

Derby City Council Community Commission



Affordable Housing, Cohesive Communities

**A review of the Council's Supplementary Planning
Guidance and connected issues on the supply of
affordable housing**

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The report and recommendations arising from the meeting held 30 November 2006.

Foreword

Two important events happen this year. The thresholds triggering the provision of affordable housing reduce from 25 to 15 from the beginning of April – and there is a new local flexibility to go lower if there is justified case. There is also to be a new Housing Needs Survey which will provide policy makers and stakeholders with an authoritative picture of Derby's need for affordable and market housing.

The fulfilment of the Regional Spatial Strategy and the aims of the Council for affordable housing depend on how much affordable housing is built in Derby. Monitoring of this new build is essential and must go beyond simply reporting the numbers approved by the planning control process. This is because planning consent permits a five year delay. Continual knowledge of build starts by type is essential to verify the progress of the council's plans so that corrective actions can be taken.

The siting, design and supply of affordable housing is a prerequisite to creating sustainable, cohesive communities. Getting this right is essential and it is therefore hoped that our report will be put before the full Council Cabinet. The Commission puts forward its recommendations as a package and, on behalf of its members, I ask that any temptation to run with the easy elements but to park the more difficult should not be succumbed to. Derby should be prepared to be bold, seeing the legal requirements as rules to be navigated rather than obstacles that prevent progress.

Cllr Robin Turner,
Chair

Introduction

1. Anybody can be in need of housing, through relationship break down, business failure or an accident meaning the loss of income to pay a mortgage or the need for an adapted home. However, an enduring need for affordable housing tends to be for lower income individuals and their dependants who cannot buy or rent at the prices applying where demand exceeds supply in a buoyant market. The Council has various policies to provide affordable housing which can provide quality homes for less affluent residents. It is also recognised through the Local Plan, the supplementary planning guidance on Affordable Housing and in the recent Draft Affordable Housing Good Practice Guide that sustainable communities are more likely to be achieved when mixed sites of market and affordable housing are blended in design to avoid superficial 'pigeon holing' of residents by housing tenure.

Supplementary Planning Guidance

2. In 2004, to reflect comments of the Community Regeneration Commission, draft supplementary planning guidance was amended to state that the mixed siting of housing *across* a new housing development was essential and developers be expected to provide details of the location of affordable housing within the development at the outline planning application stage.

3. The issue: Is this happening in practice? Why this should be of interest to readers is because new dwellings might be expected to last 100-130 years, so generations will literally be living with the consequences of current decisions.

The Policy Principle

4. The new Commission did not set out to question the principle that to create sustainable communities, the mixed distribution of affordable housing across new developments is essential. That was partly because this was to be a one-day focussed scrutiny about practice, so the intention was not to conduct a fundamental review. Moreover the principle had been consensually agreed by:

- both the scrutiny and executive sides of the Council
- all the three political groups

when the issue had been considered in 2003/4.

5. However, the evidence gathered for this review did reinforce that consensual viewpoint. So it is worth setting out now the policy principle that governs the conclusions and recommendations contained in the body of this report:

Policy Principle The Commission welcome pepper potting and the trend toward a more equal distribution of affordable properties across a site.

The decision-making context

6. The relationship between developers and the planning authority in Derby is typical of what can be seen across the country. Due planning control processes are observed and high professional standards maintained, yet the tensions give the system an almost cat-and-mouse quality. Local authorities have wide social goals and seek to ensure the infrastructure keeps pace with the rise in population resulting from new housing developments. Developers have to accept the principles but for each scheme have an interest in minimising the planning consent conditions that reduce their net profits.

7. A routine example of Council and developer interests differing is over the mixing of housing developments. Developers feel that executive homes sited exclusively with other executive homes carry a higher asking price than executive homes co-located with smaller and more affordable housing. Central Government and councils like Derby have the longer horizon of creating sustainable, cohesive communities where residents are comfortable with one another, mix socially and their children are educated together.

8. Developers seeking planning permission are likely to use tactics and deploy arguments which dilute and detract from the wider policies pursued by the Council. A frequent issue – explored later – are proposals to develop a plot with 24 houses, so as to avoid the affordable housing threshold. Another is where a larger development does trigger the obligation to provide affordable units but the applicant seeks to have those units built on a separate site. This off-site provision produces the affordable units for the city but keeps the main site for more affluent residents.

Box 1 – A Section 106 agreement is ...

A negotiated agreement between a developer and a local authority that provides the likes of road improvements, low-cost housing or community facilities in return for the granting of planning permission.

