

Response on behalf of Story Homes

Statement K

Policy HS1 – Affordable Housing is the Policy Justified, effective and consistent within National Policy and Guidance?

1.0 Will the policy and the overall Development Strategy result in the requirement for affordable homes within Eden District being satisfied?

1.1 Historically Eden District has been less affordable than the national and regional average. Whilst this has improved in the years since 2009, there are still chronic affordability problems within Eden with private housing markets entry thresholds indicating that 66% of first time buyers in Eden would not be able to afford a lower quartile house as it costs more than 7.7 times their earnings and 42% would not be able to afford lower quartile rents in the district, as set out in **Appendix 1** to Statement D (OAN Assessment). This suggests there is a chronic affordability problem in Eden.

1.2 The 2015 SHMA identifies that there is a **net** affordable need of 196 dpa (2014 – 2032) and the number of dwellings which would be required to accommodate affordable need in full, on the basis that 30% of affordable housing is delivered would result in 653 dpa. A housing need of between 225 and 289 dpa would meet between 34 - 44% of affordable need identified by the SHMA. This is discussed further in the OAN document in **Appendix 1** to Statement D It is therefore considered that the plan will not deliver the sufficient level of housing required to meet affordable housing needs.

2.0 Is the seeking of 30% of all new housing as affordable homes a viable and effective solution to the need to provide affordable housing?

2.1 Story Homes reserve our position until viability, infrastructure and s.106 contribution information has been provided. Story Homes do however, in principle support the flexibility included within the policy regarding site specific viability assessments. However, further clarification on how the viability assessment process will work, including what is “associated information” (Paragraph 4.8.9) and whether this will be reviewed internally or externally by the Council is required. Story Homes also consider that it is appropriate to allow for flexibility to amend the mix and tenure of sites to assist viability.

2.2 Further evidence into the impact of obligations required cumulatively by this policy is required, particularly as the Infrastructure Delivery Plan (Policy DEV4) and the Whole Plan Viability Assessment (EB033) may impact upon the level of contributions including affordable housing.

2.3 It is considered that the EB033 should be published before a full response to this Policy is provided by Story Homes.

3.0 Is the site threshold of four units viable and appropriate?

3.1 No comment.

4.0 What impact is the Starter Homes Initiative likely to have on the provision of affordable housing?

4.1 As the consultation on the Starter Homes initiative is still ongoing, it is still uncertain what the overall impact of Starter Homes will be on affordable housing provision.

4.2 At this stage, it is too early to say what the impact will be on affordable housing provision. However, in terms of Eden and the provision of affordable housing, as the Starter Home Initiative only applies predominately to those aged under 40 who are purchasing their first home, many of those residents within Eden who may require affordable housing, may not qualify, particularly given the ageing demographic within Eden.

5.0 On what basis is the financial contribution to be derived?

5.1 Further evidence in relation to EB033 is required by the Council prior to providing a full response.

6.0 Is a discount of 40% on market value viable and effective?

6.1 Further evidence in relation to EB033 is required by the Council prior to providing a full response. No clarification has been provided as to why a 40% discount has been selected, or if this varies between Market Towns or Key Hubs.

7.0 Is the Local Occupancy Criteria set out in Policy HS1 sufficiently clear and unambiguous?

7.1 The policy for Local Occupancy Criteria refers to Appendix 6. It is unclear within the criteria if the person needs to fulfil all of the criteria or simply just one of the criteria. It is also unclear in terms of the definition of "locality" where it refers to the parish and surrounding parishes, the extent of the remit of the "*surrounding parishes*". It is also unclear what constitutes as a "*reasonable period of activity*" and what is meant by "*cascade out to include the County*" ie. is there a tier prior to this.

7.2 The policy and associated criteria is unclear and not justified.

8.0 Should dwellings provided as Affordable Housing remain so in perpetuity?

8.1 No comment.

Summary

Is the Policy Justified, Effective and Consistent with National Policy AND Guidance?

The Policy is unsound on the basis that the affordable housing needs within the Borough will not be met and the proposed implications of the starter home may impact negatively on the provision of affordable housing in the Borough.

It is not considered to be positively prepared, justified, effective or consistent with national policy on this basis.

To be found sound, the OAN should be increased to allow the affordable housing needs be met and for clarification on the starter homes.