

**East Riding Local Plan**  
**Affordable Housing**  
**Supplementary Planning**  
**Document**

**Consultation Statement**  
**April 2016**



**EAST RIDING**  

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**OF YORKSHIRE COUNCIL**

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## **1. Background**

- 1.1 In preparing Supplementary Planning Documents (SPDs), the Council is required to follow the procedures laid down in the Town and Country Planning (Local Planning) (England) Regulations 2012<sup>1</sup>, and its adopted Statement of Community Involvement (SCI) (January 2013)<sup>2</sup>.
- 1.2 Regulation 12 stipulates that before adoption of a SPD, the local planning authority must prepare a statement setting out:
- The persons that the local planning authority consulted when preparing the SPD;
  - A summary of the main issues raised by those persons; and
  - How those issues have been addressed in the SPD.
- 1.3 This Consultation Statement accompanies the Affordable Housing SPD. The SPD provides guidance on how Policy H2 (Providing Affordable Housing) of the Local Plan Strategy Document is to be implemented.

## **2. Consultation**

- 2.1 Preparation of the draft SPD involved consultation and engagement with a working group of planning agents, developers and registered providers of social housing. A scoping meeting was held in September 2013 to help identify potentially useful content for the draft SPD. The group were then consulted on an early draft in March 2014 and on a further draft in June 2014. Where appropriate comments from the working group were incorporated into the draft SPD on which public consultation took place.
- 2.2 The draft SPD, Strategic Environmental Assessment (SEA) and Habitat Regulations Assessment (HRA) Screening Opinion were made available for statutory public consultation between Monday 13 July and Friday 4 September 2015. A wide range of stakeholders were consulted, including the following persons:
- All Town and Parish Councils;

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<sup>1</sup> Available to view from: <http://www.legislation.gov.uk/ukxi/2012/767/contents/made>

<sup>2</sup> Available to view from: <http://www2.eastriding.gov.uk/environment/planning-and-building-control/east-riding-local-plan/statement-of-community-involvement/>

- Consultees registered on the Local Plan database who had previously made representations on the affordable housing policy at any stage in the East Riding Local Plan process;
- Duty to Cooperate Bodies<sup>3</sup>;
- Elected Members;
- Members of the SPD Working Group;
- Planning agents registered on the Local Plan database; and
- Specific Consultation Bodies<sup>4</sup>.

2.3 As the public consultation was run jointly with the draft masterplan for Land South West of Beverley, the following persons were also consulted:

- Consultees registered on the Local Plan database who had previously made representations on the Local Plan Beverley allocations included within the masterplan at Preferred Approach, Draft, and Publication Stages;
- Consultees registered on the Local Plan database residing in the relevant postal code area (HU17); and
- The general public, via an advertising campaign.

2.4 A press release was issued on 14 July 2015. This subsequently led to articles in the Beverley Guardian. Articles also appeared in the East Riding Voluntary Action Service (ERVAS) newsletter, a Town and Parish Council newsletter ('Parish News'), and the Council's staff magazine ('Grapevine'). The consultation was also promoted on social media (Twitter and Facebook) and reported at Planning Committee.

2.5 The SPD and associated documentation was made available for inspection on the Council's website<sup>5</sup> and in all customer service centres and main libraries.

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<sup>3</sup> Listed in Appendix D of the Council's Statement of Community Involvement (2013) (SCI) available to view from: <http://www2.eastriding.gov.uk/environment/planning-and-building-control/east-riding-local-plan/statement-of-community-involvement/>

<sup>4</sup> Listed in Appendix D of the Council's Statement of Community Involvement (2013) (SCI) available to view from: <http://www2.eastriding.gov.uk/environment/planning-and-building-control/east-riding-local-plan/statement-of-community-involvement/>

<sup>5</sup> [www.eastriding.gov.uk/spd](http://www.eastriding.gov.uk/spd)

Comments were invited in writing, no later than Friday 4 September 2015, either by post or email.

- 2.6 A further meeting with the working group took place on 16 November 2015. This focused on the response from the East Riding House Builders Group (ERHBG).

### **3. Consultation Responses and Main Issues**

- 3.1 A total of 18 representations (68 individual comments) were received to the public consultation. A summary of these representations, together with the Council's response is available to view in Appendix I.
- 3.2 The main issues raised related to the continued use of the national thresholds to determine the affordable housing requirement under Policy H2, following a recent High Court judgement<sup>6</sup>. The High Court ruling resulted in the removal of paragraphs 012-023 of national Planning Practice Guidance (PPG) on planning obligations, effectively deleting the national thresholds for affordable housing and the vacant building credit mechanism. Other responses related to viability, transfer values, Section 106 (S106) agreements, validation requirements, housing standards and the needs of small and medium sized house builders.
- 3.3 It was requested that the Council allow applicants to submit their own viability assessment and have the opportunity to discuss this with the Council. The ERHBG were keen for the requirements of small house builders to be acknowledged. A number of consultees were concerned that the transfer values would soon become outdated and some sought clarity on where the transfer values originated from. A methodological error was noted in the calculation of the transfer values was noted by one consultee.
- 3.4 The model S106 agreement was considered appropriate, so long as the Council applied the agreement with flexibility. The ERHBG expressed concern that the 12 month offer period in the model S106 agreement was too long. Other points raised through public consultation included that the SPD should not be used to set validation requirements and must not require schemes to meet Homes and Communities Agency (HCA) standards.

