



Leicester
City Council

MINUTES EXTRACT

Minutes of the Meeting of the STRATEGIC PLANNING AND REGENERATION SCRUTINY COMMITTEE

Held: THURSDAY, 17 OCTOBER 2002 at 5.30pm

P R E S E N T :

Councillor Hunt - Chair
Councillor Soulsby - Labour Spokesperson
Councillor Mugglestone - Conservative Spokesperson

Councillor Henry
Councillor Hunter

Councillor Sood
Councillor Thomas

ALSO PRESENT:

Councillor Kavia –

Cabinet Lead Member for Strategic
Planning and Regeneration

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24. DECLARATIONS OF INTEREST

Members were asked to declare any interests they may have in the business to be discussed and/or indicate that Section 106 of the Local Government Finance 1992 applied to them.

Councillor Thomas declared a personal interest in the paper entitled "Highfields Minimum Wage Project" as a member of his family worked for the Inland Revenue.

29. 2002 ASSESSMENT OF LEICESTER'S HOUSING NEED & POLICY STATEMENT ON 'AFFORDABLE HOUSING'

The Corporate Director of Housing submitted a report outlining the findings of a survey of Leicester's Housing Needs. The report also sought views regarding the restating the implications of the survey for the Council's current planning policy for affordable housing.

Members of the Committee noted the dilemma between the need to regenerate areas, particularly brownfield sites, and the need to provide affordable housing. It was noted that often when schemes in the inner city were proposed, they

were only viable without providing affordable housing. Officers also commented that in relation to commitments in the Structure Plan half of all new housing would need to be affordable and it was felt this was unachievable. It was however noted that the survey provided useful information for planning appeal cases where applicants may contest the need to provide affordable housing.

Officers noted the difficulties in applying the 30% target for affordable housing in new developments through the planning system as this was just one aspect of many, such as open space and infrastructure, that needed to be considered for planning approval. There was also a government circular which stated that the viability of a scheme should be considered in the planning process. Officers also pointed out the impact on the City of not meeting housing need.

Members of the Committee also queried the use of capital receipts from Council House sales to build new affordable housing. Officers stated Government policy did not allow this as there was a general resistance to increasing public sector borrowing. The Government also felt there were benefits for community cohesion by avoiding 'estates' that were built in the post war period.

Members of the Committee suggested that when the Council sold land that it be designated for affordable housing and the land be sold cheaper to enable this to happen. Officers commented that the Council could sell land to a Housing Association for a nominal sum to develop social housing. A 30% requirement for affordable housing applied to planning applications for council owned land in the same way as private land.

Members of the Committee also suggested that areas of the City may need to be zoned for different levels of affordable housing as it was noted there were different levels of viability and need depending on where the housing was being built. Officers stated that if different levels of affordable housing were required in different parts of the City, then there would need to be justification for this and clarification of the exact areas would be required. Officers also commented they would be reporting back on results of the affordable housing moratorium which was in place in parts of the area covered by the Leicester Regeneration Company.

The Chair commented that the report was welcomed and provided useful information and encouraged the Housing and Environment, Regeneration and Development Departments to work together to achieve a suitable outcome.

RESOLVED:

- (1) that the findings of the 2002 Housing Needs Survey be noted; and
- (2) that the Committee's comments on the draft "Policy Statement on the future provision of Affordable Housing" be forwarded to Cabinet for consideration.