

Introduction

In accordance with Welsh Government Guidance (“Local Development Plans Wales” paragraph 5.3), the Affordable Housing Supplementary Planning Guidance (SPG) has been prepared in partnership with stakeholders and was subject to public consultation between 20th May 2015 and 2nd July 2015.

This report sets out the responses received to the consultation and a Pembrokeshire County Council (PCC) response along with any recommended changes to the SPG.

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Ref. number	Individual/ Organisation	Representation summary	PCC Response	Recommended change to SPG (if required)
1	Mr Gareth Schofield (Pembroke Design)	<p><i>Representation 1:</i></p> <p>Can the housing need register be updated to reflect current local needs (the data used is from July 2012)?</p>	<p>The Common Housing Register (CHR) is constantly updated as new applicants are added to it. The Local Housing Market Assessment is updated every two years and provides evidence of need for a 5 year period. The figures included in the draft SPG in paragraph 1.2 refer to evidence of need on the Housing Register at June 2014 and the 2014 LHMA. The 2014 LHMA is the latest available source providing a break-down of need by community council level for the period 2014-2018. The figure used from the CHR from June 2014 will be updated with a 2015 reference.</p>	<p>Provide 2015 figure (2,150 in housing need in March 2015) in paragraph 1.2 for Common Housing Register.</p>
2	Mr Gareth Schofield (Pembroke Design)	<p><i>Representation 2:</i></p> <p>Further clarification as to the names of the total number of public RSLs able to develop in</p>	<p>Appendix 6 provides a list of useful contacts including Registered Social Landlords operating in Pembrokeshire. This list will be expanded to include Bro</p>	<p>Add the following sentence to the end of paragraph 1.9:</p> <p>“The contact details of the Registered Social Landlords</p>

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		Pembrokeshire would be useful.	Myrddin Housing Association. A cross-reference will be added to paragraph 1.9 in the SPG to make this explicit.	designated to develop Affordable Housing under the Social Housing Grant programme in Pembrokeshire can be found in Appendix 6.” Insert Bro Myrddin Housing Association contact details into Appendix 6.
3	Mr Gareth Schofield (Pembroke Design)	<i>Representation 3:</i> Better guidance as to what constitutes ‘small sites’ with regard to commuted sum is needed as this is too vague.	Paragraph 2.10 clarifies that commuted sums will be sought where there is a net gain of one or more dwellings in cases where an entire affordable housing unit cannot be provided. As the percentages of affordable housing required vary depending on location, it is not possible to state the precise size of a site on which affordable housing will be required on site. For example, where affordable housing contributions are based on a 10% level, on-site provision will only be possible on sites of 10 units or more. Where affordable	Amend paragraph 2.10 to read: Committed sums will be used in one of two situations – where an entire affordable housing unit cannot be provided and where a fraction of a unit is required, or where an off-site contribution is required. Commuted sums will only be sought on new open market housing development, in accordance with paragraph 6.120 of the LDP. These sums will only apply where

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			<p>housing contributions are based on a 20% level, on site provision will be possible on sites of 5 units or more. In such cases, for applications below these thresholds, commuted sums will be required. Additional commentary will be added to paragraph 2.10 to expand on this point.</p>	<p>there is a net gain of one or more dwellings.</p> <p><i>Circumstances in which an entire affordable housing unit cannot be provided on site will depend on the percentage of affordable housing required in that location. For example, where affordable housing contributions are based on a 10% level, on-site provision will only be possible on sites of 10 units or more. Where affordable housing contributions are based on a 50% level, on site provision will only be possible on sites of 2 units or more. In such cases below these thresholds, commuted sums will be used. Commuted sums will not be required in the case of replacement dwellings.</i></p>
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4	Mr Gareth Schofield (Pembroke Design)	<p><i>Representation 4:</i></p> <p>The glossary needs clarification as to which other public RSLs, in addition to Pembrokeshire Housing Association and Tai Cantref, are eligible to develop in the county.</p>	Agree – also add reference to Bro Myrddin Housing Association.	See earlier change in response table (Reference Number 2).
5	Ms Suzanne Whiting (Cadw)	<p><i>Representation 1:</i></p> <p>Archaeological works required to be undertaken post-determination and secured by Section 106 agreement or by condition should be included in '3.2 Information required for developer viability appraisals, 11.) Exceptional</p>	The items included in point 11 are examples of issues which may constitute exceptional development costs. It is not intended to be an exhaustive list. Archaeological works will however be added to the issues included as an example.	<p>Amend Section 3.2, paragraph 3.13 point 11 to read:</p> <p>“Exceptional Development Costs for the development.</p> <p>These are items such as off-site sewerage works, abnormal foundations, flood prevention works, <i>archaeological works</i>, contamination remediation</p>

