

# Consultation Statement

for the Isle of Wight Council

## Affordable Housing Contributions Supplementary Planning Document

1. This statement sets out who the Isle of Wight Council consulted when preparing the Affordable Housing Contributions Supplementary Planning Document (SPD), a summary of the issues raised and how those issues have been addressed in the final SPD. Preparation of this statement is a requirement of Regulation 12(a) of the Town and Country Planning (Local Planning) (England) Regulations 2012.
2. Consultation commenced on the draft Affordable Housing Contributions SPD on 22 May 2015 and closed at midday 06 July 2015. The draft SPD, Environmental Screening Statement and Consultation Statement were made available on the council's website.
3. Copies of the documents were available online (on both the homepage of iwight.com and on the planning policy pages), at Seaclose Offices and County Hall Reception. A notice advertising the consultation and how to respond was placed in the local newspaper and a copy of the notice can be found in Appendix 1. The consultees who were specifically notified of the consultation are listed in Appendix 2.
4. There were fourteen responses to the consultation, which the council split into 40 representations. Each representation, the council's response to them and any proposed changes are set out in Appendix 3 and 4.
5. A number of minor changes have been made to the document following discussions between officers, to reflect the content of the representations and to cover editorial changes (such as correcting typographical errors and factual updates). The changes are set out in Appendix 4.
6. Internal consultation has already been undertaken by the Planning Policy Team with Housing Services, Legal Services and the Development Management Team and this shaped the content of the draft Affordable Housing Contributions SPD. An outline of the consultation work that the council has undertaken can be found in Appendix 5.
7. Since the close of the consultation period, there have been modifications to national planning practice guidance relating to financial contributions towards affordable housing. These modifications were introduced on 1 August 2015. As a result of the judgement in R (on the application of West Berkshire District Council and Reading Borough Council) v Secretary of State for Communities and Local Government [2015] EWHC 2222 (Admin), the guidance referred to above (specifically paragraphs 012-023) has been removed and is no longer valid. These paragraphs contained information on thresholds and when planning obligations should be sought from developers.
8. Whilst this change occurred following the SPD consultation period it was not considered necessary to re-consult on the document. This decision was reached as the proposed SPD,

without the (revoked) national requirements, simply sets out a mechanism for collecting financial contributions towards affordable housing in-line with the core strategy policy and this element of the document had been included in the original consultation.

9. The draft SPD is in conformity with the core strategy and specifically the affordable housing requirements set out in policy DM4. It has been prepared to calculate the financial contributions towards affordable housing and on-site provision in Key Regeneration areas and Smaller Regeneration areas and Rural Areas.
10. The SPD will now simply deal with the methodology used to calculate contributions and this has already been through consultation.

# Appendix 1

## **Affordable Housing Draft Supplementary Planning Document Consultation**

The Isle of Wight Council is consulting on the content of the above document with a view to adopting it as a Supplementary Planning Document (SPD) within the Island Plan Local Development Framework.

The draft Affordable Housing SPD sets out the council's proposed approach towards the collection of financial contributions towards affordable housing through the planning process.

The document is supported by a draft Environmental Screening Statement and a Consultation Statement.

The above documentation is available to view and download at:

[www.iwight.com/spd](http://www.iwight.com/spd)

Copies of the draft SPD and supporting documents are also available for public inspection at:

Seaclose Offices Reception, Fairlee Road, Newport  
Monday-Thursday 8.30am to 5pm (except last Wednesday of the month - 10am to 5pm)  
Friday 8.30am to 4.30pm

County Hall Reception, High Street, Newport  
Monday-Thursday 8.30am to 5pm  
Friday 8.30am to 4.30pm

**The period for representation will run from Friday 22 May 2015 until midday on Monday 6 July 2015.** Any representations may be accompanied by a request to be notified at a specific address of the adoption of the SPD.

Representations should be sent to: Planning Policy, Isle of Wight Council, Seaclose Offices, Fairlee Road, Newport, Isle of Wight, PO30 2QS or via email to: [planning.policy@iow.gov.uk](mailto:planning.policy@iow.gov.uk)

If you have any queries, please contact Planning Policy on Tel: (01983) 823552 or email: [planning.policy@iow.gov.uk](mailto:planning.policy@iow.gov.uk)



## Appendix 2

The following table sets out which businesses and organisations were specifically notified of the Affordable Housing Contributions SPD consultation.

<b>Who was notified of the consultation?</b>
All Isle of Wight County Councillors
All Parish/Town Councils
Environment Agency
Historic England
Natural England
Architects and Agents
Registered Social Landlords

## Appendix 3

The following table sets out each representation, the council's response to them and any changes proposed

Ref:	Respondent	Comments which were made during the consultation	The Isle of Wight Council's response to the comments	Changes to the SPD
AHCSPD 1	Hepburns	<p>Many thanks for your Supplementary Planning Document on Affordable Housing. I thought it may be useful to explore the old problem that we had when numbers jumped say from 10 to 11 units. You may have covered this within the documentation but I have only taken a quick look.</p> <p>If I am a Developer developing ten houses within a Rural Area then there is no way I would jump up to eleven or twelve houses and then have to provide a third as Affordable Housing. That is, effectively I would only have eight market housing.</p> <p>We have found this time and time again and this does not make good planning sense to work around contributions and how they calibrate. I feel a much more fair way would be to say with 1 – 10 units there are no contributions and with more than ten units there is a 35% contribution. So for example; a scheme of thirteen units would provide twelve free market houses with one affordable housing unit. That is, one is 35% of three (approx.).</p> <p>Have I missed this within the presentation or have you given this any further thought?</p>	<p>Policy DM2 (Design Quality for New Development) sets out the requirements for development proposals. One of these requirements is to optimise the potential of the site but have regard to existing constraints. In the case of affordable housing, if the potential of a site had not been optimised, the council could refuse the application or place a legal agreement on the planning permission. The legal agreement would restrict other land in that ownership coming forward without providing a combined provision for the total number of units on the whole site.</p>	<p>No proposed changes in light of this representation.</p>
AHCSPD 2a	Hepburns	<p>Will there be any policy changes in favour of self-build projects as this is mentioned in paragraph 3.1</p>	<p>The council considers that there is sufficient information in national planning policy guidance regarding self-build</p>	<p>No proposed changes in light</p>

