

East Riding Local Plan

Affordable Housing Addendum

July 2016



EAST RIDING
OF YORKSHIRE COUNCIL

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I Introduction

1.1 This note is an addendum to the Affordable Housing Supplementary Planning Document (SPD) (adopted April 2016) and should be read alongside the SPD. It outlines changes to national planning policy and practice guidance with regards to affordable housing and the implications on decision making in relation to planning applications.

East Riding Local Plan: Policy H2

1.2 Policy H2 of the East Riding Local Plan Strategy Document (adopted April 2016) sets out the Council's policy for providing affordable housing. Part A of Policy H2 requires affordable housing as part of housing developments, including proposals that would form part of a wider site or allocation, where it comprises:

1. 10 housing units or more, or 0.33 hectares or more, in the Major Haltemprice Settlements, Principal Towns and Towns; or
2. 3 housing units or more elsewhere.

1.3 Part B of Policy H2 requires developments that meet these thresholds to achieve the level of affordable housing set out in Figure 8¹ of the Strategy Document. The SPD provides further guidance on the application of Policy H2 and is a material consideration in the determination of planning applications.

National Planning Policy

1.4 On 13 May 2016 the Court of Appeal gave immediate legal effect to the Government's Written Ministerial Statement (WMS) dated 28 November 2014². The WMS introduced into national planning policy specific thresholds for when section 106 planning obligations should be sought.

- Contributions should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1,000 sqm.
- In designated rural areas (under section 157 of the Housing Act 1985), local planning authorities may choose to apply a lower threshold of 5-units or less.
- Affordable housing and tariff-style contributions should not be sought from any development consisting only of the construction of a residential annex or extension to an existing home.

¹ See page 80 of the Strategy Document (April 2016) and Appendix 6 (page 46) of the SPD (April 2016).

² See: <http://www.parliament.uk/documents/commons-vote-office/November%202014/28%20Nov%202014/2.%20DCLG-SupportForSmallScaleDevelopersCustomAndSelf-Builders.pdf>.

- 1.5 It also included a requirement to take into account a financial credit equivalent to the existing gross floorspace of any vacant buildings (that have not been abandoned) that are either brought back into use or demolished for redevelopment as part of a proposal. This should be deducted from the calculation of affordable housing contributions sought from relevant developments.
- 1.6 The national Planning Practice Guidance (PPG)³ was subsequently updated on 19 May 2016 to reflect this amendment to national planning policy. It sets out the thresholds specified in the WMS and includes further guidance on how the financial 'vacant building credit' should be applied in calculating affordable housing contributions.

³ See: <http://planningguidance.communities.gov.uk/blog/guidance/planning-obligations/planning-obligations-guidance/> (paragraphs 13-17, 19-23 and 31).

2 Implications of national planning policy on decision making

2.1 Section 38(6) of the Planning and Compulsory Purchase Act (2004) states that planning applications should be determined in accordance with the development plan unless material considerations indicate otherwise. Policy H2 of the Strategy Document is part of the adopted development plan covering the East Riding of Yorkshire and remains the starting point for determining planning applications. However, national planning policy, including the changes introduced through the WMS, are a significant material consideration that would need to be taken into account.

2.2 The Council considers the Government's statements of national planning policy to merit significant weight when determining planning applications. Through the examination of the East Riding Local Plan Strategy Document, the Council had accepted that a change to national planning policy, which introduced site size thresholds for securing affordable housing contributions, would need to be reflected in an amendment to Policy H2. Therefore, relevant proposals will be determined in accordance with the following considerations:

- As there are no 'designated rural areas' in the East Riding, the Council will not require affordable housing from developments of 10-units or less, and which have a maximum combined gross floor space⁴ of 1,000 sqm. In calculating the affordable housing requirement for development proposals, the Council will take into account the existing gross floorspace of any relevant vacant building(s) (see further guidance below on calculating the vacant building credit).
- The national threshold does not apply to Rural Exception sites, which remain available to support the delivery of affordable homes for local people.