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		Development Costs’.		works....”
6	Ms Suzanne Whiting (Cadw)	<p><i>Representation 2:</i></p> <p>Consideration should be given to the potential impact of residential development on parks and gardens (and their settings) included in the Register of Landscapes, Parks and Gardens of Special Historic Interest in Wales. Presumably, though, this will be covered elsewhere in the LDP.</p>	The Affordable Housing SPG is a technical document providing detailed guidance on the implementation of affordable housing policies for the Local Development Plan. Policies within the Local Development Plan address issues in relation to potential impacts from development on historic parks and gardens.	No change proposed.
7	Ms Suzanne Whiting (Cadw)	<p><i>Representation 3:</i></p> <p>Cadw would suggest that any Conservation Areas should include reference to the setting of the individual historic features and</p>	The Affordable Housing SPG is a technical document providing detailed guidance on the implementation of affordable housing policies for the Local Development Plan. This comment is not relevant to the consultation of this document.	No change proposed.

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		conservation area.		
8	Mr. Matthew Owens (Mill Bay Homes)	<p><i>Representation 1:</i></p> <p>The proposed prioritisation of the delivery of social and intermediate rented properties, with 'LCHO units generally not being sought', makes the delivery of affordable housing in Pembrokeshire very one-dimensional. A more balanced approach should be taken.</p>	<p>The change to the approach of the SPG to prioritising social and intermediate rented properties in Pembrokeshire is in response to a number of issues. The main issue is the significant level of need for social and intermediate rented properties in Pembrokeshire in comparison with the need for LCHO properties. Evidence from the 2014 Local Housing Market Assessment demonstrates that 83% of need in Pembrokeshire is for social and intermediate affordable housing properties. This need is the severest need for affordable housing, as it represents individuals and families without access to suitable accommodation to rent. The level of need for affordable housing is significantly higher than any level that can realistically be delivered through</p>	<p>Additional explanatory text within the SPG will be provided at paragraph 2.1 to explain the reasoning behind the Council's approach.</p>

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			<p>development.</p> <p>In addition to the overwhelming evidence of need for rented affordable housing, the Council has experienced a number of issues with regards to LCHO properties. One issue has been difficulties for applicants gaining mortgages – whilst amending the cascade approach should assist with this issue, it is likely that the increasingly risk averse approach of mortgage lenders in relation to these types of properties will continue to mean a limited number of products available on the market. This results in difficulties for applicants in gaining a suitable mortgage. Further issues experienced around LCHO properties are evidence that even where mortgage lenders are prepared to lend, in some cases the deposits required are so high as to render properties essentially unaffordable. LCHO properties also represent a significant</p>	
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			<p>administrative burden to the Authority at a time of reducing resources. Furthermore, the Authority's experience of the re-sale of these properties has been that occupants who have benefited from the LCHO property have often not fully understood the nature of the ties associated with the property and are discontent with the process involved. For all of these reasons, the Council is keen to prioritise the delivery of rented affordable properties, where this is a requirement through a S.106 agreement on market sites. The wording of the SPG means that in exceptional cases LCHO may be provided on sites as part of a planning obligation by developers. LCHO properties may also still be developed by individuals seeking to self-build an affordable home, but where the Council is negotiating a planning gain to benefit the community, it is considered appropriate that this gain should be</p>	
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			focused on that which meets the greatest need and represents the best option for the Council and its residents moving forwards.	
9	Mr. Matthew Owens (Mill Bay Homes)	<i>Representation 2:</i> Proposed changes in this SPG for wider geographic qualification areas for applicants in the initial cascade period (section 4.32 Page 20), which we support, will make mortgage accessibility a lot easier for LCHO units. Moving forward, obtaining mortgages for LCHO units will therefore not be a barrier to delivery.	See comments on the additional issues surrounding the provision of LCHO properties in response to Mill Bay Homes Representation 1 (Reference number 8).	No change required to SPG.
10	Mr. Matthew Owens (Mill Bay Homes)	<i>Representation 3:</i> It's questionable whether sufficient data has been collected on the demand for LCHO units. Mill Bay Homes' experience in the market	Although the primary source for the 2014 LHMA is the Common Housing Register, the methodology used to establish affordable housing need (including for LCHO properties) draws on a wide range of sources, in	Additional explanatory text within the SPG will be provided at paragraph 2.4 to explain the reasoning behind the Council's approach.

