

NORTH HERTS DISTRICT COUNCIL LOCAL PLAN EXAMINATION

On behalf of Ashill Land Limited

Hearing Statement: Matter 8

**Examination Questions: 8.5, 8.6, 8.7, 8.8, 8.9
c and d, 8.10, 8.13**

October 2017



1.0 Matter 8

THE HOUSING STRATEGY: AFFORDABLE HOUSING, HOUSING MIX AND SUPPORTED, SHELTERED AND OLDER PERSONS HOUSING

- 1.1 CBRE Limited (CBRE) is instructed by Ashill Land Limited to address the Examining Inspector's questions from the perspective of the proposed allocation of the land south of Heath Lane (ref: CD5) for housing.
- 1.2 We refer the Inspector to the representations made on behalf of our client responding to Proposed Submission consultation¹.
- 1.3 This Statement responds to the Inspector's questions 8.5, 8.6, 8.7, 8.8, 8.9, 8.10 c and d, and 8.13.

8.5 – Policy HS2 require that affordable housing provision on housing sites is "maximised as having regards to the targets in [the] policy."

a) what is meant by maximised?

- 1.4 In the context of affordable housing, we believe that 'maximised' means providing the most affordable housing as is possible on a site taking into account the site's context, constraints and other considerations such as other social benefits that the site delivers.
- 1.5 The maximum level of affordable housing that is provided on a site should take viability into account and not demand a maximum amount that would render a development unviable and therefore impact upon deliverability. This should be considered on a site by site basis.

b) is this an effective approach?

- 1.6 We believe that this is an effective approach, subject to viability being considered in determination of the maximum amount of affordable housing that can be provided on site.
- 1.7 Whilst it is preferable for affordable housing to be provided on-site in the first instance, to make the policy more effective and cognisant of on the ground situations, the policy wording should reference how the Council will secure affordable housing or contributions to affordable housing should it not be possible for developers to provide it on site. We note that this is provided in supporting paragraph 8.11 but believe that it should be incorporated into the policy wording.

c) if the intention is that the targets must be met unless it is demonstrated that it is not viable to do so, then would it be better for the policy to say so?

- 1.8 We believe that the policy would be made more effective if there was clarity given to part a) of the policy and believes that the policy should be amended to read as follows (additional text in bold italic):

¹ Ashill Local Plan: Proposed Submission November 2016

Planning permission for new homes will be granted where:

- a. Affordable housing provision is:
 - i. Maximised having regards to the targets set in this policy **and site specific viability considerations**
 - ii. Made on-site
 - iii. If through detailed viability assessment it is considered that the provision of affordable housing cannot be provided on site, the Council will request provision on an alternative site. Only in exceptional circumstances will the Council accept a payment in-lieu of providing affordable housing.

8.6 – Policy HS2 also requires that affordable housing provision is delivered on-site. However, paragraph 8.11 indicates that off-site provision or financial contributions may be acceptable if ‘exceptional circumstances exist to justify [it].’

a) Is this ‘exceptional circumstances’ test more stringent than the approach set out in paragraph 50 of the National Planning Policy Framework? If so, what is the justification for it?

1.9 Paragraph 8.11 of the draft Plan sets out that the onus will be upon the applicant to demonstrate that exceptional circumstances exist to justify off-site provision contributions in lieu or on strategic sites, a phased approach to affordable housing delivery. Paragraph 50 of the NPPF requires LPAs to set policies for meeting affordable need on site, unless off-site provision can be ‘robustly justified’ and acknowledges that policies should be sufficiently flexible to take account of changing market conditions over time.

1.10 Given that no definition of ‘exceptional circumstances’ that may justify the provision of off-site affordable housing or a payment in lieu is given, this could make it harder to demonstrate than required by Paragraph 50 on the NPPF.

b) If such a test is to be applied, should it be contained within the policy rather than the supporting paragraphs?

1.11 The policy would have greater clarity if the requirements for an offsite or in lieu contribution was included in the policy wording. The supporting paragraphs could then be used to provide additional text to the policy, including setting out what exceptional circumstances could include to provide clarity to developers and minimise delays to development.

8.7 – Drawing together Policies SP8 f) and HS2 b. and HS3:

a) what is the justification for the size, type and tenure of market and affordable housing sought?

1.12 Policy SP8 f) supports a range of housing tenures, types and sizes, measured against targets to provide up to 40% affordable housing, a broadly even split between smaller and larger properties and 100 plots for self-build development over the plan period.

