

**Draft Island Plan: examination in public**  
**Response to statement by Pioneer on the provisional Supplementary Planning**  
**Guidance for Affordable Housing (Draft Policy H3)**

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It is acknowledged and accepted that the provisional SPG was published late, and without consultation, primarily because of the late delivery of the viability model (point 1). Thus the SPG is provisional and will be redrafted in consultation with the development industry, and later approved by the Minister, before the policy comes into force on adoption of the Plan. It is further acknowledged that other matters need to be clarified, and omissions rectified, through the consultation process.

There is no reference in paragraph 1 to an 'increased need' (point 2).

The Minister has indicated to the inspectors that he proposes to amend draft policy H3 in accordance with the proposed provisional SPG ie. a staggered proportion of affordable homes rising from 12.5% provision at the outset to 20% provision in year 5. This would replace the single target of 40% in the Draft Plan (point 3).

While there are concerns about viability, as stated in the Draft Plan, no separate economic viability assessment on the draft policy or the Minister's proposed amendment has been undertaken (point 4). The SPG indicates that every application to which the policy applies will be accompanied by a standard viability model assessment, as does paragraph 6.97 of the Draft Plan (but not, it is acknowledged, in draft policy H3, which can be amended to reflect this).

The viability model does reflect other planning gains (point 4). It refers to public open space, public car parking, and other costs which the applicant can specify.

It is also acknowledged that there is no definition of viability (point 4) and that the 12.5% proportion (point 5) is a target and not a minimum, and has not been subjected to economic assessment, but will be addressed in consultation with the development industry (see point 1).

For commuted payments (point 6) it is considered that there is, in reality, little material difference between what is stated in the provisional SPG and that suggested by Pioneer. The Department is equally comfortable with Pioneer's wording. The reference to the legal powers of the Minister is relevant to the submission of information. Commercially sensitive information can be treated confidentially.

Points 7 and 8 noted, and will be addressed in the EIP and the later formal process of consultation on the draft SPG.