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		but does not seem to have been fully discussed in the document?	projects and does not consider that it should be repeated within the Affordable Housing Contributions document.	of this representation.
AHCSPD 2b	Hepburns	Will there also be a complete review of Policy DM4 as has happened with Policy SP2?	The council does not consider a review of policy DM4 is currently necessary.	No proposed changes in light of this representation.
AHCSPD 2c	Hepburns	<p>Overall it appears a good approach to take on the Government advice on the "No contributions for under ten units" (acknowledging the AONB). However, our main concern is that the approach in the draft seems to try to "claw back" into other thresholds.</p> <p>The NPPG states that contributions should not be sought for development of 10 units or less, i.e. 1 – 10 units, not 1-9 units. The same can be said for the designated rural areas or AONB's being 5 or less units or 1-5 units. The tables within paragraphs 4.7 and 4.9 therefore are at odds with this guidance.</p> <p>I would suggest that the parameters be set as follows with higher thresholds for each category:</p> <p><b>KRA's</b>  0 – 5 No requirement  6 – 10 financial contributions only for AONB  11 – 14 financial contributions  15+ On site provision</p> <p><b>SRA's</b>  0 – 5 No requirement  6 – 10 financial contributions only for AONB  11 – 14 financial contributions  15+ On site provision</p> <p><b>RSC's and WRA</b></p>	Following the changes in national guidance and policy introduced since the SPD consultation period this comment is no longer relevant.	No proposed changes in light of this representation.

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		<p>0 – 5 No requirement</p> <p>6 – 10 financial contributions only for AONB</p> <p>11 + on site provision</p>		
AHCSPP 2d	Hepburns	We have added a higher threshold than previously stated in Policy DM4 to SRA's, as it will provide a greater opportunity for smaller scale development up to 14 units being provided for, where the contributions for affordable housing can still be allocated to another location on the Island. This will provide greater flexibility and a more spatial approach to the delivery of market and affordable housing, without reducing the possibility of no 11+ housing development coming forward in SRA's due to the development proving unviable.	In the consultation document the thresholds have been aligned with those set out in DM4 of the core strategy. Supplementary planning documents add further detail to the policies in the Local Plan; they cannot introduce new 'policy'.	No proposed changes in light of this representation.
AHCSPP 2e	Hepburns	<p>As the thresholds look likely to change, I am interested in how this will affect the 'made' Neighbourhood Plans such as Bembridge? Their policy limits new housing development that will be supported to developments of 9 and under units which will not now comply with the Government's guidance:</p> <p><b><i>BNDP.OL.1 – Scale of Development</i></b></p> <p><i>New development will be confined to small scale proposals which fall within any of the following categories and will be supported in principle:</i></p> <p><i>(a) Housing development schemes of 1 to 9 units and site area not exceeding 0.5 hectares.</i></p> <p><i>(b) Non-residential development not exceeding 1000m<sup>2</sup> floorspace and site area not exceeding 1 hectare.</i></p> <p>This policy has always concerned us as it essentially means that no on-site affordable housing will be supported in Bembridge. If other Neighbourhood Plans follow this approach, this puts pressure on other areas</p>	<p>In the consultation document the thresholds have been aligned with those set out in DM4 of the core strategy. Supplementary planning documents add further detail to the policies in the Local Plan; they cannot introduce new 'policy'.</p> <p>Any changes to the Bembridge Neighbourhood Development Plan are an issue for the responsible qualifying body (Bembridge Parish Council) and therefore fall outside the scope of the proposed SPD and associated consultation.</p> <p>Following the changes in national guidance and policy introduced since the SPD consultation period parts of this comment are no longer relevant.</p>	No proposed changes in light of this representation.

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		that do not have Neighbourhood Plans to provide 11+ developments to ensure some affordable housing is delivered.		
AHCSPD 2f	Hepburns	<p>I do not understand this. Is it that a large site will have a disproportionate amount of Affordable Housing to make up from under provision on other sites? If it is then the policy is clearly not working. This does nothing to reduce the risk and increase the security of having a Development Plan. How should I advise clients on this other than do not leave it to the end of the plan period as you will be mopping up the other schemes? Or maybe I should advise that I think it is about 35% depending on other schemes and their confidential Viability Assessment which may or may not be in the pipeline!</p>	<p>The council is responsible for planning for need and demand. As already established in the core strategy, where there are legitimate reasons for doing so, the council will accept a lower level of affordable housing (either financial contributions or physical provision).</p> <p>The allocation process is a mechanism where it may be possible for the council to boost the supply of affordable housing, and paragraph 3.14 highlights this. The timetable for the production of the DPDs that will make housing allocations is set out in the Local Development Scheme. The council considers that such an approach towards allocations will still provide a requisite level of certainty and will contribute towards establishing a realistic land value and an understanding of what the allocation site will be able to provide.</p> <p>The approach outlined in paragraph 3.14 (and in policies AAP1-3 of the core strategy) only relate to sites allocated by the council for development. It does not apply to non-allocated sites.</p>	No proposed changes in light of this representation.
AHCSPD 2g	Hepburns	<p>Does this mean for all financial contributions or only those where full provision cannot be made? That is, for KRA does the 10 – 14 have to be argued in line with Paragraph 4.20?</p> <p>It is unclear why there is a 10% charge for 'last resort' cases where an off-site contribution is required.</p>	<p>This approach will only be relevant to those sites where on-site provision is expected as set out in DM4.</p> <p>The council wish to see affordable housing provided on site by the developer/landowner in the first instance. If this is shown to not be viable, a financial contribution towards securing affordable housing elsewhere in the local area will</p>	No proposed changes in light of this representation.