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<sup>6</sup> R (on the application of the West Berkshire District and Reading Borough Council) v Secretary of State for Communities and Local Government [2015] EWHC 2222 (Admin)

#### 4. Main changes to the SPD

3.5 All responses to the draft SPD consultation have been considered in preparing the final (adoption) version of the SPD. It was not always possible or appropriate to make changes to reflect every consultation response. This is because there are often conflicting opinions and evidence on the preferred way forward. The main changes are summarised as follows:

- Amendments to reflect modifications to Policy H2 set out in the Local Plan Strategy Document Inspector's Report and accompanying Schedule of Main Modifications (25 January 2016)<sup>7</sup>. Modification reference MM57 supports rural exception sites for affordable housing which are well related to the development limits of Major Haltemprice Settlements, Principal Towns and Towns, in addition to Rural Service Centres and Primary Villages. MM61 removed reference to Homes and Communities Agency (HCA) standards from Policy H2.
- Removal of references to the national thresholds and vacant building credit mechanism from Policy H2, following the outcome of the High Court Judgement (referred to in paragraph 3.2 above). Policy H2 now applies the thresholds set out in the Local Plan Strategy Document<sup>8</sup>.
- Addition of a planning condition (Appendix 4 of the SPD) to be applied at outline planning stage. At this stage the exact number of dwellings may be unknown, meaning it is not possible to determine whether affordable housing should be provided. Applying the planning condition at outline planning stage will ensure applications for residential development are provided in accordance with the policy in place at the time the reserved matters application is determined.
- Amendments to clarify that the Council will accept viability information submitted by the applicant or a completed viability appraisal and to emphasise the Council will engage with applicants to gain a full understanding of the viability of their scheme.
- Amendments to clarify that the transfer values are a starting point for negotiation with applicants and correction of the values to account for a methodological error.

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<sup>7</sup> Inspector's report and accompanying Schedule of Modifications available to view at: [www.eastriding.gov.uk/localplanexam](http://www.eastriding.gov.uk/localplanexam)

<sup>8</sup> 10 housing units or more, or 0.33 hectares or more, in the Major Haltemprice Settlements, Principal Towns and Towns; or 3 housing units or more elsewhere.

- Inclusion of the website address where the District Valuer Report (DVS), setting out the indicative transfer values, can be viewed.
- Amendments to emphasise that the model S106 agreement is a starting point for negotiation with applicants. Clarification that a shorter offer period may be acceptable if the applicant can demonstrate they have engaged effectively with Registered Providers of affordable housing and the provision of affordable housing is stalling the delivery of the site.
- Amendments to emphasise the Council is open to renegotiating regarding the tenure mix of affordable housing schemes when the overall delivery of housing is otherwise stalled. These changes reflect the Minister's letter of 9 November 2015 to local authority leaders and chief planning officers.
- Clarification that the SPD is not setting any new validation requirements, it only reflects the requirements in the Council's existing validation checklist.
- Amendments to clarify that the SPD will not require schemes to meet HCA standards.
- Acknowledgement that small and medium house builders work within different financial parameters to larger volume house builders (e.g. development finance and cost of materials) and that the Council will be sensitive to this when considering the viability of a proposed development scheme. This can be taken into account when considering viability appraisals.

## Appendix I: Summary of representations

Comment No	Respondent	Section of Draft SPD	Summary of Comment	East Riding of Yorkshire Council Response
AHSPD/1	Brantingham Parish Council	Chapter 12	I have considered the document, in particular chapter 12 on rural exception sites and I note no particular concerns. No other comments.	Noted.
AHSPD/2	Evolution Town Planning	Commutated sums	<p>Planning obligations should not be at such a level that they threaten deliverability of the site or the ability to make a competitive return to a willing landowner and developer. To that end the normal requirement is that the plot is provided free of charge but there is no subsidy of build costs.</p> <p>Paragraph 50 of the National Planning Policy Framework (NPPF) states commuted sum payments should be accepted where robustly justified and be “of broadly equivalent value” to the affordable housing which will not be provided.</p> <p>Determining the amount for a commuted sum – case law requires that a developer should make provision for affordable housing. This only extends to making land available and it does not include any subsidy.</p> <p>In our experience the common position of local authorities is that a developer will provide the land free and also provide that the price of an affordable dwelling should not include any contribution towards the wider infrastructure on the site which is paid for by the market housing. That leaves effectively the design and build costs.</p>	<p>Noted. The financial contribution is the difference between the value a Registered Provider would pay and the market price for the affordable house.</p> <p>Paragraph 50 of the National Planning Policy Framework (NPPF) states that the starting point is to provide affordable housing on site but where justified, a financial payment can be made which is "broadly equivalent value" (i.e. equivalent to the cost to the developer when providing the unit on-site). The cost of providing affordable housing on-site would be the market value minus the indicative transfer value which is what the Council would be seeking as the financial contribution.</p>

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			<p>The Council's approach to this issue in the draft section 106 (S106) is inconsistent with paragraph 50 of the NPPF as the Council is seeking the developers profit from the sale at market value of the affordable house. It would also include the contribution to wider infrastructure costs. The Council is not achieving "broadly equivalent value" but something which is quite in excess of what is provided for in the guidance. The SPD and draft S106 should be amended.</p>	
AHSPD/03	Scruton and Co Builders	Policy/ Threshold	<p>The decision in West Berkshire District Council and Reading Borough Council vs. The Department for Communities and Local Government (31/07/2015) will have to be reviewed before the SPD is finalised.</p> <p>The Council will need to carefully consider its rationale and evidence base and needs to engage with the local house builders to provide an appropriate policy basis.</p> <p>The Council should retain the 10 plot threshold before affordable housing is required. This threshold is considered by locally based house builders to be both appropriate and necessary to develop this scale of site, which is an important component of their business operations. This should be given significant weight.</p> <p>The 1,000sqm threshold was irrational and conflicted with the other planning criteria for housing development, such as the need for mixed communities, and the objective of achieving 30 dwellings per hectare. Both these criteria are set out in the draft SPD and are appropriate to the policy application. 1,300sqm may be more appropriate floor space threshold.</p>	<p>Noted. Following the High Court judgment, national Planning Practice Guidance (PPG) has been updated to remove the national thresholds for affordable housing and the vacant building credit mechanism.</p> <p>In the absence of national policy the Council has reverted to its original intention to set policy based on the best available evidence in the Affordable Housing Viability Assessment (including addendums). References to the national threshold for affordable housing (i.e. and vacant building credit have therefore been removed from the SPD.</p> <p>All parties had the opportunity to comment on the appropriateness of the threshold in Policy H2 through the preparation and examination of the East Riding Local Plan. The Inspector's Report on the East Riding Local Plan Strategy Document was received on 25 January 2016 and represents the end of the examination process for this part of the Local Plan examination. It concludes that the Strategy Document, subject to the Inspector's recommended modifications, meets the</p>

