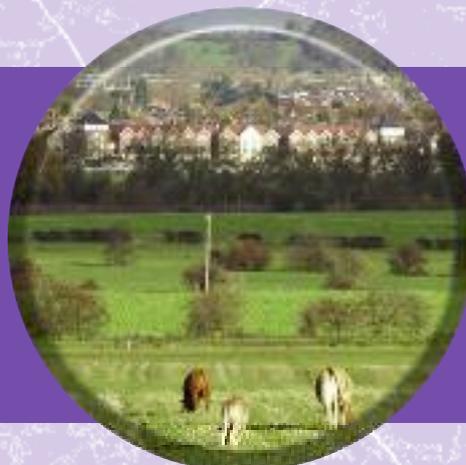


**Stratford-on-Avon District  
Local Development Framework  
Meeting Housing Needs  
Supplementary Planning Document**



JULY 2008

2008

**Stratford-on-Avon District Council**

# **Meeting Housing Needs in Stratford-on-Avon District**

**Supplementary Planning Document**

**July 2008**

A large print copy, electronic copy or more copies of this publication are available on request from Planning Services

© Copyright Stratford-on-Avon District Council



Planning Services  
Stratford-on-Avon District Council  
Elizabeth House, Church Street  
Stratford-upon-Avon  
Warwickshire CV37 6HX  
Telephone 01789 260337  
e-mail [planning@stratford-dc.gov.uk](mailto:planning@stratford-dc.gov.uk)

SDC/1097/JUL08

# CONTENTS

---

## **Indexes of Key Principles and Best Practice Advice**

### **List of Tables**

#### **Part 1 – Introduction**

1. Introduction
2. Local Housing Need
3. Development Plan and Other Supplementary Planning Policies

#### **Part 2 – Boosting Housing Supply**

4. Developing Community Initiative and Public Confidence
5. Addressing Rural Housing Needs
6. Maximising the Supply of Affordable Housing

#### **Part 3 – Effective Delivery and Implementation**

7. Affordable Housing: Definition and Standards
8. Funding and Location of Affordable Housing

#### **Part 4 – Improving Sustainability**

9. Creating Balanced Communities
10. Responding to Climate Change

#### **Appendices**

1. Glossary of Abbreviations and Technical Terms
2. Cross-References to Relevant Policies of the *Stratford-on-Avon District Local Plan Review 1996-2011*
3. Other Key Policy Documents
4. Best Practice for Pre-application Consultation and Planning Applications
5. Useful Contacts
6. Residual Land Value Methodology
7. Affordable Housing Provision Off-Site
8. Bibliography
9. Sustainability Appraisal

# Index of Key Principles

## Index of Meeting Housing Needs (MHN) Key Principles:

<b>Theme: Boosting Housing Supply</b>			
<i>Paragraph</i>	<i>LPR parent policies</i>	<i>Key Principle no.</i>	<i>Summary</i>
4.3.2	STR.2, COM.13	<b>MHN1</b>	Measures to promote public confidence in new housing
6.3.2	COM.13	<b>MHN2</b>	Provision of affordable housing within the framework of Policy COM.13
6.3.7	COM.13	<b>MHN3</b>	Scope and interpretation of Policy COM.13, for the avoidance of doubt
6.3.12	IMP.1, IMP.4	<b>MHN4</b>	Colleges – requirements in respect of student accommodation
6.3.14	STR.2, COM.13	<b>MHN5</b>	Use of compulsory purchase powers to facilitate delivery of new housing

<b>Theme: Effective Delivery and Implementation</b>			
<i>Paragraph</i>	<i>LPR parent policies</i>	<i>Key Principle no.</i>	<i>Summary</i>
7.1.2	COM.13	<b>MHN6</b>	Affordable housing: definition
7.2.5	COM.13	<b>MHN7</b>	Affordable housing: quality benchmarks
8.3.4	COM.13	<b>MHN8</b>	Funding of affordable housing
8.4.3	COM.13	<b>MHN9</b>	Order of preference for location of affordable housing
8.4.6	COM.13	<b>MHN10</b>	Tests for acceptability of off-site provision of affordable housing

<b>Theme: Improving Sustainability</b>			
<i>Paragraph</i>	<i>LPR parent policies</i>	<i>Key Principle no.</i>	<i>Summary</i>
9.2.2	COM.14	<b>MHN11</b>	Market housing: optimum stock mix and integration
9.3.2	COM.15	<b>MHN12</b>	Maximising flexibility and sustainability of market and affordable housing
9.4.2	COM.13	<b>MHN13</b>	Affordable housing: optimum stock mix
9.7.2	COM.13	<b>MHN14</b>	Minimum space standards
10.2.3	COM.13	<b>MHN15</b>	Application of Code for Sustainable Homes

# Index of Best Practice Advice

<b>Theme: Boosting Housing Supply</b>		
<i>Page</i>	<i>Paragraph(s)</i>	<i>Topic</i>
15	5.2.3	Early liaison before undertaking local housing needs surveys
16	5.3.2	Good practice when undertaking local housing needs surveys
16	5.3.3	Local housing needs surveys and Parish Plans

<b>Theme: Effective Delivery and Implementation</b>		
<i>Page</i>	<i>Paragraph(s)</i>	<i>Topic</i>
23	7.4.3	Early discussion on planning obligations
26	8.3.11	Negotiating option agreements
26	8.3.12	Pre-application discussions regarding development viability
27	8.4.4	Pre-application information requirements where, exceptionally, off-site affordable housing proposed
28	8.4.9	Standard provisions for off-site affordable housing for inclusion in planning obligations
28	8.5.2	Taking into account evaluation criteria for completed schemes

<b>Theme: Improving Sustainability</b>		
<i>Page</i>	<i>Paragraph(s)</i>	<i>Topic</i>
33	9.4.4	Information that may inform initial development appraisals
34	9.4.6	Criteria to inform discussions regarding optimum stock profiles for individual sites
37	10.3.3	Factoring-in climate resilience considerations into the housing design process

## List of Tables

<i>Page</i>	<i>Table</i>	<i>Paragraph</i>	<i>Title</i>
32	1	9.3.2	Minimum garden areas by house type
33	2	9.4.2	Optimum affordable housing mix by tenure and dwelling size
35	3	9..7.2	Minimum space standards for affordable homes
43	4	Appendix 2	Policy cross-references
44	5	Appendix 3	Other policy document cross-references
47	6	Appendix 5	Preferred partner housing associations
57	7	Appendix 9	Summary of Sustainability Appraisal results for parent policies
58	8	Appendix 9	Sustainability Framework
61-62	9a & b	Appendix 9	Analysis of Key Principles MHN1-7 & 8-15

# Part 1 - Introduction

## 1 Introduction

---

### 1.1 Aims and objectives

1.1.1 The aims of this Supplementary Planning Document concern both affordable and market housing, and are to:

1. Contribute to the creation of a balanced housing market.
2. Enhance the sustainability of all new housing.
3. Ensure local housing needs are more effectively addressed, especially by boosting the provision of affordable housing.
4. Further develop planning policy tools to assist in the effective implementation of the Council's *Housing Strategy 2006-2011*.
5. Promote existing planning policy initiatives and good practice designed to increase the supply of new homes in rural areas.
6. Promote best practice in the development of all new housing, to boost public confidence and expedite its delivery.
7. Make the most effective use of funding by reducing the cost of housing land, whilst at the same boosting its supply.
8. Identify possible future measures that could be taken in furtherance of the above objectives.

1.1.2 The objectives of this Supplementary Planning Document are to introduce policy guidance (referred to as "Key Principles") intended to interpret and implement policies and proposals in the development plan. The Key Principles address the following three themes:

1. Boosting housing supply.
2. Securing effective delivery and implementation.
3. Improving the sustainability of new housing.

### 1.2 Why publish this document?

1.2.1 The District Council's previous supplementary planning guidance on housing-related matters - *'Meeting Housing Needs in Stratford-on-Avon District'* ("the existing Supplementary Planning Guidance") - was adopted on 12 June 2006.

1.2.2 Key changes that have occurred since the adoption of the previous Supplementary Planning Guidance include:

1. Adoption of the *Stratford-on-Avon District Local Plan Review 1996-2011* ("the Local Plan Review") on 14 July 2006.
  - Following adoption of the Local Plan Review, it is now necessary to prepare this Supplementary Planning Document in accordance with statutory procedures.<sup>1</sup>
2. The publication, in November 2006, of Planning Policy Statement 3 (PPS3): *Housing*.
  - PPS3 sets out the national planning policy framework for delivering the Government's housing objectives. As such it is an important policy statement to which regard must be had when preparing this Supplementary Planning Document. It also provides encouragement for certain policy approaches set out in this document.

---

<sup>1</sup> See *The Town and Country Planning (Local Development) (England) Regulations 2004* (SI 2004 No. 2204).

3. The adoption and publication of the *Joint Housing Assessment for South Warwickshire – Final Report August 2006*.
    - This important research provides up-to-date information on housing market conditions and housing needs within the District. Although not in itself a policy document, its findings form a vital part of the evidence base for this Supplementary Planning Document.
  4. The progress of the Phase 2 Revision of the *West Midlands Regional Spatial Strategy*.
    - Whilst at the time of publication of this Supplementary Planning Document the Review process has not been concluded, it is appropriate to have regard to the issues addressed by the Review, particularly in relation to the future level and distribution of housing growth across the Region in the period to 2026.
  5. Publication of:
    - Code for Sustainable Homes in December 2006.
    - The Audit Commission’s Housing Inspection Report in January 2007 (“the Housing Inspection Report”).  
The report contains important recommendations, including the review of planning policies in order to maximise the supply of affordable homes.
    - The final report of the Affordable Rural Housing Commission in 2006.
    - Planning for a Sustainable Future White Paper, May 2007.
    - The Government’s Housing Green Paper, Homes for the future: more affordable, more sustainable, in July 2007.
  6. Application of the Disability Equality Duty to the District Council (and other public bodies) with effect from December 2006.
- 1.2.3 It is important that the Council’s policies should be reviewed to take account of the findings, recommendations or requirements of the above documents, and be updated where appropriate.

### **1.3 Context: existing policies**

- 1.3.1 In addition to the Local Plan Review, this Supplementary Planning Document has been produced in the context of national, regional and local considerations. Key policy documents include:
1. Statements of national planning policy, particularly the following Planning Policy Statements:
    - PPS1: *Delivering Sustainable Development* (2005)
    - PPS3: *Housing* (2006), together with its companion document *Delivering Affordable Housing*.
    - PPS7: *Sustainable Development in Rural Areas* (2004)
    - PPS12: *Local Development Frameworks* (2004)
  2. The approved Regional Spatial Strategy: *Regional Planning Guidance for the West Midlands*, RPG11 (2004). Relevant policies are referred to in Section 3. It is also appropriate to have regard to the Phase 2 Review.
  3. The West Midlands Regional Housing Strategy.
  4. The objectives of the Council’s *Community Plan and Corporate Strategy*.
  5. The aims and objectives of the Council’s *Housing Strategy 2006-2011*.

## 1.4 How to use this document

1.4.1 This document provides a suite of policy principles and good practice guidance interpreting and applying the Policies and Proposals contained in the Local Plan Review. As such, it is likely to be of particular interest to:

- Prospective developers and their agents, especially before applying for planning permission for or including residential development.
- The Council's partner housing associations.
- Local residents and community organisations, especially when undertaking local housing needs surveys and producing or reviewing Parish or Town Plans.
- Parish and town councils.
- Landowners.

1.4.2 For ease of reference:

- Key principles to which the Council will have regard when determining planning applications are shown in **bold text thus**.
- Best practice guidance is shown **highlighted thus** .
- A glossary of the abbreviations and technical terms used may be found at **Appendix 1**. Terms are shown underlined thus.

1.4.3 Generally, each Key Principle is prefaced by a brief explanation of its background and justification, and followed by text providing guidance on its application and interpretation.

## 1.5 Status

1.5.1 This Supplementary Planning Document must be read in conjunction with the complete Local Plan Review. Unless otherwise stated, references to policies and proposals are to Policies and Proposals in that Plan. **Appendix 2** provides relevant cross-references.

1.5.2 This Supplementary Planning Document was adopted by Executive on 28 July 2008, and its provisions will be applied to all relevant planning applications received from 1 October 2008. This SPD supersedes the provisions of the Meeting Housing Needs in Stratford-on-Avon District – SPG (June 2006).

1.5.3 This SPD will be kept under review, particularly to reflect changes such as adoption of other Local Development Framework documents and approval of changes to the Regional Spatial Strategy Revision.

## 2 Local Housing Need

---

### 2.1 Introduction

2.1.1 The Council has a longstanding commitment to provide everyone with the opportunity of a decent home including the provision of affordable housing to meet demonstrated local needs. Provision of affordable housing is a key priority in:

- The *Stratford-on-Avon Community Plan*.
- The Council's *Corporate Strategy 2008-12*.
- The Council's *Housing Strategy 2006-11*.

Key linkages to these, and other, plans and strategies are identified in **Appendix 3**. This Supplementary Planning Document has been prepared in response to these priorities.

2.1.2 The information in this section about the nature and extent of local housing need relative to supply explains why the District Council and its partners have prioritised the provision of more affordable and sustainable homes. It also provides the context for the measures proposed in this document.

### 2.2 The local housing market

2.2.1 The lack of affordable homes caused by rapid house price inflation is a national problem. However, it is the case that Stratford-on-Avon District is a very attractive place for people to live and work. This is reflected in a particularly buoyant property market with house prices considerably above the Regional average.

2.2.2 Over the five years from April 2001 (the base date of the Local Plan Review) to April 2006, average property prices in the District increased by about 56%: from £163,340 in 2001 to £254,674 in 2006<sup>2</sup>.

2.2.3 The growth in property prices year-on-year has considerably outstripped growth in average earnings, which has resulted in a substantial deterioration in affordability.

2.2.4 Average prices for larger properties have increased at a much faster rate than for smaller properties, as evidenced by a slowing "churn" rate in the housing stock. This has serious implications for demographic balance and the stability of communities.

2.2.5 Many people who move into the District can afford to pay higher prices for their housing than many existing residents. This has the effect of pricing many local people out of their own communities and their being replaced by better off commuters and people retiring to the countryside. Young people have had to move away in search of cheaper houses or jobs, which are no longer available close to home. This in turn has led to fewer children in local schools and increased risk of closure of schools, bus services, shops and other local facilities in rural areas.

2.2.6 Evidence to support the above assessment is outlined below.

### 2.3 Joint Housing Assessment for South Warwickshire 2006

2.3.1 The Joint Housing Assessment for South Warwickshire 2006 currently represents the most up-to-date primary research on housing market conditions and housing needs in south Warwickshire. It quantifies the extent of unmet local housing need by utilising a Housing Needs Assessment model. The steps used in the calculation of need are set out in detail in the Housing Needs of Stratford-on-Avon District volume of the Joint Housing Assessment. It concludes that there is a net shortfall of 954 affordable homes per annum. This translates to a net shortfall of 4,770 affordable homes for the period 2006 -2011.

---

<sup>2</sup> Source: Land Registry

2.3.2 The Joint Housing Assessment for South Warwickshire 2006 also indicated that preferences for new affordable homes were as follows:

1. In terms of *size*, analysis of Tables 111 and 112 indicates a *distribution* of preferences for property sizes as follows:

Two bedroom:	51.9%
Three bedroom:	28.8%
Four or more beds:	19.3%
<b>Total:</b>	<b>100%</b>

2. Analysis of Table 113 indicates an optimal distribution of new affordable homes as follows:

Stratford-upon-Avon:	21.2%
Main Rural Centres:	36.3%
All other areas:	42.5%
<b>Total:</b>	<b>100%</b>

## 2.4 Local housing needs surveys

- 2.4.1 All local communities are encouraged to undertake local housing needs surveys in their parish, town or village (see Sections 4 and 5). These help build up a detailed picture of unmet housing needs at a local level, in a way that is not possible at District level. A consistent picture of unmet housing needs has emerged.

