

# *Affordable Housing Supplementary Planning Document*

## *Public Participation Report*

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<b><i>CHAPTER 1 INTRODUCTION TO THE SUPPLEMENTARY PLANNING DOCUMENT</i></b>				
<i>1.1</i>				
26376 - East of England Regional Assembly (Paul Bryant) [6829]	Comment	<p>SCDC's 'Affordable Housing SPD' provides appropriate and detailed local guidance on the delivery of affordable housing. It includes an assessment of current need, reaffirms the Councils commitment to deliver 40% or more of all new dwellings as affordable, and discusses the use of rural exception policies. It also recognises that affordable housing should be well designed, well built, and that it should be delivered as part of sustainable, mixed-tenure developments. This SPD is consistent with regional policy, in particular, policies SS1, SS4, H2 and ENV7.</p> <p>The Regional Planning Panel Standing Committee considered a report at its meeting on 6 November 2009 before endorsing the recommendation that the Affordable Housing Supplementary Planning Document is in general conformity with the East of England Plan.</p>	Conformity with East of England Plan noted.	No change
<i>1.8</i>				
26391 - Natural England (Ms Janet Nuttall) [6952]	Support	We support the aims and principles of this document in seeking to provide sustainable, inclusive and mixed communities. Natural England welcomes the proposal to ensure that new housing provides good places to live, with well-mixed and integrated communities and providing an appropriate balance between private and public open	Support noted. The SPD deals specifically with affordable housing provision and must be read alongside all other parts of the LDF. It is not necessary or appropriate to repeat other requirements of the LDF in this SPD. Other DPDs and SPDs deal with the provision of green infrastructure in new developments. There is therefore no need to include reference to the provision of green infrastructure in the document.	No change

***Representations******Nature Summary of Main Issue******Council's Assessment******Action******1.9***

26576 - Homes and Communities Agency (Mr Mark White) [2347]

Object

Paragraph 1.4 states that the SPD will apply to the new town of Northstowe, to provide clarity on this issue, the SPD should include the text from Policy NS/7 (6) Affordable Housing, of the Adopted Northstowe Area Action Plan (NAAP) and should cross reference paragraphs D3.9 to D3.12 of the NAAP. This adopted policy provides the context for negotiations concerning the provision of affordable housing at Northstowe.

It is agreed that as the SPD applies to the major developments, the respective affordable housing policies from all the Area Action Plans, including that for Northstowe, should also be included in the SPD. As this will make the list of policies quite lengthy, the DPD extracts will be moved to an appendix. It is not considered necessary to include the supporting text for those policies in the SPD but they will remain relevant in the consideration of any proposals for those major

Amend para 1.9 as follows:  
1. Revise last sentence to read:  
"The policies are set out in Appendix 1 for convenience."  
2. Move the policies under paragraph 1.9 into new Appendix 1.

3. Renumber all appendices accordingly.  
4. Add to the end of new Appendix 1 the following policies:  
- Northstowe AAP, Policy NS/7 (6)

- Cambridge East AAP, Policy CE/7 (5) - (10)  
- Cambridge Southern Fringe AAP, Policy CSF/7 (5)

- North West Cambridge AAP,

Amend para 1.9 as follows:  
1. Revise last sentence to read:  
"The policies are set out in Appendix 1 for convenience."  
2. Move the policies under paragraph 1.9 into new Appendix 1.

3. Renumber all appendices accordingly.  
4. Add to the end of new Appendix 1 the following policies:  
- Northstowe AAP, Policy NS/7 (6)

- Cambridge East AAP, Policy CE/7 (5) - (10)  
- Cambridge Southern Fringe AAP, Policy CSF/7 (5)

- North West Cambridge AAP,

26518 - Gallagher Estates (Mr Alan Joyner) [1606]

Object

The document states that the SPD will apply to the new town of Northstowe. The section commencing on page 2 under the heading 'SOUTH CAMBRIDGESHIRE LDF POLICY' should therefore include the full wording of 'Policy NS/7 (6) Affordable Housing', of the Adopted Northstowe Area Action Plan (NAAP) and should cross reference with paragraphs D3.9 to D3.12 of the NAAP, as the Policy has considerable importance for negotiations concerning the provision of affordable housing at

It is agreed that as the SPD applies to the major developments, the respective affordable housing policies from all the Area Action Plans, including that for Northstowe, should also be included in the SPD. As this will make the list of policies quite lengthy, the DPD extracts will be moved to an appendix. It is not considered necessary to include the supporting text for those policies in the SPD but they will remain relevant in the consideration of any proposals for those major

***Representations******Nature Summary of Main Issue******Council's Assessment******Action******1.10***

26519 - Gallagher Estates (Mr Alan Joyner) [1606]

Object

Page 4 - Paragraph 1.10 - The meaning of 'affordable sites' in the 11th line of this paragraph is unclear. Is this meant to distinguish between private and public sector owned land for Gypsies and Travellers sites provision? Alternatively, is this a reference to Gypsy and Travellers sites being included within the affordable housing category of provision whether located on private or public sector owned land? The paragraph should be redrafted to make this clear. Also there is a superfluous duplicated 'which are' contained in the final sentence, which should

Line 11 of paragraph 1.10 is intended to distinguish between the way gypsy and traveller sites are provided which, as for housing for the settled community, can be funded and delivered by gypsies and travellers themselves on allocated land, ie. private sites, or provided as affordable housing with a subsidy and usually by RSLs, ie. affordable sites. The approach for the Gypsy and Traveller DPD recently consulted on included the option to allocate land at major developments, either as specific sites or as areas of search, which must be provided as part of the development. The GTDPD consultation also consulted on whether gypsy and traveller sites at major developments should be private or affordable sites. The issue of how the provision of land for gypsy and travellers by landowners at major developments is secured is a separate matter to be resolved through that DPD process.

Add the following to the end of the 5th sentence of paragraph 1.10: "..., ie. , funded and delivered by gypsies and travellers themselves on allocated land, or provided as affordable housing with a subsidy and usually by RSLs."

**Representations****Nature Summary of Main Issue****Council's Assessment****Action****CHAPTER 2 HOUSING NEED****2.2**

26520 - Gallagher Estates (Mr Alan Joyner) [1606]

Object

Page 5 - Paragraph 2.2 - The Inspectors' report into the Development Policies DPD stated that " - -to make the policy clear and coherent and accord with national policy, there needs to be an explicit reference to viability in the policy - -" (Paragraph 7.7). This is a stronger statement than recognising the need to take account of financial viability of developments, which is referred to on page 5 at paragraph 2.2 of the Draft SPD which should therefore be amended to include the exact words used in the Inspector's report.

It is agreed that reference to the specific approach to affordable housing at the major developments should be added to the end of the paragraph to acknowledge the specific weight given to viability in respect of these

Add new sentence to the end of para 2.2 to read: "The Area Action Plans for the major developments at Northstowe, Cambridge East and Cambridge Southern Fringe, and the Site Specific Policies DPD policy allocating NIAB Extra, include an additional caveat making clear that these are major and complex developments, which have a wide variety of requirements covering infrastructure and services, and a balance may need to be struck between competing requirements, in the light of economic viability. For North West Cambridge AAP this specific additional caveat on viability is not added given the special nature of the development and the importance of addressing university needs, although the usual reference to viability is included.

**2.6**

26521 - Gallagher Estates (Mr Alan Joyner) [1606]

Object

Page 6 - Paragraph 2.6 - This paragraph should be amended to make reference to the increase in unmet need for affordable housing being largely due to the economic downturn and the collapse in the house building market. Reference should also be made in this paragraph to the policy guidance in Circular 05/2005 that planning obligations should not be used solely to resolve existing deficiencies in infrastructure provision (Paragraph B9) and that this will constrain the ability to impose a requirement in future planning decisions to make up for previous unmet need for affordable housing.