<b>Comment No</b>	<b>Respondent</b>	<b>Section of Draft SPD</b>	<b>Summary of Comment</b>	<b>East Riding of Yorkshire Council Response</b>
			The Council need to engage with local house builders to provide an appropriate policy basis to address this issue.	criteria for soundness in the NPPF.
AHSPD/04	Sustainable Development Team (ERYC)	General	No comments.	Noted.
AHSPD/05	Together Housing Group	General	I am happy with the revised document.	Noted.
AHSPD/06	Welton Parish Council	General	Support the documents.	Noted.
AHSPD/07	Yorkshire Water	General	No comments.	Noted.
AHSPD/08	Health and Safety Executive	General	No comments.	Noted.
AHSPD/09	Natural England	General	Whilst we welcome the opportunity to comment we do not wish to comment.	Noted.
AHSPD/10	Natural England	SEA/HRA	In principle SPDs should not be subject to Strategic Environmental Assessment (SEA)/Habitats Regulations Assessment (HRA) as they do not normally introduce new policy. They usually do not give rise to significant environmental effects as the policy has been assessed at a higher level. Exceptions to this include where SEA or HRA of the higher level planning document has not been undertaken.	Noted. The SPD provides guidance to supplement Policy H2 of the East Riding Local Plan. The Local Plan has been subject to SEA/HRA.
AHSPD/11	Walkington Parish Council	Policy	Concerned that developers could phase development so that applications fall below the threshold.	Noted. Policy H2 of the East Riding Local Plan and the SPD already require that proposals that are part of a wider site will be required to provide affordable housing. This means phased development will be required to provide affordable housing.
AHSPD/12	Walkington Parish Council	Commuted sum	Developers should be able to provide a financial contribution rather than provide units on site for the following reasons: <ul style="list-style-type: none"> <li>Affordable homes may not be of the quality of other</li> </ul>	Noted. Policy H2 of the East Riding Local Plan sets out that commuted sums can be used when they are more appropriate than on-site provision.

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			<p>housing in the development.</p> <ul style="list-style-type: none"> <li>• High value dwellings could be located close to affordable homes causing friction in a community.</li> <li>• Impact of reducing the price of existing properties in the village.</li> <li>• The main need for affordable homes is in towns.</li> <li>• Development in rural areas could fund affordable housing in towns.</li> <li>• Developers may increase the cost of market dwellings on the site to recoup costs associated with providing affordable housing.</li> </ul>	<p>The SPD provides further guidance on the application of the policy. It sets out instances where an off-site contribution may be more appropriate. An example of when affordable housing could be provided by commuted sum includes where there is sufficient affordable housing in the immediate locality to meet affordable housing need.</p> <p>The National Planning Policy Framework (NPPF) requires that Council's promote mixed communities. Therefore it is appropriate for a site to contain a mix of housing types, sizes and tenures. Part E of Policy H2 states that where affordable housing is required as part of a mixed tenure site it should be integrated into the development in terms of its design and layout.</p>
AHSPD/13	Walkington Parish Council	Commuted sums	<p>Commuted sums should be paid to suppliers of tenanted housing so demand can be met where it exists, this will give a sense of ownership to the villages and small towns. This could include charitable organisations who know where the "exception" sites for affordable housing might be welcomed by the community.</p> <p>Housing problems are best determined at the community level, and it is vital that finance arising in one place as a result of development which is frequently contentious should be directed towards the alleviation of housing problems in that particular community.</p>	<p>Noted. The Council is open to partnering with other organisations in addition to Registered Providers, where appropriate. The SPD has been amended to reflect this.</p>
AHSPD/14	Omnivale ltd	Chapter 4	<p>The general direction of the policy is supported but the SPD should not be adopted until the Local Plan is adopted.</p>	<p>Noted. The SPD will not be adopted until the East Riding Local Plan is adopted.</p>

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AHSPD/15	Omnivale ltd	Chapter 4	Paragraph 4.5 should be deleted/updated to refer to the recent high court judgement and intention of government to fight this judgement.	Noted. See response to comment AHSPD/03.
AHSPD/16	Omnivale ltd	Chapter5/6 – Written Ministerial statement	Do not object to the threshold in Policy H2 but must ensure it is based on local evidence following the high court judgement which means the written ministerial statement can't be given weight.  Recommend the Council undertake local evidence so that the vacant building credit can be retained.	Noted. See response to comment AHSPD/03.
AHSPD/17	Omnivale ltd	Viability	The SPD should acknowledge the policy has viability caveats to allow flexible provision of affordable housing and particularly support implementation of vacant building credit to encourage redevelopment of brownfield sites.	Noted. Section 6 of the SPD sets out further information regarding viability in the context of delivering affordable housing.
AHSPD/18	Omnivale ltd	Section 7 – Commuted sums	Support the use of commuted sums when the contribution is not a round number of affordable homes.	Noted.
AHSPD/19	Omnivale ltd	Section 8 – Policy H2 Part D	Following the budget less affordable homes will be built. This will result in less demand for social rented accommodation. The standards in the SPD take into account viability. However, they do not take account of the budget. The value of social rented housing will be reduced and therefore impact on the viability of schemes. The SPD should include a caveat that states that a reduced percentage of affordable housing will be required if the requirement is for social rented housing.	Noted. The requirements for affordable housing are set out in Policy H2. The Council will require types of housing based on need and the up to date information available, taking into consideration other factors such as viability. If there is a reduced need/demand for social rented housing there will be a reduced requirement for that type of housing.
AHSPD/20	Level Ltd	Threshold	The evidence at the Examination in Public does not appear to have considered the capacity of smaller sites to deliver affordable housing under the policy. If the thresholds are to be	Noted. See response to comment AHSPD/03.