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		The Council will still be benefiting from the affordable housing commuted sums and this is therefore no different to standard financial contributions.	be considered. If the council has to deliver the affordable housing, it is not seen as unreasonable to ask for an administration charge to pay for staff time to deliver the scheme.	
AHCSPD 2h	Hepburns	<p>The last line on page 14 states;  <i>“that if the affordable housing is disposed of that any subsidy should be recycled into direct provision of additional affordable housing”</i></p> <p>How does this affect the Governments' drive for the “Right to Buy” which appears to be an emerging National Policy?</p> <p>What does “disposed of” mean? There is no definition/interpretation within the draft.</p> <p>Doesn't the R.S.L. own any subsidy?</p>	<p>As set out on the <a href="#">Gov.Uk website</a>, in the first instance the ‘right to buy’ issue will affect existing housing stock owned by the council.</p> <p>Affordable housing delivered through policy DM4 of the Core Strategy and guidance in the draft SPD is likely to be delivered using other providers (like a registered social landlord). The draft SPD provides further guidance on policies in the Core Strategy and evolving national policy and guidance and any applications will be determined on a case by case basis in line with the relevant policies of the local plan.</p> <p>In light of the consultation response, a footnote has been added for clarification.</p> <p>The RSL is seeking to ensure that any affordable housing that is disposed of (the relinquishing of the freehold by the owner) is recycled into direct provision of additional affordable housing.</p>	<p>No proposed changes in light of this representation.</p> <p>Add footnote for clarification.</p> <p>No proposed changes in light of this representation.</p>
AHCSPD 3	Havenstreet & Ashey Parish Council	Havenstreet and Ashey Parish Council considered this document at its meeting on 4 June 2015, when it resolved to support the IOW Council in requiring on site provision of affordable social housing in developments of 10+ in rural areas.	Support is noted.	No proposed changes in light of this representation.
AHCSPD 4	Fishbourne	The Parish Council considered the above document at its	Response is noted. The availability or otherwise of	No proposed

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	Parish Council	meeting last evening and has resolved not to comment. It is considered that as there are no available sites for development in Fishbourne which would involve this issue it is not appropriate for an opinion to be placed on record.	development sites is not relevant to this particular consultation, but will be established by the LPA at the appropriate time.	changes in light of this representation.
AHCSPD 5	Gurnard Parish Council	Gurnard Parish Council read the consultation paperwork at last Thursday's Parish Council meeting and decided that they had no comments to make.	Comment is noted.	No proposed changes in light of this representation.
AHCSPD 6	Natural England	<p><b>Natural England does not consider that this consultation poses any likely or significant risk to those features of the natural environment<sup>1</sup> for which we would otherwise provide a more detailed consultation response and so does not wish to make specific comment on the details of this consultation.</b></p> <p><sup>1</sup> Cases which might affect a SSSI, Natura 2000 site, National Park, Area of Outstanding Natural Beauty or a large population of a protected species and/or cases or generic issues which affect a large suite of sites or may set a precedent and thereby affect a significant quantity of habitat across the country .</p>	Comment is noted.	No proposed changes in light of this representation.
AHCSPD 7	Arreton Parish Council	At their last meeting, Arreton Parish Council considered your draft SPD consultation document on affordable housing. In general they support your proposals but would like it noted that they believe the shared ownership model to be preferable.	The parish council's preference for shared ownership is noted. The precise nature of the tenure split will be determined on a case by case basis in line with the relevant policies of the Core Strategy.	No proposed changes in light of this representation.
AHCSPD 8	Northwood Parish Council	Northwood Parish Council, at the recent meeting, gave careful consideration to the above. Councillors concluded that it was clear that the IW Council had thoroughly examined the issues in drawing up the latest	Support is noted.	No proposed changes in light of this representation.

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		proposals, having regard to national guidance and its effect on affordable housing provision on the Island, as well as the local situation, and therefore supports the IW Council's Affordable Housing Draft Supplementary Planning Document.		
AHCSPPD 9	Ryde Town Council	Ryde Town Council considered the draft SPD at its Planning Committee on 9th June 2015 and resolved not to object to the draft SPD, as written, on affordable housing (Our minute reference P/63/15)	Comment is noted.	No proposed changes in light of this representation.
AHCSPPD 10	Environment Agency	Having reviewed the above document, we can confirm that we do not have any comments to make.	Comment is noted.	No proposed changes in light of this representation.
AHCSPPD 11	Nettlestone & Seaview Parish Council	The above consultation was discussed at a recent Parish Council Meeting. After discussion and consideration of all of the facts, the members agreed to note that the consultation took place but has no comments to make.	Comment is noted.	No proposed changes in light of this representation.
AHCSPPD 12	Historic England	Historic England hopes that the Council would be willing to consider a reduction in the proportion of affordable housing sought where viability was an issue and the scheme would deliver other public benefits in the form of the conservation or enhancement of historic assets.  Historic England's position on affordable rural housing is set out on our website: <a href="http://www.historicengland.org.uk/advice/planning/housing/affordable-rural-housing/">http://www.historicengland.org.uk/advice/planning/housing/affordable-rural-housing/</a>	As set out in the supporting text of Policy DM4 and paragraph 3.15-3.18 of the draft SPD, the council will require an open-book assessment between the developer and the local planning authority to demonstrate what level of affordable housing is viable on the site.  The draft SPD sets out the requirements for affordable housing only and specifically the calculation for affordable housing. Other planning obligations will be collected through a section 106 legal agreement on a case by case basis in line with the relevant policies of the Core Strategy.	No proposed changes in light of this representation.
AHCSPPD 13a	John Fletcher	As with many policy issues it is not until they are applied in detail will any problems emerge. There is no doubt that developers rightly or wrongly consider that having to	The consultation specifically relates to the calculation for financial contributions towards affordable housing, and, when it will be sought.	To improve clarity, amend title of the SPD

