



Northumberland
County Council

Northumberland Local Plan

Affordable Housing
Supplementary Planning Document
Scoping Document

September 2019

If you need this information in Large Print, Braille, Audio
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1. Introduction

About this consultation document

- 1.1 The Council is proposing to prepare a Supplementary Planning Document (SPD) to provide guidance on affordable housing in Northumberland. The Affordable Housing SPD will provide further detail on the planning policies that relate to affordable housing provision in the emerging Northumberland Local Plan. Upon adoption, its guidance will be a material consideration in the Council's decision-making on planning applications.
- 1.2 This consultation scoping document sets out the Council's initial views on the scope and content of the proposed SPD, and seeks feedback on that proposed coverage prior to preparing the draft SPD for consultation.
- 1.3 Alongside consulting on the scope and content of the proposed Affordable Housing SPD, the Council is also consulting on the scope and content of a proposed Planning Obligations SPD. The two SPDs will cross-reference each other where relevant.

How to get involved

- 1.4 The Council is seeking your comments at this stage in order to consider what guidance should be contained in the Affordable Housing SPD and ensure it is prepared in a transparent way. Specific consultation questions have been included at the end of this document focusing on the issues that the Council would particularly welcome views on.
- 1.5 Consultation on this scoping document is taking place over a six week period between 25 September 2019 and 6 November 2019.
- 1.6 Comments in response to the consultation document can be submitted online or by returning a response form by email or by post. The Council is encouraging people to submit their comments online, but response forms are available from libraries, customer information centres and County Hall, or can be downloaded from the Council's website⁽¹⁾. Details of how to respond to the consultation using these methods are provided below:
 - Online: Comments can be submitted via the consultation website⁽²⁾
 - Email: planningstrategy@northumberland.gov.uk
 - Post: Planning Policy, Northumberland County Council, County Hall, Morpeth, Northumberland, NE61 2EF
- 1.7 All comments must be received by **5pm on 6 November 2019**.

1 Response forms can be downloaded from the consultation website at: <https://northumberland-consult.limehouse.co.uk/portal/planning/spd/affordable-housing/scoping>

2 The consultation can be accessed at: <https://northumberland-consult.limehouse.co.uk/portal/planning/spd/affordable-housing/scoping>

What is a Supplementary Planning Document?

- 1.8** The main purpose of an SPD is to add further detail to specific policies contained within the Development Plan. They do not set or introduce new statutory policies, but provide non-statutory, advisory, supporting guidance on the interpretation and implementation of the Development Plan's policies. An SPD may address a particular topic or it may provide guidance on the development of a specific site or area.
- 1.9** SPDs are prepared by the Council in consultation with the community, but are not subject to independent examination in the way that a statutory Development Plan Document (such as the Local Plan or a Neighbourhood Plan) would be. The regulatory framework for preparing and adopting an SPD is set out in the Town and Country Planning (Local Planning) (England) Regulations 2012.
- 1.10** Once adopted, the contents of an SPD are a material consideration when assessing and making decisions on planning applications.

What is affordable housing?

- 1.11** The meaning of affordable housing, in planning terms, is defined in the glossary of the National Planning Policy Framework (NPPF). It formally defines affordable housing as:

“Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions [see NPPF glossary for full definitions]:

- *Affordable housing for rent*
- *Starter homes*
- *Discounted market sales housing*
- *Other affordable routes to home ownership”*

2. Policy context

National Planning Policy Framework

- 2.1** The National Planning Policy Framework (NPPF, February 2019) sets out the Government's overarching stance on key planning policy matters and is a material consideration in planning decisions. In particular, it requires planning policies to reflect the size, type and tenure of housing needed for different groups in the community, including for those who require affordable housing, while also setting out expectations for that affordable provision to be on-site unless alternative off-site provision or financial contributions in lieu can be robustly justified⁽³⁾.
- 2.2** The NPPF also sets out the approach to facilitating affordable housing through Entry-level Exception Sites providing 100% affordable homes for first-time buyers and renters⁽⁴⁾, and small-scale Rural Exception Sites for predominantly affordable housing⁽⁵⁾.
- 2.3** As set out previously, the glossary of the NPPF importantly defines what is affordable housing in planning terms.