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			<p>lowered following the recent high court judgment the deficiencies in the evidence base will need to be addressed. This would result in substantial delay to the adoption of the plan and we are unconvinced the small increase in affordable housing delivery would be worth the delay.</p>	
AHSPD/21	Levvel Ltd	Vacant Building Credit	<p>Would support removal of references to the vacant building credit.</p>	<p>Noted. See response to comment AHSPD/03.</p>
AHSPD/22	Levvel Ltd	Viability	<p>The issue is how the Council is seeking to apply consideration of viability, not the principle of considering it.</p> <p>Fees for viability appraisals are at the low end of what is expected for negotiations of this scale.</p> <p>The text suggests viability information should be submitted to the Council who will input the information into their own appraisal model. However this could lead to conflict and RICS guidance suggests that different models should be used depending on the circumstances.</p> <p>The RICS guidance suggests that it is for the applicant to suggest to the Council the methodology they believe is acceptable. The Council's methodology should be used if applicants do not wish to submit their own assessment and that methodology should be available on the internet. Applicants should have an opportunity to explain why the methodology is inappropriate or the Council's assumptions are inappropriate.</p>	<p>Noted. The SPD has been amended to clarify that the Council will accept information submitted by the applicant (set out in Appendix 7) or a viability appraisal (prepared by the applicant) to support their case.</p> <p>The Council's aim is to engage with applicants to gain a full understanding of the scheme and work towards agreeing an acceptable outcome within the planning policy framework. The SPD has been amended to reflect this.</p>
AHSPD/23	Levvel Ltd	Viability	<p>If the District Valuer is to be used for an assessment the</p>	<p>Noted. The fees charged by the Council to review the</p>

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			<p>applicant should be notified and additional fees could be applied.</p>	<p>viability of a development proposal include any external advice which could be sought from consultants or the District Valuer. The SPD has been amended to reflect this.</p>
AHSPD/24	Levvel Ltd	Section 7 - On Site Provision	<p>Support principle of on-site provision. Off site should only be used when it offers an advantage.</p> <p>Recommend that the Council makes clear that the use of commuted sums for fractions of dwellings is only one option and other mechanisms may be appropriate. Other mechanisms include rounding the requirement to the nearest whole number of dwellings and adjusting the tenure and mix, for example, rounding up the proportion of rented units and rounding down shared ownership properties.</p> <p>Support the level of commuted sums set out in the SPD for partial homes.</p> <p>Support the fact that the SPD sets out that where more than one affordable homes is required as a commuted sum the calculation will based on the actual affordable homes that would have been provided rather than an average.</p>	<p>Noted. The Council previously used an approach which rounded the provision of affordable housing. However this was not supported by many as it often resulted in the requirement being rounded up. The approach in the SPD is considered to be the most equitable.</p> <p>The SPD is clear that the mix of affordable housing should be based on need. However where economic viability is unreasonably affected the Council will work with Registered Providers and applicants to achieve a balance between meeting the requirement and providing an appropriate mix.</p>
AHSPD/25	Levvel Ltd	Section 7 - On Site Provision	<p>States that it is not clear how the commuted sums have been arrived at.</p>	<p>Noted. The commuted sums have been determined independently by District Valuer Services (DVS). This is noted within the SPD and a web link to the study has been provided.</p>
AHSPD/26	Levvel Ltd	Mix of units	<p>Generally supportive of approach, including discussing mix on a case by case basis and through pre application enquiries. However the SPD could set out a general tenure split sought by the Council. The tenure split should be based on the mix</p>	<p>Noted. The Affordable Housing Viability Assessment considered a range of tenure mixes and resulted in a flexible policy that accounts for the need for different types of affordable housing. The need for different types</p>

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			used in the viability assessment so it is not onerous. This would help the Council and developers align their expectations.	of affordable housing varies throughout the East Riding therefore it is appropriate to discuss tenure on a case by case basis.
AHSPD/27	Level Ltd	H2E (Integration)	Support for housing being tenure blind.	Noted.
AHSPD/28	Level Ltd	H2F (Standards)	The Homes and Communities Agency (HCA) no longer impose mandatory standards above building regulations. It makes little sense for one part of a development to be required to be to higher standards than another.	Noted. The SPD has been amended to reflect Policy H2 of the East Riding Local Plan. The Council will continue to recommend minimum gross internal floor areas to ensure that the affordable homes provided meet the housing need identified. This is explained in the SPD.
AHSPD/29	Level Ltd	Section 10 (S106)	Generally supportive of approach to S106 and Unilateral undertakings. However conditions can be used at outline stage.	Noted. The Council already applies conditions at outline stage to ensure affordable housing requirements are calculated using the current policy at the time of a reserved matters application. This is set out in the SPD. A model outline planning condition has been included in the SPD (Appendix 4) to provide clarity to applicants on this issue.
AHSPD/30	Level Ltd	Section 11 (Other Information)	Supportive of approach in this section.	Noted.
AHSPD/31	Level Ltd	Section 12 (RES)	No comments.	Noted.
AHSPD/32	Level Ltd	Appendix 6 (Affordable housing values)	Recognise the transfer values are indicative but recommend they are withdrawn. The values offered for affordable housing by Registered Providers vary depending on the organisation and over time. If the values in the SPD and those offered by Registered Providers get seriously out of line the Council will encounter criticism.	Noted. Consultation on the SPD revealed a preference for indicative transfer values to be included within the SPD to provide clarity for applicants.  The SPD has been amended to emphasise the transfer values are guidance/ starting point. The Council is committed to updating the transfer values periodically