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		<p>place is that there is demand for this type of unit throughout Pembrokeshire. Data on demand for LCHO units is currently being taken from people registering on the Common Housing Register, where people in most cases will be expecting/looking to rent. The applicants Mill Bay Homes have had to date for our LCHO units, that have been accepted by PCC as a 'qualifying person', are generally not on the Common Housing Register, which could suggest that PCC's current estimate for demand for LCHO units in the 2014 Local Housing Market Assessment is potentially significantly understated. The current SPG states that a register of people interested in and</p>	<p>accordance with Welsh Government guidance. These sources include an assessment of average house prices and average household incomes to identify 'latent' need for LCHO. Although the development of the LCHO register is within the Council's current work programme, the Council is confident that the LHMA 2014 figures represent a robust picture of the levels of need for affordable housing in Pembrokeshire. The Council acknowledges that there is a need for LCHO, however there is a disproportionately higher need for affordable rented properties.</p> <p>It should be noted that in addition to LCHO, there are other initiatives available to support potential purchasers, such as the Help to Buy scheme.</p>	
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		<p>eligible for LCHO units should be kept (Current SPG 3.8 – page 8). It appears that this has not been done and PCC is not complying with their current SPG policy. It's very disappointing to see that the local authority have decided not to seek LCHO units in future, with what appears to be a limited evidence base to make this decision.</p>	<p>The Council has evidence of the issues surrounding LCHO properties, some of which was provided by Mill Bay Homes. The Council also asked RTPi Cymru to conduct a survey of all Welsh LPAs with regards to this issue and it appears that such problems are widespread. Much of the correspondence supplied by Mill Bay homes has also indicated issues with high levels of deposits being required by applicants.</p>	
10	Mr. Matthew Owens (Mill Bay Homes)	<p><i>Representation 4:</i></p> <p>There seems to be no reference to the implication of the prioritisation of rented properties on developments' financial viability. The cost difference to a developer is considerable between providing an LCHO unit at 70% of open market value and a social rented unit at</p>	<p>Although generally a developer will gain more financially from providing a LCHO unit at 70% of market value, there are parts of the County where providing a social rented unit at 55% ACG is actually more profitable. In cases where there is an impact on viability the safeguards provided by the LDP policy and SPG which allow developers to challenge planning obligations requirements (including affordable housing) will ensure</p>	No change proposed to SPG.

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		55% of ACG level, yet this does not appear to be addressed in the revised SGP. PCC need to recognise the additional cost to developers of solely having to provide social rent units as the only form of affordable housing in Pembrokeshire in their section 106 affordable housing and contribution demands.	deliverability. The critical issue for the Council should not be what makes the most profit for a developer, but what the most urgently needed form of affordable housing is.	
11	Ms. Martina Dunne (PCNPA)	<i>Representation 1:</i> The term 'social rent' may be more appropriate than 'social housing' in Section 1.10, as some social housing will be at intermediate rent levels.	Agree.	Amend reference in Section 1.10 to 'social rent'.
12	Ms. Martina Dunne (PCNPA)	<i>Representation 2:</i> Is Section 4.8 consistent with the Council's/Cantref's new criteria for housing, and also the different criteria that	Agree. Update Section 4.7 to cross-reference the approaches to local connection used by the social landlords.	Update section 4.7 to cross-reference the approaches to local connection used by the social landlords.