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		<p>merge Affordable and Open Market Housing on a site does have an effect on viability This is due to the perceived stigma of mixing the two social economic groups and the impact that has on housing values.</p> <p>Although initially developers balked at the requirement for a proportion of affordable housing as part of their proposed development when it was first introduced they have accepted that it is here to stay. This SPD is bringing the Isle of Wight in line with other Authorities particularly in terms of the financial contribution requirement for 1 to 14 units. At least this will make any developer think twice about deliberately under developing a site to avoid on-site provision. I'm not suggesting they may not still consider this approach but there will be a need to weigh the cost of on-site provision against the financial contribution option and assess which is the cheaper.</p> <p>As the officer who was heavily involved in the application of the Affordable Housing policies when they were first introduced I feel well qualified to comment on the practical application of those policies. Dare I suggest that any policies covering this matter needs to address all the plethora of issues and complications which have and certainly will occur in the future at the detail Development Control stage.</p>	<p>The principle of financial contributions towards affordable housing is already established. The draft SPD, therefore, provides a starting point for discussions with applicants, and through on-going dialogue with applicant, seek to resolve.</p> <p>To improve clarity, the title of the SPD with be changed to include 'Contributions'.</p>	<p>to include 'Contributions'.</p>
AHSPD 13b	John Fletcher	<p>Establish in principle whether or not the site can accommodate a density of 15 units or more. This is particularly the case where location, character, natural constraints etc will have a major influence on ultimate density and where it could be on the cusp of the 15 unit</p>	<p>Policy DM2 (Design Quality for New Development) sets out the requirements for development proposals. One of these requirements is to optimise the potential of the site but have regard to existing constraints. In the case of affordable housing, if the potential of a site had not been optimised,</p>	<p>No proposed changes in light of this representation.</p>

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		density figure. (In other words are the developers deliberately keeping below 15 units to avoid on-site provision)	the council could refuse the application or place a legal agreement on the planning permission. The legal agreement would restrict other land in that ownership coming forward without providing a combined provision for the total number of units on the whole site.	
AHCSPD 13c	John Fletcher	Having established the suitability of on-site provision then there needs to be an assessment as to what is the priority need for the area in terms of dwelling types. Is the need evenly spread across the board or is there a greater need for family sized homes as opposed to single/two person homes. For example a developer may prefer to provide a number of smaller dwellings in terms of the level of accommodation. This will be on the grounds they will have a lesser footprint and have a lesser impact on the socio-economic mix of the development thus reducing impact on viability. On the other hand the greater need could be and indeed is more likely to be for family sized homes ie three bedroom/4/5 person dwellings. This will mean early judgements will need to be made even before a sketch scheme has been prepared or an application is submitted. The Council's Housing advisers will need to be consulted to give some initial input. Indeed isn't there a case for having a 'priority needs list' available to inform all parties at the outset particularly the developers rather than looking at each site individually.	Policy DM3 (Balanced mix of housing) sets out what information the council expects developers to take into account when establishing an appropriate mix of housing types and size.	No proposed changes in light of this representation.
AHCSPD 13d	John Fletcher	There may be a need to be flexible in the requirement for 35% and rather than assess the on-site provision based on units but look at the number of bedrooms/ persons per unit which is going to be provided. More importantly Should it not address the priority need for the particular	As set out in the supporting text of Policy DM4 and paragraph 3.15-3.18 of the draft SPD, the council will require an open-book assessment between the developer and the local planning authority (LPA) to demonstrate what level of affordable housing is viable on the site. This will be looked at	No proposed changes in light of this representation.

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		area. In other words a 30% provision may be better in terms of addressing need than would be a 35% provision resulting in smaller units.	on a case by case basis and will take into account any potential constraints on site and the cost of the overall development. The provisions of policy DM3 will also inform any judgement made.	
AHCSPD 13e	John Fletcher	Another important consideration is deliverability. Having identified the level, type and significantly the location of the affordable housing on the site then a phasing plans will be an essential tool in establishing the developers programme of construction. It will presumably be important to ensure the Affordable Housing element is not left until the final phase. Therefore such a phasing programme will need to be carefully considered to ensure a mix of open market and affordable housing is evenly dispersed over the course of the development to ensure deliverability sooner rather than later.	The phasing of development (including the mix of housing sizes, types and tenures) will be dealt with on a case by case basis in line with the relevant policies of the Core Strategy and have regard to national policy and guidance.	No proposed changes in light of this representation.
AHCSPD 13f	John Fletcher	When the provision of Affordable Housing as part of a development was first proposed there was much discussion whether they should be grouped in one location on the site or dispersed (pepper potted) in smaller groups throughout the site. At the time Housing Associations surprisingly felt from a practical point of view one single group was preferable for ease of management. Developers also tended to prefer it for it enabled the arrangement of the housing mix to be considered to ensure maximum viability. On the other hand there was the view that dispersal would ensure greater level of social integration and a greater sense of community rather than a 'them and us' situation. Again it will be important to establish which route is the ideal.	The consultation specifically relates to the calculation for financial contributions towards affordable housing and when it will be sought.  The mix of housing size, types and tenures will be dealt with on a case by case basis in line with the relevant policies of the Core Strategy and have regard to national policy, guidance and local best practice.	No proposed changes in light of this representation.
AHCSPD 13g	John Fletcher	The above issues may seem to be picky but they cannot be ignored. Even if there are difficulties in developing	Comment is noted and the issues acknowledged. However, the consultation specifically relates to the calculation for	No proposed changes in light

