

Affordable Housing Statement

Land Adjacent to 2 North
Street
Caversham
Reading
RG4 8JA

Pro Planning Solutions

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Affordable Housing Statement

Introduction

This affordable housing statement has been prepared with due regard to a number of local planning documents both adopted and emerging as well as National Planning Policy.

The Site

The Land Adjacent to No.2 North Street is a single storey detached commercial property currently being used as a yoga, beauty and massage A1/D1 use with ancillary storage and office use. To the side of the property is a side alleyway leading to a single storey building set back which is used as office space for the main building. There is also a large room which is used for public hire for local meetings. The adjacent properties are Nos. 2 North Street (a two storey residential house) and also the back yards and rear access including parking spaces for Nos. 19/21 and 23 Prospect Street which are mid terrace properties with ground floor A5 takeaway and A1 retail uses and residential flats on the upper floors respectively.

The property is located approximately 70m north east with the junction of Prospect Street and this road is a cull de sac. The road is predominantly residential in character with a few commercial uses on the northern side of the road consisting mainly of B2 car repair businesses. The premises is outside the Reading Central Action Plan Zone and it is not within a conservation area nor is it listed.

Description of development

Planning permission is sought for the demolition of the existing single storey commercial buildings and the erection of two new semi detached houses comprising of two bedrooms each with off street car parking and gardens at the rear of the properties.

The two new houses will be exactly the same design as the existing adjacent houses of 2 and 4 North Street, they will match up in terms of height and architectural detailing with matching windows and doors and a continuation of the fancy brickwork pattern between ground and first floors. The only major

difference will be that that the proposed houses will be set back from the existing building line to allow for off street car parking for one vehicle for each of the two houses.

Each house will have an interior space size of 53.57 sq. m and an amenity garden space of 38.13 sq. m and 34.48 sq. m respectively. On the first floor each house will have a double bedroom and single bedroom for three persons, the double bedrooms will have a size of 10.46 sq. m and the single bedrooms will have an area of 9.51 sq. m. On the ground floor, the front entrance door opens out into an open plan kitchen area with an area of 6.17 sq. m and through to a lounge with an area of 15.24 sq. m. There are ground floor toilets and also shared bathroom and toilet facilities on the first floor within each house. To the rear both houses have French patio doors which open out onto the rear garden spaces.

It is proposed to rent out the two 2 bedroom houses at the full market value of rentals in the area.

PLANNING STANDARDS

The houses have been designed to comply with the Lifetime Homes Standards as set out in the Reading Sites and Detailed Policies Document (Revised January 2015) which states that any room designated as a bedroom should contain at least 6.5 sq. m of useable floorspace, and 3 or more bedroom dwellings should contain at least one bedroom of 10 sq. m or more of useable floorspace. All proposed houses comply with the above policy.

In terms of the design of the proposed two houses will match up with the existing houses in this part of North Street. In terms of Reading Councils Core Strategy Policies the relevant policies for this particular development are policies CS1 and CS7. Policy CS1 seeks sustainable construction and design. In this regard all new building materials will be sourced from sustainable sources especially for timber materials and recycled building materials were possible. New efficient combi-boiler systems will be used to be as energy efficient as possible, this will include up to date insulation for thermal loss for the building and also up to date noise insulation between the floors of the proposed houses. It is also proposed to have a new waste and rain water recovery and recycling system which will store rain water and waste water to use in the toilets cisterns. These measures are designed to comply with core strategy policy CS1.

Core strategy CS7 Seeks that all development must be of a high design quality that maintains and enhances the character and appearance of the area. The various components of this strategy include, layout, landscape, density and mix, scale height and massing and architectural detail and materials. The proposed new houses will be built in matching materials and will be in keeping with the existing two storey houses in North Street. The new houses will not have any adverse impact on neighbouring properties in terms

of massing and scale and height and the houses will be in keeping with the character and design of houses in the immediate area. The smaller first and second floor extension will be set back in keeping with similar extensions and will not have any adverse impact on adjacent properties.