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				through the Local Plan Annual Monitoring Report to ensure they remain relevant and responsive to the current policy climate.
AHSPD/33	Level Ltd	Appendix 8 (Model S106)	<p>The model S106 agreement seems appropriate as long as a degree of flexibility is used. Reservations about paragraph 2.1. The clause seems to require all affordable housing to be completed within 3 years. This is unlikely to be the case on large sites.</p>	<p>Noted. The model S106 agreement is not intended to be a finished non-negotiable document. It can be tailored to meet the particular circumstances of each development and is a starting point for negotiation. The SPD has been amended to emphasise this point.</p> <p>The time limit of 3 years to provide the affordable housing and transfer it to a Registered Provider is a starting point included in the model S106 agreement for consistency. This time period can be varied through negotiation. For example, on larger sites, the Council would normally insert some form of trigger to ensure affordable housing is built in a timely fashion.</p>
AHSPD/34	ERHBG	General	<p>As small and medium householders we have distinctly different requirements and challenges than the national house builders, and it is vital that this is not only recognised but is understood that in order for the existing local house builders to be able to continue, and to expand their investment in the locality we, as a partnership, need to work closely together.</p> <p>We would therefore like to request that this submission is acknowledged and recorded and that a series of meetings between the Council and the East Riding House Builders Group (ERHBG), and its advisors, are arranged during and beyond this consultation process.</p>	<p>Noted. The SPD working group have met to discuss the ERHBG's response to the SPD. The Council is open and committed to engaging with the ERHBG on an ongoing basis.</p>
AHSPD/35	ERHBG	Para 5.11-13	Whilst we accept the RICS Code of Measuring Practice we	Noted. See response to comment AHSPD/03.

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			<p>request that garages are removed from the GIA calculation.</p> <p>Small sites are the very life blood for SME house builders and in order for the local authority to demonstrate their full support for this integral part of new housing delivery the removal of garages as part of the GIA calculation would ensure that small sites can come forward quickly without the uncertainty and risk of a long and protracted negotiation over whether affordable housing is a requirement or not.</p> <p>Granting planning permissions without garages, where the home buyer later constructs a garage, takes control away from the local authority in determining the siting, design and materials used in the construction, creating potentially unsightly development.</p> <p>Removal of the garages would also bring the calculation in-line with the information provided as part of the GIA cost for viability appraisal Registered Providers, appendix 5.</p>	
AHSPD/36	ERHBG	Para 5.11-13	It is acknowledged that Registered Providers do not have the appetite for single units on developments in individual locations.	Noted. Registered Providers are still formulating business plans to deal with recent policy / funding changes. The appetite is limited but there is still some interest. The Council may still be interested in such developments.
AHSPD/37	ERHBG	Para 5.11-13	The time delay and uncertainty in determining whether affordable units are required or a commuted sum is payable creates an unacceptable layer of risk for small and medium sized house builders, especially in their ability to secure financial support for a project. It also acts as a deterrent to land owners to release sites when they are uncertain as to what return they may receive for their land.	<p>Noted. The return that will be achieved should be the same whether provision of affordable housing is on site or off site.</p> <p>The starting point (in most cases) will be that provision should be on site as required by East Riding Local Plan Policy H2. The Council will work closely with</p>

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			Clarity on this issue would send a strong signal to the local house builders that East Riding of Yorkshire Council is supportive and is actively encouraging those house builders to invest.	<p>developers to establish whether or not alternative provision through commuted payments is appropriate.</p> <p>Early dialogue with Registered Providers and the Council is encouraged in the SPD.</p>
AHSPD/38	ERHBG	6.9 - 6.15 Appendix 5	In order to assist in the submission of viability assessments and to provide clarity and transparency it is requested that a Viability Template is agreed between the house builders Group and the Local Authority.	Noted. Appendix 7 of the SPD sets out the standard financial information the Council requires to review the viability of a proposed scheme.
AHSPD/39	ERHBG	6.9 - 6.15 Appendix 5	It should be acknowledged within the SPD that the costs of delivery of a development may vary between house builders and each individual site in order to achieve the desired quality, mix and style of new housing.	<p>Noted. The Council recognises that those who typically build small schemes will often work within different financial parameters to the developers of larger volume housing sites. This is now reflected in the SPD.</p> <p>The SPD has also been amended to reflect that for smaller schemes, such as those undertaken by small and medium size house builders, the viability information submitted should be proportionate to the proposal. A relatively simple residual appraisal may be sufficient.</p>
AHSPD/40	ERHBG	6.9 - 6.15 Appendix 5	It should be acknowledged within the SPD that each viability assessment should be judged on its own merit.	Noted. In undertaking a review of viability, the Council acknowledges the need to consider each case on its own merits. The SPD acknowledges that if market conditions, extraordinary costs or items of agreed public benefit mean there is a case for reducing affording housing requirements, applicants should demonstrate why this is the case.
AHSPD/41	ERHBG	6.9 - 6.15 Appendix 5	Furthermore each Viability Assessment should be appraised with the aim of reaching a mutually acceptable agreement and it should be used as a tool to assist in the delivery of new homes.	Noted. The Council's aim is to engage with applicants to gain a full understanding of the scheme and work towards agreeing an acceptable outcome within the planning policy framework. The SPD has been amended

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				to further emphasise the Council's commitment to engaging with applicants.
AHSPD/42	ERHBG	8.1-8.6	<p>Policy H2: D - suggested change (underlined):</p> <p>"D. The tenure split, size and type of affordable housing will be informed by the latest Strategic Housing Market Assessment (SHMA), the housing register, housing survey, the level and type of existing affordable housing in the locality <u>and the requirement's, needs and resources of Registered Provider</u>"</p> <p>The addition of the wording in bold will assist in securing a suitable registered provider in order to deliver a project.</p> <p>Furthermore tenure mix should be encouraged in order to allow a wider range of affordable housing, assist in completing a successful negotiation with a Registered Provider and enabling a house builder to secure a more commercially acceptable financial outcome in order to secure the delivery of a housing project.</p>	<p>Noted. Section 8 of the SPD states that the mix of housing will be informed by the SHMA, local authority housing register, the existing affordable housing stock in the locality, any other relevant site specific information and current planning policy and guidance.</p> <p>It is the role of the Council, not the Registered Provider, to state the required housing mix, based on the evidence base. Early engagement with Registered Providers is encouraged to help ensure appropriate layout and design features are included in submitted plans. The SPD acknowledges the Council will work with Registered Providers and developers to achieve a balance between meeting the requirement for affordable housing and providing the most appropriate tenure, size and types of affordable housing. This approach could allow some development to take place which may not have otherwise done so.</p>
AHSPD/43	ERHBG	9.2	<p>Whilst house builders support the initiative of high quality design the Council should accept that this should not be imposed or insisted upon where it is commercially unviable to do so. The word 'high' should be deleted.</p>	<p>Noted. Securing high quality design is a core planning principle in the National Planning Policy Framework (NPPF). Paragraph 56 of the NPPF also seeks to achieve high quality, inclusive design. The SPD reflects the NPPF.</p> <p>Applicants should already be aware of the need to promote high quality design. High quality design is not an unavoidable or previously unknown cost to</p>