2.3 The change to national planning policy only affects Part A of Policy H2. Parts B, C, D and E of Policy H2 remain in full force for the purposes of determining planning applications. Part B will continue to be used to determine the level of affordable housing required. This is expressed as a percentage of the overall number of units proposed.

Further information - Vacant Building Credit

⁴ When determining whether a proposals would be exempt from providing affordable housing, the Council will consider the Gross Internal Area (GIA) of the scheme. This is measured from the internal face of the perimeter walls at each floor level. The use of GIA is consistent with the guidance of the PPG in relation to calculating floorspace for the purposes of the Community Infrastructure Levy. This measurement should take into account the gross internal floor area of new dwellings, extensions, conversions, garages and any other buildings ancillary to residential use. It should include all rooms, circulation and service space, including lifts, floorspace devoted to corridors, toilets, ancillary floorspace (for example underground parking). In flatted development, it should include communal entrances, landings and any related internal parking. Best practice for measuring the GIA is set out within the Royal Institute of Chartered Surveyors Code for Measuring Practice.

2.4 Where there is a vacant building, or buildings, within the application site it will be necessary to consider whether the Vacant Building Credit (VBC) will apply. Only buildings that are on the site the day that planning permission is granted will be taken into account. The vacant building credit does not apply to abandoned buildings.

2.5 Paragraph 23 of the PPG highlights that the VBC is intended to incentivise brownfield development, including the reuse or redevelopment of empty and redundant buildings. As a result it will be appropriate for the Council to have regard to the intention of national policy and consider:

- Whether the buildings have been made vacant for the sole purpose of development.
- Whether the buildings are covered by an extant or recently expired planning consent for the same or substantially the same development.

2.6 Therefore, where vacant buildings have been abandoned, or it is considered that the application of the VBC would not be in accordance with the intention of national policy, the affordable housing requirement will be calculated in the same way as for sites with no vacant buildings. Table 1 (below) describes whether the VBC will be applied in particular circumstances.

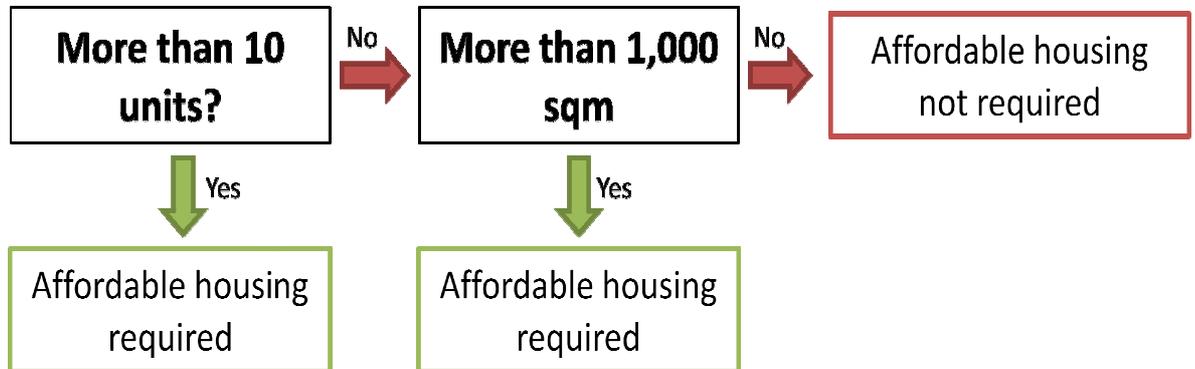
Table 1: Eligibility for the Vacant Building Credit

Scenario	Eligible for VBC?
There were previously vacant buildings on the site, but they were cleared before planning permission was granted.	No
There were vacant buildings on the site but they have been abandoned.	No
There are vacant buildings on the site, but applying the VBC would not accord with the intention of national policy.	No
There are vacant buildings on the site and they have not been abandoned and applying the VBC would accord with the intention of national policy.	Yes

2.7 The VBC will be calculated on the basis of the gross internal floorspace of relevant buildings that will be brought back into use, or demolished and replaced by new buildings, as part of a development. **Effectively, this means that the affordable housing requirement is based on only the net increase in floorspace.**