This chapter deals with current evidence for housing need which continues to support the policies contained in the adopted DPDs. The SPD is not about reviewing the current affordable housing targets, but in providing supplementary guidance on how they will be implemented. It is not necessary or appropriate to include reference to planning obligations here.

No Change

***Representations******Nature Summary of Main Issue******Council's Assessment******Action******2.7***

26347 - Steeple Morden Parish Council (Mr Tony Turner) [12759]

Comment We've found Housing Needs figures distorted by people putting their name on the Registers for several villages - quite understandably - in the hope of getting one. Feel there should be a software solution to identify those with a true local connection to each location, to make the needs figures more meaningful.

The overall district wide needs figures are quoted in paragraph 2.6 from the Strategic Housing Market Assessment (SHMA) which conforms to government guidance on its methodology and specifically excludes double counting. The purpose of paragraph 2.7 is to demonstrate that applicants have preferences and local connections in all locations across the district, based on the 2007 Housing Register, not to produce an overall figure of need across the district. If these local connections were totalled it would exaggerate the overall level of need as suggested by the Parish Council, which is why it is not done, relying instead on the approved SHMA methodology. Since the introduction of Choice Based Lettings (CBL, 2008) local preferences are no longer recorded. The needs figures included in the SHMA do not use either local connections or preferences.

No Change

*Representations**Nature Summary of Main Issue**Council's Assessment**Action***CHAPTER 3 PLANNING AFFORDABLE HOUSING PROVISION****3.6**

26522 - Gallagher Estates (Mr Alan Joyner) [1606]	Object	Page 8 - Paragraph 3.6 - This paragraph should be amended to include a reference to 'Policy NS/7 (6) Affordable Housing', of the Adopted Northstowe Area Action Plan (NAAP) and should cross reference with paragraphs D3.9 to D3.12 of the NAAP (See separate representations on paragraph 1.9).	It is appropriate to reflect the specific policy context for the major developments, which differs slightly from the district wide policy. As such, a new sentence should be added to paragraph 3.6.	Add new penultimate sentence to paragraph 3.6 to read: "The policy for the major developments reflects that they are major and complex developments which have a wide variety of requirements covering infrastructure and services and recognising that a balance may need to be struck between competing requirements in the light of economic viability."
26579 - Homes and Communities Agency (Mr Mark White) [2347]	Object	Paragraph 3.6 does not make mention of the particular circumstances of the new town of Northstowe which are addressed in adopted planning policy in the Northstowe Area Action Plan (NAAP) (also see HCA representations on paragraph 1.9). This paragraph should include a reference to Policy NS/7 (6) Affordable Housing, of the NAAP and should be cross referenced with paragraphs D3.9 to D3.12 of the NAAP which specify Northstowe's particular circumstances as a new settlement.	It is appropriate to reflect the specific policy context for the major developments, which differs slightly from the district wide policy. As such, a new sentence should be added to paragraph 3.6.	Add new penultimate sentence to paragraph 3.6 to read: "The policy for the major developments reflects that they are major and complex developments which have a wide variety of requirements covering infrastructure and services and recognising that a balance may need to be struck between competing requirements in the light of economic viability."
26218 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]	Object	If financial testing demonstrates that a level higher than 40% is appropriate, there is a need to bear in mind the discipline of achieving a balanced and mixed community. Levels above 40% for affordable housing, to which can be added between 20% and 30% of open-market housing made available for private renting, will undermine the achievement of a stable mixed and sustainable community. An indicative upper level should be	In view of the high level of housing need in the district and the role and function of the SPD, it is not considered appropriate to set an upper level of affordable housing provision, even an indicative one. The adopted DPDs do not set any upper limit. However, the adopted DPDs recognise the importance of achieving mixed and balanced communities and this is a matter that can best be considered in the context of a specific development	No Change

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<p>3.7</p> <p>26349 - D H Barford &amp; Co Limited (Mr Ian Taylor) [9048]</p>	Object	<p>The Council's intention to 'round up' the affordable housing requirement is unreasonable. The implication is that the Council will effectively be insisting on a 50% affordable housing requirement on developments of 2 dwellings.</p> <p>The intention to round up or down is inconsistent with the approach adopted by the Huntingdonshire Core Strategy Inspector who accepted a similar 40% target, but for this reason considered it should only apply to developments of 3 or more dwellings. Consequently developments of 3 dwellings are required to provide 1 unit, developments of 5 dwellings are required to provide 2 units, etc.</p>	<p>The key difference from the Huntingdon Core Strategy is that it includes a target of 40% affordable housing. The South Cambridgeshire policy target is 40% or more affordable housing. It is clear in the Inspectors' Report at paragraph 7.7 that they were allowing for the Council to seek a higher figure than 40% where it can be justified given the high level of need in the district. Also relevant on the issue of rounding is that at the time of the examination, the Council's submission draft policy was for 50% affordable housing with an approach to round down which would clearly have resulted in an affordable dwelling provided in a scheme of two.</p> <p>The Inspector changed the target to "40% or more" and retained the 2 dwelling threshold. The advice to the Inspector was that rounding down was the Council's practice at the time and it was not and is not captured anywhere in policy or guidance. We therefore needed to establish the protocol for implementing the adopted policy.</p> <p>The advice given to the Inspector, ie. a rounding down was in the context of the submission policy of 50% affordable housing where clearly we would have expected to see an affordable dwelling provided in a scheme of 2. The Inspector changed the target to "40% or more" and retained the 2 dwelling threshold.</p> <p>The advice to the Inspector was the Council's practice at the time, it was not and is not captured anywhere in policy or guidance. We therefore needed to establish the protocol for implementing the adopted policy. The Council now applies the normal mathematical approach to rounding, ie. where a calculation gives .5 or more it is rounded up and where it is less than .5 it is rounded down. Therefore a scheme of 2 dwellings at 40% affordable housing would give 0.8 which is rounded up to 1 affordable dwelling. As the policy is for 40% OR MORE and is subject to financial viability, it is consistent with the policy that if it is viable to provide an affordable dwelling on a site of 2 dwellings that it should be provided in view of the level of need. The SPD seeks to formalise that approach in a clear and transparent way.</p>	No Change

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<p><i>Tenure Mix for Affordable Housing</i></p> <p>26514 - Cambridgeshire County Council (Mrs Wendy Hague)</p>	Comment	<p>The proposed proportion and mix of social housing represents greater provision of 'family-sized' social housing than in recent years. On average, social rented dwellings contain more children than market properties, and larger properties contain more children than smaller properties. Therefore developments with a higher proportion of social rented housing, and/or larger properties, will house higher numbers of children and require more sizeable education contributions. Overall, the affordable housing proportions and mixes in this SPD would result in child numbers towards the middle to upper end of the County's general range. Should the market housing mix be particularly skewed towards larger properties, child numbers could exceed even the upper end of the County's general range.</p>	<p>This SPD affects affordable housing only and not market provision. The principle is that the tenure mix and size of affordable dwellings should reflect the housing needs in the district. The tenure mix proposed in the SPD is the same as that sought in recent years.</p> <p>A target figure of 10% 1 bedroom homes provides a reasonable ratio to allow households starting a family the likelihood of transferring to larger accommodation and remaining in their local communities. Further, a higher proportion of 2 bed accommodation allows for trading down again within the community. Lastly, the allocations policies in operation allow couples to occupy 2 bed homes thus both meeting their aspirations and allowing for family growth. The 10% figure offers a compromise between the aspirations of couples/singles as evidenced by their purchase behaviour (3.21), overall needs figures and housing management issues. The SPD targets are consistent with recent negotiations concerning the Cambridge Southern Fringe. A limit on the number of 1 bedroom properties does not signal an intention for a greater proportion of large properties to be provided than in the past, but indicates that 2 bedroom properties are more flexible as smaller dwellings than 1 bedroom and it is not envisaged that this would significantly change the household mix in developments.</p> <p>Nevertheless, educational contributions should be negotiated based on the proposed mix for individual developments to best address identified needs as these are brought forward for planning permissions. It is for the County Council to monitor the child yield from new developments and ensure that it secures adequate contributions to provide for educational needs arising from development.</p>	No Change



***Representations******Nature Summary of Main Issue***

26523 - Gallagher Estates (Mr Alan Joyner) [1606]

Object Pages 8, 9 and 10 - Paragraphs 3.9 to 3.18 - These paragraphs should be amended to include a reference to D3.11 of the Adopted Northstowe Area Action Plan (NAAP) which states that the mix of affordable housing will be determined in response to identified needs at the time of the development.