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				development.
AHSPD/44	ERHBG	9.5	Paragraph 9.5 should be deleted in full. It is generally accepted that Registered Providers prefer housing units to be provided in groups in order to economically and socially manage the units. Whilst phasing of affordable units is acceptable, individual or small clusters is inappropriate and is a deterrent in negotiation with an interested Registered Provider.	Noted. The Council is not aware of any objections from Registered Providers. Grouping affordable housing units together can reinforce feelings of social exclusion and can have a negative impact on the establishment of sustainable communities.
AHSPD/45	ERHBG	9.6	This clause should be deleted. The design and standard of the affordable housing units should match the requirements of the proposed managing Registered Provider.	<p>Noted. The SPD has been amended accordingly to reflect Policy H2 in the East Riding Local Plan. The Council will continue to recommend minimum gross internal floor areas to ensure that the affordable homes provided meet the housing need identified.</p> <p>The Council works with Registered Providers on an ongoing basis to understand the tenure split, size and type of affordable housing they would be likely to take on.</p>
AHSPD/46	ERHBG	Section 106 Agreements and Appendix 8	The East Riding House Builders Group would welcome the opportunity of entering into dialogue with the Council, via an appointed legal representative, to consider the content of the model agreement proposed, with the common view of creating a template that, whilst being adaptable for site specific circumstances, reflects the current issues of practical affordable housing delivery.	Noted. The model sSI06 agreement is not intended to be a finished non-negotiable document therefore it can be tailored to meet the particular circumstances of each development. It is a starting point for negotiations. The SPD has been amended to reflect this.
AHSPD/47	ERHBG	Section 106 Agreements and Appendix 8	The Group supports the Council's objective of securing the provision of quality affordable housing on-site. At the same time, local small and medium sized house builders seeking to deliver smaller developments, often in rural locations, face material difficulty in securing Registered Providers to work	See response to comment AHSPD/36.

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			with, which in turn affects the deliverability and viability of housing schemes in all but the prime locations in the East Riding.	
AHSPD/48	ERHBG	Section 106 Agreements and Appendix 8	The 12 month offer period is too long. The offer period cannot be officially commenced until at least a month after the developer takes ownership of a site and on smaller sites of say 30, or fewer plots, this 12 month period creates another layer of uncertainty and delay. A 6 month offer period would be a far more practical solution to the issue.	<p>Noted. 12 months is not considered unreasonable and is included as a starting point for consistency in the model S106 agreement. If any applicant has a particular concern on any site they can negotiate a shorter period with the Council as and when appropriate.</p> <p>The SPD has been amended to clarify the Council will accept a shorter offer period in some cases (for example, 6 months), if the applicant can demonstrate they have made every reasonable attempt to engage with Registered Providers and the provision of affordable housing is stalling housing delivery.</p>
AHSPD/49	ERHBG	Section 106 Agreements and Appendix 8	The Council's agreement to this proposed partnership would indicate its desire to fully engage with the house builders group with the common view to deliver more new and affordable homes in the county and to enable the Council to meet its housing targets.	Noted.
AHSPD/50	ERHBG	Section 106 Agreements and Appendix 8	It is also essential that potential lenders on affordable housing provided under section 106 agreements are not discouraged to lend by 'mortgagee in possession' clauses that restrict their security.	Noted. The model section 106 (S106) agreement in the SPD has been amended to address this comment. This has been brought to the attention of the ERHBG. The Council understands advisers to Registered Providers are now satisfied with the agreement.

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AHSPD/51	ERHBG	Appendix 6	<p>It can be demonstrated that once the process of engagement and offer to the Registered Providers is complete the best financial offer made to the house builder is at such a low level that it is commercially uneconomical to deliver the affordable housing, potentially mothballing a development site.</p> <p>The essential difficulty for local small and medium sized house builders is that the price at which the Council requires affordable housing to be offered to Registered Providers gives a highly uncertain outcome. The price a Registered Provider would be willing to pay, without grant, may be so low that the offer price would not even cover the cost of materials, particularly if, following a marketing exercise, only one Registered Provider expresses an interest in buying.</p> <p>Developers need to have a realistic degree of certainty. They need to have confidence that, once they have a planning permission, the development for which they have secured permission will be commercially viable and that the price they will receive for any affordable housing will be fair and reasonable from the point of view of all interested parties. That means that there needs to be a floor, not necessarily on price at which the affordable housing should be offered to Registered Providers but on the price a developer can be reasonably required to accept a Registered Providers offer.</p> <p>The Group suggests that this can be achieved in two ways: either by reference to the indicative transfer values set out in the tables at Appendix 6 or by reference to open market</p>	<p>Noted. The Council will consider whether the indicative transfer values or offers received are realistic for the proposal. If no viable offers are made by Registered Providers following the applicant engaging with them as required by the SPD then the Council will accept the default commuted sum, based on the transfer values or another negotiated arrangement.</p> <p>The Council includes the indicative transfer values in the SPD as a starting point for negotiation and to provide clarity to developers on the amount they may expect to receive from a Registered Provider. The SPD has been amended to reflect this.</p> <p>The Council is committed to updating the transfer values periodically through the Local Plan Annual Monitoring Report to ensure they remain relevant and responsive to the current policy climate. The SPD has been amended to reflect this.</p>