1.13 The SHMA update sets out the current mix of OAN for market and affordable housing. This demonstrates that there is a greater need for 3+ bedroom houses rather than smaller units. However, this demand is based on the existing housing mix needed by households and

assumes that future demand will reflect these patterns. This includes assuming that where single person households live in three bed homes, this will continue to be the case. This is an unjustified assumption given that the new Local Plan plans for 350 specialist bedspaces, and the provision of retirement flats as a tenure is increasing.

- 1.14 The mix of units should have regard to market signals and evidence as well as the evidence from the SHMA.

8.8 – Overall, is the approach to affordable housing and housing mix sound?

- 1.12 CBRE considers that the approach to affordable housing is not sound in its current form as the policy wording is currently not positively prepared to facilitate development. We request that viability is added as a consideration to the policy wording to ensure that this is taken into account when the maximum level of affordable housing is requested.

SUPPORTED, SHELTERED AND OLDER PERSONS HOUSING (POLICIES SP8, HS4 AND HS6) AND ACCESIBLE AND ADAPTABLE HOUSING

8.9 – Does the Plan adequately address the needs of older people? In particular:

c) How does the Plan seek to address identified needs?

- 1.13 The Plan seeks to address the identified needs through Policy HS4 (Supported, sheltered and older persons housing). This sets out the criteria that proposals for sheltered and supported housing in use classes C2 and C3 should meet. These criteria appear justified and require the site to be located in a sustainable location with good access to public transport, local services and facilities.
- 1.14 HS4 also sets out that on sites of 100 units or more, planning permission will be granted where an element of accommodation within Use Class C3 for older persons housing is included under the requirements of Policy HS3(a) (an appropriate range of house types and sizes are provided taking into account the findings of the most recent SHMA, the location of the site and recent completions and sites in the five-year supply) where this would be consistent with the other requirements of Policy HS3.
- 1.15 We consider that this blanket requirement across all sites of over 100 units is not a justified approach in seeking to address the needs for sheltered accommodation. Firstly, not all sites that deliver over 100 units will be capable of providing such accommodation. Such accommodation requires appropriate levels of on-site landscaping, amenity space and car parking (as set out in Policy HS4). In addition, care home operators usually seek locations which are in proximity to clinics and hospitals; however this may not be the case for some of the locations of schemes for over 100 units. Furthermore, there is no clarity over the percentage of sheltered accommodation that would be required which leads to uncertainty for developers. There is also the risk that the provision of a small amount of sheltered housing in a predominantly residential scheme will feel tokenistic.
- 1.16 We therefore suggest that policy HS4(f) be amended to read as follows (additional text in bold italic):

f. On Strategic Housing Sites, provision is made for some accommodation in Use Class C2 ***where this does not impact on overall viability of the scheme.***

d) Does the Plan do enough to ensure that the needs of older people are met?

- 1.17 The Plan should encourage the provision of specialist C2/C3 sheltered and supported accommodation schemes that can provide a holistic and supportive environment and meet the specialist requirements of sheltered accommodation rather than an 'add-on' to standard C3 housing.

8.11 – Does Policy HS5, and the Plan in general, make sufficient provision for inclusive design and accessible environments in accordance with paragraphs 57,58,61 and 69 of the NPPF?

- 1.18 Ashill is supportive of delivering inclusive design and accessible environments in accordance with the NPPF. However, this should be provided at a level that is justified by evidence. Policy HS5 sets out that planning permission for major residential development will be granted where applicants can demonstrate that at least 50% of homes can be built to the M4(2) Accessible and Adaptable standard. It continues that on schemes where 10 or more affordable units will be delivered, 10% of these can additionally be built to the M4(3) wheelchair user standard.
- 1.19 Whilst CBRE is aware that the population is aging and consequently that there is a need to provide flexibility in the market, there is a contradiction between the requirements of the policy and the evidence produced to support it. We do not believe that a 50% provision of M4(2) units is justified. Paragraph 3.2.12 of the Council's 2016 Local Plan Viability Assessment – Update states that the recommended level of M4(2) units was no more than 20% of units – therefore any higher than this provision could make a viable site unviable. Therefore, 50% provision of M4(2) as set out in Policy HS5 appears to be onerous and an unjustified requirement.
- 1.20 We suggest that policy HS5(a) be amended as follows (amended text in bold italic):

a. Applicants demonstrate that at least **20%** of homes can be built to the M4(2) Accessible and Adaptable Standard.

8.13 – Overall, is the approach to supported, sheltered and older persons housing and accessible and adaptable housing sound?

- 1.21 Overall, CBRE considers that Policy HS4 is currently unjustified and therefore unsound in its approach to requiring sites delivering over 100 units to provide an element of sheltered housing. This does not take into account the special requirements of such developments, their compatibility with other uses and the viability of their delivery.