Resisting Off-Site Provision

9. The Council's SPG states [at 5.3.1] that: "In exceptional circumstances, and only where the Council and the developer agree, affordable housing may be provided off-site". "The Council will only agree to off-site provision when there is a clear benefit to the provision of affordable housing", usually involving an *increase* in the number of units compared to the on-site requirement. In an example 30 on-site would convert to 43 off-site.

10. The policy appears strong and the Commission were told officers seek to apply it. However it there did seem to be occasions when exceptions were allowed. Decision makers are in the unenviable position of balancing two virtuous but incompatible policies: maximising the numbers of affordable

housing units for the many Derbyans who need them *and* promoting sustainable, socio-economically mixed communities. By that the Commission means people of differing income levels, different backgrounds and ages living in close proximity and sharing local amenities and a sense of identity. Housing tenure is a subordinate issue though the reality of current funding is that most of the affordable units will be for rent from RSLs.

11. It is likely there will be a tipping point where ‘numbers’ [of affordable units] win over the [socio-economic] ‘mix’. Taking the stated example where 30 converts to a base figure of 43, a developer being willing to fund 46 or 47 off site units may not persuade the Council to agree, but if the offer was 55 units the line may not be held. As the policy reads there is no reason that ‘numbers’ should not win over the ‘mix’. The Commission believe that the policy of mixed housing developments needs to become as close to non-negotiable as the law will allow.

Recommendation 1 Off-site provision of affordable housing should be strongly resisted as it irreversibly precludes the development of sustainable communities of mixed socio-economic backgrounds. If necessary, this should be buttressed through Local Development Framework documents.

Numbers

Box 2 - Messages from the Marches

The day long review meeting on 30 November co-incided with a visit from Herefordshire Council. A visiting member was invited to give evidence. He reported that a neighbouring authority – South Shropshire District Council - operates a policy that

- 50% of properties must be affordable and
- the threshold starts at 2.

This contrasted with the:

- nationally-prescribed minimum threshold of 25 units or 1 hectare and
- Derby’s local upper %age of 30% affordable properties per development

Subsequent contact with SSDC has confirmed the information to be accurate. However, there are particular local circumstances applying to South Shropshire. The District Council describes the “pressing housing affordability problem” experienced by local people as “one of the worst nationally and the worst in the West Midlands. The average house price [is] ten times the average household income”. The supply requirement for new housing set out in the Structure and Local Plan has already been exceeded - and it is this which the Council has used to validate its Interim policy. However, the policy has not been tested judicially.

12. Under the current PPG3 the national rules requiring affordable housing provision do not bite unless the development is for 25 properties or more *or*

the site is at least 1 hectare in size. Because of developer aversion to both funding and siting affordable units, this regularly results in applications to planning authorities for developments of 24 units. Where that occurs on an 'island' plot of land, i.e. the present use of all the bordering land means there is negligible housing development potential, there is nothing that can be done. Central Government have partially accepted this problem and in a revised Planning Policy Statement 3, PPS3, applicable from April 2007, the new threshold is to be 15 properties i.e. a decrease from 25. This in itself has to be welcomed as a change for the better. Encouragingly the next sentence in the revised PPS3 says "However, Local Planning Authorities can set lower minimum thresholds, where viable and practicable". The City Council should immediately take steps to use the latter provision and, so far as practicable, the virtuous South Shropshire policy regarding thresholds should be emulated here. If this opportunity is lost, it can be predicted that by mid-2007 applications will begin to be received for developments of 14 properties. However, the word emulated, instead of copied, is used for two reasons. Firstly, because it would not be in anyone's interest to set a city-wide threshold so low that owners choose to simply 'sit on' their land rather than develop it and, secondly, Derby has a high proportion of brown field land and encouraging the re-use of this has to factor in the higher costs compared to greenfield locations.

Recommendation 2 The Council should use the flexibilities created by the revisions to PPS3 to emulate the South Shropshire policy of having the lowest threshold possible but avoiding the tipping point where developers choose to sit on their land.

13. While the Commission welcome the headline reduction from 25 to 15 units, it does not understand the logic of having any minimum threshold. Every time a scheme of 24 – or in future 14 – houses has to be agreed that results in fewer affordable units being delivered and puts back the achievement of the total previously identified through the housing needs survey. If all developments in all - or most - local authorities had to contribute to the supply of affordable housing that would quickly be factored in by housing developers. There may of course be local authorities where land values are very low but it would seem likely that such depressed areas would not have the issue of market housing being unaffordable.

14. A further concern is that while PPS3 enables local authorities to 'set lower minimum thresholds, where viable and practicable' – and which we have recommended using for Derby - that raises the prospect of developer resistance, citing differing opinions about what is 'viable' and 'practicable'. Taken together, it would be better public policy to dispense with minimum thresholds.