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		policies to cover the above then maybe a further Supplementary Planning Guidance Document could be considered. Also the use of Planning Briefs for specific sites would be another useful tool and ensure all parties are aware of what type and mix of overall development is required on the site.	financial contributions towards affordable housing and when it will be sought.  The other issues raised will be considered on a case by case basis, as part of the decision-making process, in line with the relevant policies of the Core Strategy and have regard to national policy, guidance and local best practice.	of this representation.
AHCSPD 13h	John Fletcher	If a developer has opted for providing the Affordable Housing on another site then it will be essential to have a development/phasing programme which ensures that both sites have the necessary approvals and are able to be developed concurrently. Presumably this will require a carefully worded Section 106 Agreement and will require constant monitoring to ensure compliance with the agreed programme.	If the developer is unable to provide the required 35%, the council will require an open-book assessment between the developer and the local planning authority (supporting text of Policy DM4 and paragraphs 3.15-3.18 of the draft SPD). This will demonstrate what level of affordable housing is viable on the site.  Only if this is shown to not be viable, a financial contribution towards securing affordable housing elsewhere in the local area will be considered (para 3.21).  Any contributions/on-site provision will be agreed on a case by case basis through a section 106 legal agreement. This will be monitored to ensure compliance.	No proposed changes in light of this representation.
AHCSPD 13i	John Fletcher	The requirement for financial contributions for developments from 1 to 14 units is not before time. Obviously there will need to be clarity as to how the system will work. However there will always be individual circumstances where developers will seek to avoid or reduce payment which in some cases could be justified. The various possible examples could be as follows :-	The council has been seeking financial contributions towards affordable housing from a net gain of one dwelling since the adoption of the Core Strategy in 2012.  The proposed SPD provides the mechanism to calculate the required financial contributions towards affordable housing.	No proposed changes in light of this representation.
AHCSPD 13j	John Fletcher	Developments even in excess of 15 units which have a coastal location being aimed at the high priced luxury end of the market could be inappropriate for on-site	In line with Policy DM4 of the core strategy, the draft SPD sets out the thresholds for affordable housing contributions and on-site provision in Key Regeneration areas and Smaller	No proposed changes in light of this

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		affordable housing on the basis that such a mix would be incompatible. Even Housing Associations have accepted that such a mix would be likely to present management problems. Given these circumstances and in the absence of a locally situated site for the provision of affordable housing to run concurrently then a financial contribution will need to be sought.	Regeneration Areas and Rural Areas.  Judgement will be required on a case-by-case basis, in light of the above and other relevant development plan policies and material considerations.	representation.
AHCSPD 13k	John Fletcher	It is the amount of the contribution which will be a problem, for these types of sites tend to have exceptional construction problems. Developers will argue that an intensive development of high valued units is essential to cover the inevitable additional construction costs and a requirement for an excessive financial contribution will impact on viability. The submission of an 'open book assessment' will be essential in this type of situation and therefore it will be vital to have available to the Council a level of expertise capable of vetting the information being provided and advising whether a waiving or reduction of the contribution would be fair and proper. (Does the Council have such expertise available?)	The LPA has access to internal and external expertise relating to the assessment of viability. The LPA also works closely with the Housing Services team and Registered Social Landlords on this matter.	No proposed changes in light of this representation.
AHCSPD 13l	John Fletcher	The formulae being offered to set the contribution payment seems to be unnecessarily complicated. Other Authorities appear to have Supplementary Planning Guidance Documents which provide lists of levels of payments mainly based on floor areas of typical dwelling types. It is appreciated resources are stretched but I am sure developers would be more able to assess viability having definitive figures available rather than have to interpret the formulae themselves.	It is considered the commuted sum calculator is a simple method to calculate affordable on-site and off-site provision. Annex 2 of the draft SPD provides an explanation of the fields used on the commuted sum calculator and Annex 3 provides guidance on how to fill in the commuted sum calculator.	No proposed changes in light of this representation.
AHCSPD 13m	John Fletcher	It will need to be appreciated that the introduction of this financial contribution policy for the smaller	In line with DM4 of the core strategy, the draft SPD sets out the thresholds for affordable housing contributions and on-	No proposed changes in light