## 2.5 Housing waiting list data

- 2.5.1 The District Council maintains a housing waiting list (sometimes referred to as the Housing Register). This comprises eligible applicant households seeking affordable housing within the District. There are approximately 3,000 households on the housing waiting list.

## 2.6 Regional indicators

- 2.6.1 The existing Regional Spatial Strategy sets out an affordable housing target of 6000-6500 dwellings each year across the Region for the period 2001-2011. The preferred option of the Phase 2 Revision of the RSS proposes a target of a minimum of 6000 affordable housing units gross each year up to 2026. Within the South Housing Market Area an indicative minima target of 1000 affordable housing units gross per annum is proposed. It is emphasised that there is insufficient affordable housing in the south and west of the region, which includes Stratford-on-Avon District (See Policies CF5, RR1 and RR3 and paragraphs 6.22-6.25 of the existing Regional Spatial Strategy and Policy CF7 of the Phase 2 Revision Preferred Options).

## 2.7 Housing delivery

- 2.7.1 A review of past performance on the delivery of new housing in this district is an important aspect of ensuring that the policies and advice in this Supplementary Planning Document are relevant and effective.
- 2.7.2 The total number of new homes built in the six-year period 2001-2007 was 3,761, equating to an annual average of 627 homes. This has resulted in a situation where by 2006 there was an *over-supply* of housing relative to the requirements of the Regional Spatial Strategy, leading to the introduction of the Housing Moratorium in June 2006.

### 3 Development Plan and Other Supplementary Planning Policies

---

#### 3.1 Introduction

3.1.1 This Section describes the relationship between this Supplementary Planning Document, the other planning policy documents that together comprise the “development plan”, and other supplementary planning policy documents.

3.1.2 There is a requirement both in law and good practice for a chain of conformity to exist with development plan policies.

#### 3.2 West Midlands Regional Spatial Strategy

3.2.1 The Regional Spatial Strategy currently makes provision for the strategic level and distribution of new housing in the period to 2011. Those policies are interpreted and applied by the Local Plan Review (see below). As noted in Section 2 above, monitoring established that there was an over-supply of housing relative to strategic requirements. This indicates the importance of more effectively targeting those homes that are to be built to meet identified local needs.

3.2.2 The Phase 2 Revision will roll forward strategic housing provision to 2026. Whilst the strategic approach of focussing growth on the Major Urban Areas and other key growth points (all outside Stratford-on-Avon District) looks set to continue, the Government’s Housing Green Paper sets out ambitious targets for new housing provision up to 2016. It is therefore reasonable to ensure that homes which are built within the District are effectively targeted to meet identified local needs: thus avoiding displacing housing pressures to surrounding local authority areas.

#### 3.3 Stratford-on-Avon District Local Plan Review

3.3.1 A comprehensive list of cross-references to policies in the Local Plan Review to which this Supplementary Planning Document is relevant is included at **Appendix 3**. The key policies are highlighted below.

3.3.2 Policy **STR.1** defines and applies a settlement hierarchy, which is worth repeating here:

(i) Main town: Stratford-upon-Avon

(ii) Main rural Centres: Alcester  
Bidford-on-Avon  
Henley-in-Arden  
Kineton  
Shipston-on-Stour  
Southam  
Studley  
Wellesbourne

(iii) Local Centre Villages: settlements with a basic range of facilities including, as a minimum, a general store, primary school and regular public transport. As at April 2007:

Bishops Itchington  
Brailes  
Claverdon  
Ettington  
Fenny Compton  
Harbury  
Ilmington  
Lighthorne Heath  
Long Compton  
Long Itchington

Napton-on-the-Hill  
Newbold-on-Stour  
Quinton  
Salford Priors  
Snitterfield  
Stockton  
Tiddington  
Tysoe  
Welford-on-Avon  
Wilmcote  
Wootton Wawen

(iv) All other settlements.

- 3.3.4 The overall level of housing provision is determined by Policy **STR.2**, albeit within the strategic parameters determined by the Regional Spatial Strategy. Sites are identified for approximately 425 new homes in the period 2005-2011, of which it is anticipated about 150 will be affordable. This latter figure was based on an assessment of likely yield based on the policies then prevailing; not the number of affordable homes required to fully satisfy unmet needs.
- 3.3.5 Policy **STR.2** also seeks to ensure that there should not be an over-supply of housing relative to the requirements of the Regional Spatial Strategy. There is an over-supply of housing. Consequently a moratorium on the release of additional sites for housing was imposed with effect from June 2006. Whilst this moratorium remains in force until further notice, it must be periodically reviewed to ensure the requirement of PPS3 to maintain a minimum five-year deliverable supply of housing sites. This Supplementary Planning Document has been drafted in a way that ensures its enduring relevance as and when the moratorium is lifted.
- 3.3.6 However Policy **STR.2** recognises the importance of allowing housing development in cases where there will be appreciable benefits for the local community and environment. Those circumstances are defined in detail at paragraph 4.1 of a companion Supplementary Planning Document: *Managing Housing Supply*, adopted in November 2006. Notable exceptions to the moratorium include:
1. Residential development consisting solely of affordable housing. This exemption is District-wide, but also encompasses rural 'exception' schemes to which Policy **CTY.5** applies.
  2. In the case of sites in the Main Rural Centres and Local Centre Villages, schemes promoted under the 'Local Choice' initiative: see Section 5 below.
- 3.3.7 In addition to the strategic provision made by Policy **STR.2**, there is also scope for small-scale residential and other development within the scope of Policy **COM.1** – the 'Local Choice' initiative. This initiative applies only in the defined Main Rural Centres and Local Centre Villages. Further information about this initiative is included in Section 5 below and another Supplementary Planning Document: *Local Choice – meeting the needs of rural communities*.
- 3.3.8 Policy **COM.13** sets out measures to maximise the supply of affordable housing as a proportion of overall housing. All proposals involving residential development on allocated and windfall sites above certain size thresholds (10 or more dwellings and/or 0.4 hectare or more of land, or 15 or more dwellings and/or 0.5 hectare or more of land, depending on location) are expected to provide a proportion of affordable housing.
- 3.3.9 The policy also stipulates that provision must be made on site. Only in the most exceptional circumstances will contributions in cash or kind in lieu of on site provision be accepted, in accordance with policies set out later in this Supplementary Planning Document.

- 3.3.10 Significantly, the Inspector's report into the objections to the LPR recommended affordable housing targets should be identified in supplementary planning guidance rather than the LPR itself.
- 3.3.11 Supporting text<sup>1</sup> to the policy refers to the 1999 Housing Needs Survey. That Survey is now superseded by the Joint Housing Assessment for South Warwickshire 2006.
- 3.3.12 Other aspects of the supporting text to Policy **COM.13** also need to be reviewed in the light of developments since the adoption of the LPR.
- 3.3.13 Policy **COM.13** also includes a cross-reference to Policy **CTY.5**, which concerns wholly affordable rural 'exception' schemes. See Section 5 for more information about rural 'exception' schemes.
- 3.3.14 Policy **COM.14** requires that proposals for residential development over a certain threshold (10 or more dwellings, or involving 0.4 hectare or more of land) should provide a range and mix of dwelling types. The appropriateness of the range and mix of dwelling types will be considered on the basis of three broad criteria set out in that Policy. The supporting text (paragraph 6.13.4) states that further work will be undertaken to formulate a detailed mechanism for implementing the Policy. This Supplementary Planning Document contains a policy in furtherance of that commitment.

### **3.4 Supplementary planning policies**

- 3.4.1 Other supplementary planning policies adopted by the District Council are also relevant to the matters covered by this Supplementary Planning Document. In particular, guidance is already in place covering:
- The circumstances in which the housing moratorium may be relaxed: see paragraph 3.3.6 above.
  - The operation of the 'Local Choice' initiative, in accordance with Policy **COM.1**.
  - The quality and design of new residential development.
  - Achieving sustainable low carbon buildings.

---

<sup>1</sup>Paragraph 6.12.1 of the Local Plan Review

# Part 2 - Boosting Housing Supply

## 4 Developing Community Initiative and Public Confidence

---

### 4.1 Introduction

- 4.1.1 There is a pressing need to ensure that housing supply is more effectively targeted to meet identified local needs (whether for affordable or market housing) and improve its sustainability.
- 4.1.2 One way of addressing this issue is to foster and develop the capacity of local communities for “self help”. This Supplementary Planning Document aims to assist in this process by:
- Drawing attention to the benefits of the preparation of Parish, Town or Village Plans by local communities.
  - Introducing measures to ensure the more effective involvement and engagement of local communities in the development of new housing.
- 4.1.3 It is now recognised that the old “top down” model of planning – whereby housing developments were, in effect, imposed on local communities by local authorities or developers – is neither appropriate nor sustainable. But at the same time it is also important to develop the understanding of local communities with respect to their responsibilities in terms of meeting the housing needs of all sections of their community.

### 4.2 Parish/Town Plans

- 4.2.1 For all settlements, Parish Plans (or equivalent) have an important role to play in:
- Articulating the needs and aspirations of local communities.
  - Specifying and promoting development that responds to identified needs.
- 4.2.2 Such Plans are prepared by local communities themselves, and a large number have already been adopted. Details are available from the District Council’s website. Policy COM.1 gives such Plans a particular status in the planning process.
- 4.2.3 It is important that the preparation of such Plans is informed by a reliable evidence base. In this respect it is preferable for local housing needs surveys to be undertaken at an early stage to inform the preparation of Plans.

### 4.3 Measures to promote public confidence/support for new housing

- 4.3.1 The intention of Key Principle **MHN1** below is to boost public confidence in the development of new housing through a package of measures covering the following areas:
- Improving community engagement and initiative.
  - Ensuring local occupancy controls are applied to ensure the effective targeting of new housing to identified local needs.

#### 4.3.2 MHN1: Promoting Public Confidence in New Housing

When assessing the acceptability and appropriateness or otherwise of proposals for or involving residential development against the requirements of Policies STR.2, COM.1, COM.13 (part 3), CTY.5 and IMP.1 as the case may be:

- (1) Regard will be had to the extent to which:
  - (a) The host local community has initiated or been involved in the formulation of the proposals at pre-application stage and the extent to which their views are reflected in the proposals as submitted, and;
  - (b) The guidelines in Appendix 4 of this Supplementary Planning Document have been followed, where relevant.
- (2) The occupancy of all affordable and local market housing must be regulated, based on the principles set out in the Council's adopted 'Local Choice' Supplementary Planning Document.

4.3.3 Part (1)(b) of the above policy refers to **Appendix 4** of this document. This sets out guidance on best practice for pre-application community engagement and the submission of planning applications.

4.3.4 Part 2 of the above policy seeks to address the issues identified earlier in this document surrounding the effectiveness of housing land releases in better meeting the strategic objectives of the Regional Spatial Strategy. Occupancy controls will be secured by means of a planning obligation. Conveniently, detailed arrangements for such controls are already identified in Appendices 3 and 4 of the Council's adopted 'Local Choice' Supplementary Planning Document. Further advice is also contained in section 7.4.

## 5 Addressing Rural Housing Needs

---

### 5.1 Introduction

5.1.1 Stratford-on-Avon District has a distinctly rural character. In fact:

- 80% of the population live outside the Main Town, (that is to say, Stratford-upon-Avon) defined in the Local Plan Review.
- Nearly 45% of the population live in parishes with a population of fewer than 3000.

5.1.2 The lack of affordable housing often features as a major concern amongst our communities. There is a particular concern about the increasing inability of younger households to buy a home of their own in the town or village where they were born or brought up. The lack of affordable homes has adverse consequences for the local-term sustainability of rural communities.

5.1.3 As noted at paragraph 2.3.2 above, the findings of the Joint Housing Assessment for South Warwickshire 2006 indicate that nearly 80% of the total level of net unmet housing need is located outside the Main Town (Stratford-upon-Avon). This is strikingly proportionate to the population structure described above. But, as indicated at paragraph 2.7.6 above, this is not well reflected in the actual distribution by location of new affordable homes.

5.1.4 In recognition of the above issues, the Local Plan Review already provides a special policy framework to help rural communities identify and meet their housing needs:

1. Policy **COM.1** provides the framework to promote the development of 'Local Choice' housing schemes within market towns and larger villages.
2. Policy **CTY.5** provides a framework to promote wholly affordable 'exception' schemes in smaller villages.

The District Council is keen to promote these initiatives, and further advice to this effect is included below.

### 5.2 The role of the Rural Housing Enabler

5.2.1 A Rural Housing Enabler is employed by Warwickshire Rural Community Council (a voluntary sector body) with financial support from the District Council. The Rural Housing Enabler can assist rural communities themselves to:

- Assess the scale and nature of local housing needs, in order to inform the preparation of Parish Plans (or equivalent), and;
- Address those needs by identifying suitable sites for development.

5.2.2 Contact details for the Rural Housing Enabler are included at **Appendix 5**.

### 5.3 Parish Plans (or equivalent) and local housing needs surveys

5.3.1 The important role of Parish Plans (or equivalent) is explained in Section 4.2. Housing needs – and the identification of solutions to such needs - can feature prominently in such Plans. However it is important that their preparation is informed by a reliable evidence base, and that such Plans are reviewed and where necessary updated to reflect new information.

**5.3.2 Local Housing needs surveys have a critical role to play in confirming whether or not unmet housing needs exist within a particular town, village or parish. However it is important that the methodology used for such surveys is robust. It is therefore recommended that:**

- 1. The advice of the Rural Housing Enabler is sought on the appropriateness and robustness of the proposed survey methodology, prior to the commencement of any such survey.**
- 2. A local housing needs survey is undertaken wherever possible before finalising any action plan, policies or recommendations in a Parish/Town Plan.**

**5.3.3 There is an expectation that rural housing schemes will be brought forward through the Parish Plans process, including associated local housing needs surveys. In limited circumstances it may be appropriate for prospective developers to initiate local housing needs surveys. This will only be appropriate in situations where either:**

- An adopted Parish Plan (or equivalent) is not in place and there is no firm commitment on the part of the local community concerned to prepare such a plan within a reasonable timescale.**

**Or**

- A Parish Plan (or equivalent) has been adopted, but has not been reviewed within 5 years since the date of adoption and where there is no firm commitment from the local community to undertake such a review within a reasonable timescale.**

**Nevertheless in order for such surveys to have credibility and carry weight it is essential that the local community should be consulted on the justification and methodology used for the survey, and on a draft of the survey questionnaire.**

#### **5.4 'Local Choice' schemes**

5.4.1 The 'Local Choice' initiative provides the opportunity to meet identified local housing needs in the Main Rural Centres and Local Centre Villages. This can apply in respect of both affordable and market housing.

5.4.2 One of the key attractions of the 'Local Choice' initiative is that it allows and encourages local communities themselves to respond to the growth and other needs of their own populations. As noted in Section 3.3.7, the Council has recently reviewed and adopted a Supplementary Planning Document on the operation of the 'Local Choice' initiative. It includes guidance on:

1. The benefits and responsibilities of addressing housing needs through the Parish Plan process.
2. The issues that will be taken into account when assessing proposals.
3. Other issues associated with the implementation of the 'Local Choice' initiative.
4. Local occupancy controls and model definitions of 'local connection'.
5. Model sales procedures for local market properties.
6. Criteria for assessing self-help housing schemes (single dwellings on family-owned land and self-build housing).