***Council's Assessment***

The SPD must be read alongside other relevant parts of the Local Development Framework, including the Northstowe Area Action Plan. The SPD explains that the targets are consistent with the findings of the Strategic Housing Market Assessment 2008. The SHMA was published since the Development Control Policies DPD and the Northstowe Area Action Plan and provides evidence for the targets and supports the Council's practice over recent years. The figures included in the 2009 SHMA suggest a higher level of social rented housing. However, it is not considered that this can be regarded as providing a robust indication of long term needs given the current uncertainties in the housing market and therefore the 2008 figures are maintained. The SPD makes it clear that the tenure mix targets to apply district wide are the starting point for any negotiations and they are therefore not unduly prescriptive. Circumstances affecting individual developments will be a matter for the planning application process. In addition, a review mechanism for long term developments on major sites is proposed. This representation highlights that paragraphs 3.13 to 3.15 mix together the targets and justifications that will apply district wide and to the urban fringes. It is proposed to separate out the two sets of targets for clarification.

***Action***

Delete paragraphs 3.13 to 3.15 to read:  
 3.13 The district wide targets for tenure mix in new affordable housing is 70% social rent and 30% intermediate housing. They are the appropriate targets because they:  
 - conform to the needs identified in the Strategic Housing Market Assessment for at least the first 5 years covered by the study (SHMA May 2008- Source Chapter 30 Table 6);  
 - respond to the greatest amount of need (rented housing) but still produce balanced sustainable developments;  
 are close to the Council's current practice which has shown itself to be viable and deliverable.  
 3.14 In sites which form part of the urban extensions to Cambridge, the starting point for negotiations will be amended to 75% rent and 25% intermediate housing. They are the appropriate targets because they:  
 - are consistent with the targets contained in Cambridge City Council's Affordable Housing Supplementary Planning Document  
 - are extensions to Cambridge and the targets for Cambridge are the most appropriate to apply to the whole urban extension, including parts within South Cambridgeshire.  
 - mean that even in the largest developments the amount of rented housing will not exceed the amount shown to be sustainable in the largest local settlement, Cambridge City, in the recent past. It therefore follows a "precautionary approach", building on local circumstances.

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
26582 - Homes and Communities Agency (Mr Mark White) [2347]	Object	These paragraphs should be rewritten to cross reference to Policy D3.11 of the Adopted Northstowe Area Action Plan (NAAP). This makes reference to the particular circumstances of Northstowe as a new settlement and states that the "mix of affordable housing will be determined in response to identified needs at the time of the development."	Noted. This objection is accommodated by the change proposed in relation to 26523 above.	3.15 The targets will be the starting point for negotiations on individual sites. Long term developments on major sites will have a review mechanism for the mix incorporated into the S106 No Change
<i>3.13</i> 26219 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]	Object	The split between social rent and intermediate tenure should be 50/50. That enables greater opportunities for key workers to purchase part of the equity. In these very challenging and prolonged circumstances of recession, the Cambridge area is one of the few nationally where ingredients for growth in the economy remain. Supporting that potential for growth in challenging economic times is made more compelling. Key workers, who generally aspire to house ownership, should be given more opportunity to gain access to intermediate tenures.  Nevertheless, the review mechanism for major sites to consider housing mix is welcomed.	Support for the review mechanism is noted. The targets established here refer to district wide needs identified through the Strategic Housing Market Assessment (SHMA), and take account of the overall housing needs in the district and the appropriate mix for individual housing schemes to reflect that need whilst ensuring creation of mixed and balanced communities. Policy objective HG/a makes it clear that key workers are only one component of need. Key workers needs can be directly prioritised where appropriate through allocations policies rather than influencing the mix in a way that might provide more opportunities for them. Also, many key workers cannot afford intermediate tenures and require affordable rented homes.	No Change

***Representations***

***Nature Summary of Main Issue***

***Council's Assessment***

***Action***

3.15

**Representations**

26220 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]

**Nature Summary of Main Issue**

Comment More explanation should be introduced into the text to support the fourth bullet point dealing with the amount of rented housing which is claimed to be sustainable in Cambridge City. Clearly, from looking at various parts of the City, that figure will vary. For example, both the Abbey and Cherry Hinton Wards exhibit high levels of socially rented accommodation already. That will be a factor in addressing an appropriate level for Cambridge

**Council's Assessment**

This issue was addressed at the Cambridge East Area Action Plan examination. The Inspectors' Report concludes that "Existing housing areas near the urban extension are relatively disadvantaged areas in the Cambridge context. Even so, they are not particularly disadvantaged on a national scale. None of the adjoining housing areas have been identified for remedial action. The affordable housing at Cambridge East would in significant part be taken by households from South Cambridgeshire, where deprivation is even less than in the City. There are masterplanning solutions to the possible problem of over-concentrating poorer households, especially given the size of the urban extension. The effects of the actions of 'buy to let' investors will depend on several factors which are difficult to forecast" (paragraph 9.4). The AAP also makes clear that affordable housing will be distributed in small groups and clusters which would also assist with the creation of a mixed and balanced community. The need to avoid mono-tenure areas is also contained within the SPD via the clustering approach - paras 3.24 and 3.26. The AAP states that Cambridge East must provide an agreed mix of affordable housing. The SPD must be read alongside other relevant parts of the Local Development Framework, including the Cambridge East Area Action Plan. The SPD identifies targets for the urban extensions to Cambridge that are consistent with the Cambridge City Council Affordable Housing SPD. This recognises that the developments will form part of the built up area of Cambridge and that standards suitable for Cambridge are the most appropriate for the urban extensions. The SPD is also clear that the targets for affordable housing tenures are the starting point for negotiations and they are therefore not unduly prescriptive. Circumstances affecting individual developments will be a matter for the planning application process. In addition, a review mechanism for long term developments on major sites is proposed. This representation highlights that paragraphs 3.13 to 3.15 mix together the targets and justifications that will apply district wide and to the urban fringes. It is proposed to separate out the two sets of targets for clarification.

**Action**

Delete paragraphs 3.13 to 3.15 and replace to read:  
 3.13 The district wide targets for tenure mix in new affordable housing is 70% social rent and 30% intermediate housing. They are the appropriate targets because they:  
 - conform to the needs identified in the Strategic Housing Market Assessment for at least the first 5 years covered by the study (SHMA May 2008- Source Chapter 30 Table 6);  
 - respond to the greatest amount of need (rented housing) but it still produce balanced sustainable developments;  
 - are close to the Council's current practice which has shown itself to be viable and deliverable.  
 3.14 In sites which form part of the urban extensions to Cambridge, the starting point for negotiations will be amended to 75% rent and 25% intermediate housing. They are the appropriate targets because they:  
 - are consistent with the targets contained in Cambridge City Council's Affordable Housing Supplementary Planning Document  
 - are extensions to Cambridge and the targets for Cambridge are the most appropriate to apply to the whole urban extension, including parts within South Cambridgeshire.  
 - mean that even in the largest developments the amount of rented housing will not exceed the amount shown to be sustainable in the largest local settlement, Cambridge City, in the recent past. It therefore follows a "precautionary approach", building on local circumstances.

***Representations******Nature Summary of Main Issue******Council's Assessment******Action***

East.

