



*Rural Services Network
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Planning Contributions Consultation (Department for Communities and Local Government, March 2014) – *Response from the Rural Services Network*

The consultation

This consultation seeks views on the implementation of 2 proposals contained in the Autumn Statement 2013:

- a new threshold for designating local planning authorities as underperforming
- a proposed 10-unit threshold for section 106 affordable housing contributions

The consultation closes on 4 May 2014. RSN is responding on the second of these two proposals.

Rural Services Network

The Rural Services Network comprises SPARSE Rural (a Local Authority Grouping), the Rural Services Partnership and the RSN Community Group. We seek to represent rural services in England, to network between rural service organisations and to establish and broadcast best practice in rural service provision. We have an active partnership with the Rural Housing Alliance and we fully support the response sent to you from Peter Moore, Chair of the Alliance, on this matter.

Response to the consultation

From a rural perspective, this is a hugely significant issue. Whilst the clear exemption for rural exception sites is welcomed, if the proposed introduction of a threshold for section 106 affordable housing contributions is implemented this will significantly impact on the delivery of much needed affordable homes in rural communities.

Rural affordable homes are difficult to deliver for a variety of reasons and it is critical that existing routes to deliver such homes are not cut off. A large proportion of the delivery of affordable housing in communities of less than 3,000 population is through section 106 sites that are 10 units or less. In the 2008/11 Affordable Housing Programme, for example, 75% of rural delivery was through this route. Removing this potential delivery, therefore, would have a potentially massive impact on delivery.

In addition, as the availability of public resources has reduced the section 106 route has provided an increasingly important mechanism to lever in funding to ensure that delivery still takes place. Introducing the threshold will reduce the provision of affordable homes in rural areas.

The viability of specific developments can be assessed in relation to each application and if the provision of affordable homes creates a viability problem this can rightly be assessed at that time. However, a variety of models of affordable homes exist and

even where one model is proved to be unviable there may well be alternative models which do not lead to unviability of the scheme overall.

Introducing the threshold would inevitably increase reliance on rural exception sites which, whilst an important route that has provided high quality homes, entails high up-front costs and delivery can be unpredictable.

In addition, the NPPF requires a plan led approach to development in rural areas. Removing the need to provide affordable homes on small sites would be directly contrary to this approach.

As an example of the impact of this proposal, in the district of Eden in Cumbria an assessment carried out by Eden District Council on the housing developments that were approved 2013-14 and the affordable units that were generated shows that if this proposal had been in place 72% of the affordable units delivered would have been lost.

The consultation includes an additional proposal to limit contributions on proposals for the re-use of buildings. Bringing buildings back into effective use is a very valid objective. So too is the provision of much needed affordable homes. A general exemption is considered to be too blunt a mechanism to achieve both objectives. Viability tests can be applied as readily to existing buildings as to new development and enables the financial impact of any affordable housing contribution to be assessed appropriately in relation to each scheme. The significant danger in allowing existing buildings to be excluded from the requirement to make affordable housing contributions would be a reduction in affordable homes funded through brownfield schemes where sufficient funds can indeed be generated. The plan led approach required by the NPPF is the right approach to enable brownfield and greenfield sites to be considered appropriately in relation to the needs for development of all types.