5.4.3 Particular attention is drawn to the scope for households to pursue "self-help" housing solutions. (Further guidance is available in Appendix 5 of the Local Choice SPD.)

## 5.5 Rural 'exception' schemes

- 5.5.1 Whilst the 'Local Choice' initiative generally applies to the District's market towns and larger villages, there is also scope for the development of rural 'exception' schemes in smaller villages, in accordance with Policy **CTY.5**. Full details of this initiative and the qualifying criteria for schemes are set out in the Policy itself and its supporting text. Local communities are strongly encouraged to bring forward suitable schemes.

## 6 Maximising the Supply of Affordable Housing

---

### 6.1 Introduction

- 6.1.1 PPS3 advocates that local authorities should take a much stronger strategic lead in the delivery of new housing. Whilst there is currently an over-supply of open market housing relative to strategic requirements, paradoxically the Joint Housing Assessment for South Warwickshire 2006 has demonstrated a substantial shortfall in the supply of affordable homes.
- 6.1.2 Central to the effective delivery of housing which responds to identified local needs is, therefore, the creation of a policy framework that maximises the yield of affordable housing. In this respect it is notable that the Housing Inspection Report specifically recommended (R1) that the District Council should review its planning policies to ensure they reflect the need to maximise the supply of affordable housing in line with needs information.

### 6.2 New target for provision of affordable homes

- 6.2.1 One of the priorities in the Council's Corporate Strategy is to make more housing available at a price local people can afford. A particular outcome which is sought is to deliver more affordable housing in the rural areas. The Strategy sets a target to provide 472 additional affordable homes between 2008-2012
- 6.2.2 For information, scope for a 100% yield has also been considered. However, in reality, even if this could be achieved:
- Supply would still fall well short of the level required to satisfy the level of need described at paragraph 2.3.1 above (954 dwellings per annum).
  - It does not necessarily follow that provision should only take the form of new build, although the estimates do take account of estimated supply from re-lets/re-sales of existing affordable homes.
  - It is also the case that a 100% yield of affordable housing may not be desirable on financial and social grounds, and may not reflect the scope for local market housing under the Local Choice initiative.
- 6.2.3 It is therefore considered appropriate to promote policies in this Section which seek to:
1. Provide incentives for the provision of more affordable homes.
  2. Introduce measures to specify the yield of affordable homes which will be secured from sites to which Policy **COM.13** applies.
  3. Clarify the scope of the above policy, to ensure that the yield of affordable homes is maximised.

6.2.4 Complementary measures are also included in order to:

1. Clarify the circumstances in which the District Council may be prepared to use its powers of compulsory purchase to facilitate the delivery of housing schemes within the framework of the Local Plan Review.
2. Ensure that the expansion of higher/further education is complemented by provision of adequate student accommodation.

### **6.3 Increasing the yield of affordable housing**

6.3.1 Policy **COM.13** seeks to maximise the proportion of affordable housing as a proportion of overall housing supply. Key Principle **MHN3** below seeks to give further effect of this principle by adopting a fresh approach towards determining the proportion of affordable housing sought from sites to which Policy COM.13 applies.

#### **6.3.2 MHN2: Provision of Affordable Housing in Accordance with Policy COM.13**

**The minimum of 35% on-site affordable housing provision will be sought from every site to which Policy COM.13 applies, subject to the application of Key Principles MHN9 (funding of affordable housing) and MHN10 (order of preference for location of affordable housing).**

**If, exceptionally, such provision is to take place off-site the ‘parity rule’ will apply, in accordance with Key Principle MHN10 (tests of acceptability for off-site provision of affordable housing).**

**The proportion of affordable housing will be calculated by reference to the total residential floor area of the proposed development.**

6.3.3 Key principle **KP3** of the former Supplementary Planning Guidance required the provision of a minimum of 35% affordable housing from sites to which Policy **COM.13** applies. In reviewing this approach in the light of the latest evidence of housing need the Council has considered the following options:

1. Setting a higher *fixed percentage*, applicable on all sites, or
2. Retaining the existing fixed percentage, applicable on all sites
3. Provide for a variable percentage, based on the maximum attainable percentage of the economic “carrying capacity” of each site.

Having regard to the representations received in respect of the Draft SPD the Council resolved to retain the fixed percentage approach, which provides clarity and certainty for all concerned. The Council’s Executive resolved to retain the percentage at 35%, but indicated that this should be reviewed through the Local Development Framework - Core Strategy.

6.3.4 To achieve balanced communities a Local Lettings Scheme will be required for each site. This will be secured by the terms of the required planning obligation.

6.3.5 Key Principle **MHN8** (funding of affordable housing) in Section 8 closely complements the operation of the above policy. It establishes a “cascade” of funding expectations and establishes a requirement to produce a financial appraisal and residual land value calculation to enable the financial “carrying capacity” of each site to be objectively determined.

6.3.6 In order to further the objective of Policy **COM.13** to maximise the supply of affordable homes, Key Principle **MHN3** below is introduced. It seeks to remove any doubt about the scope of Policy **COM.13**: which is intended to apply to all proposals involving residential development over the relevant site size thresholds.

### 6.3.7 MHN3: Scope and Interpretation of Policy COM.13

**For the purposes of interpreting and applying the provisions of Policy COM.13, and for the avoidance of doubt, the requirements of that Policy will be deemed to apply to all proposals for residential development, including in particular those taking the form of:**

- (1) Sheltered or 'extra care' housing schemes for the elderly (or comparable schemes), where the development includes units of self-contained accommodation.**
- (2) 'Live-work' (or comparable) accommodation, where there is a connection between the use or occupancy of residential and business premises comprised within a scheme.**

6.3.8 For the further avoidance of doubt, the above policy is not intended to apply to schemes falling below the current minimum size thresholds set out in Policy **COM.13**. As previously indicated, those thresholds will be reviewed separately.

6.3.9 Criterion 1 will not be applied to those uses which clearly fall within Class C2 of the Use Classes Order, such as residential care homes. There are other forms of development however such as 'extra care' housing where the distinction between Class C2 and Class C3 use is less clear. In those cases where the accommodation provided is clearly self contained, then the provisions of Policy **COM.13** will apply. When calculating the floor area of a development in order to determine the affordable housing requirement only the units of self contained accommodation will be included in the calculation. All communal areas such as communal dining rooms, residents lounges, and medical areas will be excluded.

6.3.10 Criterion 2 should not apply if the residential element is clearly ancillary to the business use, as Policy **COM.13** relates only to residential uses.

6.3.11 Proposals for the establishment or expansion of higher education establishments are normally welcome. However in accordance with the principles of the above policies, where such proposals are likely to result in an increase in the number of residential students, it is important that the impact of the increase in such numbers on the local housing market should be considered and, where appropriate, mitigated through the addition of additional student residential accommodation. Key Principle **MHN5** below therefore provides a specific framework to give effect to this principle.

### 6.3.12 MHN4: Colleges – Student Accommodation

**Proposals for the establishment or expansion of further or higher education establishments that are likely to result in increased numbers of residential students will only be favourably considered if accompanied by:**

- (1) An assessment of the impact of the increased number of students on the local housing market and;**
- (2) Where appropriate, proposals for the provision of additional student residential accommodation.**

6.3.13 Another way in which the District Council can take a more active approach to the delivery of new housing, as advocated in PPS3, is to facilitate the acquisition of suitable sites. The normal expectation is that sites will be secured by voluntary agreement between a landowner and developer. However, if need be, the District Council does have powers of compulsory purchase that could be used to expedite delivery of sites. It is therefore appropriate for this SPD to include a Key Principle outlining the circumstances under which it may be prepared to exercise those powers.

### 6.3.14 MHN5: Use of Compulsory Purchase Powers

Where the purchase of land is required to facilitate the delivery of new housing and associated infrastructure in accordance with the provisions of the Local Plan Review and/or Local Development Framework, the District Council will apply the following criteria if the question of the possible need to use its compulsory purchase powers should arise:

- (1) There is a general presumption that the land required for development will normally be secured through voluntary agreement between the owner(s) and interested parties concerned.
- (2) If:
  - (a) Agreement cannot be reached on terms which would ensure the successful and timely delivery of housing schemes to meet identified local needs in accordance with the provisions of the Local Plan Review and/or Local Development Framework and this Supplementary Planning Document and/or;
  - (b) Complex land assembly and ownership issues arise that are likely to delay the timely delivery of housing schemes to meet identified local needs in accordance with the provisions of the Local Plan Review and/or Local Development Framework and this Supplementary Planning Document;

then the District Council will be prepared to consider exercising its powers of compulsory purchase under Parts II and XVII of the Housing Act 1985 and/or Part IX of the Town and Country Planning Act 1990 (as amended).

- 6.3.15 It is stressed that the District Council only anticipates using its powers in exceptional circumstances, where either previous attempts to secure voluntary agreement have failed and/or complex land assembly/ownership issues have arisen that might otherwise cause undue delay in the delivery of sites. The approach set out in **MHN5** is consistent with the Council's adopted *Local Choice Supplementary Planning Document*. Key principle **MHN5** rolls out this approach to cover all types of housing scheme, including those on allocated and 'windfall' sites and rural 'exception' schemes.

# Part 3 - Effective Delivery and Implementation

Part 3 of this Document contains a range of measures intended to secure the more effective delivery and implementation of housing proposals. Key Principles are therefore included covering the definition, funding, optimum tenure and location for affordable housing. These measures are complemented by a Key Principle setting out a series of tests for, in exceptional circumstances, the provision of affordable housing off-site.

## 7 Affordable Housing: Definition and Standards

---

### 7 Definition

7.1.1 Key Principle **MHN6** below defines 'affordable housing' in a local context, and accords with the advice in PPS3<sup>4</sup>.

#### 7.1.2 **MHN6: Affordable Housing: Definition**

**Proposals for the provision of affordable housing within the framework of Policy COM.13 will only be considered acceptable where:**

- (1) The proposals satisfy the definition of affordable housing contained in Annex B of PPS3: Housing. In practice, this is interpreted to mean that such housing is likely to be either:**
  - (i) Housing for social rent, or**
  - (ii) Housing for sale under a shared ownership lease (whether or not marketed as a New Build Homebuy product).**
- (2) The maximum costs to occupiers would be:**
  - (i) Housing for social rent: the rents charged must not exceed the maximum allowable cost calculated in accordance with the Target Rent Regime.**
  - (ii) Housing for sale: maximum cost to the purchaser to be 3.5 times average annual household income for a single earner household or 2.9 times the annual household income for dual income households for the District.**
- (3) The affordable housing is retained in perpetuity as part of the District's affordable housing stock, unless justified by legislation or national policy e.g PPS3.**

### 7.2 Standards

7.2.1 In the case of development involving affordable housing, the Council will require appropriate mechanisms to be put in place to ensure that the requirements of part 3 of Policy **COM.13** (timing of delivery, terms, occupancy, management etc.) can be met. These criteria, and the explanatory text to the Policy, also establish a clear expectation of the involvement of the Council's partner housing associations (listed in **Appendix 5**) in the delivery of the affordable housing generated by that Policy. The reason for this is to:

- Provide a greater degree of assurance to the Council and the communities it represents regarding the delivery and quality of new affordable homes.
- Provides certain operational and practical advantages, strengthening the prospects for efficient and effective delivery.

<sup>4</sup> See Annex B of PPS3 and Annex B of Delivering Affordable Housing

- 7.2.2 Recent legislation has enabled unregistered bodies as well as Registered Social Landlords to bid for and receive Social Housing Grant to develop affordable homes. This is intended to widen choice and competition amongst providers, strengthening the drive for innovation and value for money. Complementing this measure, the Government has also issued guidance stating that it does not want local authorities to adopt restrictive practices which could preclude innovation and competition between potential affordable housing providers. But it has also made clear that good practice in matters such as management and ownership should be assured<sup>1</sup>. It is therefore necessary to review the Council's existing practice and policies in this area.
- 7.2.3 The Council still considers that there are advantages to be gained in working with its partner housing associations. However to reflect the spirit of the legislative and policy changes described above, it wishes to create a 'level playing field' amongst all potential affordable housing providers, whilst at the same time assuring the sustainability of development. This Section therefore sets out proposals that would give effect to this new approach. It is aimed at widening the choice of affordable housing providers, whilst ensuring quality provision.
- 7.2.4 To the above end Key Principle **MHN7** defines a set of quality benchmarks. These define minimum standards relating to the development, management and occupancy that all new affordable housing will be required to meet, irrespective of provider or funding sources.

#### **7.2.5 MHN7: Affordable Housing Quality Benchmarks**

**In interpreting and applying part 3 of Policy COM.13, all affordable housing will be required to meet or exceed the minimum quality benchmarks set out below. These benchmarks apply to all affordable housing, irrespective of provider or whether or not public subsidy is available.**

**Appropriate documentary evidence should be produced at pre-application stage to demonstrate the reasonable likelihood of each of the benchmarks being satisfied.**

**Compliance with these benchmarks will be secured by means of a planning obligation entered into prior to the grant of planning permission.**

**(1) Benchmark 1: Development standards.**

**All units of accommodation must be designed and built to comply with other policies in this Supplementary Planning Document and all relevant standards contained in:**

- **Housing Quality Indicators**
- **The Housing Corporation's Design and Quality Standards**

**Development processes must be compatible with the Council's housing enabling programme.**

**(2) Benchmark 2: Management standards.**

**Management arrangements for all units of accommodation must be responsive, locally accountable and comply with all relevant standards and recommendations contained in published:**

- **Audit Commission standards**
- **Housing Corporation assessment criteria.**

---

<sup>1</sup>See paragraphs 48-50, *Delivering Affordable Housing (companion document to PPS3)*.

**(3) Benchmark 3: Delivery and allocation arrangements.**

All units of accommodation must be:

- Completed and, where applicable, transferred to a body whose ability to meet the quality benchmarks set out in this Key Principle has been demonstrated.
- Allocated only to tenants or purchasers who are applicants on the Council's housing register and in accordance with the Council's current policies.

**(4) Benchmark 4: Monitoring and evaluation arrangements.**

There must be mechanisms for:

- Monitoring of compliance with the requirements of the relevant planning obligation.
- The evaluation of the quality and effectiveness of completed schemes, and the sharing of results with partners.
- The monitoring of levels of satisfaction of tenants/purchasers and the host community for a period of one year from the completion of the development.

**7.3 Role of partner housing associations in delivery**

7.3.1 In the case of 'developer-led' sites, and in accordance with the 'level playing field' approach explained in this Section, there is no compulsion to work with any specified housing association - provided, of course, all the Quality Benchmarks set out in Key Principle **MHN7** can be met. However there may be considerable practical and financial advantages in doing so.

7.3.2 To facilitate and promote the development of affordable housing and ensure the efficient management of its housing development programme, the District Council has established the Stratford-on-Avon Housing Partnership. At the time of writing, the Partnership comprised those five preferred development partners listed in **Appendix 5**.

**7.4 Provisions in planning obligations**

7.4.1 Experience has shown that the most effective and efficient means of securing delivery of affordable housing is through the completion of a planning obligation.

7.4.2 In order to improve its performance and standards of service, the Council has radically overhauled its procedures for the preparation of planning obligations. A suite of standard clauses for use in most common scenarios encountered in such obligations has been prepared. It is expected that such clauses will be incorporated in a draft obligation, to be tabled before or when a planning application is submitted.