Ref:	Respondent	Comments which were made during the consultation	The Isle of Wight Council's response to the comments	Changes to the SPD
		<p>developments which in terms of the Island are more prevalent is likely to meet with resistance. Developers will almost certainly look for methods of either waiving or at least reducing the payment. Budgets can be very tight for the single figure developments and any additional costs could make the scheme non-viable. May I suggest that Development Control Officers will be brought under extreme pressure when dealing with this policy issue and will need the tools to deal with this. Dare I suggest that every Authority should have an Affordable Housing Officer specialising in all aspects of this vitally important issue for to expect the case officer to take this on board as well as all the other material considerations is unreasonable. Having requested the submission of a 'Open Book Assessment' to justify an exception to the payment will it not be assumed by the Developer that the Authority will have the expertise readily available to vet the validity of that assessment. Also will there be an advisory document as to what constitutes a typical OBA in terms of the level of information which would be expected.</p>	<p>site provision in Key Regeneration areas and Smaller Regeneration areas and Rural areas. The proposed SPD provides the mechanism to calculate the required financial contributions towards affordable housing.</p> <p>The LPA's preferred method of assessing development viability (open book assessment) will be using the Homes and Communities Agency Development Appraisal Tool (DAT) set out in paragraph 3.16 of the draft SPD.</p>	<p>of this representation.</p>
<p>AHCSPD 13n</p>	<p>John Fletcher</p>	<p>Presumably the requirement for the payment will be dealt with by way of a section 106 Agreement and therefore who will be responsible for ensuring compliance with the Agreement the Council's Legal Department (if they have one) or the Planning Department with their depleted manpower? The policy will be impotent if the process of receipt of the payment is not strictly monitored and adhered to.</p>	<p>Any payment will be dealt with by a Section 106 legal agreement, and the LPA works closely with Legal Services to ensure that the processes and payments are appropriately monitored and managed.</p>	<p>No proposed changes in light of this representation.</p>
<p>AHCSPD 13o</p>	<p>John Fletcher</p>	<p>The other important issue is the timing of the payment. Is there a preferred option and how flexible is that chosen</p>	<p>The timing of the payment will be dealt with on a case by</p>	<p>No proposed changes in light</p>

Ref:	Respondent	Comments which were made during the consultation	The Isle of Wight Council's response to the comments	Changes to the SPD
		<p>option. The options are numerous as follows :-</p> <ul style="list-style-type: none"> <li>• Prior to commencement</li> <li>• Prior to completion</li> <li>• Prior to occupation of the first dwelling</li> <li>• Prior to occupation of the final dwelling</li> <li>• In an agreed system of instalment</li> </ul>	<p>case basis through a section 106 legal agreement.</p>	<p>of this representation.</p>
<p>AHCSPD 13p</p>	<p>John Fletcher</p>	<p>Presumably the administration costs referred to covers the setting up and auditing of the ring fenced account. However the following questions need to be answered:-</p> <ul style="list-style-type: none"> <li>• Does it also include the process of what happens next?</li> <li>• What period of time (used to be 5 years) do the Authority have to ensure the contributions as laid out in the Agreement are spent on achieving the much needed Affordable Housing?</li> <li>• If this does not happen then does not the payee have the right to have the payment returned?</li> <li>• What has happened to the contributions from recent developments and have they been used to fund Affordable Housing Projects as intended or do they remain in a ring fenced account?</li> <li>• Is there not a danger that if they are time expired</li> </ul>	<p>As set out in paragraph 3.21 of the draft SPD, the administration charge is in place to cover the cost of administering this particular model of delivering affordable housing, which is not the council's preferred model.</p> <p>The SPD is only intended to give guidance on the calculation for financial contributions towards affordable housing, and, when it will be sought.</p> <p>As set out in national guidance LPAs are expected to use all of the funding received by way of planning obligations, as set out in individual agreements, in order to make development acceptable in planning terms.</p> <p>Agreements should normally include clauses stating when and how the funds will be used by and allow for their return, after an agreed period of time, where they are not.</p> <p>Where financial contributions have already been collected towards affordable housing they will be spent in accordance with the stipulations of the legal agreement.</p> <p>If financial contributions are not spent within the agreed timeframe the development will be able to seek repayment.</p>	<p>No proposed changes in light of this representation.</p>

Ref:	Respondent	Comments which were made during the consultation	The Isle of Wight Council's response to the comments	Changes to the SPD
		<p>in terms of funding a project then, as stated above is there not a danger the developer will be able to demand repayment.</p> <ul style="list-style-type: none"> <li>• Is there a programme of Affordable Housing Projects in place which can be funded in part or wholly by these Financial Contributions.?</li> <li>• Which bodies are entitled to have access to the funds? (ie Housing Associations, Private Affordable Housing Providers, Charitable Organisations, Consortiums etc)</li> <li>• Will it take the form of a bidding process and if so who vets those schemes and decides whether they meet the criteria and how much of the pot they should receive?</li> <li>• Could the funds be used to help subsidise on-site Affordable Housing schemes on larger developments?</li> <li>• What steps will be taken to prevent these specifically targeted funds from being used for other non related schemes within the Council's remit?</li> </ul>	<p>Contributions are sought in line with national and local policy and guidance. They are spent in accordance with the legal agreements and in liaison with Housing Services.</p> <p>Any contribution is paid to the council and it is then responsible for determining what bodies it can work with to enable the delivery of schemes, and this could include all of those types of organisations mentioned.</p> <p>Contributions are area based and the council's Housing Enabling Service works with housing providers to identify potential projects for which affordable housing funding could be made available. The council will decide where contributions are spent based upon achieving delivery of units and best value for the council.</p> <p>Contributions are in addition to on-site provision. If on-site provision is required it is for the developer to arrange with an appropriate agency for the delivery of the units.</p> <p>Contributions are sought in line with national and local policy and guidance. They are spent in accordance with the legal agreements and in liaison with Housing Services.</p>	
AHSPD 13q	John Fletcher	Whilst the SPD represents a very adequate document to establish Affordable Housing guidance to developers and enable them to factor these requirements into their	The proposed SPD provides the mechanism to calculate the required financial contributions towards affordable housing.	No proposed changes in light of this