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		Pembrokeshire Housing has agreed?		
13	Ms. Martina Dunne (PCNPA)	<i>Representation 3:</i> Cross-reference in Section 4.10 of document is missing.	Agree. This is a minor drafting error.	Insert cross-reference to the Council's local connection criteria in paragraph 4.9.
14	Ms. Jessie Foster (St. Davids City Council)	<i>Representation 1:</i> Whilst the City Council is aware that this guidance does not include the areas of Pembrokeshire within the National Park, it fully supports the contents of the guidance and the County Council's attempts to ensure the expansion of affordable housing within the whole county. The City Council has a continued concern about the availability of affordable and social housing, particularly for families, within the St. Davids	Support for the principles of the SPG noted.	No change proposed.

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		area.		
15	Mrs. Moyra Galliford (Milford Haven Town Council)	<i>Representation 1:</i> Milford Haven Town Council has become aware of numerous housing developments throughout the County which is an indication of an increase in the number of affordable homes; is PCC in receipt of new information regarding affordable housing?	The Council has responded separately to Milford Haven Town Council, drawing their attention to the information on need for affordable housing contained in the 2014 Local Housing Market Assessment.	No change proposed.
16	Pembrokeshire Housing Association	<i>Representation 1:</i> Question 1 – strongly agree. Pembrokeshire Housing Association supports the philosophy of prioritising the delivery of social and intermediate rented properties based on demand	See response to Mill Bay Homes (reference number 8). LCHO properties can still be provided by individuals, developers or RSLs, it is only the approach on market sites that is being amended.	No change proposed.

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		<p>statistics, but not at the total exclusion of LCHO properties. It is believed there is also a place for LCHOs on mixed development sites. Proposed changes to the cascading requirements that have previously prevented potential LCHO purchasers accessing mortgages should not now be a factor for concern. A balance should be struck.</p>		
17	Pembrokeshire Housing Association	<p><i>Representation 2:</i></p> <p>Question 2 – strongly agree. This approach is supported. It is important that the plots are fully serviced and that estate roads and drains are constructed to adoptable standards, or bonds are levied by the authority in this respect to ensure RSLs/CLTs are not left to face</p>	Support noted.	No change proposed to SPG.

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		unaffordable liabilities.		
18	Pembrokeshire Housing Association	<p><i>Representation 3:</i></p> <p>Question 3 – strongly agree. The principle of exception sites only being permitted for social or intermediate rented properties is supported. The proposed policy does cause concern however. It seems to reflect a change from the current policy in that it requires that housing need is proven above the levels for extant permissions and above the levels provided for allocated or permitted sites or sites in an RSL programme. If those allocated or permitted sites are not taken forward by developers this may result in the potential</p>	<p>Support for the principle of exception sites only being permitted for social or intermediate rented properties noted.</p> <p>The Council considers that the requirement that exception sites provide evidence of need above the levels anticipated to be provided on allocated or permitted sites in the area and through RSL schemes to be a reasonable one. It would not be appropriate for the Council to release land for an exception site in a location where a neighbouring allocated site, once built would meet that need. If an applicant has concerns that permitted sites will not be developed, then this information could be provided as supporting information as part of an application. In reality, given the</p>	<p>Additional text to be inserted at paragraph 3.10 to explain the reasoning behind the Council’s approach.</p>

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		development of an exception site being blocked. Even on those allocated and permitted sites that do get taken forward the final number of affordable rented properties may be significantly less than the suggested amount in the policy. It is proposed that this requirement is removed.	current levels of need identified and the fact that the Council's method for assessing need assesses need within a community council area and adjoining community council areas for rural areas and whole towns in urban areas, it is considered extremely unlikely that in most parts of the Plan area such an assessment would result in 'blocking' development.	
19	Pembrokeshire Housing Association	<i>Representation 4:</i> Question 4 – strongly agree. This approach is supported. It is essential though that there is clear agreement reached with CML and the RICS valuation sectors to ensure that the precise final wording of the proposals will enable lending against the property to potential purchasers.	Support noted.	No change proposed.