Recommendation 3 The national minimum thresholds in PPS3 triggering the requirement to supply affordable units should be ended and the Council should express that view to the Department for Communities and Local Government and the Local Government Association.

15. The other prong of South Shropshire's interim policy is having a full 50% of new build as affordable units. That could not be readily adopted here as the City of Derby Local Plan specifies the upper limit as 30% and as members of the Council know, effecting revisions to the Local Plan is not a swift process. Yet the Regional Spatial Strategy recognises that an increase to 33% is warranted. The Mayor of London was successful in securing a 50% ratio. The high land values in London meant the affordable units could be funded without making housing developments unviable. With relatively lower land values in Derby a general policy of 50% affordable units may not be tenable. That should not be assumed however and the Cabinet should specifically look at whether there is a sufficient case that might persuade a Planning Inspector to agree a higher percentage. The work would sensibly be done in later 2007 with the benefit of the results of the new Housing Needs Survey. The Commission have a concern that the number of "affordable" houses being built seems to be not high enough given the demand for "social" housing in Derby.

Recommendation 4 The Cabinet should commission work after the 2007 Housing Needs Survey has been completed to assess whether there is an arguable case that the proportion of affordable units on housing developments should be raised to 40% or 50%.

Site or sites?

16. As mentioned earlier, where development is taking place on an 'island' plot there is nothing to prevent schemes being devised to avoid the minimum threshold. A variant is where such a scheme is proposed for a plot when it borders other land which is, or is likely, to be developed for housing. The case of permission being sought for 24 dwellings on Royal School for the Deaf land was an example of the PPG threshold of 25 being avoided. There a wider foot print is to be developed for housing. This therefore raises the question whether the threshold is considered in relation to the individual application or the ultimate number after a development is complete. If there is a choice open to the Council, it ought clearly to be the latter. The Commission therefore drafted this recommendation: 'The calculation of the 25 threshold should be based on the overall number of dwellings when a development has been completed'. Subsequent to the day review this was shared with the Plans and Policies section and the following information was provided to us.

Box 3 – Segmentation Strategies

The Council does always try to secure affordable housing on schemes where we know that additional adjacent land may come forward in the near future. However, this is not an easy thing to do in reality.

On a scheme of 24 we cannot require any on-site affordable housing. We can only put provisions in the S106 to secure additional affordable housing to cover the original 24 if more housing is built. This in itself is difficult because the second scheme will often not be financially viable with the additional affordable housing on the site.

Because of the foregoing we are somewhat concerned about whether the recommendation would actually work in practice. There may be one or two years between the phases, so phase one would be completed, leaving all the affordable units to be built in phase two, which as said, may not be viable.

What we have done previously and did in the case of the Royal School for the Deaf is to get a financial contribution [for off-site provision] in lieu of the affordable housing on the original 24 should future development come forward. Affordable would then be secured on-site for the second phase as usual. The S106 agreement requires the payment of £150,000 for affordable housing on commencement of any further residential development on their site.

There can often be disagreements about whether a second phase is truly a second phase or whether it's just development on adjacent land. Usually it needs to be allocated in the Local Plan as one planning unit, or we need to be aware of plans or negotiations on further parcels of land. Where it is in the same ownership it would count as one, but it doesn't have to be.

PPS3, which was published before Christmas, lowers the threshold to 15 as of 1 April 2007. So, any application going to Committee after this date will be considered under the new threshold. There may be a few exceptions to this if negotiations have been on going for a while.

17. The S106 agreement described in Box 3 has a protective value, ensuring that the number of affordable units catches up when the site is fully developed. However, it does not assist pepper potting across the site as a whole as the initial development has none. If the flexibilities in the revised PPS3 can be used to achieve a South Shropshire approach in Derby the Royal School for the Deaf situation will not be repeated in future. As a belt-and-braces exercise the Commission does also make the following recommendation.

Recommendation 5 a) Wherever legally possible, the calculation of the 15 dwellings threshold should be based on the overall number of dwellings when a development has been completed and b) when considering applications, the Planning Control Committee:

- should be informed of the likelihood of possible housing development on land parcels contingent to the application site so that it
- may consider adding a planning condition that counts into any subsequent stage the number built at that first stage

Pepper Potting – defining and measuring

18. There is no commonly agreed definition of what pepper potting means. On one interpretation a new estate of 1000 housing units, comprising 700 market and 300 affordable homes, could be considered to have achieved pepper potting if there were four separate areas of 75 affordable units. The Community Commission would not share that perspective.