**7.4.3 Prospective applicants should contact the Council's Planning Service at an early stage before submitting an application to discuss and agree requirements for inclusion in a draft obligation. A draft obligation will then be prepared by the Council's Legal Service.**

Please note that prospective applicants will need to provide an undertaking to meet the Council's reasonable legal costs before work on drafting an obligation can commence.

7.4.4 Further information on the scenarios most commonly encountered in relation to affordable housing provision and associated heads of terms is available to view/download from the Council's website

## 8 Funding and Location of Affordable Housing

---

### 8.1 Introduction

8.1.1 PPS3 stresses the importance local authorities should place on managing the delivery of key housing policy objectives. Fundamental to this is an understanding of the main factors most likely to influence delivery, namely:

1. Land.
2. Finance.
3. Labour.
4. Materials.
5. Infrastructure.

8.1.2 Items 3 and 4 above are less susceptible to influence by this Supplementary Planning Document and item 5 is beyond its scope, although the ready availability of all these “ingredients” is obviously critical to delivery. Items 1 and 2 are considered in more detail below.

### 8.2 Land

8.2.1 The District has a comparatively low population density and there is no evidence to suggest that there is, in absolute terms, a shortage of land suitable for housing and associated infrastructure, relative to strategic requirements. Indeed PPS3 and the Housing Green Paper look to local authorities to maintain a healthy housing land supply. Nevertheless the Regional Spatial Strategy foresees long-term restraints on the release of land for housing in this District in order to achieve its Urban Renaissance objectives.

8.2.2 For the above reasons it is important to adopt a smarter, more discerning, approach to the release of housing land: one which both maintains a healthy housing land supply whilst at the same time effectively focuses on provision to meet local needs and avoids fuelling in-migration. In practice, this can be achieved in the following ways:

1. Increasing affordable housing as a proportion of total supply: hence the fresh approach adopted in Key Principle **MHN2** above.
2. Promoting the development of ‘Local Choice’ and rural ‘exception’ schemes in locations outside the Main Town (Stratford-upon-Avon): see Section 5 above.

### 8.3 Funding affordable housing

8.3.1 Market housing is, by definition, self-financing. Affordable housing, on the other hand, normally requires an element of subsidy. Traditionally this has generally taken the form of subsidy from public funds, such as Social Housing Grant.

8.3.2 However it is now increasingly important to ensure that the most effective use of public funds is made. Put simply, this involves achieving best value in the use of public funds by targeting subsidy only on those projects that need it and avoiding the deployment of funds to schemes that do not. This reflects the Gershon agenda<sup>1</sup> in relation to public-sector procurement and the recommendations of the Housing Inspection Report. Reducing land costs through planning policy mechanisms offers considerable scope for recycling value to produce additional affordable homes.

---

<sup>1</sup>*Independent Review of Public Sector Efficiency. Report of Sir Peter Gershon. July 2004*

8.3.3 The Housing Inspection Report cited the District Council's approach towards the provision of affordable housing with less reliance on public subsidy as an example of good practice, and specifically referred to the previous Supplementary Planning Guidance. Key Principle **MHN8** below seeks to develop and refine the approach in the previous SPG (KP4) on this topic by:

1. Confirming the existing expectation that provision of affordable housing should, in the first instance, always take place without public subsidy through reduced land values.
2. Setting out a clear sequence of funding expectations, particularly in the event that an element of subsidy is still required despite cross-subsidy from reduced land values.

#### **8.3.4 MHN8: Funding of Affordable Housing**

**To ensure the most efficient and effective use of public funds in delivering affordable housing schemes:**

**(1) The following sequence of funding expectations will be applied when negotiating the provision of affordable housing:**

- (i) Firstly, the District Council will normally expect the provision of affordable housing in accordance with the policies of this Supplementary Planning Document to take place without public subsidy through discounted land values.**
- (ii) Secondly, if it is not possible to deliver the required element of affordable through discounted land values alone, then the balance of any funding requirements should be met by way of internal cross-subsidy generated from profits from the sale of market housing on the same site.**
- (iii) Finally, if a funding gap still exists despite reduced land values and internal cross-subsidy, then the District Council will consider a reduction in the overall proportion of affordable housing sufficient to close the funding gap, and/or the deployment of public funds to make the development viable.**

**(2) A financial appraisal and residual land value calculation (or series of such calculations) will be required to be submitted with any planning application where the level of affordable housing proposed is below the minimum proportion set out in Key Principle MHN2.**

**(3) In all cases, a planning obligation will be required which:**

- (a) Secures the delivery of the completed affordable homes.**
- (b) If the scenarios at (1)(ii) or (iii) above apply, secures the payment of the necessary level of internal cross-subsidy to enable the affordable housing to be built.**
- (c) Secures a contribution towards the Council's reasonable costs in preparing and monitoring the obligation.**

8.3.5 **MHN8** Part (1) seeks to embed good practice by ensuring that subsidy, where required, is provided in the following sequence:

1. Reduced land values. Followed by:
2. Cross-subsidy, generated by profits from the sale of market housing. Followed by:
3. Public subsidy, in the form of grant funding.

- 8.3.6 In relation to affordable housing, historically the majority of public subsidy has taken the form of Social Housing Grant. Essentially, this is intended to bridge the shortfall (if any) between the total costs of any given scheme and the revenues generated from rental and sales streams plus reserves, if available. In the case of rented housing, income from the rental stream will be used to service mortgages or loans; in the case of housing for sale, sales income streams will normally be funded by mortgages arranged privately by purchasers.
- 8.3.7 The Housing Corporation has an established policy of not providing grant funding for affordable housing on 'developer-led' sites, unless additional affordable housing outcomes are to be provided over and above those which can be provided by developer contributions alone: see para 181 of the National Affordable Housing Programme 2008-11 Prospectus
- 8.3.8 Therefore in areas of high property prices and high land values, such as Stratford-on-Avon District, the current approach, now refined in Key Principle **MHN8** above, is considered entirely logical and feasible.
- 8.3.9 **MHN8** Part (2) should also be read in conjunction with Key Principle **MHN2** (Provision of Affordable Housing in Accordance with Policy **COM.13**). The overall effect of both policies should be to attenuate land values sufficiently in most cases to make the provision of affordable housing viable without public subsidy.
- 8.3.10 Using planning policy tools in this way to attenuate land values should be of particular benefit to house-builders as it will enable them to acquire land more cheaply yet provide more affordable housing without compromising either the quality or financial viability of development schemes.

**8.3.11 When negotiating option or purchase agreements to acquire land for residential development, it is essential that house-builders ensure that the terms of such agreements provide for the cost of providing any form of subsidy, and indeed the costs of all other planning obligations, to be fully deductible from the price to be paid for the land.**

**8.3.12 It is therefore very important, and in the best interests of prospective developers, to approach the Council and its partner housing associations at the earliest opportunity to discuss the likely viability of development on any given site. Such approaches should be made at pre-application stage, and will be treated in strictest confidence.**

- 8.3.13 Prospective developers are encouraged to follow the guidelines in **Appendix 6** when undertaking financial appraisals, applying the residual land value methodology and, if necessary, determining the scope and requirement for internal cross-subsidy from the sale of market dwellings.
- 8.3.14 Generally, the Council will not be prepared to provide capital subsidy nor support bids by the developer of the affordable housing to the Housing Corporation for Social Housing Grant in cases where the affordable housing developer has paid, or expects to pay, an amount greater than the existing use value of the land for each affordable housing plot.
- 8.3.15 **MHN8** Part (3) confirms the need for a planning obligation to secure both the required proportion of affordable housing itself and, where necessary, payment of a financial contribution representing the level of cross-subsidy needed for that purpose. It also provides a mechanism to secure a payment representing the Council's costs in preparing the legal agreement and in monitoring its subsequent implementation

## **8.4 Location of affordable housing**

8.4.1 Policy COM.13 establishes a clear expectation that affordable housing provision should ordinarily occur on site. Key Principle **MHN9** below is primarily concerned with defining a locational and delivery “cascade” for affordable housing provision.

8.4.2 The location of affordable housing *within* sites is addressed in Section 9.

### **8.4.3 MHN9: Order of Preference for Location of Affordable Housing**

**The order of preference in terms of location of affordable housing provision is as follows:**

- (1) On-site**
- (2) Exceptionally, part on-site provision and part off-site and/or commuted payment.**
- (3) Exceptionally, off-site in the form of:**
  - (i) Provision by applicant**
  - (ii) Commuted payment**
  - (iii) Transfer of land.**

**There is a presumption that if a site is suitable for housing development it will also be suitable to provide affordable housing on site. In accordance with paragraph 6.11.8 of the LPR the presumption will be, therefore, that provision of affordable housing should be made on the development site itself. It would only be in the very exceptional circumstances where all the tests set out in Key Principle MHN10 below are met that an alternative to on-site provision will be considered acceptable.**

**8.4.4 Exceptionally, where a developer feels that there are good reasons to deliver affordable housing off-site this will need to be demonstrated to the Council at pre-application stage. Details of the following should be submitted:**

- 1. The proposed development itself.**
- 2. A reasoned justification for not making provision on-site.**
- 3. Proposals for an alternative form of provision, together with an assessment of the prospects for delivery of that alternative.**

8.4.5 Key Principle **MHN10** below identifies five tests against which, exceptionally, the justification for off-site provision can be considered.

### **8.4.6 MHN10: Tests of Acceptability for Off-site Provision of Affordable Housing**

**Alternative arrangements – in lieu of on-site provision – in accordance with the sequence set out in Key Principle MHN9 will only be favourably considered where ALL of the following tests are met:**

- (1) The applicant and the District Council have both agreed at pre-application stage that there is an exceptional and positive justification for the alternative of off-site provision.**
- (2) Agreement has been reached at pre-application stage on the quantity, type and size of affordable housing which would otherwise have been provided on-site.**
- (3) The alternative form of provision would be equivalent or better in all respects to the affordable housing, were this to have been provided on-site. In particular, the overall quantity of provision should be calculated using the ‘parity rule’.**

**(4) The Council is satisfied at pre-application stage that there is a firm prospect of securing the alternative form of provision.**

**(5) In the case of a financial contribution, a payment calculated on the basis set out in Appendix 8 of this Supplementary Planning Document is made prior to the commencement of development.**

8.4.7 Part (5) of the above policy requires payment of any financial contribution prior to the commencement of development. This is considered justified on the basis that such payments can be deducted from the land value and, in particular, reflects the delays and uncertainties associated with purchases of existing dwellings on the open market.

8.4.8 An explanation of the Council's methodology for calculating an appropriate financial contribution can be found at **Appendix 7**.

**8.4.9 Any planning obligation containing provisions to secure a financial contribution towards off-site affordable housing will include provisions:**

- **Stating that monies received must be used for the purposes of affordable housing provision within Stratford-on-Avon District within a period of seven years from the date of receipt.**
- **If not so applied within this period, the contribution (or any unexpended portion thereof) shall be repayable on demand.**
- **Provide for the required contribution to be index-linked to movements in average property prices if not paid within six months of the date of the obligation: see Section 9 of Appendix 8.**

## **8.5 Implementation and evaluation**

8.5.1 The District Council will monitor the implementation of the affordable housing secured through the planning policy framework described in this Document. Where appropriate, findings will be reported through the Annual Monitoring Report. This will enable the effectiveness and continuing relevance of those policies to be assessed. It is also arguably of even greater importance that the practical outcomes of schemes are monitored.

**8.5.2 Current evaluation criteria for completed schemes are posted on the Council's website. It may be helpful for all interested parties to bear those criteria in mind at the inception of development projects.**

# Part 4 - Improving Sustainability

## 9 Creating Balanced Communities

---

### 9.1 Introduction

- 9.1.1 One aspect of securing the successful, sustainable, development of new homes and hence balanced, stable, communities is to ensure an optimum balance in the profile of new housing stock in terms of the type and size of homes built. Policy **COM.14** provides a policy framework to do so. It applies equally to affordable and open market housing. The policies in this Section are intended to clarify, interpret and apply that Policy, as well as Policies **COM.13** and **COM.15**, particularly in the light of the findings of the Joint Housing Assessment for South Warwickshire 2006.

### 9.2 Market housing: optimum stock mix and integration

- 9.2.1 Key Principle **MHN11** below identifies considerations and policy principles to assist in clarifying and interpreting Policy **COM.14**. It aims to ensure that the flexibility and versatility of new market housing is maximised.

#### 9.2.2 MHN11: Market Housing: Optimum Stock Mix and Integration

**When considering the appropriateness and acceptability of the range and mix of dwelling sizes and types proposed in any scheme to which Policy COM.14 applies, the following considerations and policy principles will be taken into account:**

- (1) **Consideration: The importance of ensuring flexibility and versatility is built into new housing stock by virtue of a balance of dwelling types and sizes.**

**Policy principles:**

- (a) **In the case of market housing, dwellings should normally be provided broadly in the following proportions:**
- **75% two and three bedroom dwellings ( of which a maximum of 25% of overall market stock may be flats)**
  - **25% all other dwelling sizes**
- (b) **In the case of market housing, part (1) of Key Principle MHN12 (Maximising Flexibility and Sustainability of Homes) applies. In practice this means the provision of sheltered housing schemes without the ability to provide a flexible spectrum of care and support packages will no longer be acceptable.**

- (2) **Consideration: The diversity of dwelling types and sizes may legitimately be influenced by the overall scale of development proposed and the physical characteristics of the site.**

**Policy principles:**

- (a) **Generally, the greater the scale of development, the more opportunity exists for the inclusion of a wider range of dwelling types and sizes.**
- (b) **In the case of smaller sites (above the thresholds to which Policy COM.14 applies but comprising 25 dwellings or fewer) greater flexibility in applying the proportions at (1)(b) above may be applied.**

- (3) **Consideration:** The most appropriate range of dwelling types and sizes should take account of the profile of the housing stock both within the town or village concerned and within the more immediate vicinity, where reliable information exists.

**Policy principles:**

- (a) Proposals which would tend to exacerbate the under supply of two and three bedroom units identified in the Joint Housing Assessment for South Warwickshire 2006 or otherwise accentuate the concentration of a limited range of dwelling types and sizes (especially flats) in a particular area will be considered unacceptable.
- (b) In accordance with consideration (4) below and notwithstanding policy principle (1)(b) above, it may nevertheless be appropriate to weight the stock profile towards larger or smaller homes where this would help remedy an identified imbalance.
- (4) **Consideration:** The range and mix of dwelling types and sizes should reflect recommendations relating to either a town/village overall or a specific site contained in an adopted Town/Parish Plan.

**Policy principles:**

- (a) Particular weight will be attached to recommendations or proposals contained in a Parish/Town Plan where such recommendations or proposals are supported by evidence in the form of a local housing needs survey.
- (5) **Consideration:** The importance of ensuring the physical and social integration of affordable and market housing.

**Policy principles:**

- (a) As a general principle, affordable and market homes must be evenly distributed (or “pepperpotted”) throughout a site, rather than clustered in a single or limited number of locations. In assessing the adequacy of pepper potting in a scheme, any existing development that includes affordable housing will be taken into account.
- (b) Affordable and market housing should be physically and visually indistinguishable. In assessing the likelihood of the effective visual integration between affordable and market housing, account will be also taken of the quality of private and communal external spaces, the provision of garaging and car parking and the relationship of housing to surrounding land uses and views.

