable and does not show a competitive return – will the scheme be pronounced dead? Will it proceed without affordable housing content? I have not thought through these various scenarios in depth as yet, but I can see difficulties. Should there be a class of cases of a special nature which in certain exceptional and or qualifying conditions will be allowed to proceed without affordable housing.

- One thing you have not mentioned, however, is access and transport arrangements. I think it will be important that all new development should be located as close as possible to regular bus and train services. Funding should also be secured from developers to identify new services, or enhance existing ones, by, for example, providing evening or Sunday services where none exist at present or by extending services, e.g. the Leicester - Narborough evening and Sunday service to/from Huncote, Croft, Stoney Stanton, etc. There's also no mention at all of the Lubbethorpe SUE. Why not? This will have a profound impact on the whole area.
- EMHG has considered the draft consultation document and would like to submit the following comments.
1. General. The document is comprehensive and policies are clear. The use of examples is helpful in directing and guiding providers to the expectations of the authority.
Standards - The SPD mentions the size of units in terms of number of bedrooms but not minimum floor areas. We could not see reference to other standards e.g. Code for Sustainable Homes / equivalent, Building for Life, HCA Design & Quality standards etc. These will be minimum requirements for affordable rented homes if RPs are to acquire the units. You might want to consider

- The SPD concerns housing mix and Affordable Housing requirements in the District and not transport issues - No amendments required.

- Comments considered and SPD amended accordingly to comply with the design standard requirements of the HCA and the Local Plan (Core Strategy).

<p>minimum standards for all affordable products.</p> <ul style="list-style-type: none"> • Thank you for your letter dated 10th May last regarding the above matter. After discussing this matter my Members would suggest that the Housing Mix and Affordable Housing for the District is kept at a level indicated in the Core Strategy adopted by the District Council earlier this year. • The Highways Agency welcomes the opportunity to comment upon the Blaby District Draft Housing Mix and Affordable Housing Supplementary Planning Document (SPD). The Highways Agency does not expect the Draft SPD to raise any significant issues in relation to the Strategic Road Network (SRN) in the area comprising the M1, M69 and A46 routes. In addition, the Highways Agency has previously concluded that development in Blaby will not have any significant impacts on the SRN or require SRN infrastructure to support the plan. Therefore the Highways Agency has no substantive comments on the Draft Housing Mix and Affordable Housing SPD. • Thank you for consulting Natural England on your Draft Housing Mix and Affordable Housing SPD. Natural England has no comments to make on this Draft SPD. Having considered the SPD, I do not believe that it has any implications for the natural environment and therefore do not believe its contents to fall within our remit. If this is incorrect please do let me know. • Draft Housing Mix and Affordable Housing Supplementary Planning Document David Hair – Two sites (i) Former Caravan Site, between Station Street and Enderby Road, Whetstone (ii) Land off Station Street, Enderby I refer to your letter of 10th May 2013, seeking representations from my client on the Draft Housing Mix and Affordable Planning Document. Please note I have two clients, namely David Hair, and Linda Forster and others. David Hair should be reinstated in the Blaby Planners list of consultees, as my 	<ul style="list-style-type: none"> • Comment noted and no amendments required. • Comments noted, no further amendments required. • Comments noted and no further amendments required. • Comments noted and no further amendments made. Viability issues on sites will be treated on a case by case basis. As stated in the SPD any proposed reduction in affordable housing will need to be robustly justified.
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client for the above two sites. Please make sure that he is. My comments or representations on behalf of my client are as follows:- I have read the draft document carefully – there is a lot of guidance set down for landowners, developers, surveyors and others. More detail may come to light as time goes on. I will keep my comments to the main points, as I see them at the moment, which should be clearly understood. I presume the policies and procedure in this document accord with the policies set out in the Core Strategy and of course the National Planning Policy Framework and as such they are acceptable. Firstly, Effect on Land Values. We accept of course that there is clearly a substantial need for affordable housing and not only in Blaby, but Nationwide. I feel I should point out that it has to be appreciated, as I am sure in the main it is, that in principle the requirement for Affordable Housing has and will have the effect of reducing land values (land values for development) that is or the developer's profit. We are not saying that this is a bad thing but merely that the general reduction has to be recognised and appreciated because it seems to me that in general the reduction can be substantial and perhaps very considerable in some cases. I do not necessarily believe that it is or will be the developer who will suffer this reduction and it will be in most cases the landowners. Secondly, Viability Assessment – Paragraph 173 NPP Framework. Policy 8 of this document. The reduction in value referred to in my previous point is going to lead in my view to numerous cases of dispute and hence the Policy contained in 173 and Policy 8 above is going to be of considerable importance. I understand the one book approach but the problem might well be as to what constitutes a competitive return – at what point will the fall in developer's profit or in land values fall below the competitive return? I wonder what will happen in the case where even if the affordable housing content or requirement is reduced to a minimum or even less in the development, the scheme is still not viable and does not show a

<p>competitive return – will the scheme be pronounced dead? Will it proceed without affordable housing content? I have not thought through these various scenarios in depth as yet, but I can see difficulties. Should there be a class of cases of a special nature which in certain exceptional and or qualifying conditions will be allowed to proceed without affordable housing.</p>	
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