3 Applying national planning policy to development proposals

3.1 Affordable housing should be provided where a proposal comprises more than 10 housing units, or it has a gross combined floorspace of more than 1,000 sqm. This is illustrated in the diagram below:



3.2 A number of example scenarios are outlined in the table below:

Table 2: Examples

Scenario	Will affordable housing be required?	Explanation
11 unit scheme, with a total combined gross floorspace of 1,100 sqm.	Yes	More than 10 units are being provided.
11 unit scheme, with a total combined gross floorspace of 900 sqm.	Yes	More than 10 units are being provided.
15 unit scheme, with a total combined gross floorspace of 750 sqm.	Yes	More than 10 units are being provided.
10 unit scheme, with a total combined gross floorspace of 1,100 sqm.	Yes	There are not more than 10 units, but it will provide more than 1,000 sqm.
7 unit scheme, with a total combined gross floorspace of 1,001 sqm.	Yes	There are not more than 10 units, but it will provide more than 1,000 sqm.
10 unit scheme, with a total combined gross floorspace of 900 sqm.	No	There are not more than 10 units, and it will not provide more than 1,000 sqm.
5 unit scheme, with a total combined gross floorspace of 1,000 sqm.	No	There are not more than 10 units, and it will not provide more than 1,000 sqm.
10 unit scheme, with a total combined gross floorspace of 1,200 sqm. The scheme involves the demolition of a 600 sqm building which has not been abandoned.	Yes	There are not more than 10 units, but it will provide more than 1,000 sqm. A vacant building credit will be applied equivalent to 600 sqm when the affordable housing contribution is calculated (see example 2 below).

Scenario	Will affordable housing be required?	Explanation
Outline scheme for 6 units, with an unspecified total combined gross floorspace.	Maybe	There are not more than 10 units, but it is not possible to determine this from the information available whether there will be more than 1,000 sqm. A condition should be attached to any approval to require that any necessary contributions are calculated at Reserved Matters stage, when further details are available.

Detailed examples

3.3 On sites with no vacant buildings the proportion of affordable housing required will be applied to the number of units on the site.

Example 1: Affordable Housing Requirement on Sites with o Vacant Buildings

In an area where there is a requirement for 25% affordable housing, a 20 unit development would be required to provide 5 affordable homes.

Total number of units on site (20) x 25% affordable housing requirement (0.25) = affordable units required (5)

Where the affordable housing requirement does not equate to a whole number of units, a financial contribution equivalent to the commuted sum for a partial unit will be required in addition to any whole units being provided on site.

Example 2: Affordable Housing Requirement on Sites with a Vacant Building

Development is proposed on a site which contains a 600sqm vacant warehouse (which has not been abandoned).

The proposal is to demolish the warehouse, and develop 10 dwellings which each have a GIA of 120 sqm, and so have a total combined gross floorspace of 1,200 sqm.

There are not more than 10 units, but the scheme will provide more than 1,000 sqm combined gross floorspace. A vacant building credit should be applied equivalent to 600 sqm.

Policy H2 (Part B) identifies there is a 25% affordable housing requirement in this location.

Step	Example
1. Work out what the affordable housing requirement would have been if there were no vacant buildings on the site.	25% of 10 dwellings = 2.5 affordable dwellings.
2. Determine whether VBC is applicable.	VBC is applicable as the warehouse is vacant, is not abandoned and the application of VBC would be in accordance with the intention of national policy.
3. Work out what proportion the existing floorspace (which is to be demolished and replaced, or converted, as part of the development) is of the total gross combined floorspace proposed.	$600 \text{ sqm} \div 1,200 \text{ sqm} = 0.5$ (or 50%).
4. Apply a discount, equivalent to the % of the scheme which is existing floorspace, to the affordable housing requirement. 50% of 2.5 = 1.25 dwelling discount.	$2.5 - 1.25 = 1.25$ affordable dwellings required.



East Riding of Yorkshire Council will, on request provide this document in braille or **large print**.

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