19. One of the documents before the Community Commission on 30 November was the Consultation on the Draft Affordable Housing Good Practice Guide. Under the heading Pepper Potting it states: 'Good practice indicates that the groups should be of no more than five properties and may even be located in pairs or individually'. Consultees are asked later in the document for comments on two options. Option one is that 'affordable homes are grouped together in clusters of no more than 5 properties'. Option two is that 'affordable homes are interspersed with the open market properties on site in pairs or individually'.

Recommendation 6 The Commission strongly endorse the current proposal that Council policy on the pepper-potting of affordable unit housing be that units may be located in pairs or individually and groups should not exceed 5 properties.

20. To assist the Planning Control Committee to assess how well pepper potting is to be achieved in individual schemes, a statistical method needs to be devised to calculate the evenness of the spread of affordable housing across a whole site. The Commission's Chair asked the Royal Statistical Society to assist in devising an algorithm but was referred to other, academic bodies. In the meanwhile the Commission has devised a simple formula and offers this for officers and the Council Cabinet to

Recommendation 7 The Commission a) believe that a mathematical formula or other statistical means should be devised to calculate the evenness of the spread of affordable housing across a whole site and b) offers the formula set out in Box 4.

Box 4 - Suggested methodology for calculating the evenness of the spread of affordable housing across a whole site

1. As the starting point, take the number of affordable units agreed for a site. Whatever that number that forms the number of 'separate location opportunities', SLO.
2. Then look at how many 'separate proposed locations', SPL, the affordable units are to be provided in.
3. Then divide the SLO by the SPL. This is converted into a percentage (or it could be termed as 'degree') which gives the 'mixed siting achievement', MSA.

The polarity is high which, in plain English, means: higher the percentage (or 'degree'), the better.

Examples are set out at Appendix 2.

Counting houses

21. At the end of the day's review on 30 November members felt that the Council does not have an accurate record of the number of new affordable homes being built in the city. On 21 February this was discussed with the planners and housing strategy staff. The Chair explained that he would like accurate quarterly data which:

- for on-site provision logs when planning *permissions* turn into affordable housing *completions*,
- for S106 agreements for off-site provision of affordable housing logs completions
- captures any [other] Registered Social Landlord stock additions

Box 5 – Checking: what is available

Plans and Policies monitors all new housing completions on an annual basis through City wide site surveys every March/April. This distinguishes market and affordable housing completions and is very accurate. However, the system does not pick up other changes to the stock of affordable housing through acquisitions and sales, or indeed through demolitions.

Because of information held by *Plans and Policies* it would also be possible to provide the Commission with a reasonable forward estimate for the ensuing twelve months about the number of completions, which can be expressed on a quarterly basis. At the end of that period there would again be the actual data from the next annual City wide survey.

The *Housing Strategy* section is able to provide to the Commission accurate quarterly data – from the RSLs - about the number of new affordable units.

It was also explained that various ideas to count new home totals had been explored – e.g. council tax records, surveyors reports - but proven unworkable because the data/timing was not compatible.

22. Cllr Wynn was also present on 21 February. He added that *Plans and Policies* were only resourced to do an annual survey and had no internal reason to do so more often. He would consider increasing the frequency if a good reason was given. For the Commission, the Chair explained that the delivery of affordable housing against the City's need was too important to be only counted once a year.

23. When members deliberated on this later it was decided to receive quarterly data about actual affordable completions, from *Housing Strategy*, and the yearly data and forward quarterly estimates from *Plans and Policies*. The Commission will be able to see at the end of a twelve-month period from the second March/April survey how accurate the forward estimates had proven to be. If the estimates prove close to the 'actuals' the system can be continued with confidence; if not, the Commission will be asking the Cabinet member to resource more frequent surveys.

Recommendation 8 Council Cabinet note that the Commission a) regard the supply of affordable housing as a key issue over which it shall be monitoring performance; b) to that end i) will have a quarterly agenda item to receive an update from Housing Strategy about the actual number of new affordable units and compare this with the quarterly estimates for all completions, produced by Plans and Policies; ii) will annually consider the data produced by the Plans and Policies survey of actual all housing completions and c) will ask the Cabinet member to resource more frequent surveys if the estimates for the year turn out not to be reasonably close to the actual totals

24. The Community Commission and its predecessor have taken a keen and continuing interest in the supply of affordable housing for the city's population. Proposals for new build of all tenures and the return to use of empty properties have been welcomed. There have periods when the greater number of reports has been about reducing the number of affordable units. The Derbyshire blocks in Spondon, the Isle of Wight blocks in Alvaston and Britannia Court - just a short walk from the Council House - were unpopular, or difficult to manage or expensive to bring up to decent homes standards. A forthcoming report on older people's housing can be expected to say much of the sheltered accommodation is unwanted. To help the Commission to keep an overview of the ever-changing position, we ask that a quarterly report be routinely provided. The number of market units should also be provided to enable comparisons to be made about the rate of progress (or regression) from the citywide targets.