3.15 The targets will be the starting point for negotiations on individual sites. Long term developments on major sites will have a review mechanism for the mix incorporated into the S106

***3.18***

26524 - Gallagher Estates (Mr Alan Joyner) [1606]

Object

Page 10 - Paragraph 3.18 - Delete the words " - - contributing to the existing backlog of needs - -" as this is contrary to the policy guidance in Circular 05/2005 that planning obligations should not be used solely to resolve existing deficiencies in infrastructure provision (Paragraph B9).

Government guidance on the needs that should be addressed in the Strategic Housing Market Assessment as contained in the Practice Guidance (draft guidance ODPM 2005 Chapter 5) clearly includes the backlog of needs (Chap 5 Stage 2) as well as newly arising need (Chap 5 Stage 3) However since the guidance does not use the term "backlog" but refers to "unmet current need" then for the avoidance of doubt the SPD should be amended to include the words unmet current needs instead of backlog.

Amend para 3.18 to read:  
"In determining the tenure mix on individual sites, a balance will be struck between new affordable housing contributing towards meeting unmet current needs, meeting newly arising needs, and at the same time forming sustainable mixed and balanced communities."

***3.20***

26525 - Gallagher Estates (Mr Alan Joyner) [1606]

Object

Page 10 - Paragraph 3.20 - The list of information sources to be used to ensure that the affordable housing to be provided meets local housing needs should be extended to include any analytical housing or demographic reports submitted by applicants in support of planning applications. SCDC is reminded of the Housing and Demographic Reports submitted with the outline application for Northstowe and the work undertaken on site specific demographics that is available. This was acknowledged in the Council's response to representations on the Draft 'Open Spaces in New Developments' SPD (Representation No: 22124) and a similar amendment should be made to the Affordable Housing SPD.

The representation to the Open Spaces in New Developments SPD was specifically in relation to population estimates that should be used for the application of the open space standards. It is not directly comparable to the situation here where the appropriate type and size of affordable housing is being determined and should be based on robust evidence of housing needs. Each planning application must be treated on its merits and if a developer were able to provide a case for the affordable housing types and sizes that is evidence based and can be demonstrated to be appropriate to the development concerned that may be acceptable. However, in most cases the housing register and local needs surveys will be the most robust evidence.

No Change

***Representations******Nature Summary of Main Issue******Council's Assessment******Action******3.21***

26222 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]

Object The SHMA is the most up-to-date and extensive source of information on housing need. Elsewhere in the document it is used as an authoritative source. It is inappropriate to move away from its finding that around 30% of affordable homes should be for singles/couples. The reasons cited by the Council to justify a higher figure are not compelling, nor is there any indication why 30%

The Strategic Housing Market Assessment (SHMA) identifies overall need - it does not prescribe provision and para 2.5 of the draft SPD makes it clear that not all needs can be met, either now or in the foreseeable future. Further, the SHMA does not take account of aspirations as opposed to basic need, of the need to create mixed and balanced communities, or the distinction between special needs and general provision. A target figure of 10% small units provides a reasonable ratio to allow households starting a family the likelihood of transferring to larger accommodation and remaining in their local communities. Further, a higher proportion of 2+ bed accommodation allows for trading down again within the community. Lastly, the allocations policies in operation allow couples to occupy two bed homes thus both meeting their aspirations and allowing for family growth. The 10% figure offers a compromise between the aspirations of couples/singles as evidenced by their purchase behaviour (3.21), overall needs figures and housing management issues.

No Change

***Layout and Distribution***

26526 - Gallagher Estates (Mr Alan Joyner) [1606]

Object Pages 11 and 12 - Paragraphs 3.23 to 3.26 - These paragraphs do not make clear whether 'groups or clusters' refers to affordable housing of all types or solely to affordable housing tenures. The definition of 'Clusters' in the Glossary at page 49 is also unclear. Amendments are required to the text to clarify what is meant.

Policy HG/3 para 5 refers to affordable housing with no reference to specific tenures and it therefore refers to all affordable housing as defined in the LDF Paragraphs 3.25 and 3.26 in the draft SPD also refer simply to affordable housing with no distinction made between social rent and intermediate tenures and references to clusters therefore refer collectively to all affordable housing as defined in paragraph 3.2 of the draft SPD. The glossary also refers to affordable homes and therefore all affordable tenures are included.

No Change

***Representations******Nature Summary of Main Issue******Council's Assessment******Action******3.26***

26303 - Cambridge City Council (Mrs Emma Davies) [6069]

Comment To help with clarity of the document, it is felt that it would be useful to set out the City Council definition, including reference to flatted schemes.

Agreed. The only substantive difference between the Cambridge City SPD definition and the draft SCDC document concerns flatted developments which are not currently included in the SCDC text, and this can be

Revise second sentence of para 3.26 to read:  
"The North West Cambridge Area Action Plan, prepared jointly with Cambridge City Council indicates that small groups or clusters may be between 6 and 25 dwellings, and in flatted schemes no more than 12 affordable dwellings should have access from a common stairwell or lift."

26224 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]

Object In dealing with the layout and distribution of affordable housing there needs to be flexibility, given the range of sites and the development time periods which will be relevant. At North-West Cambridge up to 25 dwellings in a cluster is indicated as being acceptable. In the urban extensions to Cambridge there is a need for a wider range of sizes than might be appropriate elsewhere on other smaller sites. Appropriate flexibility might be achieved by suggesting that clusters might achieve between 40 and 50 dwellings in appropriate circumstances.

The SPD proposes an approach that is consistent with that in the Cambridge City Affordable Housing SPD, reflecting that the parts of the urban extensions lying within South Cambridgeshire district will form part of the urban area of Cambridge. It therefore proposes that the appropriate size of a small group or cluster to inform discussions on the major developments is therefore between 6 and 25 dwellings. The SPD also makes clear that AAPs for the major developments other than North West Cambridge AAP say that the appropriate cluster size will be determined having regard to the location within the development and the type of housing being provided. This will be a matter for the planning application process.

No Change

***3.27***

26137 - Great Shelford Parish Council (Mrs Bridget Hodge) [3518]

Comment Would like to see more emphasis on energy efficiency in affordable housing by achieving code 6 and a return to Parker Morris standards. Too many new houses are built with inadequate storage space.

Any developing RSL who wishes to attract Homes and Communities Agency (HCA) grant to a development, needs to comply with the minimum Code of Sustainable Homes level 3 as set by the HCA. The HCA also detail the minimum floor areas required for property types. Code level 6 is zero carbon plus other requirements and is currently only achieved by demonstration projects. Government is intending moving to this level for all new development in 2016. Whilst the principle of pressing for sustainable design is supported, the Council is mindful that Parker Morris and level 6 would be so far above current requirements as to be financially unviable without a new grant regime.

No Change

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
3.28 26393 - Natural England (Ms Janet Nuttall) [6952]	Comment	<p>The Natural England Access to Natural Greenspace Standards (ANGSt) standards as currently defined and recommended for adoption in PPG17: Planning for Open Space, Sport and Recreation, are:</p> <ul style="list-style-type: none"> <li>* Every home should be within 300m of an accessible natural greenspace of at least 2ha plus;</li> <li>* At least 1ha of Local Nature Reserve should be provided per 1,000 population;</li> <li>* At least one accessible 20ha site within 2km;</li> <li>* At least one accessible 100ha site within 5km;</li> <li>* At least one accessible 500km site within 10km.</li> </ul>	The SPD deals specifically with affordable housing provision and must be read alongside all other parts of the LDF. It is not necessary or appropriate to repeat other requirements of the LDF in this SPD. Other DPDs and SPDs deal with the provision of green infrastructure in new developments. There is therefore no need to include reference to the provision of green infrastructure in the	No Change
26392 - Natural England (Ms Janet Nuttall) [6952]	Comment	We believe this SPD should make reference to the requirement and benefits of good quality, multi-functional green infrastructure as part of all new housing development. Green infrastructure is the network of protected sites, green spaces and linkages which provide for multi-functional uses relating to ecological services, quality of life and economic value. Green infrastructure should be delivered at all spatial scales from sub regional to local neighbourhood levels.	The SPD deals specifically with affordable housing provision and must be read alongside all other parts of the LDF. It is not necessary or appropriate to repeat other requirements of the LDF in this SPD. Other DPDs and SPDs deal with the provision of green infrastructure in new developments. There is therefore no need to include reference to the provision of green infrastructure in the	No Change