Northumberland Local Plan

- 2.4** The Northumberland Local Plan⁽⁶⁾ will be a single new Local Plan for the whole of Northumberland and will replace all of the previous District and County Council Local Plan and Core Strategy documents. Once adopted, the Local Plan will become the principal part of the overall Development Plan, along with Neighbourhood Plans prepared by local communities, which together forms the statutory framework for future development of land and buildings in the County.
- 2.5** The following key policies relevant to affordable housing provision are included within the Housing chapter of the Northumberland Local Plan - Publication Draft Plan (Regulation 19) (January 2019), together with supporting explanatory text:
- **Policy HOU 2 - Provision of new residential development:** Overarching strategic policy supporting the delivery of new open market and affordable dwellings in a range of tenures, types and sizes.
 - **Policy HOU 5 - Housing types and mix:** Encourages the provision of a range of good quality, energy-efficient homes, including affordable homes, to deliver a more balanced mix of tenures and housing types and sizes.
 - **Policy HOU 6 - Affordable housing provision:** Strategic policy setting out the Council's affordable housing requirements by location, tenures and types to help meet the County's identified needs; that the affordable provision should be secured through a legal Section 106 planning obligation agreement to ensure they remain affordable in perpetuity; and the approach to alternative off-site

3 National Planning Policy Framework (February 2019), paragraphs 61 to 64.

4 National Planning Policy Framework (February 2019), paragraph 71 and Glossary

5 National Planning Policy Framework (February 2019), paragraph 77, paragraph 145 (f) and (g) and Glossary

6 Further information on the Northumberland Local Plan can be found at: www.northumberland.gov.uk/localplan.

contributions and financial contributions. The supporting text advises that "further guidance on affordable housing provision and associated financial contributions will be set out in a forthcoming supplementary planning document (SPD)".

- **Policy HOU 7 - Exception sites:** Sets out the approach to enabling affordable housing through Entry-level Exception Sites and Rural Exception Sites.

Neighbourhood Plans

- 2.6** A number of communities across the County have prepared or are in the process of preparing neighbourhood plans. Once 'made' (brought into legal force) these plans also form part of the statutory development plan. Further information on the neighbourhood plans which have been 'made' or passed referendum are available on the Council's website at <https://www.northumberland.gov.uk/Planning/Planning-policy/Neighbourhood.aspx>.
- 2.7** The scope of neighbourhood plans varies, however there are a number of policies which could be relevant to the proposed Affordable Housing Supplementary Planning Document.

3. Role and scope of the Affordable Housing SPD

Role of the Affordable Housing SPD

- 3.1** The Affordable Housing SPD will provide guidance on how affordable housing related policies in the Local Plan should be interpreted and applied. It will be particularly relevant for decision makers, applicants and professionals involved in planning applications for housing development, supporting them in responding positively to the county's identified needs for affordable housing. The guidance within the SPD may also be of interest to local communities, including Parish and Town Councils and community-led housing groups. It is considered that all those involved with new housing development should have the opportunity to inform the content of the Affordable Housing SPD.
- 3.2** The role of the SPD will be to ensure that clear expectations are set out for new housing developments in Northumberland in terms of contributing to the provision of affordable housing to meet the area's needs, which is considered to be fundamental to placemaking. Guidance within the document will also seek to inform the planning application process for seeking planning permission. It is anticipated that the SPD will help to provide clarity and improve collaboration between all those involved with the provision of affordable housing through new housing developments.

Proposed scope of the Affordable Housing SPD

- 3.3** It is proposed that the Affordable Housing SPD should include the following:
- Explanation about what affordable housing is, the alternative types and tenures;
 - Explanation of Northumberland's affordable housing requirements;
 - Guidance on the provision of affordable housing within planning applications for housing development, including building upon current technical paper⁽⁷⁾ guidance on the viability value areas mapping for affordable housing;
 - Explanation about the use of Section 106 planning obligation agreements for securing affordable housing provision and their retention in perpetuity (in accordance with the NPPF);
 - Guidance on how Section 106 commuted sums from developers for affordable housing in lieu of on-site provision will be calculated (currently set out in the affordable housing protocol⁽⁸⁾);
 - Guidance on applying for, the buying, selling and renting of Discounted Market Value (DMV) affordable homes.