Recommendation 9 The Commission be routinely provided with a quarterly report showing a) how many new affordable units have been added b) how many affordable units have been lost and c) the resultant net gain (or loss), plus corresponding data regarding 'market' units.

Affordable Housing on Council-owned Land

25. Ahead of the review meeting one of the concerns that Members wished to explore was the Council's possible conflict of interest between its policies to promote the building of new affordable housing, against its interest in realising the maximum for its capital assets. This ties in with developers' preference for the off-site provision of affordable housing. The evidence on 30 November made it very clear that the housing policy prevails. Julie Basford commented that, if anything, higher levels of compliance with planning policy are required of in-house applications compared to other applicants, precisely because it is 'the Council' and has to be seen to be doing what it expects of others.

Conclusion 1 It was clear that for land within the city boundary, if there is a conflict between the Council's interest in maximising capital assets and its policy of maximising affordable housing units, the planning control function ensures the housing policy prevails.

Committee Resolution

26. It is also important to log that positive comments were made about the robust approach taken by the Planning Control Committee to upholding the Council's policies on affordable housing. These were made both on the review day itself and then at a subsequent business meeting of the Commission. It was said that the strict line taken by Cllr Baxter and his colleagues made it easier for Council officials when dealing with developers. The latter can be confidently advised that experience showed that deficient schemes will not get approval.

Conclusion 2 Derby's Planning Control Committee takes a robust approach to upholding the Council's land planning policies when deciding individual applications.

Co-ordinating Design and Timelines

27. To promote successful, sustainable communities with a mix of socio-economic backgrounds it is essential that the affordable housing blends in rather than stands out. To achieve that it is better that the developer builds the affordable housing and then hands over the units on completion to a RSL, as this enables the same style, format and materials to be used. This preferred option is not available where affordable housing is being provided through a Private Finance Initiative, as was the case with Swallowdale Road.

Recommendation 10 To ensure affordable housing blends in rather than stands out, the same style, format and materials need to be used; it is better that the developer builds the affordable housing and hands over the units on completion to a RSL, rather than the latter building their own.

28. It is important to avoid the building work on the affordable units being done at different stages to the 'market properties'. That is to: ensure blending in, minimise disruption for the first tranches of residents, encourage the development of a mixed community *and* to avoid the last residents feeling unwelcome. That applies whether the affordable units are built by the market developer, as the Commission prefers or built by an RSL or PFI contractor. This may be achievable through a site specific Supplementary Planning Document. An SPD is being prepared for Heatherton 2 and should that site involve any separate RSL-led construction, it should be used to trial developer co-operation.

Recommendation 11 a) where an RSL or a PFI contractor is to build its construct its own properties in a development site, there needs to be co-ordination and agreement to avoid the work being done at different stages to the 'market properties' and ensure blending in; b) this may be achievable through SPD c) should Heatherton 2 involve any separate RSL or PFI-led construction, then the site should be used to trial developer co-operation.

Material Considerations

29. The Planning Control Committee deals with a far wider range of issues than covered by this review. This discrete review did allow an insight about public objections to applications. Frequently the reasons given may be sincerely – and certainly strongly – held; yet they may hold no sway in terms of the relevant factors that the Committee are allowed to take into account. This can leave the objector feeling resentful that he or she was not listened to. It is not perhaps surprising that legal terms like material considerations are not easily grasped; so it is recommended that further guidance be produced which seeks to explain in simple English what are and are not valid points for planning purposes.

Recommendation 12 Better guidance should be produced for the public to make clear what are and are not ‘material considerations’ when planning applications are to be decided.

Partnerships

30. Given the different nature of the developers of housing in the city, all of whom contribute a proportion of affordable housing, together with the need to pepper pot, it is essential Derby City Council encourage and support sustainable and sustained partnerships between the following:

1. The private sector developers
2. Derby Homes or its successor
3. Housing Associations
4. The Housing Corporation
5. Derby City Partnership

Recommendation 13 The Council needs to encourage and support sustainable and sustained partnerships between itself and each of the stakeholders that develop housing in Derby

Units or Size or People?

31. Throughout this report the Commission has used the expressions ‘affordable homes’, ‘affordable housing’ and ‘affordable units’. The first two are plain English. The third – affordable units – has been used because that is the term in the approved planning documents, including the SPG, that the review was designed to look at. It was not challenged by any participant on 30 November. It seems logical that *provided* the number of bedrooms and occupants is *on average* the same for the affordable units compared to the market units within a development the usage is right.

