

MOTION REFERRED FROM COUNCIL

Head of Service:	Victoria Potts, Interim Director of Environment, Housing and Regeneration
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	None

Summary

The report provides a basis for debate to the motion submitted to the meeting of Full Council on 06-12-2022 by the Labour Group about the Council's affordable housing specified in the new Local Plan

Recommendation (s)

The Committee is asked to:

- (1) To reject the motion as Local Plan Policy must be evidenced based and as such the draft Local Plan provides a robust and more refined approach to maximise the delivery of affordable housing across both brownfield and greenfield sites.**

1 Reason for Recommendation

- 1.1 To enable the Committee to debate the motion and make a decision.

2 Background

- 2.1 A Motion was submitted to the Council at its meeting on 6th December 2022 proposed by Cllr Kate Chinn and Seconded by Cllr Debbie Monksfield as follows:
- 2.2 *We as the Labour Group move that in the Local Plan Epsom and Ewell Borough Council will specify a minimum requirement of 40% of affordable housing in each new housing development of 10 or more units (Use Class C3) of which at least 25% will be reserved for social rent and comply with the vacant building credit.*
- 2.3 At Council, this item was referred to the Licencing and Planning Policy Committee as the relevant policy committee to debate the motion.

Licensing and Planning Policy Committee

30 January 2023

2.4 Local Plan Policy

- 2.5 If the Committee agrees, Regulation 18 of the Local Plan will be released for consultation on 1st February 2023. This document contains draft policies relating to affordable housing
- 2.6 The Local plan policies need to be evidenced based. Affordable Housing policies cannot be made without regard to evidence in regard of both the proportion of affordable housing but also the tenure split.
- 2.7 The Housing and Economic Needs Assessment (HEDNA) is the key piece of evidence and this identifies the need for affordable housing across the borough to inform the local plan policies. In addition to the HEDNA, another key piece of evidence is The Viability Study that has been undertaken and that identifies the level and mix of development that is viable.
- 2.8 Policies in the local plan cannot and must not undermine the delivery of new development. For example, if a policy in the local plan requires targets that cannot be met while enabling a development to be viable, the site would be unlikely to come forward undermining the deliverability of the plan
- 2.9 Brownfield sites carry additional costs to develop such as decontamination costs and also can have additional constraints. They have less viable than greenfield sites which can more readily enable a greater proportion of affordable homes to be delivered.
- 2.10 The draft local plan policy has taken the above into account to ensure that sites can be delivered. The draft local plan therefore includes 30% urban areas/brownfield and 40% on greenfield sites.
- 2.11 The tenure mix also has a significant impact on the viability for the scheme. For example, the delivery of social rented accommodation will carry a significantly greater cost to the developer than shared ownership or units with a lower proportion of discount against market rent.
- 2.12 In line with the requirement that local plan policies must not undermine the delivery of new development the Draft local plan. Therefore, the draft local plan affordable housing policy states that of 25 % of affordable housing should be first homes and the remaining allocation must reflect local needs and must be affordable having regard to local income and rents/prices. This is a starting point and will be subject to evidence at the time that sites come forward.
- 2.13 The affordable housing policy contained in the Draft Local Plan states that the Council will promote the reuse of buildings for affordable housing by applying Vacant Housing Credit.

Licensing and Planning Policy Committee

30 January 2023

2.14 Summary

2.15 In summary, local plan policies must be evidence based and must not undermine delivery of development in terms of viability that would restrict development sites coming forward. The proposal contained in the motion could undermine this delivery rendering sites not viable. In the event that the motion is carried, it will be reflected in a future iteration of the Local Plan.

3 Risk Assessment

Legal or other duties

3.1 Equality Impact Assessment

3.1.1 The motion would undermine the delivery of affordable housing in the borough as it would make much of the development in the urban area unviable and new housing would therefore not be brought forward.

3.2 Crime & Disorder

3.2.1 Not applicable.

3.3 Safeguarding

3.3.1 Not applicable.

3.4 Dependencies

3.4.1 The successful adoption of the Local Plan.

3.5 Other

3.5.1 The risks of the motion are outlined in the body of the report.

4 Financial Implications

4.1 The motion if carried would undermine the successful adoption of the Local Plan, which could result in a significant amount of resource, including financial resource, being wasted.

4.2 **Section 151 Officer's comments:** None arising from the contents of this report.

5 Legal Implications

5.1 **Legal Officer's comments:** None arising from the contents of this report.

6 Policies, Plans & Partnerships

6.1 **Council's Key Priorities:** The following Key Priorities are engaged:

Licensing and Planning Policy Committee

30 January 2023

- 6.2 **Service Plans:** The Local Plan delivery is included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations:** The adoption of the motion could undermine the delivery of sustainable development and the ability of development proposals to incorporate climate change objectives and remain viable.
- 6.4 **Sustainability Policy & Community Safety Implications:** Not applicable.
- 6.5 **Partnerships:** None.

7 Background papers

- 7.1 The documents referred to in compiling this report are as follows:
- 7.2 The Draft Local Plan Regulation 18
- 7.3 The Housing and Economic Development Needs Assessment
- 7.4 The Local Plan Viability Report