

## **Affordable Housing Supplementary Planning Document - additional information**

This information has been prepared to provide additional guidance to the adopted Affordable Housing Supplementary Planning Document (SPD) for all those involved in the provision of affordable housing through the planning system during the economic recession. The information will be of interest to applicants and their agents, landowners and developers.

The information provides an update to the current planning policy position, following the introduction of the Planning and Compulsory Purchase Act 2004, Planning Policy Statement 3 (PPS3): Housing 2006, the emerging RSS and the move towards a Stroud Local Development Framework (LDF).

Please note that, whilst this information is intended to provide additional advice to those involved in the development process, clarifying current negotiation procedures and practice, it does not change existing planning policy. As such, the information does not formally require external public consultation.

### **Deferred Contributions**

For qualifying housing sites, the applicant will be required to enter into a legal agreement to provide 30% of the total dwellings on the site as affordable housing with nil public subsidy unless there is a robust economic justification for reducing this proportion because the economic viability of the scheme is threatened by the inclusion of affordable housing.

If such a reduced proportion is agreed following the validation process (see section 9.12 – 9.17 of the SPD) on the basis of nil public subsidy the Council has a number of options it will consider. These are:

1. Supporting the injection of public subsidy from HCA to achieve the full affordable housing requirement. This would enable the overall scheme to return to viability via a bid to the HCA. The S106 agreement would include an either/or provision relating to whether subsidy were available, the level of subsidy required and trigger timescales. This would enable reasonable development decisions to be made for the site by the developer and Housing Strategy Manager in securing the public subsidy top up.
2. Altering the unit mix or tenure split to facilitate a more viable scheme while still addressing the housing needs of the District.
3. Altering the percentage affordable housing sought on the site to reflect the viable position.

In these cases an overage clause will be included within the S 106 agreement to capture any market improvement value either in whole or part between the time of the viability validation and the commencement of the site (or phases on a large site). The overage clause will seek to secure payments which

would provide the equivalent on site affordable housing value via a commuted sum provision, should market conditions improve and the viability of the scheme allow such payment.

Early discussion of affordable housing provision with the Housing Strategy Manager is strongly encouraged.

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