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			value at the relevant time, discounted by the appropriate percentage set out in those tables, a system which is in operation with other local planning authorities.	
AHSPD/52	Barratt Homes & David Wilson Homes	Section 3	Should explain at para 3.1 how the policy is consistent with national policy. Evidence for policy is not up to date (reference to Housing Strategy and Strategic Housing Market Assessment). Advice should be given to applicants on how evidence will be kept up to date and what to do if evidence is out of date.	Noted. The SPD explains the local and national policy context and Local Plan evidence base. The Council is committed to periodic review of the Local Plan evidence base.
AHSPD/53	Barratt Homes & David Wilson Homes	Section 4	<p>Section fails to recognise the NPPF requirement for evidence to be kept up to date.</p> <p>SPD should reflect paragraph 153 of NPPF that SPDs should not be used to add unnecessary financial burdens on developments.</p> <p>Suggest reference to Community Infrastructure Regulations (2010) and tests of an obligation set out in regulation 122 and 123 and NPPF paragraph 204.</p> <p>SPD should acknowledge other content of NPPF such as the need for SPDs to not seek additional requirements above and beyond that contained in planning policy.</p> <p>Would welcome text which states the Council will work proactively with applicants to find solutions.</p>	<p>Noted. The Council is committed to periodic review of the Local Plan evidence base.</p> <p>The SPD has been amended to reflect paragraphs 153 and 204 of the National Planning Policy Framework (NPPF). Limiting the use of 'pooled' S106 obligations to no than five obligations (regulation 123) does not apply to affordable housing secured under S106.</p>

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AHSPD/54	Barratt Homes & David Wilson Homes	Section 6 (6.2)	Viability should be highlighted in paragraph 6.2 to explain how it is taken into account when calculating the affordable housing requirement. Reference to vacant building credit throughout the document should be removed. Paragraph should be deleted and redrafted.	Noted. See response to comment AHSPD/03.
AHSPD/55	Barratt Homes & David Wilson Homes	Section 6 (6.3)	Add a paragraph to explain that affordable housing requirements are based on Housing Market Areas (HMAs), what HMAs are and how they were formed.	<p>Noted. The SPD has been amended to explain that the Affordable Housing Viability Assessment (AHVA) follows the 6 housing market areas identified in the East Riding of Yorkshire Housing Needs Market Assessment (2007). The 2011 Addendum to the AHVA considered the Goole Housing Market Area in more detail.</p> <p>The AHVA and Housing Needs Market Assessment are available to read on the Council's website. A website link has been added to the SPD to enable the reader to view the evidence base.</p>
AHSPD/56	Barratt Homes & David Wilson Homes	Section 6 (6.3)	Suggest rewording; ' The <u>circumstances in which</u> proportion of affordable housing required is set out in figure 1.'	Noted. The reference in the draft SPD should have been figure 8 of the Local Plan Strategy Document. The reference has been amended accordingly in the SPD.
AHSPD/57	Barratt Homes & David Wilson Homes	Section 6 (6.3)	<p>A paragraph should be added to justify the percentage of affordable housing required. Including reference to specific evidence and where that evidence can be found.</p> <p>Objects to the % requirements as paragraph 6.3 acknowledges that many developers cannot meet the requirements. The requirements are based on the market improving which is acknowledged in the Local Plan Viability Assessment and in section 3 of the SPD. The requirements are therefore not justified and should be reduced to enable housing development to be deliverable. High requirements put a</p>	<p>Noted. The SPD makes reference to the evidence base informing Policy H2. The evidence base is available to read on the Council's website. A website link has been added to the SPD to enable the reader to view the evidence base.</p> <p>All parties had the opportunity to comment on the appropriateness of the threshold in Policy H2 through the preparation and examination of the East Riding Local Plan. The Inspector's Report on the East Riding Local Plan Strategy Document was received on 25</p>

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			further burden on developers to provide information and enter into negotiations with the Council on specific planning applications. This is not in accordable with the Tests of soundness in the National Planning Policy Framework (NPPF).	January 2016 and represents the end of the examination process for this part of the Local Plan examination. It concludes that the Strategy Document, subject to the Inspector's recommended modifications, meets the criteria for soundness in the NPPF.
AHSPD/58	Barratt Homes & David Wilson Homes	Section 6 (6.5-8)	Section should be deleted following high court judgment.	Noted. See response to comment AHSPD/03.
AHSPD/59	Barratt Homes & David Wilson Homes	Section 6 Viability (6.9-15)	<p>Whilst this paragraph 6.9 is positively worded it contradicts the reality of the policy situation. The Council does not want affordable housing provision to be a barrier to development, however, by entering into negotiations on unviable sites further time and costs will be accrued by developers, which is a barrier.</p> <p>The requirements to enter into negotiations with the Council do not provide any flexibility and our client wishes to see that a more flexible negotiation process is put in place, especially seeing that pre-application enquiries are promoted through the SPD.</p>	<p>Noted. A fee and viability information (or a completed appraisal submitted by the applicant) will only be required if the applicant does not intend to deliver the required affordable housing. The aim of the fee is to contribute to some of the Council's costs. Paying the fee and entering into negotiations will reduce the financial burden of delivering affordable housing if it is proven that delivery of the requirement is not economically viable.</p> <p>The SPD has been amended to further emphasise the Council's commitment to engaging with applicants regarding viability.</p>
AHSPD/60	Barratt Homes & David Wilson Homes	Section 6 Viability (6.9-15)	The 'willingness' of the Council to enter into negotiations is subject to a fee therefore the Council is not willing. The requirement to pay a fee for a report that may not be necessary in all case is unreasonable and not in line with para 153 of NPPF.	Noted. The SPD has been amended to clarify that the Council will only charge to review the viability of a proposal if the applicant does not intend to meet the affordable housing requirement.
AHSPD/61	Barratt Homes & David Wilson Homes	Section 6 Viability (6.9-15)	Concerned that in 6.11 and other parts of the document reference is made to information required for validation process. Have no objection to the Council identifying what type of information may be helpful to enable the Council to	Noted. The validation requirements are set out in the Council's Validation Checklist (2013). The information in the SPD only reiterates that information to provide clarity for applicants. No new validation requirements