7 The Affordable Housing Value Mapping Methodology Technical Paper (December 2018) can be viewed under the housing section on the following page on the Council's website: <https://www.northumberland.gov.uk/Planning/Reports.aspx>

8 The Council's Cabinet previously adopted a formal protocol in January 2017 setting out the approach to calculating the commuted sums required from developers through Section 106 agreements, together with guidance on applying for monies from this Section 106 developer fund for spending on affordable housing projects. The protocol can be viewed on the following page on the Council's website: <https://www.northumberland.gov.uk/Housing/Affordable.aspx>. An updated version of this protocol will be prepared and incorporated into the Affordable Housing SPD.

4. Proposed content of the Affordable Housing SPD

4.1 The suggested structure of the Affordable Housing SPD content is outlined as follows:

1. Introduction

- a. Purpose of the SPD
- b. Status of the SPD
- c. Preparation of the SPD and stakeholder engagement
- d. Overview and scope of the SPD and its structure

2. What is affordable housing?

- a. Definition of what is affordable housing
- b. The value of and need for affordable housing
- c. Affordable housing and self/custom housebuilding

3. National and local policy context

- a. National Planning Policy Framework and Planning Practice Guidance
- b. Northumberland Local Plan
- c. Neighbourhood Plans
- d. Northumberland Housing Strategy

4. Affordable housing needs and viability

- a. Strategic Housing Market Assessment (SHMA) - summary
- b. Local housing needs assessments
- c. Viability of delivering affordable housing - value areas mapping

5. Provision of affordable housing

- a. Calculating affordable housing requirements
- b. Vacant building credit calculation - reuse and demolition of vacant buildings
- c. On-site provision
- d. Alternative off-site provision - sequential approach to location
- e. Financial contributions in lieu - commuted sums protocol
- f. Tenure mix
- g. Pre-application and outline planning application agreements in principle
- h. Registered Providers

6. Section 106 planning obligations and agreements - overview

- a. Securing affordable housing provision through Section 106 agreements
- b. Negotiation of Section 106 agreements
- c. Viability and development appraisals - developer viability assessments

7. Applying for funding for affordable housing projects

4. Proposed content of the Affordable Housing SPD

- a. Sequential approach to spending Section 106 affordable housing monies
- b. Affordable Housing Section 106 Developer Fund application process and application form

8. **Buying, selling and renting Discounted Market Value homes**

- a. Buying Discounted Market Value properties
- b. Selling Discounted Market Value properties
- c. Renting Discounted Market Value properties

5. Consultation and next steps

Consultation questions

5.1 We are seeking responses to the following questions in relation to the Affordable Housing Supplementary Planning Document (SPD) scoping document:

Question 1

- a. Do you agree with the proposed broad role of the Affordable Housing SPD as set out in paragraphs 3.1 and 3.2 of this document?
- b. Please provide further comment if there is anything you would suggest changing in relation to the proposed broad role of the Affordable Housing SPD.

Question 2

- a. Do you agree with the proposed general scope and coverage of the Affordable Housing SPD as set out in paragraph 3.3 of this document?
- b. Please provide further comment if there is anything you would suggest changing in relation to the proposed general scope and coverage of the Affordable Housing SPD.

Question 3

- a. Do you agree with the proposed general structure of the Affordable Housing SPD as set out in section 4 of this document?
- b. Please provide further comment if there is anything you would suggest changing in relation to the proposed general structure of the Affordable Housing SPD.

Question 4

Do you have any other comments on the Affordable Housing SPD Scoping Document?

Next steps

- 5.2** Following the consultation on this document, a draft Affordable Housing SPD will be prepared. The feedback received from the consultation on this scoping document will be used to help inform the contents of the draft document.
- 5.3** The draft Affordable Housing SPD will then be published for a minimum four weeks public consultation and feedback will be used to help finalise the SPD. The Council will then formally adopt the SPD and it will become a material consideration in making decisions on planning applications.
- 5.4** A Strategic Environmental Assessment (SEA) screening will be carried out prior to a consultation on the draft Affordable Housing SPD to determine if there is a need to carry out an SEA. However, SPDs do not normally require Strategic Environmental Assessment (SEA) except in exceptional circumstances where there are likely to be significant environmental effects that have not already been assessed during the preparation of the Local Plan. The Council will consult the environmental assessment consultation bodies on the result of the SEA screening and will make this information available during consultation on the draft SPD.
- 5.5** A full timetable will be identified for the preparation of this SPD following an analysis of the feedback from the consultation on this scoping document.



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