<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<p><i>3.30</i></p> <p>26225 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]</p>	Object	The reference to a meaningful proportion of homes, designed to lifetime mobility standards, needs to be refined on the basis of appropriate evidence.	The SPD refers to affordable housing only and not market housing. Many new affordable homes are already built to the Lifetime Homes standards which is a central government target and will be compulsory for all new affordable housing from 2011. There is a need to build much more inclusive and flexible housing to meet future demand in an ageing society. In particular, to build homes that will be adaptable enough to match a lifetime's changing needs. This can be achieved by building to Lifetime Homes Standards. Lifetime Homes Standards are inexpensive, simple features designed to make homes more flexible and functional for all. The Government intends that all public sector funded housing is built to Lifetime Homes Standards by 2011. They will also work closely with developers, architects, planners and other professionals to encourage take-up and to establish the most economic way to deliver the benefits of Lifetime Homes Standards. Lifetime Homes Standards will be made a mandatory part of the Code for Sustainable Homes to encourage progressively increased take-up in new build projects. The government's stated aspiration is that by 2013 all new homes will be being built to Lifetime Homes Standards.	No Change
<p><i>3.31</i></p> <p>26515 - Cambridgeshire County Council (Mrs Wendy Hague)</p>	Comment	It is noted that the intention that affordable housing within the District should meet a score of at least 12 against the Building for Life Criteria. As this requirement would need to be reported in the District Council's Annual Monitoring Report the County Council would welcome further discussions in relation to this issue (para 3.31).	The Council is willing to discuss the monitoring of this new national core output indicator with the County Council.	No Change

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<p><b>3.35</b> 26396 - Papworth Hospital NHS Foundation Trust (Mr Ken Brewer) [2513]</p>	Object	<p>Objection to paragraph 3.35 - it has the potential to restrict the opportunity of the provision of sheltered and age restricted accommodation coming forward, as planning applications for sheltered or age restricted accommodation would have to provide affordable housing. Given that the requirement for this type of accommodation is likely to increase in demand, based on the future demographic trends of the population, this approach could create issues regarding provision. Furthermore, it is considered to introduce a requirement which is not included in either the Core Strategy or the Development Control Policies documents.</p>	<p>This paragraph is not introducing any new requirements and is consistent with the Core Strategy and the Development Control Policy document which do not provide any exceptions for properties with an age restriction in terms of provision of affordable housing. This section of the SPD simply states that for the avoidance of doubt Policy HG/3 will apply to self contained residential accommodation with or without age restrictions or on site services, and will not apply to institutional use/care homes.</p> <p>A simple age restriction or provision of services does not affect the fundamental residential nature of the accommodation. It is accepted that there will be a growing need for accommodation suitable for older people based on demographic projections but this need includes households who will need affordable homes as well as people able to afford open market provision.</p>	No Change
<p><b>3.37</b> 26226 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]</p>	Object	<p>There is welcome reference to the problems of co-ordinating delivery between open market and affordable housing. The solution suggested points to a legal agreement. However that is achieved there needs to be a form of words allowing flexibility. Until the recent financial turmoil, the thought would have been that the challenge of delivery lay more with affordable than with open market housing. Such is the depth of the current problem that there are certain circumstances where it is the delivery of open market housing rather than affordable which is problematic.</p>	<p>It is agreed that when the legal agreement is drawn up it needs to take account of a range of factors including issues around the delivery of market and affordable housing in the context of the site in question, it's characteristics, likely delivery timetable, and so on. It will need to provide as much certainty as possible along with</p>	No Change
<p><b>CHAPTER 4 DELIVERING AFFORDABLE HOUSING</b></p>				
<p><b>4.23</b> 26304 - Cambridge City Council (Mrs Emma Davies) [6069]</p>	Comment	<p>We would recommend that this paragraph clarifies that Mortgagee in Possession clauses should only be included when an RSL is involved.</p>	<p>Agreed.</p>	<p>Add text to the end of paragraph 4.23 to read: "Mortgagee in Possession clauses will only be used in S106s when a Registered Social Landlord is involved with the project."</p>

*Representations*

*Nature Summary of Main Issue*

*Council's Assessment*

*Action*

**CHAPTER 5 FINANCIAL MATTERS**

*Land Values for the Affordable Housing Element*

26527 - Gallagher Estates (Mr Alan Joyner) [1606]

Object The requirement for free serviced land is inherently unsound and unlawful as it an unreasonable intervention in normal commercial negotiations between scheme promoters and RSL's or other affordable housing providers. The Council cannot dictate this requirement as it is contrary to Circular 05/2005 (Paragraph B35) and to PPS 3 (Paragraph 29) in that it is overly prescriptive, inflexible and does not allow for the most appropriate approach to delivering affordable housing to emerge taking into account the economic viability of each specific site. This requirement should therefore be deleted as it is vulnerable to judicial review if adopted.

The provision of free serviced land is not a requirement but an expectation based on current best practice and successfully concluded negotiations, particularly in relation to securing grant aid from the Homes and Communities Agency.  
 This clause is compatible with PPS3 para 29 in that the overall target for affordable housing takes account of the likely level of developer contribution that can reasonably be secured (bullet point 1). Further, bullet point 5 in the PPS specifically requires the LDF to "Set out the approach to seeking developer contributions to facilitate the provision of affordable housing."  
 This clause gives effect to that requirement by formalising this expectation based on agreements that have already been successfully negotiated and enacted.

No Change

***Representations******Nature Summary of Main Issue******Council's Assessment******Action***

26529 - Gallagher Estates (Mr Alan Joyner) [1606]

Object Page 23 - Paragraphs 5.1 to 5.3 - It is entirely unreasonable and unjust to require a developer/applicant to pay for the costs of any independent advice needed by the Council to validate a viability appraisal submitted by an applicant. The Council as Local Planning Authority has a duty to determine planning applications and to bear the costs of so doing. Costs recovery is already provided for by means of the imposition of planning applications fees. This additional financial requirement has no statutory basis and is unlawful.

Although the representation from Gallagher Estates refers to paragraphs 5.1 to 5.3 of the SPD, the relevant reference to costs of independent advice needed by the Council is paragraph 5.8. Financial viability is recognised as a specialist area and the Council does not have that specialist expertise in-house. It is in this context that paragraph 5.8 provides that where the Council needs independent advice to validate a viability appraisal the reasonable costs of that validation will be met by the developer/applicant. It is not accepted that the recovery of costs is unreasonable and unjust and it is felt that paragraph 5.8 reflects an acknowledgement by the HCA in their Good Practice Note "Investment and planning obligations: responding to the downturn" (paragraph 32) that "it is common practice for developers to fund the cost of independent valuation". There would appear to be no reason why the developer cannot in its appraisal include an estimated figure for the reasonable costs of the Council taking independent advice to validate a viability appraisal. The Council knows of no cases where it has been established that recovery of such fees is unlawful. Developers have not successfully argued that the legal costs of the Councils (either in-house or external) in relation to negotiation of a Planning Agreement should be covered by planning application fees and a Consultant's advice to validate a viability appraisal is considered to be reasonably analogous to legal costs.

No Change

This principle applies equally to all applications regardless of the size of the development.