9.2.3 **MHN11** strongly encourages the provision of homes comprising two or more bedrooms which reflects the needs identified in the Joint Housing Assessment. Two and three bedroom dwellings provide greater flexibility to cater for changing household needs, and in this sense offer significant advantages over studio and one bedroom accommodation.

9.2.4 In mixed tenure developments, implementation of **MHN11** Part (5) can be achieved by ensuring affordable housing is dispersed evenly as individual dwellings or small clusters throughout a site, rather than concentrated in only one or a limited number of locations.

### **9.3 Flexibility and sustainability of market and affordable housing**

9.3.1 Key Principle **MHN12** below is intended to complement Key Principle **MHN11** (market housing: optimum stock mix and integration) by ensuring that all new homes are designed and built to a standard which enables them to adequately cater for changing household needs in the following respects:

1. Criterion (1) encourages development where (i) that at least 50% of general market and affordable homes are designed and built to satisfy the Joseph Rowntree Foundation's 'Lifetime Homes' standard – a recognised benchmark for accessibility and flexibility – or (ii) it forms part of a purpose-built scheme that enables the delivery of care packages under the 'extra care' model.
2. Criterion (2) is intended to ensure that new homes are designed and built in a way conducive to enabling people to work from home. This should be of particular benefit to household members with a disability. It assists the Council in discharging its Disability Equality Duty.
3. Criterion (3) encourages the provision of housing which is suitable to meet the needs of families with children and recommends minimum private garden areas to ensure new homes are "family friendly". The criterion complements Key Principles **MHN13** which defines an optimum stock mix, and **MHN14** which prescribes minimum internal space standards.

#### **9.3.2 MHN12: Maximising Flexibility and Sustainability of Market and Affordable Housing**

In order to:

- (a) **Maximise the flexibility and sustainability of new homes, and;**
- (b) **Apply the principles of Policy COM.15, and;**
- (c) **Further the discharge of its Disability Equality Duty;**

**The District Council will encourage new housing development to which Policies COM.14 and COM.15 apply (both market and affordable):**

- (1) **That is either:**
  - (a) **Housing, at least 50% of which is designed and built to meet all relevant specifications in the Joseph Rowntree Foundation's 'Lifetime Homes' standard, subject to any exceptions that may be agreed at pre-application stage to be appropriate.**
- Or:**
  - (b) **Forms part of an 'extra care' scheme designed and integrated to facilitate the delivery of flexible care packages for the elderly ranging from assistance with independent living to delivery of skilled nursing care within a single development.**
- (2) **In the case of housing falling within category (1)(a) above is designed and built so as to be reasonably capable of facilitating working from home.**
- (3) **Particular regard will be had to the importance of ensuring that houses are flexible enough to be suitable for occupation by families with children i.e. houses with gardens**

**Table 1 below provides guidance on indicative garden areas for different dwelling types. For the avoidance of doubt these do not apply to flatted development.**

**Table 1: Minimum gardens areas by house type**

<i>House type</i>	<i>Indicative garden area</i>
<b>Two bedroom houses</b>	<b>40 m<sup>2</sup></b>
<b>Three bedroom houses</b>	<b>50 m<sup>2</sup></b>
<b>Four bedroom houses</b>	<b>62 m<sup>2</sup></b>

9.3.3 Key Principle **MHN12** is intended to closely complement Key Principle **MHN11** (concerning optimum stock profile) and it is therefore important that the two policies should be read in conjunction with one another.

9.3.4 Currently, Policy **COM.15** only establishes an expectation that an unspecified “proportion” of dwellings should comply with recognised standards of accessibility. However, particularly in the light of its Disability Equality Duty and the need to make best use of public resources, the District Council will consider extending this requirement to all new homes, in the context of preparation of the Local Development Framework Core Strategy. In the interim, Key Principle **MHN14** seeks to ensure that at least 50% of new general housing satisfies the ‘Lifetime Homes’ standard. This is considered justified given the new legal duty on the Council.

9.3.5 Criterion (1) of Key Principle **MHN12** also seeks to promote a fundamental change to previous models of housing provision, especially for households with elderly or disabled members. It is intended to promote the principle that, in future, all housing should be designed and built in a way which makes it accessible to all sections of the population. Widespread adoption of the ‘Lifetime Homes’ standard should help reduce calls on public resources: both in terms of the need for costly retrospective adaptations; and in terms of the need for places in scarce specialised housing schemes, as people will be able to continue living in their existing homes for longer.

9.3.6 Another implication of criterion (1) above is that the provision of sheltered housing without the flexibility to ‘add in’ care packages along the principle of ‘extra care’ or comparable models may no longer be appropriate.

9.3.7 Very often it will be the case that criterion (2) of **MHN13** can be satisfied by providing a study or workspace or, at the very least, a spare bedroom, that can be used to enable people to work from home. The benefits of this approach include scope for reducing the demand for travel arising from regular commuter journeys. By applying this requirement to all new general housing (affordable and market) there is scope for reducing poverty and social exclusion by encouraging enterprise and enabling people to work from home on the same terms, irrespective of tenure.

9.3.8 A schedule of actual private garden areas for each plot should be submitted with planning applications, in order to demonstrate how criterion (3) of **MHN13** has been addressed.

#### **9.4 Optimum stock profile for affordable housing**

9.4.1 Key Principle **MHN13** optimises the profile of new affordable homes in terms of their tenure, type and size.

#### 9.4.2 MHN13: Affordable Housing: Optimum Stock Profile

The District Council will normally expect the tenure, type and size of affordable housing to be provided in accordance with the proportions set out in Table 2 below.

Table 2: Optimum affordable housing mix by tenure and dwelling size

Tenure:	Rent	Sale	Total
Overall percentage:	75% minimum	25% maximum	100%
Property type/size			
2 bed (3 or 4 person) flat	25% maximum (19% overall)	25% maximum (6% overall)	25% maximum
2 bed (3 or 4 person) houses	25% minimum (19% overall)	25% minimum (6% overall)	25% minimum
3 bed (5 or 6 person) houses	30% (22% overall)	40% (10% overall)	32%
4 bed (6,7 or 8 person) houses	20% (15% overall)	10% (3% overall)	18%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Subject to (3) below, there is an expectation that all such provision will be for general needs housing.

The District Council will be prepared to consider the case for varying the optimum stock profile set out in Table 2 above in particular cases where:

- (1) Data from the Council's housing waiting list suggests a significantly different stock profile would be more appropriate locally.
- (2) A specific alternative stock profile is recommended or proposed in an adopted Parish/Town Plan or development Brief.
- (3) A need for supported housing has been identified in relation to a specific site via the Significant Allocations Local Development Document.

9.4.3 The percentages in Table 2 above may not always sum due to rounding. Outputs will be rounded up or down to the nearest whole dwelling where appropriate.

**9.4.4 The information contained in Table 2 above could usefully form the basis of an initial development appraisal, unless and until discussions with the Council and its partner housing associations indicate that an alternative stock profile would be more appropriate in any particular case.**

9.4.5 The above mix, in terms of size, allows for a degree of under-occupancy relative to the current profile of housing waiting list applicant households, and reflects the situation prevailing with owner-occupied housing. This is considered necessary in order to provide flexibility when casual vacancies in the stock occur and help redress an imbalance in the size profile of the District's existing stock of affordable housing. In particular, it reduces the risk of families becoming trapped in accommodation too small for their needs on account of their inability either to buy a larger home on the open market or transfer to another larger housing association property; thus resulting in a 'silting up' of the District's stock of smaller affordable homes.

**9.4.6 Specific proposals for the stock profile on individual sites should be discussed and agreed between the prospective developer, affordable housing provider and the District Council at pre-application stage. In so doing, regard will be had to:**

- 1. The profile of the existing affordable housing stock (if any) in the locality, particularly with a view to exploring the opportunity to rectify any deficiencies or imbalances.**
- 2. The broad balance of provision within the Council's housing enabling programme from year to year in terms of stock profile (location, size, type and tenure).**
- 3. Information about local demand (including the results of any recent community led housing needs survey) and market conditions for any given stock profile in the locality.**
- 4. Information concerning the anticipated total housing costs to tenants or purchasers of the homes in question, indicating whether such costs are likely to be genuinely affordable to the anticipated profile of tenants/purchasers.**
- 5. The relationship of the site to employment opportunities, transport links, social and community facilities etc. The availability of employment opportunities also extends to the ability to work from home. Of course, in almost all cases exactly the same considerations will apply in relation to market housing.**
- 6. Physical design considerations, such as adjacent uses, local character and the landform of the locality.**

## **9.5 Supported housing**

9.5.1 The greatest identified need in terms of affordable housing is for general needs housing, simply because of the acute problems of affordability discussed in Section 2. However a need for some supported housing has been identified<sup>1</sup>. Consequently the following key priorities have been confirmed by the Council's Housing Advisory Panel (June 2007):

- Provision of a small-scale (approximately 6-8 unit) transitional scheme for single homeless people.
- Provision of a small-scale (approximately 5 unit) scheme for young vulnerable people, aged 16-25.

It is also possible that other specific groups with supported housing needs could be prioritised in the light of ongoing research.

9.5.2 The District Council will therefore seek to identify suitable sites where purpose-built accommodation could be provided to meet the needs of the above groups. The needs of each group are distinct. Each scheme will require a separate location and will not provide just purely residential accommodation but will also need to provide facilities to meet their support needs.

## **9.6 Key worker housing**

9.6.1 The Joint Housing Assessment for South Warwickshire 2006 also examined the issue of key worker housing. Analysis indicates that there are no specific issues relating to this category of need that are particularly distinct from the broader issue of affordability (or lack thereof). Consequently, in a local context, the Council has concluded that no specific policy provision for this category of housing is warranted at the present time.

---

<sup>1</sup>*Multi-agency research co-ordinated by Stratford-on-Avon District Housing Forum, 2005 & 2007.*

## 9.7 Space standards for affordable housing

9.7.1 One determinant of the flexibility of new affordable homes are internal space standards. Provision of adequate space better enables homes to respond to changing household circumstances, thus avoiding pressures to move to larger homes, and is therefore, indirectly, conducive to community stability. For this reason, minimum space standards were first set out in the Stratford-on-Avon Housing Partnership Agreement (2000). Key Principle **MHN14** below addresses this issue by establishing clear expectations for minimum space standards in affordable homes.

### 9.7.2 MHN14: Minimum Space Standards

**In considering the acceptability of proposals for affordable housing provision within the framework of Policy COM.13, regard will be had to whether the minimum space standards set out in Table 3 below for different unit types are met.**

**Table 3: Minimum space standards for affordable homes**

<i>Unit type</i>	<i>Minimum gross internal floor area (m<sup>2</sup>)</i>
2 bed 3 person bungalow, flat or house	63
2 bed 4 person house	73
3 bed 5 person house	84
3 bed 6 person house	91
4 bed 6 person house	94
4 bed 8 person house	122

**Where the size of any unit of accommodation would fall below the minimum standards set out above, a special and specific justification should be made at pre-application stage.**

9.7.3 It is recognised that housing design usually involves balancing a wide and complex range of competing considerations, some of which can create tensions between one another. It is therefore intended that the above standards should be sensitively rather than slavishly applied.

9.7.4 The above policy ensures the flexibility and “liveability” of new homes, and complements Key Principle **MHN12**: Maximising Flexibility and Sustainability of Market and Affordable Homes.

## 10 Responding to Climate Change

---

### 10.1 Introduction

- 10.1.1 Mitigating the effects of climate change brought about by the impact of global warming is a key planning priority. There are two aspects to this:
1. Introducing measures to reduce the emission of the “greenhouse gases” that are responsible for the phenomenon of global warming.
  2. Encouraging and regulating the use of land and development of buildings in ways that are resilient to the impacts of climate change.
- 10.2.2 Although the issues identified above are equally applicable to all forms of development, there are particular strategic housing reasons for addressing those issues in relation to the housing stock. The first issue above is dealt with in a separate Supplementary Planning Document<sup>1</sup> but also indirectly below in relation to the Code for Sustainable Homes. Guidance on the second issue is dealt with below, but only in relation to housing.

### 10.2 Code for Sustainable Homes

- 10.2.1 One aspect of the Government’s response to the challenge posed by climate change has the publication in December 2006 of the Code for Sustainable Homes (“the Code”). Its aim is to increase the environmental sustainability of homes and give homeowners better information about the running costs of their homes. The Code sets sustainability standards which can be applied to all homes. There are six levels of the Code, ranging from Level 1 (★) to Level 6 (★★★★★): the highest level representing ‘carbon-neutral’ housing.
- 10.2.2 All affordable homes built with public funding from the Housing Corporation from April 2008 onwards are required to meet certain minimum standards including, in particular, achieving Code Level 3 (★★★). However, for reasons of sustainability it seems reasonable to ensure that all new housing meets this minimum standard. This approach is supported by Policy SR3 which has been included in the Phase 2 Revision of the Regional Spatial Strategy. Policy SR3 includes a specific requirement for all new homes to meet at least level 3 of the Code. Key Principle **MHN15** below therefore seeks to secure compliance with Code Level 3 across all housing, both affordable and market. It also requires the submission of supporting information at planning application stage outlining how this standard will be met and compliance verified.

#### 10.2.3 MHN15: Application of Code for Sustainable Homes

**In order to improve the sustainability of new housing:**

- (1) All new housing (whether affordable or market and whether new build or created from the conversion of existing buildings) will be required to achieve a minimum rating of Code Level 3 in accordance with the Code for Sustainable Homes.**
- (2) All planning applications for or involving new residential development will be expected to be accompanied by a method statement explaining how the standard at part (1) of this Key Principle will be met or exceeded. The method statement should include an explanation of how compliance with this standard will be verified.**

---

<sup>1</sup> *‘Achieving Sustainable Low Carbon Buildings’, Supplementary Planning Document (October 2007).*

10.2.4 The Government has also signalled its intention to progressively improve the energy performance of new homes (and other buildings) over time. It is proposed that all new homes will be required to achieve Code Level 6 (★★★★★★) by 2016. Consideration has been given to whether it would be appropriate to apply higher standards locally in advance of this date, in order to accelerate the rate by which all new homes are designed and built to be 'carbon neutral'. However the District Council has decided against this course of action because of the comparative infancy and higher unit costs of the technologies required to achieve Code Level 4 (★★★★) and above. The position will, however, be kept under review, as it is expected that unit costs should fall as the necessary technologies mature.

### **10.3 Climate resilience**

10.3.1 'Climate resilience' refers to the ability of buildings and their surroundings to better withstand the increasing frequency of severe weather events. This relates to a wide range of factors such as: prolonged periods of heat or drought; flooding; peak rain surges (leading to flash flooding) etc. The designing-in of climate resilience in new housing has a particular logic in strategic housing terms. It enhances the long-term viability of the District's housing stock and mitigates risk of cases of homelessness as a result of homes being destroyed or rendered uninhabitable by such events.

10.3.2 Particular issues that should be addressed when designing-in climate resilience into new homes include:

1. The maintenance of comfortable living conditions through the use of natural ventilation (without the need for energy-consuming air conditioning) taking account of increasing peak summer temperatures.
2. Robust detailing to reduce the risk of wind damage caused by the increased wind strengths and severe storms.
3. Designing-in over-capacity in surface water drainage systems and the provision of storm water run-off attenuation capability to cater for increased peaks in rainwater flows caused by the increased severity of rain storms. Attenuation capability could be provided in the form of soft landscaped areas: such areas would also have other beneficial impacts including contributing to biodiversity as well as creating attractive settings for new homes.
4. Resilience to drought conditions through water conservation measures and robust foundations to avoid structural failure as a consequence of increased soil shrinkage, heave and subsidence.