32. But it does come with that proviso. Further, with regard to recommendation A below, it was queried by Cllr Nath on 21 February whether the number of new affordable units in an area of redevelopment meant the same size as those replaced. And he made the point that there is a greater – and unmet - need for larger houses with four bedrooms. A result could be fewer buildings but as many or more people housed.

33. It is plainly impossible for a focussed scrutiny review to grapple with these definitions at the end of a process. But in conclusion:

- There is no need to shy away from the issue
- But it does not undermine the findings and recommendations of the review.

The observation was made in paragraph 7 that “the tensions give the system an almost cat-and-mouse quality”. It is likely that the size comparability of affordable units vis-à-vis market units will have been the subject of planning skirmishes here and elsewhere.

Recommendation 14 It would be useful for the Council Cabinet to look at the issues :

- of defining the term housing ‘unit’ compared to building size, number of bedrooms, intended number of occupants
- in terms of replacement affordable provision within the same foot print *and*
- between market and affordable units within the same development.

Derby Homes New Build – Interim Report to the Council Cabinet Member on the Approach to ‘Pepper Potting’

Recommendation A

That the Cabinet Member endorses the following views of the Community Commission:

In existing areas of social housing where clearance is proposed to make way for new build the aspiration should be to have no net loss in the number of affordable units. Therefore the number of units demolished should be the minimum number to be replaced. If that cannot be delivered within the footprint that would suggest more land is needed elsewhere.

Further, the wisdom of increasing housing density should be very seriously examined in full partnership with residents. This is because the loss of private open space to more housing is likely to result in the creation of additional social problems. In existing areas of social housing in the City, part of the present total of private open space within the footprint might, with rebuilding, be better used for residents by being used for public - or communally controlled - open space.

Reason for recommendation

This arises because of the Local Plan ratio between market and affordable housing. The maximum proportion of affordable units that will be delivered is 30%. Therefore if 200 homes were cleared with the intention of denser replacement housing being built, a development of 300 units in total would only deliver 90 affordable units. The outcome would be 110 fewer units of affordable housing than at present. However, the achievement of the socio-economic mix [as described in paragraph 10 of the main report] may make that preferable. It would though indicate that more land is needed elsewhere to regain the shortfall, in a further socio-economically mixed development.

Some Derby Homes residents find their gardens too large for their needs and older estates with large gardens mean lower density than developments in more recent decades. Given land values and the shortage of affordable housing there is the obvious attraction of rebuilding being denser. However, it is important not to go too far the other way. A recent topic review on housing allocation found that many young families in upstairs flats craved having some safe grassed area of their own where the children could play. A garden for each dwelling would be a good starting point. A sensible balance could be to also have public or communal green areas and there are many examples in Derby of good urban design where social housing is laid out as a square around a green. This would give a larger area for children to burn up energy - ball games would be allowed! – but still reassuringly close enough for parents to keeping a watchful eye.

Recommendation B

The design and siting of affordable units needs to be appropriate both for local needs and globally across the City as a whole.

Reason for recommendation

This recognises that the housing need survey which informed the judgment as to the amount of affordable housing needed was based on the City as a whole. Within the large public housing estates there may be a need for different sized properties e.g. two or four bedrooms in areas of predominately three bedrooms. To achieve a greater mix of tenures it may be better to use the some plots for market houses and build the social housing in predominately 'owner-occupied' estates. In other areas there may be very little affordable housing at all and a variety of property sizes would be needed.

Recommendation C

The Derby Homes new build units should not look out of place or be instantly identifiable as social housing and the Commission would wish to see this addressed in a future report about the scheme.

Reason for recommendation

Only small numbers of units can be provided under this funding scheme and likely to be located on spare plots among areas of existing housing. Irrespective of the tenure of the adjacent properties, the new units should blend in. The Commission is aware of a batch of small affordable units incongruously placed next to large detached houses.

Recommendation D

It is essential that the funding and legal avenues used ensure that the homes built remain available and affordable which for rented properties means preventing an occupant from acquiring the right to buy or right to acquire.

Reason for recommendation

This is an issue about sustainability. There is no long term net increase to the supply of affordable housing if it can be bought – with or without discount – by a current occupant.

Equalities impact

The continued rise in property prices, at a much faster rate than earnings, has the effect of preventing greater numbers of residents from getting a foot on the property ladder. The supply of affordable housing for lower income groups denied access to market housing is a key issue. Mixed siting of affordable housing across developments has the potential to create cohesive sustainable communities. That is more likely to be realised if the market and affordable units are built to the same design using the same materials.

Appendix 2

Examples of the suggested methodology for calculating the evenness of the spread of affordable housing across a whole site

For ease, the following examples are all 100 home developments with 30 affordable and 70 market properties. However, it would work on any number.

