

Ms L Higby
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Date: 17th August 2010

Dear Ms Higby,

Re: Rochford District Core Strategy examination – Affordable Housing

I write in response to your invitation to make written submissions in respect of the above, ahead of the hearing session on the 7th September. Thank you for the opportunity to do so.

The affordable housing policy set out in the submission version of the Rochford District Core Strategy is as follows:

Policy H4 – Affordable Housing

At least 35% of dwellings on all developments of 15 or more units, or on sites greater than 0.5 Hectares, shall be affordable. These affordable dwellings shall be tenure blind and well integrated in to the layout of new residential developments such that they are spread (“pepper potted”) throughout larger developments, whilst having regard to the management requirements of Registered Social Landlords.

The Council will aim for 80% of affordable housing to be social housing, 20% intermediate housing. The Council will constantly review the affordable housing needs of the District and developers should consult with the Councils Housing Strategy team to ensure their proposals meet the Councils needs before submitting planning applications.

The requirement for the provision of affordable housing will only be relaxed in highly exceptional circumstances, for example where constraints make on-site provision impossible or where the developer is able to definitely demonstrate that 35% provision will be economically unviable, rendering the site undeliverable. In such cases the Council will negotiate the proportion of affordable dwellings based on the economic

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The comments within this letter are those of an Officer of the Council and are without prejudice to further consideration of this matter or to the Council's final decision

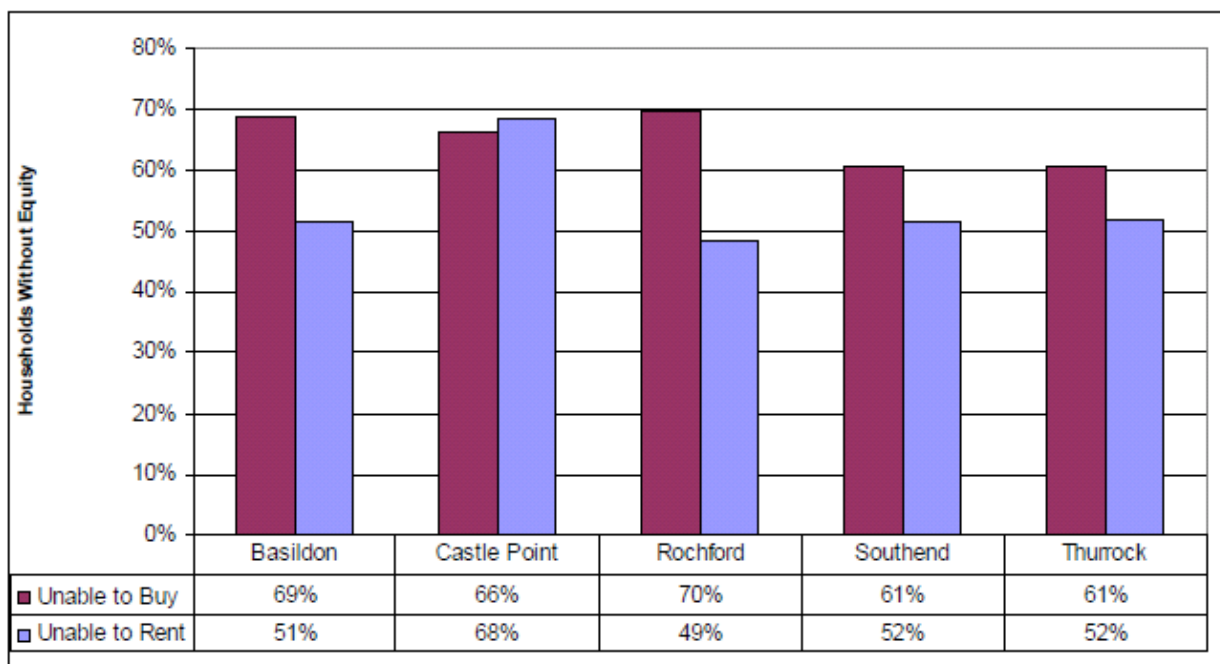


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viability calculations. It is expected that affordable housing will be provided on each development site; in rare cases, taking account of particular site characteristics, the affordable housing contribution may be provided by way of a commuted sum towards off-site affordable housing.

An Affordable Housing Study has been undertaken. This assessed the current economic viability of delivering affordable housing in Rochford District. It did not look at other issues, such as need.

The Thames Gateway Strategic Housing Market Assessment 2010 states that: “Rochford is now the least affordable place for local residents to enter the private housing market, at some 8.5:1 price to earnings ratio.”, with 70% of households unable to buy, and 49% of households unable to rent as shown in Figure 1:



Source: CACI, Hometrack and GVA Grimley

Figure 1: Affordability (Lowest Quartile Earnings to Prices Ratio), TGSE Authorities 2007-2009

The SHMA 2010 also concludes that the Affordable Housing need within Rochford District is 196 dwellings per annum.

It is therefore clear that there is an acute need for affordable housing within the District. We consider that setting a target at the lower proportion of 30% of all new residential dwellings on sites of 0.5 hectares or more than 15 dwellings to be affordable (as

suggested as one of the options within the Affordable Housing Viability Study) is inappropriate in respect of the need within the area. It is not considered that setting a target of 35% affordable housing in the District would undermine the delivery of housing, as Policy H4 is sufficiently flexible in that there is potential for the required 35% threshold to be relaxed on a site-by-site basis in circumstances where it is found to be economically unviable.

It should also be noted that the Affordable Housing Viability Study records the Council's previous reliance on smaller sites. This is expected to change in future years however, with the adoption of the Core Strategy and the reallocation of land for residential development in order to meet the housing needs of the District. It is therefore expected that the reliance on smaller sites for development will ease. Consequently the recommendation within the Viability Study to reduce the threshold below 15 units is not considered to be appropriate given the proposed allocation of larger sites within the District to deliver new residential dwellings.

It is relevant to note that the SHMA (2008) recommended a consistent approach vis-à-vis affordable housing policies across the Thames Gateway South Essex housing market area, noting that the sub-regional target is 35%. If different targets were set across the same housing market area, this may imbalance delivery across the sub-region.

We consider, therefore, that Policy H4 as currently drafted is the most appropriate approach given the need for affordable housing within the District. This remains the position regardless of suggested changes to the time horizons for residential development, as set out in our letter of 19th July 2010 and accompanying statement.

Yours faithfully,

Samuel Hollingworth
Planning Policy Team Leader