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			<p>assess affordable housing provisions. However, object to the fact that Appendix 5 and section 6 of the SPD implies that planning applications will not be validated without detailed financial information and a fee cheque for viability assessment. SPDs are for guidance only and should not be used to stipulate what is necessary to make an application valid. This is the role of the validation checklist and should not be duplicated.</p>	<p>are set in the SPD. The SPD has been amended to include a reference to the validation checklist.</p>
AHSPD/62	Barratt Homes & David Wilson Homes	Section 8 (mix)	<p>This section requires all applicants to submit the affordable housing proposal form before the application can be validated. The SPD should not be used to stipulate what is necessary to make an application valid.</p>	<p>Noted. See response to comment AHSPD/61.</p>
AHSPD/63	Barratt Homes & David Wilson Homes	Section 11 (engaging Registered Providers)	<p>The choice of wording 'expected' in para 11.1 is onerous. And not consistent with the rest of the document.</p> <p>Not all affordable housing will need to involve a Registered Provider. Suggest rewording to reflect attitude and position reflected in the rest of the SPD.</p>	<p>Noted. Section 11 has been amended to note that affordable housing provided on site will usually be transferred to a Registered Provider.</p>
AHSPD/64	Barratt Homes & David Wilson	Appendix 6 (Transfer Values)	<p>SPDs are not normally the place to set transfer values as it does not give context of a full overview of the DVS. Planning policy has not placed it within the remit of SPDs to set the price that should be paid by Registered Providers or equivalent for the transfer of affordable housing. Doing so would be restrictive, unreasonable and not in accordance with the NPPF, which requires sufficient flexibility to take account of changing market conditions over time. Such issues should be a matter for negotiation with the developer.</p>	<p>Noted. The Council includes the indicative transfer values in the SPD as a starting point for negotiation and to provide clarity to developers on the amount they may expect to receive from a Registered Provider. The SPD has been amended to reflect this.</p> <p>The Council is committed to updating the transfer values periodically through the Local Plan Annual Monitoring Report to ensure they remain relevant and responsive to the current policy climate. The SPD has</p>

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			The wording should be simplified to make clear the values are for guidance only. Should clarify which Registered Providers gave these indicative prices, when the figures were given and make reference to the DVS report.	been amended to reflect this.  A website link to the District Valuer Services Report has been added to the SPD.
AHSPD/61	Bridlington Town Council	General	There is a need for affordable housing at a reasonable rent cost. Old housing should be either demolished or where possible modernised. No issues with the SPD as long as proper infrastructure is in place.	Noted.
AHSPD/62	Yorkshire Water	General	No comments	Noted.
AHSPD/63	Beal Homes	S106 agreement	The SPD should offer flexibility to applicants and reflect the fact that S106 agreements can be signed at the outline planning stage.	Noted. The Council is happy for applicants to sign S106 agreements (with model conditions) at the outline planning stage if they wish to do so. The SPD has been amended to reflect this.
AHSPD/64	Housing Strategy and Development Team (ERYC)	General	The SPD does make reference to consulting Housing Strategy and Development (HS&D) on development proposals. HS&D can provide advice on the calculating the affordable housing requirement; on the type, size and tenure of homes required; and on RPs who may be interested in the development. This should be highlighted wherever possible.	Noted.
AHSPD/65	Housing Strategy and Development Team (ERYC)	General	<p>Early engagement with a Registered Provider (RP) should be encouraged so that their design considerations and advice can be taken into account. This may not always be possible, however, and HS&amp;D can also provide this type of advice.</p> <p>It should be acknowledged that RPs will be unlikely to make a binding commitment to a scheme which is still awaiting planning permission (including completion of the S106 Agreement), but the sooner they can give consideration to including a scheme in their Business Plans then the greater the likelihood of them ultimately being able to take it on.</p>	Noted. The SPD has been amended accordingly to reflect this comment.

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			Developers should continue to market the scheme to RPs throughout the offer period as capacity for new schemes may change over the period.	
AHSPD/66	Housing Strategy and Development Team (ERYC)	9.6	HS&D understand that Policy H2 and the SPD can no longer require HCA standards to be met, following the Written Ministerial Statement of March 2015. Notwithstanding this we would like further explanation in para. 9.6 to clarify that meeting the HCA standards will help ensure that affordable housing is provided to appropriate floor areas and internal layouts and increase the likelihood of properties being taken on by Registered Providers. To ensure that affordable homes provided meet the housing needs identified, it is important that certain standards are achieved. The SPD should emphasise the need for applicants to engage in early discussions with the Council and other RPs.	<p>Noted. The SPD has been amended accordingly to reflect Policy H2 in the East Riding Local Plan. The Council will continue to recommend minimum gross internal floor areas to ensure that the affordable homes provided meet the housing need identified.</p> <p>The importance of understanding the size of house likely to meet housing need and be taken on by a Registered Provider has been included within the SPD.</p>
AHSPD/67	Housing Strategy and Development Team (ERYC)	General	Changes in rent setting and other national affordable housing policies may impact on the ability of some RPs to achieve transfer values similar to the Indicative Transfer Values in Appendix 6 to the SPD and on their overall capacity to acquire S106 units. In the spirit of the Minister's letter of 9 November 2015 to Local Authority Leaders and Chief Planning Officers, we will seek to renegotiate the tenure mix and look for other pragmatic solutions on schemes where overall delivery may otherwise be stalled.	Noted. The SPD has been amended accordingly to reflect this comment.
AHSPD/68	Housing Strategy and Development Team (ERYC)	Table 3	In the original calculation of these sums which are shown on Table 3 of the SPD, too much weight was given to one bedroom dwellings in the Holderness, Hull Borders and Wolds Housing Market Areas. The value of one bedroom dwellings were given a weight of 50% in these areas and 33% in the others, thus skewing the figures downwards. In effect	Noted. This methodological error has been noted. The commuted sums have been amended accordingly.

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			<p>this means the commuted sum figures at Table 3 for these HMAs are lower than they should be.</p> <p>Consultation with the DVS recommended adopting an average of the sums for one bedroom flats and one bedroom houses for these areas. Re-visiting the calculation on this basis suggests the figures in Table 3 should increase as indicated below:</p> <p>Holderness – increase from £48,500 to £52,300  Hull Borders – increase from £57,800 to £61,800  Wolds – increase from £53,800 to £57,800</p>	