

Tourism Equalities, Communities and Culture Committee

Agenda Item 64

Subject: Affordable Housing Brief Update

Date of meeting: 13 January 2022

Report of: Executive Director - Economy Environment & Culture

Contact Officer: Name: Robert Davidson

Tel: 01273 291580

Email: Robert.davidson@brighton-hove.gov.uk

Ward(s) affected: All

For general release

1. Purpose of the report and policy context

1.1 The report seeks Committee approval for the publication of an update to the Affordable Housing Brief (AHB) which provides technical guidance supporting the implementation of Policy CP20 Affordable Housing in the City Plan Part One. The AHB was first published in 2016 and now needs to be updated following changes to national planning policy for affordable housing and to reflect evolution in the council's approach to securing affordable housing through Section 106 planning agreements.

2. Recommendations

2.1 That Committee approves the updated version of the Affordable Housing Brief attached at Appendix 1.

3. Context and background information

3.1 The AHB is an informal planning document that provides technical guidance supporting the affordable housing policy requirements set out in Policy CP20 of the adopted City Plan Part One. It is used extensively by the council's planning and housing officers as a material consideration when considering planning applications for housing development which require an affordable housing contribution. This is to ensure that affordable housing secured through Section 106 agreements addresses identified local needs, provides high quality housing, and contributes to creating mixed, balanced and sustainable communities.

3.2 It is important to emphasise that the AHB is guidance and cannot introduce new planning policy or override existing policy. The guidance is used to implement policy but does not carry as much weight as a Supplementary Planning Document which is required to go through a formal preparation process.

3.3 The existing AHB was first published in 2016. Since that date there have been significant changes to affordable housing policy at the national level.

The council's own approach to securing affordable housing has also evolved. The updated Brief reflects and responds to these changes. The most significant proposed updates include:

- An updated definition of 'affordable housing' reflecting changes to the national planning policy definition which has been broadened since 2016 to include new affordable housing categories such as starter homes/First Homes and Affordable Private Rent housing delivered as part of Build to Rent schemes (see below);
- Updated guidance on the council's preferred affordable housing tenure mix following the recently introduced national policy on First Homes (which requires that at least 25% of affordable housing secured through s106 agreements is delivered as First Homes);
- A new section setting out the First Homes requirements, including locally defined eligibility criteria that the council will apply during the first three months of marketing (the maximum period within which local criteria can be applied for First Homes). The local criteria will require that prospective First Homes buyers have a local connection to Brighton & Hove and are 'key workers' within a defined list of public sector employees.
- A new section covering the affordable housing requirements for 'Build to Rent' schemes – again reflecting national guidance but also to assist in implementing City Plan Part Two Policy DM6 to provide an element of affordable private rented housing within for build to rent schemes;
- A defined 'cascade system' indicating the council's preferred approach and priorities in situations where onsite affordable housing is not easily achievable (i.e setting out that council purchase of onsite affordable units will be considered as an option before seeking an in lieu commuted sum);
- An expanded section on council requirements for assessing the viability of affordable housing as part of planning applications for housing development, including providing for the use of viability review mechanisms where development schemes are found to be unable to meet the full Policy CP20 requirements.

4. Analysis and consideration of alternative options

- 4.1 As set out above, there is a clear requirement to update the AHB to reflect recent changes to affordable housing planning policy and requirements at the national level (in particular, the new national policy on First Homes).
- 4.2 In the longer term, it would be beneficial to upgrade the AHB to a Supplementary Planning Document (SPD) which would give it increased weight as a material planning consideration when considering planning applications. However, planning guidance cannot override or amend existing planning policy as currently set out in the adopted City Plan Part One Policy CP20. Publication of an SPD will need to be linked to a review of affordable housing policy which will form part of the forthcoming City Plan review. Such a review will need to include updated evidence on local housing needs, affordability and development viability in order to justify any change to City Plan policy.

5. Community engagement and consultation

- 5.1 The AHB update has involved input from the council's Housing Strategy, Planning Policy and Development Management teams. Although relevant for planning applicants, developers and housing providers, the AHB is primarily a technical support document only which provides guidance on the implementation of affordable housing policy which is already set out in Policy CP20 (which was the subject of extensive consultation and examination). Therefore, it is not considered necessary to undertake external consultation on the AHB outside the council.

6. Conclusion

- 6.1 The updated AHB presented here will reflect changes to national planning policy for affordable housing and the evolution of the council's own approach to securing affordable housing. The approved AHB will be published on the Council's website.

7. Financial implications

- 7.1 There are no direct financial implications for the council. The updated AHB will enable the council to better negotiate the delivery of affordable housing (or equivalent off-site financial contributions) through developer contributions as part of Section 106 agreements. Where the AHB refers to the use of council funds (such as the option for council purchase of affordable rent homes on sites where there is no interest from other affordable housing providers), this reflects already established council policy.

Finance officer consulted: John Lack

Date consulted: 09/12/2021

8. Legal implications

- 8.1 There are no direct legal implications. The AHB is published as technical guidance to support the delivery of affordable housing through Policy CP20 in City Plan Part One. It reflects existing planning policy and the council's identified housing priorities but does not seek to introduce new policy or override existing policy.

Lawyer consulted: Alison Gatherer

Date consulted: 10/12/2021

9. Equalities implications

- 9.1 The AHB is published as technical guidance supporting affordable housing policy as set in City Plan Part One and the council's housing priorities.

10. Sustainability implications

- 10.1 None identified.

11. Social Value Implications

- 11.1 The updated AHB will help to ensure the delivery of affordable housing that best meets the range of identified housing needs in the city.

Supporting Documentation

Appendices

1. Affordable Housing Brief (2022 update)