Ref:	Respondent	Comments which were made during the consultation	The Isle of Wight Council's response to the comments	Changes to the SPD
		<p>viability calculations it does not take it through to the end game. Is there not an opportunity here to show how proactive planning can address what is a major National and Local problem ie the shortage of Affordable Housing? If the money already received has been used to finance an Affordable Housing Scheme then why has it not been publicised? Transparency is vital and is there not a duty of the Council to inform the payee of the contribution how their money is or has been spent? The need for the production of a programme of potential realistic Affordable Housing projects is vital needs to go hand in hand with this SPD in terms of Financial Contributions. Whether it is possible to produce such a programme is questionable particularly given the current decline in staffing levels within the department with the resultant lack of expertise and experience.</p>	<p>The SPD is in line with the relevant policies of the core strategy and has regard to national policy and guidance and best practice.</p> <p>In line with national guidance, LPA's are expected to use all of the funding they receive through planning obligations in accordance with the terms of the individual planning obligation agreement (section 106 legal agreement). This will ensure that new developments are acceptable in planning terms; benefit local communities and support the provision of local infrastructure.</p>	<p>representation.</p>
AHCSPD 13r	John Fletcher	<p>Is there not a need for the Council to now take a more positive approach to planning proposals rather than taking the negative approach which they have been prone to in the past? Councillors must acknowledge that whilst understandably they need to listen to the objectors they also have a duty to represent those who have a housing need and those who wish to get on the housing ladder. If the Councillors are not on board with this laudable SPD then the chances of it achieving the aims therein are slim. (The disproportionate influence of the Nimbys needs to be reduced and a more balanced approach is required)</p>	<p>The proposed SPD provides the mechanism to calculate the required financial contributions towards affordable housing. It provides supplementary guidance to Policy DM4.</p>	<p>No proposed changes in light of this representation.</p>
AHCSPD 14a	Brighstone Parish Council	<p>We welcome the document and the clarification it provides on the thresholds and the mechanism required to deliver affordable housing as part of new housing</p>	<p>Comment is noted.</p>	<p>No proposed changes in light of this</p>

Ref:	Respondent	Comments which were made during the consultation	The Isle of Wight Council's response to the comments	Changes to the SPD
		development. We were pleased to see the inclusion of the need to consider local information such as up to date Parish Housing Needs Assessments, and adopted Neighbourhood Plans alongside the Strategic Housing Market Assessment for evidence of housing need.		representation.
AHCSPD 14b	Brighstone Parish Council	As you know Brighstone Parish and Brighstone Village (which is defined as one of eleven Rural Service Centres in the Island Plan) are fully within the Isle of Wight Area of Outstanding Natural Beauty. We welcome, the clarification of the requirement (as a result of changes to the National Planning Policy Framework) for developers to contribute to the cost of affordable housing for sites of between five and nine units in the AONB.	Following the changes in national guidance and policy introduced since the SPD consultation period this comment is no longer relevant.	No proposed changes in light of this representation.
AHCSPD 14c	Brighstone Parish Council	The consultation document provides great detail of the calculation of any commuted sum towards affordable housing and on the content of any Section 106 Planning Obligation. However, as the Isle of Wight Council has chosen not to use the Community Infrastructure Levy mechanism, the consultation document does not give details of how Town and Parish Councils (as representatives of the local community) and in particular those with adopted Neighbourhood Plans, will be involved in discussions to secure local benefit from such payments. This is regrettable and of particular concern to us. We know from the findings for the formulation of the Brighstone Parish Neighbourhood Plan that affordable housing is the predominant local need, albeit at a small scale and it is thought that this will remain the same in future housing needs surveys. We believe that it is important for the final SPD to have details (or a clear statement of intent) setting out how the Local Planning	<p>The SPD is not intended to give details of how parish or town councils (regardless of whether they have a neighbourhood development plan or not) will be involved in discussions.</p> <p>National policy and guidance on planning obligations is clear that they should be:</p> <ul style="list-style-type: none"> <li>(a) necessary to make the development acceptable in planning terms;</li> <li>(b) directly related to the development; and</li> <li>(c) fairly and reasonably related in scale and kind to the development.</li> </ul> <p>As set out in DM4 a number of different sources will be taken into account to establish what the local need is.</p> <p>Where financial contributions are agreed, the amount and what the contribution will be used for will be set out in the legal agreement. How the money will be spent will be</p>	No proposed changes in light of this representation.

Ref:	Respondent	Comments which were made during the consultation	The Isle of Wight Council's response to the comments	Changes to the SPD
		Authority will work with local communities to secure local benefit from the use of any affordable housing commuted payment.	shaped by the wording of the agreement. Usually these set out that contributions will be spent on affordable housing within the relevant parish/ward.	

## Appendix 4

The following table sets out the changes made to the consultation draft, and are listed in document order. Deletions are shown with a ~~strikethrough~~ and additions are underlined.

