

# **CHESHIRE EAST COUNCIL**

## **REPORT TO: ENVIRONMENT AND PROSPERITY SCRUTINY COMMITTEE**

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**Date of Meeting:** 26<sup>th</sup> October 2010  
**Report of:** Strategic Director - Places  
**Subject/Title:** Interim Planning Statement on Affordable Housing  
**Portfolio Holder:** Cllrs David Brown/Jamie Macrae

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### **1.0 Report Summary**

- 1.1 This report considers the Council's policy position to the provision of affordable housing and the results of the Strategic Housing Market Assessment and proposes the introduction of an Interim Planning Statement to be used in considering planning applications for housing development pending the adoption of a policy for Cheshire East in the LDF Core Strategy. This report was considered and approved by Cabinet on 20<sup>th</sup> September 2010.

### **2.0 Decision Requested**

- 2.1 That the Environment and Prosperity Scrutiny Committee endorses the Cabinet approval of the draft Interim Planning Statement on Affordable Housing (as appended to this report) for consultation purposes, and its agreement that it be treated as a material consideration in the determination of planning applications pending the adoption of the finalised document in such a format as may be appropriate following the consultation process.

### **3.0 Reasons for Recommendations**

- 3.1 To ensure that the Council has up to date planning guidance on affordable housing pending the adoption of a new Council wide policy in the Local Development Framework.

### **4.0 Wards Affected**

- 4.1 All wards

### **5.0 Local Ward Members**

- 5.1 All members

## **6.0 Policy Implications including - Climate change - Health**

- 6.1 The Interim Planning Statement on Affordable Housing provides guidance on the delivery of policies on affordable housing. New housing is required to achieve high levels of energy efficiency and provide healthy living conditions.

## **7.0 Financial Implications (Authorised by the Borough Treasurer)**

- 7.1 There are no operational financial implications of this statement as any change in officer time in negotiating schemes and S106 agreements will be managed within existing budgets.
- 7.2 Paragraph 2.13 of the Interim Planning Statement on Affordable Housing recognises that the requirements will result in a cost to the developer. This in turn will impact on the value of any land that the Council sells for housing.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 There will be requirement for officer time in negotiating and preparing the S106 agreements. This will be managed within existing staffing resources.

## **9.0 Risk Management**

- 9.1 The 2010 Strategic Housing Market Assessment has demonstrated the continuing high level of demand for affordable housing throughout the Borough that warrants an increase in the target for the amount of affordable housing to be provided on development sites. Without the introduction of the Interim Housing Policy on Affordable Housing, a lower level of affordable housing would be provided.

## **10.0 Background and Options**

- 10.1 The Council has inherited three different planning policies for affordable housing in the Local Plans of the predecessor district authorities. The Crewe and Nantwich and Congleton Borough Local Plans both seek a minimum target of 30% affordable housing on allocated and windfall sites. The Macclesfield Borough Local Plan requires a minimum of 25%. Differences exist in the threshold at which the affordable housing requirement is applied. The Macclesfield Local Plan does not contain a rural exceptions policy whereas the other two Local Plans do, albeit with slightly different wording.
- 10.2 The three current Local Plans recognise that there may be instances when the level of affordable housing provided on individual sites might be influenced by economic viability issues. However, over the past 12 to 18 months, there has been an increasing number of occasions when developers have sought to provide a significantly lower level of affordable housing on sites due to viability issues which have been brought into sharper focus due to the down turn in the UK housing market. There is a

lack of a clear framework for evaluating viability issues for individual planning applications.

- 10.3 An Interim Planning Statement on Affordable Housing has been produced therefore to address these issues and is set out in Appendix 1. The planning statement is intended to provide updated guidance on affordable housing provision, with particular reference to the determination of planning applications where there is an affordable housing requirement and to ensure consistency of approach in negotiating the provision of affordable housing. The Interim Planning Statement on Affordable Housing also addresses the increasing number of issues surrounding development economics and the viability of providing affordable housing.

This report was considered and approved by Cabinet on 20<sup>th</sup> September 2010.

## **11.0 Overview of Year One and Term One Issues**

- 11.1 None

## **12.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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