The design of the houses does not impinge or cause harm to adjacent dwellings in terms of privacy, overlooking, daylighting or overshadowing. The new house rear windows are over 22 m away from the nearest opposite residential windows in Prospect Street and will not cause and privacy or overlooking problems. The proposed houses respect the general character and appearance of the street in terms of design, height, bulk and mass to the street scene and are therefore considered to be compliant with Reading's Council's Policy DC4: Safeguarding amenity.

In terms of Policy DM5: Housing Mix; this policy seeks the provision of new developments for 10 or more dwellings outside the central area and defined district and local centres, that over 50% of dwellings will be of 3 bedrooms or more, and the majority of dwellings will be in the form of houses rather than flats, having regard to all other material considerations. As this is development is only 2 dwellings this policy does apply in this context.

In terms of Policy DM10: Private and communal outdoor space there will be a rear garden area of 38.13 sq. m for the first house and 34.48 sq. m for the second house. It is considered that this space provision complies with Policy DM10 of Reading's Sites and Detailed Policy Document (January 2015). There will also be additional cycle stores on the front area along with enclosed bin stores for domestic rubbish.

For car parking standards the premises is within Zone 2 Primary Core Area. Reading Council's Revised Car Parking standards (2011) stipulate 1 car space for every 2 bedroom house created. This has been provided for in this proposal there will be a standard 4.8 m x 2.4m parking bay along with a bin store and cycle store on the front garden area. This will be fully compliant with Reading Council's Parking Standards.

In terms of Affordable Housing Policy CS16 (Affordable Housing) requires the provision of 50% of the total number of dwellings on sites of 15 dwellings and above in the form of affordable housing to meet the needs of the area as defined in a housing needs assessment. In this particular development there are only 2 dwellings (houses) created and therefore this policy is not relevant.

Policy DM6 (affordable housing) seeks lesser proportions of affordable housing provision on sites of less than 15 units related to an assessment of the viability of different sizes of development in the borough. This site will create a net figure of two new houses. Under policy DM6 on sites of 1 to 4 dwellings, a financial contribution is to be made equivalent to 10% of the housing to be provided as affordable housing elsewhere in the Borough.

It is the applicants wish to enter into an agreement with Reading Council to make a financial contribution of 10% affordable housing dependant on the

outcome of planning permission being granted by the Council. The most appropriate way to calculate the contribution is to calculate the Gross Development Value (GDV) of the entire proposed development. The financial contribution will be directly proportionate to the GDV of the scheme assuming it is 100% private sales, and will equate to a payment of 5% of that GDV. The gross development value is defined as “the market value of the completed proposed development, assuming it is sold to a willing purchaser(s). It is based on current market values, not those pertaining when the property is actually completed. GDV represents the estimated gross income before deducting the development expenditure.”

The applicant will submit a more detailed appraisal of the Gross Development Value (GDV) of the house later in the application negotiation process. However a quick look at the values of two bedroom houses in the RG4 post code area of Reading in the next road of South Road reveals that the value of two bedroom houses in the range from £234,000 to £340,000 with the median figure being £255,000. This figure is very much dependant on the standard of finish, size, location to local amenities/ transport and parking facilities for the houses.

Policy

National Planning Policy Framework (NPPF)

National Planning Policy states at paragraph 14:

*“At the heart of the National Planning Policy Framework is a **presumption in favour of sustainable development**, which should be seen as a golden thread running through both plan-making and decision-taking.*

*For **decision-taking** this means:*

- approving development proposals that accord with the development plan without delay; and*
- where the development plan is absent, silent or relevant policies are out-of-date, granting permission unless:*
 - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole; or*
 - specific policies in this Framework indicate development should be restricted.”*

Core Strategy

The Council's Core Strategy includes the following policy on affordable housing:

Policy CS16: Affordable Housing

All developments of 15 dwellings and above or of any alternative lower threshold contained in a future adopted Development Plan Document will provide 50% of the total number of dwellings in the form of affordable housing to meet the needs of the area, as defined in a housing needs assessment.

Affordable Housing is subsidised housing that enables the asking price or rent to be substantially lower than the prevailing market prices or rents in the locality,²⁴ and which is subject to mechanisms that will ensure that the housing remains affordable for those who cannot afford market housing.