Doc. Ref.	Change	Reason
Front Cover	Affordable Housing <u>Contributions</u> <del>Consultation Draft</del> <u>Adopted May September 2015</u>	To address issues raised during the consultation period, improve clarity and to reflect the updated status of the document and meet the regulations.
Header of all pages	<del>Consultation Draft</del> Affordable Housing <u>Contributions</u> Supplementary Planning Document, <del>May</del> September 2015	Consequential change to reflect the status of the document.
All pages	<i>Consequential amendments to section and paragraph numbers, as required</i>	Consequential change
P3	<i>Delete all text as it relates to the consultation</i>	Consequential change to reflect the status of the document.
	<i>Consequential change to contents table</i>	Consequential change to reflect other changes in the document.
P5, Key Regeneration Areas table, Smaller Regeneration Areas table and Rural Service Centres and Wider Rural Area table	<i>Delete the tables</i>	To reflect changes in national guidance and policy introduced since the SPD consultation period.
P9-10 Chapter 3	<del>3. What has changed since the adoption of the core strategy?</del>	To reflect changes in national guidance and policy

Doc. Ref.	Change	Reason
	<p><b><del>Changes to national planning practice guidance</del></b></p> <p><del>National planning policy guidance (NPPG) was updated following a Ministerial Statement by Brandon Lewis, MP. This guidance now defines specific circumstances where contributions for <i>affordable housing</i> should not be sought from small scale and self-build development.</del></p> <p><del>The NPPG confirms that contributions should not be sought from developments of ten units or less, and which have a maximum combined gross floorspace of no more than 1000m<sup>2</sup>.</del></p> <p><del>The guidance also sets out that in designated rural areas, local planning authorities may choose to apply a lower threshold of five units or less. No <i>affordable housing</i> or tariff style contributions should then be sought from these developments.</del></p> <p><del>In addition, in a rural area where the lower five unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between six and ten units in the form of cash payments which are commuted until after completion of units within the development. This applies to rural areas described under section 157(1) of the Housing Act 1985<sup>1</sup>, which includes National Parks and Areas of Outstanding Natural Beauty.</del></p> <p><del>The Isle of Wight local authority area does not contain any specific areas that are listed as “rural” within section 157 (1) of the Housing Act 1985 but does contain Areas of Outstanding Natural Beauty (AONB).</del></p> <p><b><del>Further guidance in respect of core strategy policy DM4</del></b></p> <p><del>Since the adoption of the core strategy, the council has not sought financial contributions towards <i>affordable housing</i> for developments of 1-14 units in key regeneration areas (KRAs) and</del></p>	<p>introduced since the SPD consultation period.</p>

<sup>1</sup> <http://www.legislation.gov.uk/ukpga/1985/68/section/157>

Doc. Ref.	Change	Reason
	<p><del>1-9 units in smaller regeneration areas (SRAs) and rural areas (covering rural service centres (RSCs) and the wider rural area).</del></p> <p><del>The reason for not seeking these requirements has been to ensure that obligations secured under this policy are fairly and reasonably related in scale and kind to the development to ensure compliance with the Community Infrastructure Regulations 2010 as amended.</del></p> <p><del>The council considers that to seek contributions in respect of each and every net increase in residential development would have added a disproportionate burden to development costs and administration and may have affected the council's ability to demonstrate a five year land supply.</del></p> <p><del>Therefore the purpose of this SPD is to provide guidance on the application of this policy by confirming that the lower five unit or less threshold will now be applied in the AONB and in other areas the council will now seek contributions in line with the NPPG.</del></p>	
P10, para 4.6	This approach has been amended in light of changes to national guidance, and is set out in this document.	To reflect changes in national guidance and policy introduced since the SPD consultation period.
P11, Key Regeneration Areas table	<i>Delete the table</i>	To reflect changes in national guidance and policy introduced since the SPD consultation period.
P11	<b>Requirements in Smaller Regeneration Areas, Rural Service Centres and the Wider Rural Area (Rural Areas)</b>	For clarity and ease of reference.
P11, para 4.11	<p>Policy DM4 establishes that in SRAs and rural areas developers would be expected to provide financial contributions for developments of one to nine units. <del>However, in light of the changes introduced at the national level, the following approach will be applied:</del></p> <ul style="list-style-type: none"> <li><del>• no financial contributions will be sought for schemes of 1-5 dwellings (regardless of location);</del></li> </ul>	To reflect changes in national guidance and policy introduced since the SPD consultation period.

Doc. Ref.	Change	Reason
	<ul style="list-style-type: none"> <li>● <del>in the AONB the lower five unit threshold will be applied and contributions sought from 6-9 dwellings; and</del></li> <li>● <del>outside the AONB no financial contributions will be sought on sites of 10 units or less.</del></li> </ul>	
P11-12 Smaller Regeneration Areas , Rural Service Centres and Wider Rural Area table	<i>Delete tables</i>	To reflect changes in national guidance and policy introduced since the SPD consultation period.
P12, para 4.27	<del>Payments will be commuted until after completion of the development</del>	To reflect changes in national guidance and policy introduced since the SPD consultation period.
P13, para. 4.28	...as set out in <u>paragraphs 4.15 to 4.18</u> <del>section 3.9.</del>	For clarity and ease of reference.
P14, para. 4.29	It is also expected by the council that <del>all planning obligations</del> to secure affordable housing, whether on-site or by financial contributions, <u>a planning obligation will be required either as are negotiated as a section 106 agreement or a unilateral undertaking.</u>	For clarity and ease of reference.
P14, para. 4.30	<i>Insert footnote</i> <sup>15</sup> <u>The council considers disposal in this instance to mean the relinquishing of the freehold by the owner</u>	To address issues raised during the consultation period.

## Appendix 5

The following table sets out the consultation undertaken by the council that informed the preparation of the draft SPD.

Who was consulted?	Summary of issue(s) raised	How addressed in the draft SPD
<p>Housing Services, Legal Services and the Development Management Team</p>	<p>Earlier versions of the document were circulated internally to officers for comment.</p> <p>Comments received included amendments to 'The Content of the Section 106 Planning Obligation' section of the plan and editorial amendments. All comments informed the content of the final Affordable Housing Contributions SPD.</p>	<p>The relevant comments were used in the preparation of the SPD.</p>