

REPORT TO:	Planning Policy Committee, 8 June 2023
SUBJECT:	First Homes Local Allocations Policy
LEAD OFFICER:	Kevin Owen, Planning Policy & Conservation Manager
LEAD MEMBER:	Chair of Planning Policy Committee
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
<p>The recommendations supports:-</p> <ul style="list-style-type: none"> • Improve the Wellbeing of Arun; • Delivering the right homes in the right places; 	
DIRECTORATE POLICY CONTEXT:	
<p>The 'Interim Affordable Housing Policy' (to accommodate First Homes) statement update to accommodate local allocations criteria, will help promote wellbeing, housing and other needs while enhancing the quality of life in n a sustainable manner.</p>	
FINANCIAL SUMMARY:	
<p>There are no direct financial implications arising from this 'Interim Affordable Housing Policy' (to accommodate First Homes) amendment.</p>	

1. PURPOSE OF REPORT

This report seeks approval for the Council's 'Interim Affordable Housing Policy' statement (to accommodate First Homes Policy), be updated to include local allocations policy criteria, consistent with the council's published 'Housing Allocations Scheme'.

2. RECOMMENDATIONS

2.1. That Planning Policy Committee recommend to Full Council that:-

- i. The 'Interim Affordable Housing Policy' statement (to accommodate First Homes Policy) be adopted to include the local connetions criteria, as set out under paragraph 4.7; and
- ii. Should the criteria be further updated by Housing and Wellbeing Committee on 20 June that delegated authority be given to officers to amend the criteria in accordance with paragraph 4.8;
- iii. That the amended policy is uploaded to the council's web site and reviewed annually.

3. EXECUTIVE SUMMARY

3.1. In January 2022 Arun District Council agreed the 'Interim Affordable Housing Policy' statement (to accommodate First Homes Policy). This statement is in the

form of a table showing how the requirement for 25% First Homes is to be accommodated as part of the the tenure mix within Policy AH SP2 Affordable Housing and Policy H DM1 Housing Mix of the adopted Arun Local Plan 2018.

- 3.2. Housing Services have also periodically updated the 'Housing Allocations Scheme 2012 Amended 2014, 2016, 2017 & 2018'. This sets out a local connections test for allocating affordable housing including affordable rent properties to Arun residents. Housing Services wish to see the local connections allocation policy criteria applied to the council's 'Interim Affordable Housing Policy' statement (to accommodate First Homes). This will help to ensure that local residents and people with a connection to Arun are supported.

4. DETAIL

- 4.1. The 'Interim Affordable Housing Policy' (to accommodate First Homes) was approved in January 2022 (Background Paper 1). The statement requires that the council's affordable housing policies in the adopted Arun Local Plan 2018 must include 25% 'First Homes' as an affordable housing product within the affordable housing mix (in accordance with national policy).

- 4.2. The Affordable Housing Policy (AH SP4) in the adopted Arun Local Plan 2018 sets out a 30% affordable housing contribution on developments of 11 units or above. The 30% target includes a tenure split 75% rent and 25% intermediate housing. However, accommodating the First Homes 25% required by Government resulted in an amended tenure mix as follows:-

- 25% First Homes
- 8% Intermediate
- 67% Rent

- 4.3. The 25% First Homes requirement is a minimum which can be exceeded where there is supporting plan-based evidence that this would be viable, and affordable to eligible residents. Further to this, the Governments First Homes Policy sets out national house price thresholds and eligibility criteria. These are a minimum but can be also exceeded where there is local evidence.

- 4.4. The council's 'Interim Affordable Housing Policy' statement is, therefore, a transitional step, until an updated or new Local Plan policy can be prepared to accommodate First Homes.

- 4.5. National Planning Policy Guidance (PPG) sets out further guidance on the application of 'First Homes' policy. This includes arrangements for ensuring the product is sold to people who meet the local eligibility criteria and that the discount and other restrictions are passed on to successors in title (secured though s.106 and model legal restriction on title via the land registry).

- 4.6. The council's Housing Services are responsible for negotiating and securing the affordable housing mix contributed by housing developments via section 106 agreements. These are legal agreements with developers securing the percentage of affordable housing approved in any planning consent. To ensure that affordable housing is meeting the needs of Arun residents and people with a demonstrable

connection with Arun, the council's 'Housing Allocations Scheme' sets out local connection criteria (Background Paper 2).