The commentary to this policy adds at paragraph 6.29:

“The Council will be sensitive to exceptional costs of bringing a site to market such as for reasons of expensive reclamation, or infrastructure costs, or high existing use values such as in the case of re-using office accommodation. Where applicants can demonstrate, to the satisfaction of the Council, exceptional difficulties in bringing a site to market, the Council will be prepared to consider detailed information on the viability of a particular scheme and, where justified, to reduce the affordable housing requirement.”

Thus the Council acknowledged back in 2008 the importance of the issue of costs involved in bringing forward a site, the costs associated with such development and the viability of schemes.

Site and Detailed Policies Document

The Council's Site and Detailed Policies Document (SDPD) was adopted in October 2012 and forms part of the Local Development Framework, it together with the Core Strategy and Reading Central Area Action Plan forms the Development Plan.

The adopted document contains detailed planning policies for determining planning applications and a specific one relating to affordable housing, DM6 which is outlined below:

DM6: AFFORDABLE HOUSING

On development sites of less than 15 dwellings, the following proportions of affordable housing provision will be provided:

- *on sites of 10 – 14 dwellings 30% provision;*

- *on sites of 5 – 9 dwellings 20% provision; and*
- *on sites of 1 – 4 dwellings, a financial contribution will be made that will enable the equivalent of 10% of the housing to be provided as affordable housing elsewhere in the Borough.*

For sites of more than 4 dwellings, provision should be made on site in the first instance with a financial contribution being negotiated to make up the full requirement as appropriate.

In all cases where proposals fall short of the policy targets/thresholds as a result of viability considerations, an open-book approach will be taken and the onus will be on the developer/landowner to clearly demonstrate the circumstances justifying a lower affordable housing contribution.

In determining residential applications the Council will assess the site size, suitability and type of units to be delivered in relation to the current evidence of identified needs and against Policy CS15. The Council will seek a tenure split of 70% social rented and 30% intermediate affordable units, with the affordable units integrated into the development. Priority needs are for family sized housing, specialist accommodation for vulnerable people and extra care housing. The Council will regularly monitor and review the need for, and delivery of, affordable housing.

Notwithstanding the above the current economic climate is acknowledged at paragraph 5.2.8 wherein it is accepted that “meeting the targets set will be ambitious in some cases in different economic conditions.” If applicants can demonstrate via open book evidence that affordable housing is impacting upon the viability of a scheme then a reduction of the affordable housing requirement may be justified.

Once again the Council’s policy and supporting text acknowledges the importance of a development’s viability.

Affordable Housing Supplementary Planning Document

The Council adopted Supplementary Planning Guidance on 9 July 2013 it aims to provide “*an appropriate framework for determining the size, type, form and content of affordable housing that will be sought in considering whether planning applications for development accord with various local planning policies.*” The guidance applies to residential developments of one dwelling or more.”

In terms of viability the Council confirms it will continue to take into account a range of matters in assessing the appropriate level of affordable housing. Particular emphasis is placed on the viability of individual schemes by the Council. (Paragraph 4.29) It is acknowledged that the targets such as that of 10% for the proposed development were based on returning to the level of viability that existed in 2007. The Council readily admits that this target would be less easy to achieve and that the return to 2007 levels of viability will be relatively slow.

Since this document was drafted and adopted the Government has further relaxed planning restrictions in order to try and inter alia overcome/address viability concerns foster/stimulate economic growth such as allowing the conversion of B1 office to residential without the need of express planning permission or affordable housing requirements or infrastructure contributions.

Conclusion

It is concluded that the proposal to erect 2 x 2 bedroom houses is considered to be in keeping with Council's Core Strategic policies CS1 and CS7 and also Policies DM4, DM5 and DM10 of the Council's Sites and detailed Policies Document (adopted in October 2012). As part of the Council's policy DM6 on affordable housing it is the intention of the applicant to make a contribution for affordable housing off site of the equivalent of 5% of the Gross Development Value (GDV) of the site as indicated in the Council's SPD on Affordable Housing adopted in July 2013 and draft head of terms document is included for further discussion and action.