

**MSDC proposed modifications to:**

- **DP29: Affordable Housing**

## DP29: Affordable Housing

In response to the Inspector's Initial Questions (Housing), the Council (MSDC1) set out that due to continued uncertainty nationally about the final form of the government's Starter Home Policy, it no longer wished to pursue the proposed modifications to DP29 (set out in the Council's Further Modifications: BP4), at Examination.

The Council's request to the Inspector to hold DP29 in abeyance was accepted. As such, the Council's policy position on DP29 reverted back to that as set out in the Pre-Submission Draft District Plan (June 2015): BP2. Policy DP29 as set out in BP2, accounts for the 'national affordable housing threshold' within National Planning Policy Guidance, set out by the Written Ministerial Statement of 28 November 2014 that was reinstated following the Court of Appeal ruling May 2016.

BP2 set a provision of 30% affordable housing. As set out in MSDC1, the overall provision of traditional affordable housing is viable at 30% at the proposed policy thresholds. In the Inspector's Interim Conclusions on the Housing Requirement, it was reasoned that most of the affordable housing need for reasonable preference groups would be met by a 20% uplift to the base OAN to 876 dwellings per annum.

The Council therefore proposes that the final policy position for District Plan policy DP29 should be as per BP2 but as amended with updated supporting text and some minor changes for purposes of clarity and to better correspond with and not unnecessarily repeat NPPG. The final policy position also formalises the Council's position that it expects the redevelopment of affordable housing schemes to provide as a minimum, the same number of affordable housing units in accordance with current mix or tenure requirements, unless significant clear evidence demonstrates that the site cannot support the required affordable housing from a viability and deliverability perspective.

The changes to the supporting text are numerous so have not been reproduced as track changes below.

Proposed amendment:

### DP29: Affordable Housing

The Mid Sussex Housing and Economic Development Needs Assessment (HEDNA), drawing upon the Northern West Sussex Affordable Housing Needs Update Report (2014), provides the underlying justification for requiring the provision of affordable housing on residential development through affordable housing policies. The Update Report indicates that 44.2% of newly forming households in Mid Sussex cannot afford to rent or buy on the open market.

In setting affordable housing policies, the evidence of affordable housing need must be combined with other information, including the viability and deliverability of housing development to set a level of affordable housing that is realistic and deliverable. The Mid Sussex Whole Plan and Community Infrastructure Levy Viability Assessment (2016) applies the likely costs of new housing developments, including affordable housing and other policy requirements such as space standards, environmental policies and infrastructure contributions (Section 106 and/or CIL). This provides conclusive evidence that the provision of 30% affordable housing is viable.

The requirement for the provision of affordable housing applies to all types of residential development falling within Use Class C3. This includes changes of use, mixed use sites that

incorporate an element of residential development, sheltered and extra care housing schemes (falling within Use Class C3), conversions and any other developments where there is an increase in the number of residential units on the site.

Maintaining the number of affordable homes in the district is equally as important as delivering new affordable housing. Where existing affordable housing, or sites previously used for affordable housing are to be redeveloped, the Council will expect the same number of affordable units to be replaced on the site, with the scheme reflecting current mix and tenure requirements. The Council is aware that in some exceptional circumstances, such provision may not be feasible and variations in overall numbers, tenure, size or location, taking account of site specific circumstances, could be negotiated. Independent viability evidence may be required in such circumstances.

### DP29: Affordable Housing

*Strategic Objectives: 13) To provide the amount and type of housing that meets the needs of all sectors of the community.*

*Evidence Base: Mid Sussex District Council Common Housing Register; Parish Housing Needs Assessments; Northern West Sussex Affordable Housing Needs Update Report (2014); [Mid Sussex Housing and Economic Development Needs Assessment](#); Mid Sussex Whole Plan and Community Infrastructure [LivyLevy Viability Assessment \(2015/2016\)](#).*

The Council will seek:

1. the provision of a minimum of 30% on-site affordable housing for all residential developments providing ~~a net increase of 11 dwellings and above or more~~, or a maximum combined gross floorspace<sup>1</sup> of more than 1,000m<sup>2</sup>; ~~or~~
2. for residential developments in the High Weald Area of Outstanding Natural Beauty providing a net increase of 6 – 10 dwellings, a commuted payment towards off-site provision, equivalent to providing 30% on-site affordable housing; ~~The payment would be commuted until after the completion of the dwellings within the development.~~
3. on sites where the most recent use has been affordable housing, as a minimum, the same number of affordable homes should be re-provided, in accordance with current mix and tenure requirements;
4. a mix of tenure of affordable housing, will be required (normally approximately 75% social or affordable rented homes, with the remaining 25% for intermediate homes, unless the best available evidence supports a different mix); ~~and~~
5. free serviced land for the affordable housing.

All affordable housing should be integrated with market housing and meet national technical standards for housing including “optional requirements” set out in this District Plan (Policies DP25: Dwelling Space Standards; DP26: Accessibility and DP42: Water Infrastructure and the Water Environment); or any other such standard which supersedes these.

Proposals that do not meet these requirements will be refused unless significant clear evidence demonstrates to the Council’s satisfaction is provided to show that the site cannot support the required affordable housing from a viability and deliverability perspective. Viability should be set out in an independent viability assessment on terms agreed by the relevant parties, including the Council, and funded by the developer. This will involve an open book approach. The Council’s approach to

<sup>1</sup> Measured as gross internal floorspace

financial viability, alongside details on tenure mix and the provision of affordable housing will be set out in a Supplementary Planning Document.

~~Free serviced land should be made available for the affordable housing, which should be integrated with market housing and meet the Design and Quality Standards published by the Homes and Communities Agency or any other such standard which supersedes these.~~

~~Details about the provision of affordable housing will be set out in a Supplementary Planning Document.~~

~~Details of the evidence required to justify a revision to the affordable housing requirements will be set out in a Supplementary Planning Document.~~Details on tenure mix and the provision of affordable housing will be set out in a supplementary planning document. The policy will be monitored and kept under review having regard to the Council's Housing Strategy and any changes to evidence of housing needs.