**10.3.3 Prospective developers are strongly encouraged to take into account the factors listed above when designing schemes. This design process extends not only to the structure, fabric and internal layout of homes, but also to their surrounding landscaping, spaces and surfaces. It would be helpful for the outcomes of this process to be documented. The close connections with other aspects of environmentally sustainable design also merit recognition.**

# Appendices

1. Glossary of Abbreviations and Terms
2. Cross-References to Relevant Policies of the *Stratford-on-Avon District Local Plan Review 1996-2011*
3. Other Key Policy Documents
4. Best Practice for Pre-application Consultation and Planning Applications
5. Useful Contacts
6. Residual Land Value Methodology
7. Affordable Housing Provision Off-Site
8. Bibliography
9. Sustainability Appraisal

## Appendix 1: Glossary of Abbreviations and Technical Terms

### Abbreviations

DPD	Development Plan Document
DQS	(Housing Corporation) Design and Quality Standards
HQI	Housing Quality Indicator
LDF	Local Development Framework
LPR	Stratford-on-Avon District Local Plan Review
PGS	Planning-gain Supplement
PPS	Planning Policy Statement
RLV	Residual land value
RSL	Registered Social Landlord
SPD	Supplementary Planning Document
SPG	Supplementary Planning Guidance

### Technical Terms

Annual Monitoring Report	A report submitted to the government by local planning authorities or regional planning bodies assessing progress with and the effectiveness of a Local Development Framework. These should monitor progress towards achieving high quality housing and consistently good design standards.
Core Strategy	A Development Plan Document setting out the spatial vision and strategic objectives of the planning framework for an area, having regard to the Community Strategy (see also DPDs).
Development plan	A statutory document setting out the local planning authority's policies and proposals for development and the use of land and buildings in the authority's area. It includes Unitary, Structure and Local Plans prepared or 'saved' under transitional arrangements. It also includes the new-look Regional Spatial Strategies and Development Plan Documents prepared under the Planning and Compulsory Purchase Act 2004.
Development Plan Documents (DPDs)	Development Plan documents outline the key development goals of the Local Development Framework. DPDs include the core strategy, site-specific allocations of land and, where needed, area action plans. There will also be an adopted proposals map which illustrates the spatial extent of policies that must be prepared and maintained to accompany all DPDs. All DPDs must be subject to rigorous procedures of community involvement, consultation and independent examination, and adopted after receipt of the inspector's binding report. Once adopted, development control decisions must be made in accordance with them unless material considerations indicate otherwise. DPDs form an essential part of the Local Development Framework.

Disability Equality Duty	<p>A duty imposed on all public authorities by the Disability Discrimination Act 2005, and which came into force in December 2006. When carrying out their functions, they must have due regard to the need to:</p> <ul style="list-style-type: none"> <li>• promote equality of opportunity between disabled persons and other persons</li> <li>• eliminate discrimination that is unlawful under the Act</li> <li>• eliminate harassment of disabled persons that is related to their disabilities</li> <li>• promote positive attitudes towards disabled persons</li> <li>• encourage participation by disabled persons in public life; and</li> <li>• take steps to take account of disabled persons' disabilities, even where that involves treating disabled persons more favourably than other persons.</li> </ul>
General needs housing	<p>A genre of affordable housing. This term is commonly used to refer to the majority of affordable housing: provided simply to meet the needs of those households unable to satisfy their own needs by buying or renting housing on the open market.</p>
Housing Corporation	<p>The Government agency that funds new affordable homes and regulates housing associations in England. The Government has announced proposals to merge this organisation with the regeneration agency, English Partnerships, to create a new body 'Communities England'.</p>
Housing Moratorium	<p>The moratorium on the release of additional housing sites introduced by the District Council in June 2006 within the framework of Policy <b>STR.2</b> of the LPR.</p>
Key worker housing	<p>A genre of affordable housing. Used to refer to housing specifically built or reserved for occupation by categories of workers needed for specific occupations/professions in localities where there may be recruitment/retention difficulties caused by the lack of affordable housing. Eligible groups vary and are defined locally or regionally, but typically include workers required to provide key public services.</p>
Lifetime Homes standard	<p>Lifetime Homes are a concept developed by the Joseph Rowntree Foundation's Lifetime Homes Group. Lifetime Homes have 16 design features that ensure that a new house or flat will meet the needs of most households. The accent is on accessibility and design features that ensure that a home is sufficiently flexible to cater for changing household circumstances. Further information is available from the Joseph Rowntree Foundation.</p>
Local Development Framework	<p>The Local Development Framework (LDF) will comprise a portfolio of documents that will, collectively, replace the existing Local Plan Review. It will be prepared in accordance with the current Local Development Scheme (LDS): details of which may be found on the Council's website.</p>
Local Development Order	<p>An order made by a local planning authority extending permitted development rights for certain forms of development, with regard to a relevant Local Development Document.</p>

Local Lettings Scheme	A scheme prepared by a housing association describing the arrangements for nominating and allocating tenancies and sales of affordable homes within a given development taking account of the need to ensure social stability.
New Build Homebuy	See 'Shared ownership housing' below.
Parish (Town or Village) Plans	Plans prepared by local communities indicating their needs and aspirations. They usually include an Action Plan and can contain policies and proposals relating to the use and development of land. Once adopted by the District Council, they will be treated as a material consideration when making planning decisions.
Planning obligations	Agreements or unilateral undertakings made under the provisions of S.106 of the Town and Country Planning Act 1990. They involve local planning authorities and anyone with a legal interest in any given site, and can also involve other bodies. They run with the land and can therefore bind successive owners. Obligations can be wide-ranging in scope and include provisions regulating the use and development of land and requiring the provision of works or the payment of financial contributions. In particular, they are commonly used to secure the provision of affordable housing.
Planning-gain Supplement (PGS)	In December 2005 the Government published proposals for the introduction of a Planning-gain Supplement, in response to one of the recommendations of the Barker Review of housing supply. PGS would be a tax on the uplift in land values generated as a result of the granting of planning permission.
Registered Social Landlord	RSLs are bodies registered with the Housing Corporation under Part 1 of the Housing Act 1996. Registration is restricted to those bodies which are registered charities, registered industrial and provident societies or non-profit-making companies whose purposes and objects relate to the provision of housing. RSLs are subject to regulation by the Housing Corporation in accordance with the provisions of that Act.
Shared ownership housing	An arrangement where affordable homes are sold under a shared ownership lease. A purchaser buys a share of the property (typically 40-50% of its original market value) and usually pays a fixed rent on the remaining, unsold, equity. The purchaser usually has the option to purchase further equity shares offering the potential to 'staircase' to outright ownership of the property. Since 2006, shared ownership housing has been marketed under the 'New Build Homebuy' brand.
Significant Allocations DPD	Part of the LDF. It will review significant housing and employment allocations and related policies in the light of the strategic provisions of the Regional Spatial Strategy. It will cover the period to 2026.
Social Housing Grant	The Housing Corporation are empowered to make grants to Registered Social Landlords and (since 2006) unregistered bodies in order to provide affordable housing. Grant normally covers a variable proportion of the capital costs of schemes. Not all affordable housing is developed using SHG.

Strategic Housing Land Availability Assessment	Strategic Housing Land Availability Assessments are a concept introduced by PPS3. Their role includes assessing likely housing supply and identifying sites that have development potential. The closely complement Strategic Housing Market Assessments (such as the Joint Housing Assessment for South Warwickshire 2006).
Supported housing	A genre of affordable housing. This term is commonly used to refer to that smaller proportion of the affordable housing stock specifically provided who have a need for specialised accommodation (such as sheltered housing for the elderly) or who have other mobility or support needs. The nature and form of provision varies widely.
Target Rent Regime	The arrangements for determining affordable rents charged by RSLs. Detailed arrangements for restructuring rents for affordable homes were published in 2001 <sup>1</sup> . Rents are to be based on relative property values and local earnings.

<sup>1</sup>*Guide to Social Rent Reform, DETR, March 2001*

## Appendix 2: Cross-References to Relevant Policies of the Stratford-on-Avon District Local Plan Review 1996-2011

This is not intended as an exhaustive list of all policies in the LPR that may be relevant to decisions on planning applications involving residential development; rather as a list of key policies conducive to the implementation of the plan and strategies listed in Appendix 3 and/or on which this Supplementary Planning Document provides amplification and guidance.

It is essential to refer to the Plan for a full list of policies and for details of the policies.

**Table 4: Policy Cross-References**

<b>Policy</b>	<b>Description</b>
STR.1	Settlement hierarchy
STR.2	New housing provision
STR.2A	Phasing
STR.2B	Density
STR.4	Previously developed land
PR.2	Green Belt
DEV.1	Layout and design
DEV.2	Landscaping
DEV.8	Energy conservation
DEV.10	Crime prevention
COM.1	Local Choice
COM.4	Open space
COM.5	Open space
COM.12	Existing housing stock
COM.13	Affordable housing
COM.14	Dwelling mix
COM.15	Accessibility
COM.18	Home-based working
CTY.5	Rural housing 'exception' schemes
IMP.1	Supporting information
IMP.2	Supplementary planning guidance
IMP.4	Infrastructure provision

## Appendix 3: Other Key Policy Documents

**Table 5: Other Policy Document Cross-References**

<b>Document</b>	<b>Prepared by</b>	<b>Linkages/comments</b>
Regional Housing Strategy	West Midlands Regional Housing Board/West Midlands Regional Assembly	Final draft published 22 June 2005. Will define priorities for investment in new affordable housing up to 2008.
Regional Planning Guidance/Regional Spatial Strategy	West Midlands Regional Assembly (as Regional Planning Body)	RPG11 (June 2004) now forms part of the statutory development plan <sup>10</sup> . Its strategy has implications for future overall levels of housing growth within the District and Policy CF5 provides a framework for prioritising affordable housing needs. The Phase 2 Revision of the RSS is now well advanced.
Stratford District Community Plan	Local Strategic Partnership	Adopted by the District Council 2004 Identifies meeting affordable housing needs as a cross-cutting theme.
Corporate Strategy	Stratford-on-Avon District Council	Sets corporate objectives. Includes provision of more homes at a price people can afford as a major priority. Covers period 2008-12.
Housing Strategy	Stratford-on-Avon District Council	Current Strategy covers the period 2006-2011. Defines the Council's policies and priorities for creating a balanced housing market.
Homelessness Strategy	Stratford-on-Avon District Council	Adopted 2003. Identifies lack of affordable homes as a key cause of homelessness. The policies in this SPD will assist in preventing homelessness by boosting the supply of affordable homes.
Cotswolds AONB Management Plan	Cotswolds Conservation Board	Adopted by 17 local Authorities including Stratford-on-Avon in March 2004. The plan sets out in detail how the AONB will be managed in the future and the action that will be taken to keep the area special.

# Appendix 4: Best Practice for Pre-application Consultation and Planning Applications

---

## 1. Introduction

- 1.1 Key Principle **MHN1** of this Document refers.
- 1.2 The purpose of this Appendix is to provide applicants and/or their agents with a concise source of best practice advice on:
  - What to do at pre-application stage.
  - The range of information that should be submitted as part of or in support of a planning application.
- 1.3 Following this best practice advice will facilitate the expeditious handling of planning applications by the District Council and improve their chance of success.
- 1.4 Conversely, by virtue of Key Principle **MHN1** and in order to meet Government development control performance targets, it may be necessary to refuse applications where the advice within this Appendix has not been followed.

## 2. Pre-application community engagement

- 2.1 In the case of 'Local Choice' schemes (covered by Policy **COM.1**) and rural 'exception' schemes (covered by Policy **CTY.5**), there is a general expectation that such schemes will be initiated from within the local community concerned.
- 2.2 In all other cases (including the circumstances described in Section 5 of the 'Local Choice' Supplementary Planning Document) it is still nevertheless vital to ensure the local community affected by the proposals are fully engaged in its formulation at pre-application stage.
- 2.3 The most appropriate form of pre-application community engagement will vary according to location and circumstances. Community engagement exercises should therefore be tailored to the aspirations and needs of the local community. For this reason, the guidance in this Appendix is not intended to be prescriptive but methods of engagement could include a combination of leaflet drops, public exhibitions and publicity in community newsletters and websites. A period of 6 to 8 weeks should generally be allowed for public comment.
- 2.4 In the first instance, contact should be made with the relevant Parish/Town Council to seek their views on the nature of the pre-application community engagement exercise to be carried out in accordance with the recommendations at paragraph 2.3 above.
- 2.5 In all cases, community engagement exercises should:
  1. Be inclusive; in other words seek the representative views of the whole community, and as far as possible avoid undue distortion from sectional interests.
  2. Explain the context and nature of the proposed development, including cross-references where applicable to Parish/Town Plans and local housing needs surveys. The views of residents on associated aspects of the development should also be sought; for example the terms of planning obligations and off-site works.
  3. Provide a genuine opportunity for local residents to influence the final form and nature of proposals. This could mean that proposals need to be re-worked and/or further research undertaken, and it should not be assumed that proposals will automatically progress to planning application stage.

### 3. Planning application information requirements

3.1 The following information should be incorporated within or accompany any planning application, in addition to meeting the normal requirements in respect of application forms, Design and Access Statements etc. Where appropriate, some of the information listed below could be incorporated within the required Design and Access Statement.

1. Information about **the proposed development itself** including:
  - A schedule detailing the total number, type and floorspace (expressed as the gross internal floor area measured in square metres) and number of bedrooms of each dwelling unit. The schedule should also distinguish between affordable and market sale units.
  - A plan showing the distribution and location of affordable housing units within the site.
2. A statement explaining the nature and scope of **the pre-application community engagement exercise** undertaken in accordance with the recommendations of this Appendix, and the outcomes of that exercise. Where applicable, the statement should explain how the proposal as submitted has been amended to reflect the views expressed.
3. A statement explaining how the proposed development meets identified **local housing needs**, with particular reference to the stock profile of the proposed development. This should also include the consideration of alternative sites or development options to meet the identified needs.
4. A statement explaining the proposed arrangements for the **provision of affordable housing** (in accordance with part 3 of Policy **COM.13** and the policies elsewhere in this Supplementary Planning Document) including details of pre-application discussions with partner housing associations where applicable.
5. Copies of instruments or draft instruments to putting in place **mechanisms to secure the delivery and future effective management of the affordable housing**. This should include a draft planning obligation to give effect to the arrangements required by virtue of Key Principle **MHN8**.
6. A statement of intended **conformity with relevant design and accessibility standards** set out in Part 1 of Key Principle **MHN7**, and Key Principles **MHN12, MHN12 and MHN14** and an explanation of the method for verification of compliance.
7. A statement of how the issue of **climate resilience** discussed in Section 10 is reflected in the design of the proposed homes and their surroundings.
8. **A residual land value calculation**, and other information where applicable, demonstrating that the cost of land has been suitably discounted to reflect the requirements of Key Principle **MHN8** and the sequence of funding expectations therein. Use should be made of the methodology in **Appendix 6**.

## Appendix 5: Useful Contacts

---

Paragraphs 5.2.2, 7.2.1 and 7.3.2 of this Supplementary Planning Document refer.