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
5.4 26138 - Great Shelford Parish Council (Mrs Bridget Hodge) [3518]	Comment	The calculations involved seem detailed, time consuming and possible expensive. Would there be any scope for district councils to combine resources, as they will be dealing with many of the same developers, to achieve consistent and economic. valuations	Valuations will clearly vary from site to site dependent on the location of the site, nature of the proposal and range of obligations, however the methodology used to test viability should be consistent across sites. SCDC is currently in the process of seeking to put in place a framework agreement to secure viability expertise for a number of local authorities including Cambridge City Council, Cambridgeshire County Council and Cambridgeshire Horizons, which is intended to result in a more streamlined process for validating viability assessments provided by developers that seek to justify a departure from policy targets such as affordable housing. The cost of any such validation process should be borne by the development, but is not intended to increase the overall development contribution as it is accepted that the cost of the validation should itself be treated as a further cost affecting viability in the same way as other accepted costs such as, for example, stamp duty.	No Change
26227 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]	Object	This and following paragraphs deal with viability. The document refers earlier to PPS3. Paragraph 29 advises that local planning authorities will need to undertake an informed assessment of the economic viability of any thresholds and proportions of affordable housing proposed, including their likely impact on overall levels of housing delivery and creating mixed communities. There is no evidence of an informed assessment having been undertaken. Such an assessment of the 40% or more proportion needs to be set in circumstances which are current today in relation to housing land values.	The affordable housing target of 40% or more is established in the adopted Development Control Policies DPD. It is for the SPD to supplement the DPD and it cannot review the target, even if the Council accepted that there was a case to do so, which it does not. There remains a high level of housing need in the district, the policy applies to the plan period to 2016, and it includes a viability test to ensure that the level of affordable housing sought is reasonable in the case of a particular development taking account of circumstances at the time of determining a planning application. Paragraph 5.14 also makes clear that the Council will be prepared to review and renegotiate the affordable housing contribution if it considers that the applicant/developer has made a sound case.	No Change
26439 - Cambourne Parish Council (Mr John Vickery) [2376]	Support	Chapter 5 should not be amended as it allows the percentage to be reduced if 40% is not financially viable as this allows for the relative priority of other planning considerations and the need to achieve mixed and balanced communities to be taken into account.	Noted.	No Change

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<p><b>5.5</b> 26528 - Gallagher Estates (Mr Alan Joyner) [1606]</p>	Object	Page 23 - Paragraph 5.5 - The statement that "This will require a full economic appraisal of the costs of development and of returns etc - -" is too prescriptive and should be amended to state " - - The Council will encourage a full economic appraisal etc etc - - -"	Paragraph 5.5 confirms that there will be a presumption that the development will include full and appropriate provision for affordable housing unless it is demonstrated that it cannot be provided at a rate of 40% or more of the dwellings in a development. Paragraph 5.5 then goes on to confirm that the onus is on a developer to demonstrate that viability would be jeopardised by this level of provision. If the developer wishes to demonstrate that viability would be jeopardised, a full economic appraisal will	No Change
<p><b>5.8</b> 26228 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]</p>	Object	In circumstances where planning application fees for the major urban extensions to Cambridge will be up to £125,000 for outline applications, and £250,000 for each reserved matters application, there is no justification for those applicants to be burdened with costs which are properly borne by the Council.	The costs referred to will generally only arise where a developer argues that viability would be jeopardised by a level of provision of 40% or more as affordable housing. Financial viability is recognised as a specialist area and the Council does not have that specialist expertise in-house. It is in this context that paragraph 5.8 provides that where the Council needs independent advice to validate a viability appraisal that seeks to justify a departure from policy targets such as affordable housing, the reasonable costs of that validation will be met by the developer/applicant. It is not accepted that the recovery of costs is unreasonable and unjust and it is felt that paragraph 5.8 reflects an acknowledgement by the HCA in their Good Practice Note "Investment and planning obligations: responding to the downturn" (paragraph 32) that "it is common practice for developers to fund the cost of independent valuation". There would appear to be no reason why the developer cannot in its appraisal include an estimated figure for the reasonable costs of the Council taking independent advice to validate a viability appraisal. The Council knows of no cases where it has been established that recovery of such fees is unlawful. Developers have not successfully argued that the legal costs of the Council (either in-house or external) in relation to negotiation of a Planning Agreement should be covered by planning application fees and a Consultant's advice to the Council to validate a viability appraisal is considered to be reasonably analogous to legal costs. This principle applies equally to all applications regardless of the size of the development.	No Change

***Representations******Nature Summary of Main Issue******Council's Assessment******Action******5.9***

26305 - Cambridge City Council  
(Mrs Emma Davies) [6069]

Comment While this paragraph is consistent with the City Council's Affordable Housing SPD, of particular importance in relation to the reference to the valuation of the site being of its existing use and not its hope value, there are some concerns with the wording "the profit margin required by the developer". It is not always appropriate to accept the developer's profit margin in viability modelling.

The phrase used in the draft SPD is the same as that used in the Cambridge City Affordable Housing SPD at paragraph 42. However, it is agreed that the SPD would be better with an alternative wording, allowing for a reasonable profit for the developer, which may or may not be the level of profit that they seek.

Revise paragraph 5.9 first sentence to read:  
"...including required contributions to local services and infrastructure, the provision of affordable housing and a reasonable profit margin to the

26230 - Marshall of Cambridge  
(Holdings) Limited (Mr Stephen  
Sillery) [664]

Object The reference to reasonable costs should include business relocation costs.

The Cambridge East Area Acton Plan makes clear at paragraph D4.13 that South Cambridgeshire and Cambridge City Councils are mindful of the significant infrastructure requirements of building a new urban quarter and of the need to relocate Cambridge Airport and some businesses to facilitate redevelopment. There is no need to repeat this in the district wide SPD.

No Change

***Representations***

26530 - Gallagher Estates (Mr Alan Joyner) [1606]

***Nature Summary of Main Issue***

Object Page 24 - Paragraph 5.9 - Use of the term 'residual land value basis' is entirely unclear and is not defined in the glossary at the end of the document. It is completely unreasonable to disregard the actual purchase (or land acquisition) costs in a viability appraisal and this issue was a matter for closing submissions by Robin Purchas QC at the recent planning appeal by Countryside Properties for the Clay Farm and Glebe Farm sites at Cambridge within Cambridge City Council's administrative area. The whole of paragraph 5.9 should either be deleted or amended to take these points on board.

***Council's Assessment***

The use of Residual Land Value models as appraisal tools is established practice. The Inspectors' Report into the Development Control Policies DPD specifically identified the Grimley model used by the Housing Corporation/HCA as a vehicle for making viability assessments more "open and objective." They noted - "Such models should enable sensible variations around the 40% to be negotiated on an objective basis, thus making the policy a positive tool for achieving the optimum level of affordable housing provision. (para 7.7)

Residual land value is defined as - "The residual valuation is the value of the site once the cost of the development and the developer's return for risk and profit have been subtracted from the value of the development. In other words, the residual land value is the amount the developer should bid/pay for the land." Also - "If the site is allocated in the LDF this residual site value should then be compared with the market value of development land in the local area. If the residual land value is below the market value then the developer may well consider that the scheme is unviable" (page 28 of the HCA's Economic Appraisal Tool - User Manual: [http://www.homesandcommunities.co.uk/public/documents/HCA\\_Economic\\_Appraisal\\_Tool\\_User\\_Manual\\_v2.0.pdf](http://www.homesandcommunities.co.uk/public/documents/HCA_Economic_Appraisal_Tool_User_Manual_v2.0.pdf))

Viability is therefore firstly tested against local market values. The reason existing or last use value is also considered is to ensure that sites with alternative uses are properly assessed for viability and not unreasonably burdened with requirements that are not viable. As the HCA appraisal states - "For brownfield sites, it is also critical to compare the residual land value to the existing use value of the site, particularly if there are physically sound and occupiable buildings. If the residual land value is lower than the existing use value then the development would not be considered to be viable and may not proceed."(page 28). This approach is the same as that adopted by Cambridge City Council Affordable Housing SPD and therefore there is no conflict on sites which straddle their boundaries with SCDC.

