

**Committee:** Cabinet

**Agenda Item**

**Date:** 4 December 2014

**13**

**Title:** Developer Contributions Guidance

**Portfolio Holder:** Cllr Barker

Key decision: No

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## **Summary**

1. At its meeting in March 2014 Cabinet adopted a Developer Contributions Guide.
2. On Friday 28 November 2014 the Government amended the National Planning Practice Guidance. This alters the circumstances in which affordable housing contributions can be requested.

## **Recommendations**

3. To adopt a revised Developer Contributions Guidance, which is in accordance with the updated National Planning Practice Guidance, as a material planning consideration.

## **Financial Implications**

4. The charges will give rise to a reduced income stream that will be used to fund new affordable housing within the district.

## **Background Papers**

5. None

## **Impact**

- 6.

Communication/Consultation	The adopted document will be placed on the website.  The Government consulted on the change to National Planning Practice Guidance.
Community Safety	No impact.
Equalities	The requirement will affect all equally.
Health and Safety	No impact.
Human Rights/Legal Implications	No impact.

Sustainability	No impact.
Ward-specific impacts	Affects all wards
Workforce/Workplace	To consider as part of planning application process.

## **Situation**

7. At its meeting in March 2014 Cabinet adopted a Developer Contributions Guide.
8. On Friday 28 November 2014 the Government amended the National Planning Practice Guidance. This alters the circumstances in which affordable housing contributions can be requested.
9. This new guidance overrides the Council's adopted Developer Contributions Guidance. In light of the new guidance it is imperative that the Council reviews and alters its current stance.
10. The National Planning Practice Guidance says:
  - contributions should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1000sqm
  - in designated rural areas, local planning authorities may choose to apply a lower threshold of 5-units or less. No affordable housing or tariff-style contributions should then be sought from these developments. In addition, in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10-units in the form of cash payments which are commuted until after completion of units within the development. This applies to rural areas described under section 157(1) of the Housing Act 1985, which includes National Parks and Areas of Outstanding Natural Beauty
  - affordable housing and tariff-style contributions should not be sought from any development consisting only of the construction of a residential annex or extension to an existing home
11. The district has a number of parishes which are defined as 'rural' under section 157 of the Housing Act. This is set out in SI 1997/623 Housing (Right to Acquire or Enfranchise) (Designated Rural Areas in the East) Order 1997.
12. The parishes listed are: Arkesden, Ashdon, Barnston, Berden, Birchanger, Broxted, Chrishall, Clavering, Debden, Elmdon, Elsenham, Felsted, Flitch Green, Great Canfield, Great Chesterford, Great Easton, Great Hallingbury, Great Sampford, Hadstock, Hatfield Broad Oak, Hatfield Heath, Hempstead, Henham, Leaden Roding, Lindell, Little Bardfield, Little Canfield, Little Chesterford, Little Dunmow, Little Easton, Little Hallingbury, Little Sampford,

Littlebury, Manuden, Margaret Roding, Newport, Quendon and Rickling, Radwinter, Stebbing, Takeley, Thaxted, Ugley, Wenden Lofts, Wendens Ambo, Wicken Bonhunt, Widdington and Wmbish.

(Great Dunmow, Saffron Walden and Stansted are not included).

13. Given the need to deliver affordable housing across the district the revised guidance sets the affordable housing threshold at '5-units or less'. This means the new policy is:

- Affordable housing provision (rounded up to the nearest whole number)
- 40% on sites of 15 or more dwellings or sites of 0.5ha or more;
  - 20% on sites of 11 - 14 dwellings or sites between 0.30ha and 0.49ha or an equivalent financial contribution as advised by the District Council; and
  - Financial contribution on sites of 6 - 10 dwellings in designated rural areas.

## Conclusion

14. It is recommended that the Developer Contributions Guidance be updated in accordance with the National Planning Practice Guidance.

15. The Council has considered the need for clear guidance for developers and has produced a document which will be made publically available.

## Risk Analysis

16.

Risk	Likelihood	Impact	Mitigating actions
Not all required contributions listed.	1 – The document states that it is not exclusive. Those listed are the main requirements.	1 – Additional requirements from sites can be included.	Carefully considered what is included within document.
Developer does not comply with adopted Guidance.	2 – Developers may challenge the requirements. Clear planning justification lies behind the requirements which will be set out in these instances.	2 – Refusal to comply may result in refusing the application leading to appeal or resubmission.	Publish document so that requirement is clearly set out. Raise through pre-application meetings.

Contributions collected insufficient to cover associated costs.	2 – Historically the contributions collected have not covered the associated costs for the predicted period.	2 – funding therefore needs to be provided from other Council sources to make up difference.	Clearly set out requirements and calculate the contributions required in detail. Refuse to accept transfer of land where contributions proposed are deemed to be insufficient.
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1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.