1. As the starting point, take the number of affordable units agreed for a site. Whatever that number that forms the number of 'separate location opportunities', SLO.
2. Then look at how many 'separate proposed locations', SPL, the affordable units are to be provided in.
3. Then divide the SLO by the SPL. This is converted into a percentage (termed as 'degree') which gives the 'mixed siting achievement', MSA.

The polarity is high which, in plain English, means: higher the percentage (or 'degree'), the better.

Example 1 - The worst possible proposal

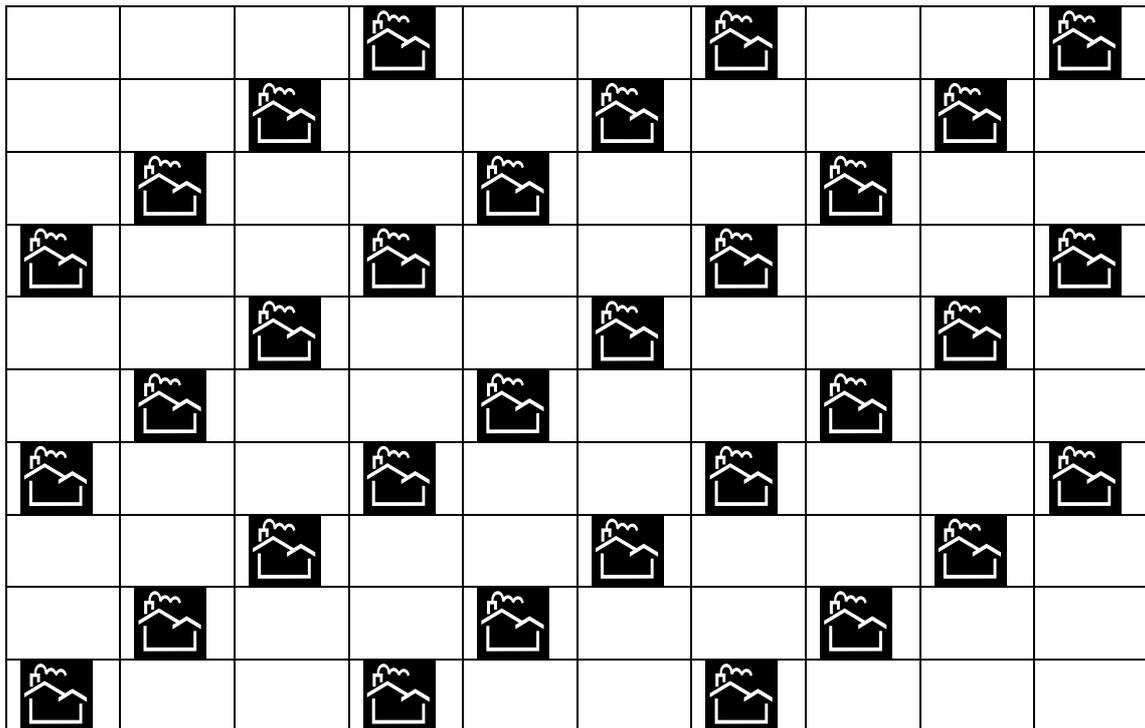
																				
																				
																				
																				
																				
																				
																				
																				
																				

30 affordable units = 30 SLO

These are to be grouped together in just one location = 1 SPL.