Draft para 5.9 does not state that purchase price will be disregarded but that the appraisal should include a valuation based on existing or last use value taking into account all reasonable costs. The purchase price will be a factor providing that it corresponds to market value for development land. Although Residual Land Value is a term in common usage in relation to these matters it is accepted that a definition could usefully be added to the glossary and the explanation contained in the Homes and

***Action***

ADD the following definition to the Glossary: Residual Land Value  
- The residual valuation is the value of the site once the cost of the development and the developers return for risk and profit have been subtracted from the value of the development. In other words, the residual land value is the amount the developer should bid/pay for the land.



<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
26440 - MCA Developments Limited [3652]	Object	Financial appraisals to evaluate the viability of development proposals should not be based on existing or last use land values, rather the actual purchase price paid. Should a policy of assuming only existing use value be adopted, such a provision would fatally disincentivise landowners and developers from being able to develop in South Cambs for residential purposes as there would be no economic incentive for	<p>Communities Agency Economic Appraisal Tool User Manual (page 28) is proposed.</p> <p>The use of Residual Land Value models as appraisal tools is established practice. The Inspectors' Report into the Development Control Policies DPD specifically identified the Grimley model used by the Housing Corporation/HCA as a vehicle for making viability assessments more "open and objective". They noted - "Such models should enable sensible variations around the 40% to be negotiated on an objective basis, thus making the policy a positive tool for achieving the optimum level of affordable housing provision (para 7.7). Residual land value is defined as - "The residual valuation is the value of the site once the cost of the development and the developer's return for risk and profit have been subtracted from the value of the development. In other words, the residual land value is the amount the developer should bid/pay for the land." Also - "If the site is allocated in the LDF this residual site value should then be compared with the market value of development land in the local area. If the residual land value is below the market value then the developer may well consider that the scheme is unviable."(page 28) <a href="http://www.homesandcommunities.co.uk/public/documents/HCA_Economic_Appraisal_Tool_User_Manual_v2.0.pdf">http://www.homesandcommunities.co.uk/public/documents/HCA_Economic_Appraisal_Tool_User_Manual_v2.0.pdf</a> Viability is therefore firstly tested against local market values. The reason existing or last use value is also considered is to ensure that sites with alternative uses are properly assessed for viability and not unreasonably burdened with requirements that are not viable. As the HCA appraisal states - "For brownfield sites, it is also critical to compare the residual land value to the existing use value of the site, particularly if there are physically sound and occupiable buildings. If the residual land value is lower than the existing use value then the development would not be considered to be viable and may not proceed."(page 28). This approach is the same as that adopted by Cambridge City Council Affordable Housing SPD and therefore there is no conflict on sites which straddle their boundaries with SCDC.</p>	No Change

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<p><i>5.11</i></p> <p>26306 - Cambridge City Council (Mrs Emma Davies) [6069]</p>	Comment	Reference should be made to seeking external funding in advance of considering varying the mix and tenure.	Whilst it is accepted that external funding will be a consideration in judging financial viability, the reference to "seeking" external funding in advance is potentially confusing. The most common source of external funding is the Homes and Communities Agency and recent experience suggests that the timing and methods of accessing their funding cannot be easily predicted. The Councils clear intention in conducting any negotiation is that all aspects of financial viability are considered and a balanced view of the availability of external funds are part of this equation whether or not a formal "bid" has been made, or is possible, for funds at the time of negotiation. Policy HG/3 para 4 identifies the availability of subsidy as a factor in the determination of the mix of tenures and house sizes.	No Change
<p><i>5.12</i></p> <p>26307 - Cambridge City Council (Mrs Emma Davies) [6069]</p>	Comment	We have concerns that the wording of this paragraph could be seen to be too prescriptive. If it is accepted that 40% affordable housing is not viable at the time of determining the application, there may be other ways to ensure that this does not apply to the whole development.	This mechanism allows the Council the flexibility to review the initial percentage of affordable housing specified in a S106 Agreement in the case of development built out over a lengthy period, particularly the major developments and developments coming forward in times of difficult market conditions. This allows for changes/increases in grant that may be forthcoming from the HCA or even Cambridgeshire Horizons. It is considered to be a reasonable and appropriate approach to dealing with changes in market conditions, which can be particularly important in the context of major developments that will be built over a long period of time during which it can be expected that will be fluctuations in market conditions. See also response to 26237.	No Change

***Representations******Nature Summary of Main Issue******Council's Assessment******Action***

26531 - Gallagher Estates (Mr Alan Joyner) [1606]

Object A requirement for continuous 3 year reviews of affordable housing provision for major developments is completely unworkable as the degree of uncertainty and risk created to the viability of a scheme will seriously impede the ability to fund the cost of the strategic infrastructure necessary for the commencement of development. This represents the introduction of new policy and is outside the proper scope of an SPD which is restricted to provide greater detail on the policies in DPD's. The review requirement, if adopted, would inhibit the delivery of both market and affordable housing provision and should therefore be deleted.

Although it is suggested that "a requirement for continuous 3 year reviews of affordable housing provision for major developments is completely unworkable as the degree of uncertainty and risk created to the viability of a scheme will seriously impede the ability to fund the cost of the strategic infrastructure necessary for commencement of development " the Respondent's comments omit to point out that paragraph 5.12 only deals with circumstances where an initial percentage of less than 40% (affordable housing) is agreed. In these circumstances for the majority of sites where financial viability is not an issue in relation to the provision of 40% affordable housing there will be no issue for the purposes of impeding the ability to fund the cost of the strategic infrastructure necessary for the commencement of development.

No Action

In those cases where the initial appraisal shows that 40% affordable is not viable then it is not unreasonable that there should be review periods such that if the market improves and the balance of the land to be developed at the time of the review is more viable (i.e. such that a higher percentage of affordable housing can then be justified) a higher percentage is then provided (including provision to cover a shortfall of less than 40% on an earlier part of the development) The critical point , however, is that the percentage on review will not go above a 40% threshold, irrespective of any earlier shortfall, unless the viability is such that the increase can be fully justified.

It is felt that paragraphs 5.13 and 5.14 are reasonable and recognise that circumstances can deteriorate as well as improve. For example it identifies a scenario where planning permission was granted for a particular proportion of affordable housing on the assumption that Social Housing Grant would be available but that by the time the development commences this proves not to be available.

Similarly paragraph 5.14 provides that where evidence of exceptional circumstances is provided that threaten the delivery of the scheme, the Council will consider negotiation for the provision of a lower proportion of affordable homes or for a number of built units with no additional public subsidy as the affordable housing contribution. But again recognising that circumstances may improve, it provides that if there is agreement for example as to the initial provision of a lower proportion of affordable homes, the S.106 Agreement would include provision for further reviews every 3 years where the

***Representations***

26237 - Marshall of Cambridge (Holdings) Limited (Mr Stephen Sillery) [664]

***Nature Summary of Main Issue***

**Object** Paragraphs 5.12, 5.13 and 5.14 introduce a three-yearly review mechanism for Section 106 agreements. This will generate substantial problems in securing development finance for major sites. Lenders will need to fully understand the value of the asset into which they will be investing over a period. The percentage of affordable housing is a principal determinant of value. A three-yearly review will bring much uncertainty to the possible investment, hampering delivery. The problem can be overcome by an indication that any review will be downwards only in relation to the proportion of affordable housing.

***Council's Assessment***

Although it is suggested that paragraphs 5.12, 5.13 and 5.4 introduce a three-yearly review mechanism for Section 106 Agreements, the Respondent omits to point out that paragraph 5.12 only deals with circumstances where an initial percentage of less than 40% (affordable housing) is agreed. For the majority of sites where financial viability is not an issue in relation to the provision of 40% affordable housing, there will be no necessity of three yearly review and therefore there will not be an issue affecting for the purposes of securing development finance being secured for major sites.

