

# IDP review into policy GP11

An Amendment<sup>2</sup> to the Government Work Plan 2022, directed the DPA to examine the case for allowing tariff payments in lieu of on site or land provision for affordable housing.

Phase one of this work clarified that there were significant interdependencies with the housing land supply work being undertaken for the targeted IDP Review and therefore the DPA agreed to include the workstream examining the option of financial contribution as part of the targeted IDP review.

This workstream is well advanced and is reviewing housing land for the next five years, including for Affordable Housing, and the delivery of Affordable Housing through private market housing development (Policy GP11). This review of the delivery of Affordable Housing through private market development will be completed by the end of March 2024

and will form the evidence base to support the DPA's consideration of the effectiveness of Policy GP11 and whether it continues to be viable to provide Affordable Housing through private market development. It has reviewed experiences of Policy GP11, analysed the pros and cons of the Policy, reviewed the operational mechanisms of the Policy and assessed the feasibility of introducing commuted sums in lieu of onsite provision.

This review has been undertaken by housing market experts, arc4 Limited, and comprises extensive stakeholder engagement, including with developers, jurisdictional review and housing expertise analysis. The stakeholder engagement undertaken with developers indicated that whilst they have concerns about the complexity of the process and delivery mechanism, preferring the option of financial contribution, they did not consider that it was unreasonable to expect larger sites to make a contribution to Affordable Housing. The draft findings of the arc4 work are that, although the policy may need adjusting, it remains potentially viable for larger sites to contribute to Affordable Housing through the provision of land or units and is not a justifiable 'blocker' to private market housing development. There is a concern however about how viability is being calculated with respect to the policy as this is being based on market land value rather than benchmark land value plus an incentive to the landowner to sell. The IDP Review will be submitted to the States for debate in this political term.

Taken from DPA's response to Deputy Dyke's requete, as included in P&R's letter of comment.