Calculation: $1:30/100 = 3.33\% = 3.33^\circ \text{MSA}$

Example 2 - The optimum

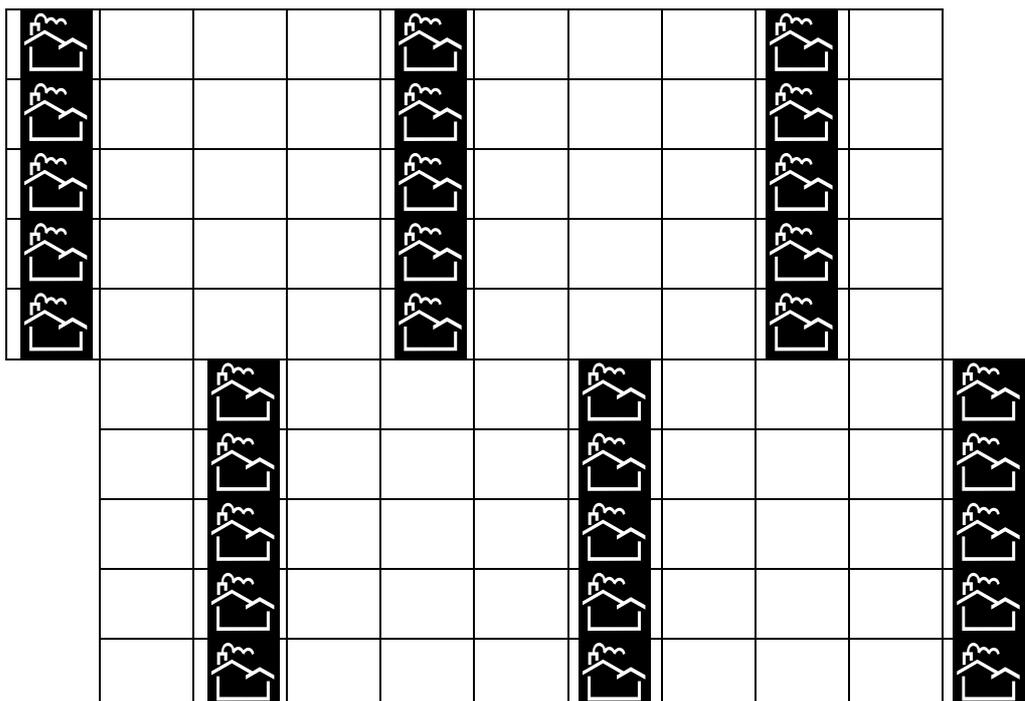


30 affordable units = 30 SLO. These are to be sited individually across the site, interspersed with the market units = 30 SPLs

Calculation: $30:30/100 = 1 = 100\% = 100^\circ \text{MSA}$

Example 3

Using 5 affordable units, as the proposed maximum in the design document



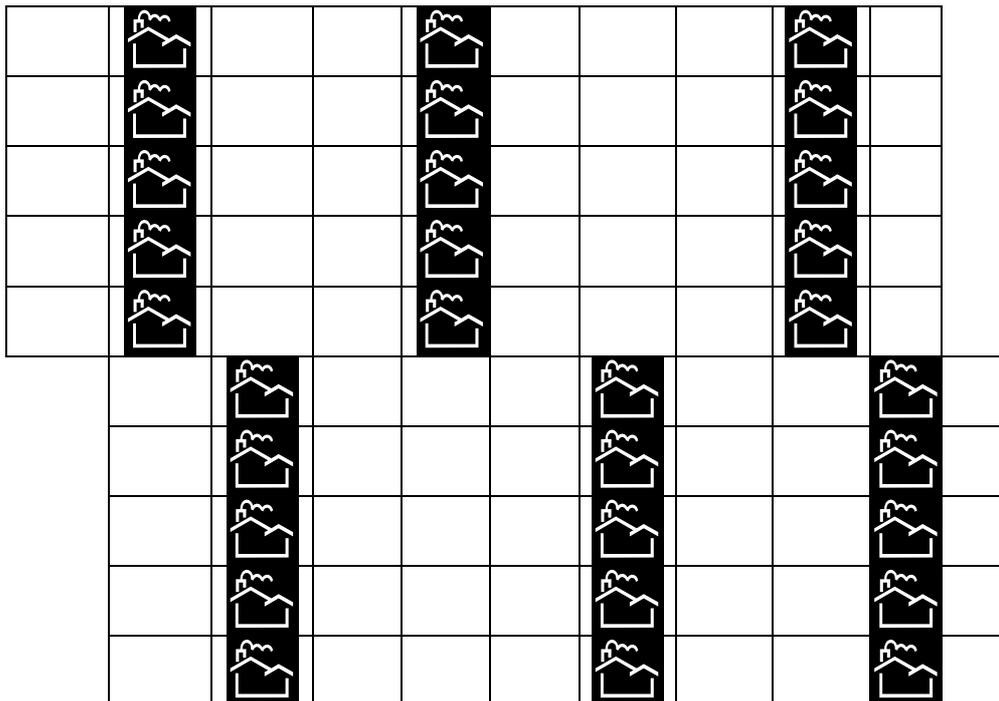
30 affordable units = 30 SLO

These are to be grouped together in 6 groups of 5 units = 6 SPL

Calculation: $6:30/100 = 20\% = 20^\circ \text{MSA}$

Example 4

This has exactly the same figures as example 3.



Again, using 5 affordable units together as the proposed maximum in the design document, so:

30 affordable units = 30 SLO

These are to be grouped together in 6 groups of 5 units = 6 SPL

Calculation $6:30/100 = 20\% = 20^\circ \text{MSA}$

The score is the same because the number of affordable parcels is the same. Yet example 4 achieves better mixing than the first. Being a simple system means it can't capture nuances. However, a formula that seeks to reflect the difference between examples 3 and 4 may be very complex. It may be easier to add that, in addition to the [above] simple formula, "developments must not disproportionately allocate the affordable units to the periphery of the site".