In those cases where the initial appraisal shows that 40% affordable is not viable then it is not unreasonable that there should be review periods such that if the market improves and the balance of the land to be developed at the time of the review is more viable (i.e. such that a higher percentage of affordable housing can then be justified), a higher percentage is then provided (including provision to cover a shortfall of less than 40% on an earlier part of the development). The critical point, however, is that the percentage on review will not go above a 40% threshold, irrespective of any earlier shortfall, unless the viability is such that the increase can be fully justified, in which case development finance will not be adversely affected on the basis that if viability does not justify 40% or more affordable housing, it will not be required, and indeed the review could suggest a lower figure.

It is felt that paragraphs 5.13 and 5.14 are reasonable and recognise that circumstances can deteriorate as well as improve. For example, it identifies a scenario where planning permission was granted for a particular proportion of affordable housing on the assumption that Social Housing Grant would be available but that by the time the development commences this proves not to be available.

Similarly paragraph 5.14 provides that where evidence of exceptional circumstances is provided that threaten the delivery of the scheme, the Council will consider negotiation for the provision of a lower proportion of affordable homes or for a number of built units with no additional public subsidy as the affordable housing contribution. The Council's normal practice is to also consider the potential to amend the tenure mix to assist viability and this should be added to paragraph 5.14. But again recognising that circumstances may improve, it provides that if there is agreement for example as to the initial provision of a lower proportion of affordable homes,

***Action***

Revise 2nd sentence of paragraph 5.14 to read:  
"Where evidence of exceptional circumstances is provided that threaten the delivery of the scheme, the Council will consider negotiating a different tenure mix or for the provision of a lower proportion of affordable homes or for ...."

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<p><i>5.23</i></p> <p>26533 - Gallagher Estates (Mr Alan Joyner) [1606]</p>	Object	<p>Page 27 - Paragraphs 5.23 to 5.26 - The references to 'free serviced land' and the cost of independent valuation advice being paid for by the developer/land owner/applicant should be deleted (See separate response to Page 23 - Paragraphs 5.1 to 5.3 and Page 23 - Paragraphs 5.1 to 5.3 for justification).</p>	<p>the S.106 Agreement would include provision for further reviews every 3 years where the development is not completed within a 3 year period.</p> <p>The issue of the developer funding independent valuation advice is addressed in response to the objector's separate representation 26529. The provision of free serviced land is not a requirement but an expectation based on current best practice and successfully concluded negotiations, particularly in relation to securing grant aid from the Homes and Communities Agency. This clause is compatible with PPS3 para 29 in that the overall target for affordable housing takes account of the likely level of developer contribution that can reasonably be secured (bullet point 1). Further, bullet point 5 in the PPS specifically requires the LDF to "Set out the approach to seeking developer contributions to facilitate the provision of affordable housing." This clause gives effect to that requirement by formalising this expectation based on agreements that have already been successfully negotiated and enacted.</p>	No Change
<p><i>5.29</i></p> <p>26516 - Cambridgeshire County Council (Mrs Wendy Hague)</p>	Comment	<p>It is considered that a reference to national indicators may be helpful in providing context. The model S'106 template whilst helpful should be sufficiently robust to withstand changing circumstances. It may be appropriate to indicate other stakeholders as other parties, particularly given the established joint working on fringe sites. Likewise it is expected that contributions to services and infrastructure may be made via other mechanisms in the near future.</p>	<p>Noted. It is agreed that Section 106 agreements need to reflect changing circumstances in appropriate circumstances and will be negotiated accordingly.</p>	No Change

***Representations******Nature Summary of Main Issue******Council's Assessment******Action******CHAPTER 6 RURAL EXCEPTION SITES******6.1***

26441 - Eltisley Parish Council  
(Mrs Gail Stoehr) [1147]

Comment Eltisley Parish Council appreciates that South Cambridgeshire District Council is under pressure and direction from Central Government areas such as exception sites but feels that SCDC could be constructive in its methods and include Parish Councils in these areas more as happened in the past.

Every opportunity must be taken by South Cambridgeshire District Council to ensure that Parish Council's are fully involved in every step of the process.

SCDC has established an Exception Site Parish Review meeting to which all parishes have been invited to attend and the first meeting was held in January 2010. The purpose of the group is to scrutinise the working of the exception sites policy as contained within policy HG/5 of the Development Control Policies DPD. This is an opportunity to work with parish councils and to help them maximise delivery of exception sites. The Strategy and Development and Enabling Team does work with parish councils throughout the inception of exception sites. Usually this is a joint partnership between the PC, SCDC, RSL and Cambs ACRE.

No Change

***6.7***

26313 - Cottenham Parish  
Council (Mrs Julie Groves) [692]

Comment Notwithstanding its support for an excellent document this Council nevertheless feels that the conditions described in paragraph 6.7 are, when read in conjunction with Government's Planning Policy Guidance Note 3: Housing Update, unnecessarily oppressive.

The SPD's approach is to provide for exceptions sites within and adjoining villages. This is consistent with Policy HG/5 of the Development Control Policies DPD which requires an exception site to adjoin a village, be well related to the built-up area of the settlement and also to be well related to services and facilities within the village. This approach was found to be sound by the public examination Inspectors. It also seeks to be as consistent as possible with the principles of sustainable development which the Council applies in the identification of suitable sites for wider residential development, in particular accessibility to services and facilities and to public transport. The accessibility to services and facilities is a key issue and the SPD could be clearer on the importance of this criteria, which will be relevant where the share of a village framework may result in some sites that are adjoining the framework being considerable distance from village services and facilities and therefore potentially unsuitable as an exception site.

Add the following to the end of the second sentence of paragraph 6.7:  
"...and be reasonably accessible

<i>Representations</i>	<i>Nature</i>	<i>Summary of Main Issue</i>	<i>Council's Assessment</i>	<i>Action</i>
<b><i>APPENDIX 2 - PPS3: DEFINITION OF AFFORDABLE HOUSING</i></b>				
<b><i>APPENDIX 2 - PPS3: DEFINITION OF AFFORDABLE HOUSING</i></b>				
26517 - Cambridgeshire County Council (Mrs Wendy Hague)	Comment	The definition of affordable housing as set out in Appendix 2 may need to acknowledge policies within the City Council's DPD/SPDs.	Noted. The definitions in appendix 2 are taken from PPS3 and the explanations of affordability in section 4 are either identical to, or broadly comparable to, the definitions adopted by the City with slight differences where information from the SHMA indicates differences between Cambridge City and SCDC which should be taken into	
<b><i>APPENDIX 3 - MODEL SECTION 106 CLAUSES</i></b>				
<b><i>APPENDIX 3 - MODEL SECTION 106 CLAUSES</i></b>				
26310 - Cambridge City Council (Mrs Emma Davies) [6069]	Comment	Delivery Mechanism - It may be appropriate to include more options within this definition. In larger developments, clauses 19, 20 and 21 could apply within each phase. Clause 19 requires clarification.	This is a model S106 and is provided as a starting point and is intended as a guide only to be amended as necessary in the context of specific planning applications.	No Change
26308 - Cambridge City Council (Mrs Emma Davies) [6069]	Comment	Definition of Affordable Housing - no reference is made either here or in paragraph 3.3 of the draft SPD to other types of tenure approved by the Council, as included within the Southern Fringe S106s.	Our definition is intended to be flexible and not specific to enable us to respond to new and emerging tenure types to meet those with specified housing needs.	
26309 - Cambridge City Council (Mrs Emma Davies) [6069]	Comment	Definition of Affordable Housing Land - for larger developments, it is not always possible to know at outline approval (and S106) stages the precise areas of land to be used for Affordable Housing. Provision could be made here for the option of Affordable Housing Land to be identified through an Affordable Housing Scheme for each phase.	Noted. It is acknowledged that not all clauses will be appropriate for all sites and alternatives can be formulated where appropriate.	No Change