



Christchurch and East Dorset Practice Note

Changes to the way the Councils will be applying Policy LN3 'Provision of Affordable Housing' in light of the Government guidance on affordable housing and tariff style contributions.

On the 19th May 2016 the Government issued the following guidance which has been issued following the order of the Court of Appeal dated the 13th May 2016 which gives legal effect to the policy set out in the Written Ministerial Statement of 28th November 2014;

“There are specific circumstances where contributions for affordable housing and tariff style planning obligations (section 106 planning obligations) should not be sought from small scale and self-build development. These circumstances are that;

- *contributions should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1000sqm*
- *in designated rural areas, local planning authorities may choose to apply a lower threshold of 5-units or less. No affordable housing or tariff-style contributions should then be sought from these developments. In addition, in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10-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, which includes National Parks and Areas of Outstanding Natural Beauty*
- *affordable housing and tariff-style contributions should not be sought from any development consisting only of the construction of a residential annex or extension to an existing home”.*

What does this mean?

- Any planning application for residential development determined after the 20th May 2016 for 10 dwellings or less **and** which have a maximum combined floor space of no more than 1000sqm will not be required to provide an affordable housing contribution or on site provision. Where a development is of 10 units or less, but exceeds the floorspace threshold, Policy LN3 will continue to apply. This is at variance with the provisions of Policy LN3 but the Councils recognise paragraph 2 of the NPPF which states that *Planning Law requires that applications for planning permission must be determined in accordance with the development plan, unless material considerations indicate otherwise.* This current Government guidance is a material consideration
- Any planning application for residential development determined after the 20th May 2016 for 10 dwellings or less **and** which have a maximum combined floor space of no more than 1000sqm will not be required to provide any contribution to tariff style planning obligations other than Heathlands which

still applies. Where a development is of 10 units or less, but exceeds the floorspace threshold, tariff style planning obligations will apply (There are currently no other tariff style contributions which would currently apply).

- In our designated rural areas (AONB's etc) we can adopt a lower threshold of 5 units or less not requiring affordable housing or tariff-style contributions. Rural areas are described under *section 157(1) of the Housing Act 1985*, which includes National Parks and Areas of Outstanding Natural Beauty. The adoption of a lower rural area threshold will need to be via a Development Plan Document. A policy to address a reduction in thresholds in the AONB will be considered as part of any future review of the Local Plan.

The Councils intend to adopt CIL in September 2016 which will require a contribution from all residential development, excluding affordable housing and self-build developments.