4.7. Housing Services consider that for transparency and consistency, there should be read across between the 'Housing Allocations Scheme' and the council's 'Interim Affordable Housing Policy' statement. Housing Services, propose that the local connection criteria set out in the 'Housing Allocations Scheme' be applied and posted on the web site as an update to the Interim Affordable Housing Policy. The local eligibility criteria to be included are as follows:-

- The applicant or their partner are currently living in the Arun district and have lived in the Arun District permanently for at least 5 years immediately prior to the application date; or are currently living in the Arun district and have lived permanently in the Arun District for 10 years out of the last 15 years.
- The applicant or their partner has worked on a full or part time basis (24 hours per week) in the Arun District for the past 2 years and remains in employment in the Arun District.
- The applicant or their partner needs to be in the Arun District to give or receive regular daily support from or for a close relative (parents, adult children, brother and/or sister). This support must be required on an ongoing long-term basis and cannot be provided by other family members or available support agencies. The family member must be permanently resident in Arun District and have lived here permanently for at least 10 years immediately prior to the application date.

4.8. However, it should be noted that the 'Housing Allocations Scheme' is to be further updated with amended local connection criteria, to be considered at Housing and Wellbeing Committee meeting on the 20 June. If approved the residency thresholds applied to the Interim Affordable Housing Policy will be further updated as underlined below:-

- The applicant or their partner are currently living in Arun district and have lived in the Arun district permanently for at least 3 years immediately prior to the application date; or are currently living in the Arun District and have lived permanently in the Arun District for 5 years out of the last 10 years.
- The applicant or their partner has worked on a full or part time basis (16 hours per week) in the Arun District for the past 2 years and remains in employment in the Arun District.
- The applicant or their partner needs to be in the Arun District to give or receive regular daily support from or for a close relative (parents, adult children, brother and/or sister). This support must be required on an ongoing long-term basis and cannot be provided by other family members or available support agencies. The family member must be permanently resident in Arun district and have lived here permanently for at least 10 years immediately prior to the application date.

5. CONCLUSION

- 5.1. The proposed addition of the local eligibility criteria to the council's 'Interim Affordable Housing Policy' statement can be supported as it would be consistent with national policy and the PPG and ensure that the policy is being delivered consistently to meet those Arun residents in local need. Planning Policy Committee are therefore advised to agree the recommendations set out in this report.
- 5.2. The introduction of local eligibility criteria may have an impact on access to First Homes and the PPG expects that criteria should not be overly restrictive as to prevent delivery of first Homes. The application of the local criteria reflect the implementation of the council's current practice and therefore, it is not anticipated that there will be any significant adverse impact. However, to ensure this is the case, it is advised that the policy be periodically reviewed.

6. CONSULTATION

- 6.1. There are no external consultations on this report.

7. COMMENTS BY THE GROUP HEAD OF CORPORATE SUPPORT/SECTION 151 OFFICER

- 7.1. There are no comments.

8. RISK ASSESSMENT CONSIDERATIONS

- 8.1. There are not likely to be any significant risks with this policy however, because of the local criteria restrictions, the policy should be periodically reviewed.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

- 9.1. There are no Governance or legal implications.

10. HUMAN RESOURCES IMPACT

- 10.1. There are no implications arising for Human Resources.

11. HEALTH & SAFETY IMPACT

- 11.1. There are no direct implications for Health & Safety.

12. PROPERTY & ESTATES IMPACT

- 12.1. There are no direct implications for Council property.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

- 13.1. There are no direct adverse implications for Equalities/Social Value.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

14.1. There are no direct adverse implications for Climate Change from this report. However, future housing and developments will negatively impact the environment and biodiversity of Arun. It will therefore be important to consider climate change, sustainability and the environment in future developments and undertake consultation to ensure any adverse impacts are minimised as much as possible.

15. CRIME AND DISORDER REDUCTION IMPACT

15.1. There are no direct adverse implications for Crime and Disorder.

16. HUMAN RIGHTS IMPACT

16.1. There are no direct adverse implications for Human Rights.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1. There are no implications for FOI/Data Protection.

CONTACT OFFICER:-

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BACKGROUND DOCUMENTS:

Background Paper 1: Minute 481 - First homes Policy
<https://democracy.arun.gov.uk/ieListDocuments.aspx?CId=141&MId=1605>

Background Paper 2: Affordable Rent Allocations Policy:-
[Allocations_Scheme_2014-amended-2018.docx \(live.com\)](#)