**Table 6: Preferred partner housing associations**

Bromford Housing Group	Friars Gate, 1011 Stratford Road, Solihull, B90 4BN Tel. 0121 746 4221
Gloucestershire Housing Association	2 St Michael's Court. Brunswick Road, Gloucester, GL1 1JB Tel. 01452 541810
Jephson Homes Housing Association	1st Floor, Trafalgar House, King Street, Dudley, DY2 8PS Tel. 01384 231516
Orbit Heart of England Housing Association	10 Greenhill Street, Stratford-upon-Avon, Warwickshire, CV37 7LG Tel. 01789 404400
Warwickshire Rural Housing Association	Whitwick Business Centre, Stenson Road, Coalville, Leicestershire, LE67 4JP Tel. 01530 276545

### Rural Housing Enabler

Rural Housing Enabler for Warwickshire	Warwickshire Rural Community Council, 25 Stoneleigh Deer Park, Kenilworth, CV8 2LY. Tel. 02476 531290.
--	--

## Appendix 6: Residual Land Value Methodology

---

1. Paragraph 8.3.13 of this Supplementary Planning Document refers.
2. Use of a residual land value (RLV) methodology is recommended as best practice for prospective developers when undertaking a financial appraisal of a potential development site. Submission of RLV calculations is, any case, required by Key Principle **MHN8** in all cases where the level of affordable housing proposed falls below the minimum proportion specified in Key Principle **MHN2**.
3. The purpose of using RLV methodology is to model the likely overall economic viability of development under different scenarios. Briefly, a RLV is calculated by subtracting total expected development costs for a project (excluding land) from the total income generated.
4. For the outcomes of an appraisal exercise to be credible and have genuine utility, it requires the selection of reasonable and realistic assumptions regarding costs and revenue streams. The submitted documentation should clearly show what assumptions have been made.
5. Subject to the above points, if the outcome of calculations is a positive RLV, it should in principle be possible to provide the required proportion of affordable housing without the need for any public subsidy (such as Social Housing Grant). Whereas, if the outcome is a negative RLV, it is unlikely a project would be able to proceed without public subsidy.
6. The methodology may be used to construct a financial forecasting model (for example a spreadsheet application). Refinements may be introduced to reflect the availability of data, subject to the calculations producing a RLV as described above. A spreadsheet calculator can be sent by e-mail on request to the District Council.
7. It may be appropriate to run the model several times to test the viability of different scenarios and the sensitivity of the results to changes in the assumptions used.
8. The methodology should form the basis of an 'open book' approach to the assessment of development viability. If requested, the District Council will treat information provided in this way as submitted in commercial confidence.
9. If a negative residual land value results (considered highly unlikely in the context of the high residential property prices prevailing within Stratford-on-Avon District), there may be a case for:
  1. In the first instance, deploying public subsidy (usually Social Housing Grant) to ensure the continued viability of a scheme or, failing this,
  2. Reducing the overall proportion of affordable housing to a level required to produce a 'break even' position.
10. In such circumstances it is essential to discuss the matter beforehand with the District Council and its partner housing associations before proceeding to a planning application.
11. Worked examples are posted on the District Council's website.

## Appendix 7: Affordable Housing Provision Off-Site

---

### 1 Introduction

- 1.1 Paragraphs 8.4.6, to 8.4.9 of this Supplementary Planning Document refer.
- 1.2 This Appendix explains in more detail the Council's approach towards accepting alternatives to actual on-site provision in exceptional circumstances and, in the case of financial contributions, the approach to calculating such contributions.
- 1.3 This guidance is intended to continue to ensure a fairer, more transparent and consistent approach on this matter.
- 1.4 Worked examples of calculations are posted on the District Council's website. Please note these are for illustrative purposes only.

### 2 Practical Difficulties Associated With Off-Site Provision

- 2.1 Before advocating the alternative of any form of off-site provision, prospective developers are asked to appreciate that its acceptance runs the risk of creating a significant number of practical difficulties.
- 2.2 In the case of financial contributions in lieu of on-site provision, the body utilising such contributions will need to:
  - 1. Find suitable alternative land or property to purchase in the locality.
  - 2. Prepare and submit schemes for approval within the budget provided by any cash contribution.
  - 3. Ensure any scheme fit in with their own and the Council's annual capital programmes.
  - 4. Complete their purchase of alternative sites or properties.
- 2.3 All the above will take time, and is subject to potential risk, delay and uncertainty. Allowance must also be made for the effects of inflation.
- 2.4 It is equally important that there should be the reasonable prospect of the equivalent alternative provision of affordable housing occurring within the same town or village within the same timescale as the development giving rise to the affordable housing requirement. The onus should therefore be on a prospective developer to fully investigate these prospects.
- 2.5 For the purpose of any evaluation exercise, a three year time horizon is considered appropriate, as this reflects the normal life of a planning permission (i.e. the period within which development must commence). Without such a safeguard there is an unacceptable a risk of the responsibility for implementation that would otherwise occur on-site being "dumped" onto the Council and its partner housing associations.

### 3 General Principles

- 3.1 In order to satisfy test (4) of Key Principle **MHN10**, it may be necessary for a developer to clearly demonstrate the availability and suitability of an alternative site by submitting a parallel planning application covering the "off-site" element. This applies in cases where a developer proposes physical provision on an alternative site within his ownership or control. It will be necessary for any such parallel application to be approved first to demonstrate the suitability of the alternative site.

## **4 Exceptional Circumstances**

- 4.1 If a site is both suitable for housing development within the terms of the LPR and also falls within the scope of Policy **COM.13**, the alternative of off-site provision of affordable housing will be inappropriate. Therefore such cases are likely to be very exceptional and by their very nature it is impossible to provide an exhaustive list of such exceptional circumstances in this guidance note.
- 4.2 Nevertheless possible examples of such circumstances include:
1. Cases where physical constraints on the site and/or its surroundings necessitate development to such a low density that the size of gardens and/or management costs would render the maintenance of affordable housing uneconomic on the site.
  2. Cases where an alternative site, in the same town or village:
    - (a) is in the ownership or control of the prospective developer, and;
    - (b) is suitable for residential development in planning terms, and;
    - (c) where the same quantity, type and quality of affordable housing could be made available at an earlier date.

## **5 Practical Considerations**

- 5.1 If a developer considers there are sound planning grounds for preferring the alternative of off-site provision, the developer should submit at the earliest possible opportunity (preferably before a planning application is lodged) the following information:
1. Brief details of the proposed development in question, including the anticipated development timetable.
  2. A detailed explanation of why the alternative of off-site provision is considered more appropriate (having regard to the advice elsewhere in this note) in this particular case.
  3. Details of the alternative proposed. For example, a cash contribution to be secured by way of a Section 106 Agreement equivalent to the cost of providing a specified number of homes off-site.
  4. Either:
    - (a) Details of an alternative site:
      - in the same town or village, and;
      - in the ownership or control of the developer, and which;
      - either benefits from an extant planning permission or is acceptable for development in terms of the Local Plan's policies, and which;
      - the developer proposes to make available at an earlier date as an alternative site for the required affordable housing.
    - Or:
    - (b) Details of the enquiries that the developer has made of the Council's Partnership RSLs confirming the firm availability:
      - within the likely timescales of the proposed development (and in any case within three years), and;
      - within acceptable costs of suitable land or buildings (which could include existing identified dwellings in a satisfactory condition) which an RSL would be prepared to acquire in order to provide an alternative off-site location for the required affordable housing.

## **6. Parity**

6.1 In order to remove any inadvertent financial incentive to the developer for off-site provision, and to reflect the added difficulties of off-site provision, it is considered fair and reasonable to require parity of provision.

6.2 Parity will be calculated in accordance with the following formula:

$$F \times A(\%) = S$$

$$F + S = T$$

$$T \times A(\%) = P$$

Where:

F = total residential floor area proposed on site

A = norm total percentage floor area required for affordable housing

S = norm total affordable housing floor area required on site

T = total of F + S

P = total floor area required at parity

## **7 Calculating Contributions**

7.1 Where a financial contribution is appropriate, the contribution must be calculated on the basis of a fully costed proposal for alternative provision.

7.2 Please note that before any calculation can be properly made using this formulae it will be necessary to agree a surrogate stock mix. This will be proposed by the Council with reference to current information on housing needs.

## **8 Arrangements for Payment or Physical Provision Off-Site**

8.1 The necessary legal agreement will provide for any financial contribution-in-lieu or physical provision off-site elsewhere to be made prior to the commencement of development, and in any case within twelve months of the date of the agreement. This latter provision is considered to be justified by the need for this Authority to maintain a stable social housing enabling programme.

## **9 Indexation**

9.1 In order to protect the value of financial contributions from erosion by inflation, the planning obligation by which such contributions will be secured will provide for these to be based upon either:

(1) The figures applicable at the time the payment is actually made, provided this within six months of the date of the obligation, or

(2) By reference to an appropriate indexation mechanism, for example:

(i) movements in average house prices within the District as reported in date published by the Land Registry, in the case of schemes involving open market property purchases or

(ii) the RICS Building Cost Index, in the case of land exchanges.

Therefore prospective developers are warned that the actual payment required could be greater if it is not made within six months of the date of completion of the planning obligation.

## **10 Provision In Kind**

- 10.1 Whilst proposals for provision in kind of land or property within the same town or village as the development giving rise to a requirement for affordable housing will be considered, such provision will only be acceptable where:
1. This Authority is satisfied that the objective of social integration would not be compromised.
  2. The off-site provision would be equal to or better than that which would have been provided on-site.

## **11 Outline Planning Applications**

- 11.1 Where a financial contribution-in-lieu is appropriate, this will need to be determined with reference to the total residential floor area to be provided on site. In the case of outline planning applications, it will be necessary in the relevant planning obligation to require either that agreed physical off-site provision occurs prior to the commencement of development or to specify the formula for calculating the level of any financial contribution. In the latter case, this is likely to be determined by reference to the total residential floor area (at parity) determined prior to and in accordance with a 'reserved matters' application.

## Appendix 8: Bibliography

---

- Affordable Rural Housing: An Opportunity for Business (the Housing Corporation and the Countryside Agency, 2003)
- Affordable Rural Housing Commission Final Report (2006)
- Audit Commission – Stratford-on-Avon District Council Strategic Housing Services Inspection Report – January 2007
- Better Places to Live By Design: A Companion Guide to PPG3, (2000)
- DETR Guide to Social Rent Reforms, March 2001
- Home Truths: Setting Out the Evidence of the Need For More New Homes (TCPA, 2003)
- Joint Housing Assessment for South Warwickshire (Outside Research and Development, 2007)
- Local Housing Needs Assessment: A Guide to Good Practice (DTLR, 2000)
- Our Countryside: The Future – A Fair Deal for Rural England (The Rural White Paper) M4909, (2000)
- Planning-gain Supplement: a consultation (HM Treasury/HM Revenue & Customs/ODPM, December 2005)
- Planning Obligations, Circular 5/2005, ODPM (18 July 2005)
- Planning Obligations: A Good Practice Guide (ODPM, in preparation)
- Planning Policy Statement 1: Delivering Sustainable Development (2005)
- Planning Policy Statement 3: Housing (2006) and companion document Delivering Affordable Housing
- Planning Policy Statement 11: Regional Spatial Strategies (2004)
- Planning Policy Statement 12: Local Development Frameworks (2004)
- Regional Planning Guidance for the West Midlands, RPG11 (2004)
- Stratford-on-Avon Community Plan and Corporate Strategy
- Stratford-on-Avon District Council, A Guide to the Housing Waiting List
- Stratford-on-Avon District Council, SHG Free Housing and Development Viability, Report by Fordham Research, November 2003
- Stratford-on-Avon District Local Plan Review 1996-2011, Inspector's Report (April 2005)
- Stratford-on-Avon Housing Capacity Study
- Stratford-on-Avon Housing Needs Study and Survey of Special Needs Groups, November 1999 and Update, February 2002 (Fordham Research)
- Stratford-on-Avon Housing Strategy 2002-2007
- Stratford-on-Avon Local Plan Review 1996-2011 (July 2006)
- The Housing Corporation, Rent Influencing Regime – Implementing the Rent Restructuring Framework, October 2001
- The Housing Corporation, The National Affordable Housing Programme 2008-2011 Pre-Prospectus
- The Housing Corporation, Design and Quality Standards (2007)
- West Midlands Regional Spatial Strategy – Phase 2 Revision – Preferred Option (December 2007)

# Appendix 9: Sustainability Appraisal of Supplementary Planning Document: Meeting Housing Needs in Stratford-on-Avon District

---

## 1. Purpose of Sustainability Appraisal

- 1.1 Sustainable Development is defined in the West Midlands Regional Sustainable Development Framework as being about achieving a better quality of life for everybody, now and in the future. A sustainable society is one that treats the environment responsibly, sensitively and carefully; meets social needs in a way that is equitable and enables people to take part in and influence decisions that affect them; and where economic success benefits all and is a means of maximising wellbeing rather than an end in itself.
- 1.2 Sustainability Appraisal of Development Plan Documents and Supplementary Planning Documents is a requirement of the Planning and Compulsory Purchase Act of 2004. Sustainability Appraisals are a means of ensuring that policies balance the different dimensions of sustainable development. Each policy and proposal is assessed in turn against the objectives that make up sustainable development. This helps to identify weaknesses in the plans which might otherwise be overlooked. The policies can then be changed, or mitigation measures introduced to make them as sustainable as possible.
- 1.3 This Sustainability Appraisal is designed to evaluate the policies of the draft SPD; Meeting Housing Needs in Stratford-on-Avon District. It was published with the draft SPD and made available alongside it for public consultation and comment for a 6 week period.
- 1.4 This Appraisal sets out baseline data and then analyses in detail the sustainability implications of the SPD's aims and operational objectives. However, the Appraisal does not fully follow all the stages of for preparation of a Sustainability Appraisal as set out in ODPM guidance<sup>1</sup>. This is because it was considered appropriate to use the current work undertaken for the Stratford-on-Avon District Sustainability Appraisal Scoping Report (March 2007) to establish context and general baseline evidence, and to establish the scope of the Sustainability Framework criteria against which the SPD is tested. Instead of duplicating this work, information on scoping and baseline information can be found in the Scoping Report. In addition the parent policies for the SPD have undergone sustainability appraisal during the preparation of the adopted Local Plan, and the outcome of this analysis is summarised in Section 4 below.

## 2. The purpose of the SPD: Meeting Housing Needs in Stratford-on-Avon District

- 2.1 The SPD will provide information on how the following policies of the adopted Stratford-on-Avon District Local Plan will be implemented:
- COM.13 – Affordable housing
  - COM.14 – Mix of dwelling types
  - COM.15 – Accessible housing
  - COM.18 – Home based working
  - CTY.5 – Housing exception schemes

The policies are closely tied to the Local Plan's overall objectives, particularly the objective of satisfying housing needs.

---

<sup>1</sup> *ODPM Sustainability Appraisal of Regional Spatial Strategies and Local Development Documents, November 2005*

2.2 Existing supplementary guidance on housing related matters was adopted on 12 June 2006. A number of key changes have occurred since that time which necessitate a review of this guidance through the preparation of this new SPD. These changes include; the adoption of the Local Plan Review, the adoption and publication of the Joint Housing Assessment for South Warwickshire and changes in national and regional guidance such as the publication of PPS3 – Housing and the ongoing review of the West Midlands Regional Spatial Strategy.

2.3 The aims of this SPD are to:

- Contribute to the creation of a balanced housing market
- Enhance the sustainability of all new housing.
- Ensure local housing needs are more effectively addressed, especially by boosting the provision of affordable housing.
- Further develop planning policy tools to assist in the effective implementation of the Council's Housing Strategy 2006-2011.
- Promote existing planning policy initiatives and good practice designed to increase the supply of new homes in rural areas.
- Promote best practice in the design of all new housing, to boost public confidence and expedite its delivery.
- To make effective use of funding by reducing the cost of housing land, whilst at the same time boosting its supply.
- Identify possible future measures that could be taken in furtherance of the above objectives.

