

## Report of Head of Scrutiny and Member Development

### Report to Scrutiny Board (Regeneration)

**Date: 29<sup>th</sup> November 2011**

**Subject: Inquiry to Consider Affordable Housing by Private Developers - Interim  
Recommendation to Executive Board**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

## 1.0 Introduction

- 1.1 The Scrutiny Board agreed to undertake an inquiry to consider the provision of affordable housing by private developers in the city.
- 1.2 The first session of the Board's inquiry was held on 9<sup>th</sup> November 2011 by a Working Group comprising all Members of the Scrutiny Board.
- 1.3 Members referring to the Board's earlier inquiry on Housing Growth quickly identified an issue of concern regarding the decision of the Executive Board on 11<sup>th</sup> February 2011 to introduce an interim affordable housing policy which in the main reduces the percentage of affordable homes required to be provided by developers.
- 1.4 This has resulted in the majority of developers reneging on previous undertakings and providing reduced numbers of affordable homes in accordance with the Council's own interim policy particularly on Greenfield sites. Recent examples of this were raised including Plans Panel East on 3<sup>rd</sup> November where a new planning application had

been submitted for a site in Garforth to avoid previous undertakings to provide affordable homes.

## **2.0 Informal Policy 2011**

- 2.1 The 'Interim Affordable Housing Policy' 2011 agreed by the Executive Board on 11<sup>th</sup> February introduces new percentage targets to supersede those of current policy and a two year implementation period, after which time the target which is in effect at that time will come into effect. All other aspects of the Affordable Housing Supplementary Planning Guidance and Annex remain in force. The intention is that the interim policy will apply until replaced by the formal Local Development Framework policies within the Core Strategy and Affordable Housing Supplementary Planning Document which supersede it. Current affordable housing policy is a combination of both the Informal Housing Policy 2011 and Supplementary Planning Guidance (the SPG, Feb 2003 and SPG Annex July 2005, revision April 2010). Current targets are required to reflect the most up to date evidence base, and are derived from a combination of two pieces of evidence which are an updated Strategic Housing Market Assessment (SHMA) carried out by consultants GVA and, the Economic Viability Assessment (EVA) carried out by consultants DTZ. In summary the SHMA shows a high need for affordable housing but the EVA work shows that it is unviable to deliver much in the current economic climate.
- 2.2 The table below provides a summary of the affordable housing targets set out in the SPG, informal policy in 2008 and current informal policy, reflecting how affordable housing targets have changed since the SPG was first adopted.

<b>Housing Market Zone</b>	<b>SPG Policy</b>	<b>Informal Policy July 2008</b>	<b>Current Informal policy</b>
Outer area/rural north	25%	30%	35%
Outer suburbs	25%	30%	15%
Inner suburbs	25%	30%	15%
Inner areas	15%	15%	5%
City Centre	15%	15%	5%

## **3.0 Recommendation**

- 3.1 Members are asked to consider agreeing an interim recommendation to the Executive Board in that it reconsiders this interim housing policy as a matter of

urgency with a view to reinstating the 2008 affordable housing targets in relation to Greenfield sites.

#### **4.0 Background Documents**

- 4.1 Reference was made to the Director of City Development's report considered by the Working Group on 9<sup>th</sup> November 2011.