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20	Pembrokeshire Housing Association	<p><i>Representation 5:</i></p> <p>Question 5 – strongly agree. The requirements are clearly set out and are understandable. The challenge will be to ensure that all developers actually do provide the required information to ensure fairness and transparency.</p>	Support noted.	No change proposed.
21	Pembrokeshire Housing Association	<p><i>Representation 6:</i></p> <p>Question 6 – strongly agree.</p>	Support noted.	No change proposed.
22	Pembrokeshire Housing Association	<p><i>Representation 7:</i></p> <p>The SPG is clear that commuted sums for affordable housing should only be levied in one of two situations:</p> <ol style="list-style-type: none"> 1. Where the calculation results in a decimal portion of a unit, when 	Support for the clarity of the SPG noted. The Council will request additional information from PHA on the example identified. It should be noted however that an applicant has the opportunity to negotiate on all requirements through the application and S.106 negotiation process.	No change proposed.

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		<p>the commuted sum will be charged on a formula basis for that proportion of a whole unit; and</p> <p>2. Where an off-site contribution is agreed. This appears to be similar to the current policy. However there is evidence that on at least one s.106, a commuted sum for off-site housing over and above a decimal portion has been charged in addition to requiring the provision of affordable housing on that site in line with the policy requirement for that allocation. This would seem to be an anomaly. It is important that the interpretation and application of policies are consistent and fairly applied.</p>		
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23	Hayston Developments	<p><i>Representation 1:</i></p> <p><i>Q1: Strongly Disagree</i></p> <p>Delivery of affordable housing should be as flexible as possible, social rented is totally dependent on Housing Associations and their grant availability. It's possible any grant could be reduced or some sites are not deemed a priority by Housing Associations. Indeed, this practice has offered some exception sites to two Housing Associations in Pembrokeshire and no interest was shown. Therefore, to rely on just exception sites for registered social landlords would be limiting on delivery. Mortgage issues with home cost ownership could be resolved and indeed outside</p>	See response to Mill Bay Homes (reference number 8). LCHO properties can still be provided by individuals, developers or RSLs, it is only the approach on market sites that is being amended.	No change proposed.
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		planning controls.		
24	Hayston Developments	<i>Question 2 Strongly Disagree</i> Whilst greater flexibility of deliverability is welcomed, why totally discount LCHO? It should remain and be an option for the reasons given above.	See response to Mill Bay Homes (reference number 8).	No change proposed.

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25	Hayston Developments	<p><i>Question 3. Strongly Disagree</i></p> <p>Whilst it is accepted that exception sites should not become market houses, to discount LCHO is wrong. The clause needs to be amended, or maybe a mortgage requirement is not always necessary with family help in purchase. Give flexibility!</p>	See response to Mill Bay Homes (reference number 8).	No change proposed.
26	Hayston Developments	<p><i>Question 4. Agree</i></p> <p>This seems fair and an improvement on the current SPG.</p>	Support noted.	No change proposed.
27	Hayston Developments	<p>Question 5.</p> <p>Yes</p>	Support noted.	No change proposed.

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28	Hayston Developments	<p><i>Question 6.</i></p> <p><i>Agree.</i></p>	Support noted.	No change proposed.
29	Hayston Developments	<p><i>Question 7.</i></p> <p>This SPG appears to be mainly focused on a knee-jerk reaction to the issues of mortgages of LCHO. But this option should not be totally discounted and still included in the cascade of delivery. Since the adoption of Pembs LDP, this practice has noticed demand for housing applications is certainly hindered by the need to deliver affordable housing. Therefore we feel strongly that all types of affordable delivery have to be explored.</p>	Comment noted. See response to Mill Bay Homes (reference number 8).	No change proposed.

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