2.4 Having regard to the aims set out above the SPD introduces a number of policies (referred to as 'Key principles' intended to interpret and implement policies in the development plan. The Key Principles are grouped together to address the following three themes:

1. Boosting housing supply.
2. Securing effective delivery and implementation.
3. Improving the sustainability of new housing.

The SPD sets out a total of 17 key principles and these have been assessed to see how well they deliver against a comprehensive framework of sustainability objectives. Tables 9a and b show the outcome of this assessment.

### **3. Baseline information and trends to justify this SPD**

3.1 The Council has a long standing commitment to providing everyone with the opportunity of a decent home and the provision of affordable housing to meet demonstrated local needs. Despite this commitment and subsequent actions baseline data demonstrates that problems of housing affordability are increasing and highlight the need for new policy approaches to address the problem.

**Baseline data** (key source = Joint Housing Assessment for South Warwickshire – August 2006)

3.1.1 The local housing market:

- House prices are considerably above the regional average and are the highest in the South Housing Market Area.
- Average property prices increased from £163,340 in 2001 to £254,674 in 2006.
- Growth in property prices has outstripped growth in average earnings.

3.1.2 The need for affordable housing:

- Net shortfall for 954 affordable homes per annum, which translates to a net shortfall of 4770 affordable homes at the time of the survey
- Preferences for new affordable homes in terms of size : 51.9% two bedroom, 28.8% three bedroom, 19.3% four or more beds.
- Preferences for new affordable homes in terms of location : 21.2% in Stratford-upon-Avon, 36.3% in Main Rural centres, and 42.6% in other locations.
- A consistent picture of unmet housing needs is emerging from local housing needs surveys undertaken at parish, town or village level.
- No of households on the housing waiting list has increased from 1286 in 2000 to 3229 as at March 2007.

3.1.3 Housing delivery:

- 3761 new homes built in the six year period 2001-2007, equating to an annual average of 627 homes
- Of these only 594 were affordable homes , equating to an annual average of only 99 homes
- The yield of affordable housing as a proportion of all new housing was less than 16%
- Supply of affordable homes was around one tenth of that necessary to meet the level of need identified in the JHA.

**Targets**

3.1.4 West Midlands Regional Spatial Strategy:

- Affordable housing target of 6000-6500 dwellings each year across the region for the period 2001-2011

Warwickshire Structure Plan:

- 3700 affordable homes for the District between 1996-2011

Stratford-on-Avon District Local Plan Review:

- Policy **STR.2** identifies sites for 150 affordable homes in addition to those which are already provided/committed.

Stratford-on-Avon District Council Corporate Strategy:

- 350 affordable housing units to be provided between 2005-2008

**Conclusions from baseline information:**

3.1.5 The baseline data provided by the JHA demonstrates that the District has a substantial net shortage of affordable housing and that this shortfall has increased compared to previous assessments of housing need. This is thought to be the result of house price increases in combination with affordability problems resulting from the prominence of employment in the typically low wage sectors of agriculture and tourism. The increased need for affordable housing should be addressed by planning policies which seek to ensure that housing supply is more effectively targeted to meet identified local needs, particularly those within the affordable sector.

**4. Commentary on the sustainability effects of parent policies of the adopted Stratford-on-Avon District Local Plan 2006.**

4.1 The policies of the Local Plan Review which this SPD seeks to supplement were tested in a Sustainability Appraisal when the Local Plan was being prepared. Table 7 below summarises the effects of the policies when measured against the objectives of the Local Plan and the Plan's overall goal of achieving sustainable development.

**Table 7: Summary of Sustainability Appraisal results for parent policies**

<b>Policy</b>	<b>Effect of policy on objectives of Local Plan</b>	<b>Effect of policy on elements of sustainable development</b>
COM.13 (Affordable Housing)	Policy COM.13 assists in delivering the Local Plan objective to satisfy housing needs. It does not have any identified negative impacts.	The policy will have positive impacts on meeting housing needs. No negative impacts are identified.
COM.14 (Mix of dwelling types)	Policy COM.14 also assists in delivering the Local Plan objective to satisfy housing needs. It does not have any identified negative impacts.	The policy will have positive impacts on meeting housing needs. No negative impacts are identified.
COM.15 (Accessible housing)	Policy COM.15 assists in delivering the Local Plan objectives to satisfy housing need and to secure high quality design. It does not have any identified negative impacts.	The policy will have positive impacts on meeting housing needs, improving the quality of design and ensuring that dwellings are accessible to those with particular needs. No negative impacts are identified.
COM.18 (Home based working)	Policy COM.18 assists in delivering the Local Plan objectives to satisfy employment need, facilitate energy conservation, and to assist rural diversification. It does not have any identified negative impacts.	The policy will have positive impacts on meeting housing needs, providing jobs and and securing energy conservation by reducing the need to travel. No negative impacts are identified.
CTY.5 (Housing exception schemes)	Policy CTY.5 assists in delivering the Local Plan objective to satisfy housing needs. It does not have any identified negative impacts	The policy will have positive impacts on meeting housing needs. A potential negative impact on landscape is identified.

<sup>1</sup> *Stratford-on-Avon District Sustainability Appraisal for Development Plan Document; Scoping report. March 2007.*

**Table 8: Sustainability Framework**

THEME	OBJECTIVES
<b>Developing thriving sustainable communities</b>	
Participation	Provide opportunities for communities to participate in and contribute to the decisions that affect their neighbourhoods and quality of life.
Crime	Reduce crime, fear of crime and antisocial behaviour.
Health	Improve health and reduce health inequalities by encouraging and enabling healthy lifestyles as well as protecting health and providing health services
Poverty	Tackle poverty and disadvantage, taking into account the particular difficulties of those facing multiple disadvantage.
Access	Promote and improve access to services and opportunity, including education and lifelong learning, leisure, employment, health; ensure access is equitable, regardless of location, income, lifestyle or background.
Culture and recreation	Improve opportunities to participate in the cultural and recreation activities that the District can offer.
Housing	Provide decent and affordable housing for all, of the right quantity, type, tenure and affordability for local needs, in clean, safe and pleasant local environments.
Population	Balance the needs of local people and visitors, and establish the District as both a self-sufficient District for residents and a high quality place for visitors.
<b>Enhance and protect the environment</b>	
Environmental assets	Value, enhance and protect the District's environmental assets, including the natural and built environment and environmental heritage.
Biodiversity	Value, enhance and protect biodiversity.
Land use	Encourage development that optimises the use of previously developed land and buildings and creates high quality built environments incorporating green space, design and encouraging biodiversity.
Urban development	Encourage urban development that improves the quality of the urban environment as a whole in order to stem the unsustainable decentralisation of people, jobs, and other activities away from urban areas.
Stewardship	Encourage local stewardship of local environments
Pollution	Minimise, reduce air, water and soil pollution level and improve the quality of these features.
Flooding	Avoid, reduce and manage flood risk.
Climate change	Minimise and reduce the District's contribution to the causes of climate change while implementing a managed response to its unavoidable impacts.

THEME	OBJECTIVES
<b>Ensure prudent and efficient use of natural resources</b>	
Energy	Reduce overall energy use through increasing energy efficiency, and increase the proportion of energy generated from renewable sources.
Conservation	Conserve use of natural resources such as water and minerals.
Standards	Promote and ensure high standards of sustainable resource-efficient design, construction and maintenance of buildings.
Planning	Ensure the location of development makes efficient use of existing physical infrastructure and help reduce need to travel, especially by private car, allocate land for developments in sustainable locations, and enhance the character of the district.
Transport	Encourage modal shift away from private car use and reduce the production of pollutants and congestion from transport while creating good accessibility for all people in the District.
Waste	Encourage and enable waste minimisation, reuse, recycling and recovery to divert resources away from the waste stream.
Local sourcing	Encourage local sourcing of goods and materials, and rural economic growth.
<b>Developing a flourishing, diverse and stable economy</b>	
Growth	Achieve sustainable economic growth and prosperity for the benefit of all the District's inhabitants.
Employment	Create high quality employment opportunities suited to the changing needs of the local workforce, whilst recognising the value and contribution of unpaid work.
Investment	Promote investment in future prosperity
Skills	Encourage ongoing investment and engagement in learning and skills development.
Innovation	Encourage a culture of enterprise and innovation.
Technology	Promote and support the development of new technologies especially those with high value and low impact.
Responsibility	Encourage corporate social and environmental responsibility, with local organisations and agencies leading by example.
Tourism	Enhance the visitor experience and ensure Stratford in particular and the District as a whole establishes itself as a World Class place for tourists.

**5. An assessment of the contribution that the Meeting Housing Needs SPD makes towards achieving the goal of sustainable development.**

5.1 An SA framework has been developed as part of the preparation of the Core Strategy of the Local Development Framework to assess the sustainability of documents including Supplementary Planning Documents<sup>1</sup>. The purpose of the SA Framework is to provide a consistent basis for describing, analysing and comparing the effects of the various planning documents, and to provide a statement of the overall objectives of sustainable development which policies should all be working towards achieving.

5.2 This framework has been used to assess the contribution that the development of the this SPD will make towards achieving sustainable development in the district. The Sustainability Framework and the objectives that it seeks to achieve are set out below.

5.3 This framework is used to analyse the following 15 Key Principles which are set out in the Meeting Housing Needs SPD:

MHN1: Promoting Public Confidence in New Housing

MHN2: Provision of Affordable Housing in Accordance with Policy **COM.13**

MHN3: Scope and Interpretation of Policy **COM.13**

MHN4: Colleges – Student Accommodation

MHN5: Policy on Use of Compulsory Purchase Powers

MHN6: Affordable Housing Definition

MHN7: Affordable Housing Quality Benchmarks

MHN8: Funding of Affordable Housing

MHN9: Order of Preference for Location of Affordable Housing

MHN10: Tests of Acceptability for Off site Provision of Affordable Housing

MHN11: Market Housing: Optimum Stock Mix and Integration

MHN12: Maximising Flexibility and Sustainability of Market and Affordable Housing

MHN13: Affordable Housing: Optimum Stock Profile

MHN14: Minimum Space Standards

MHN15: Application of Code for Sustainable Homes

5.4 Each of the key principles in the SPD is assessed against the themes set out in the Sustainability Framework. The following symbols are used to indicate the effects that the proposals will have on each theme:

- ++ Significant positive effect
- + Positive effect
- No effect
- Significant negative effect

**Table 9a: Analysis of Key Principles MHN 1-7**

SA Theme	MHN1	MHN2	MHN3	MHN4	MHN5	MHN6	MHN7
Participation	++	0	0	0	0	0	0
Crime	0	0	0	0	0	0	+
Health	0	+	0	0	0	0	+
Poverty	0	++	0	0	0	++	+
Access	0	0	0	0	0	0	+
Culture & Recreation	0	0	0	+	0	0	0
Housing	+	++	+	0	+	++	++
Population	+	+	0	0	0	+	0
Environmental Assets	0	0	0	0	0	0	0
Biodiversity	0	0	0	0	0	0	0
Land use	+	0	0	0	0	0	+
Urban Development	0	0	0	0	0	0	0
Stewardship	0	0	0	0	0	0	0
Pollution	0	0	0	0	0	0	+
Flooding	0	0	0	0	0	0	+
Climate change	0	0	0	0	0	0	+
Energy	0	0	0	0	0	0	+
Conservation	0	0	0	0	0	0	0
Standards	0	0	0	0	0	0	++
Planning	+	0	0	0	0	0	+
Transport	0	0	0	0	0	0	0
Waste	0	0	0	0	0	0	0
Local sourcing	0	0	0	0	0	0	0
Growth	0	0	0	0	0	0	0
Employment	0	0	0	0	0	0	0
Skills	0	0	0	0	0	0	0
Investment	0	0	0	0	0	0	0
Skills	0	0	0	0	0	0	0
Innovation	0	0	0	0	0	0	0
Technology	0	0	0	0	0	0	0
Responsibility	0	0	0	0	0	0	+
Tourism	0	0	0	0	0	0	0

**Table 9b: Analysis of Key Principles MHN 8-15**

SA Theme	MHN8	MHN9	MHN10	MHN11	MHN12	MHN13	MHN14	MHN15
Participation	0	0	0	0	0	0	0	0
Crime	0	0	0	0	0	0	0	0
Health	0	0	0	0	+	+	0	+
Poverty	0	0	0	0	0	+	0	+
Access	0	0	0	0	+	0	0	0
Culture & Recreation	0	0	0	0	0	0	0	0
Housing	++	++	++	++	++	++	+	++
Population	0	0	0	0	0	+	0	0
Environmental Assets	0	0	0	0	0	0	0	+
Biodiversity	0	0	0	0	0	0	0	0
Land use	0	0	0	+	0	0	0	+
Urban Development	0	0	0	0	0	0	0	0
Stewardship	0	0	0	0	0	0	0	0
Pollution	0	0	0	0	0	0	0	++
Flooding	0	0	0	0	0	0	0	+
Climate change	0	0	0	0	0	0	0	++
Energy	0	0	0	0	0	0	0	+
Conservation	0	0	0	0	0	0	0	+
Standards	0	0	0	0	0	0	0	++
Planning	0	+	+	0	0	0	0	+
Transport	0	0	0	0	0	0	0	0
Waste	0	0	0	0	0	0	0	0
Local sourcing	0	0	0	0	0	0	0	0
Growth	0	0	0	0	0	0	0	0
Employment	0	0	0	0	0	0	0	0
Skills	0	0	0	0	0	0	0	0
Investment	0	0	0	0	0	0	0	0
Skills	0	0	0	0	0	0	0	0
Innovation	0	0	0	0	0	0	0	0
Technology	0	0	0	0	0	0	0	+
Responsibility	0	0	0	0	0	0	0	+
Tourism	0	0	0	0	0	0	0	0

## **6. Key Conclusions**

- 6.1 The purpose of the analysis set out in section 5 is to assess the sustainability credentials of the SPD. In particular, it seeks to assess whether the implementation of the SPD would assist in delivering sustainable development across the District. The assessment of the key principles has shown that the SPD has a strong and positive impact on a number of themes within the sustainability appraisal framework.
- 6.2 Not surprisingly the strongest positive impact is in respect of the housing theme. It is anticipated that the SPD will improve the provision of housing across the district particularly affordable housing, and will also ensure that all housing is more effectively targeted towards meeting local needs.
- 6.3 The strong emphasis within the SPD on enhancing the sustainability of new homes through the application of high quality design standards is reflected in the positive impact on themes such as pollution, climate change and energy. There are also substantial positive effects on issues such as tackling poverty, improving health and reducing crime.
- 6.4 The assessment has not identified any significant negative impacts under any of the sustainable development themes. This does not mean however that there are no risks associated with the implementation of the SPD. One concern for example is the extent to which maximising the provision of affordable housing could undermine the viability of development sites and also reduce the ability to secure other community benefits from new development. This is an issue which will need to be carefully monitored.
- 6.5 Overall, however it is considered that the adoption of the SPD would contribute towards achieving sustainable development in the District and would also support the objectives of the adopted Local Plan Review.



Planning Services  
Stratford-on-Avon District Council  
Elizabeth House, Church Street  
Stratford-upon-Avon CV37 6HX

Telephone 01789 260337  
e-mail [planning@stratford-dc.gov.uk](mailto:planning@stratford-dc.gov.uk)  
website [www.stratford.gov.uk](http://www.stratford.gov.uk)