

FCC Response to Inspector Letter INSP012

WDQR 2021 – Creating Beautiful Homes and Places

I refer to your letter dated 6th September 2021 seeking the Council's view on the implications of the above document on the soundness of the LDP.

The WDQR document specifies that the full range of the new standards applies only to affordable housing where there is public funding. Only the standards in Appendix A and B “space requirements” will apply to affordable housing driven through market housing as a result of planning obligations etc.

The update to the Local Housing Market Assessment 2020 [LDP-EBD-HP3.1](#) provided clarification on the tenure split of affordable housing with para 6.41 identifying that 30% was social housing, 30% was intermediate rent and 40% was affordable home ownership. Therefore, in broad terms the level of social housing is not large.

The Viability Assessment 2020 [LDP-EBD-HP6.1](#) provided floorspace standards in Table 3. The accompanying text in para 2.15 explains that ‘The property sizes tested have been derived from guidance provided to RSLs and based upon our own market experience and as adopted in other such testing. It is recognised that the eventual developers of each site will form their own views, subject to Planning policy requirements, on what the appropriate unit type mix and size of units are but, for the purposes of consistency, the following unit types have been tested across both the affordable and private tenure homes:’. This confirms that the viability assessment for both the market and affordable housing have used floorspaces in line with that used by RSL's.

Table 3 in the Viability Assessment is not as detailed as the floorspace standards in Appendix B of the WDQR but the table below shows a broad comparison between the two sets of figures.

Home Designation	Home Type	Gross Internal (floor) Area (GIA) m2	General Storage m2 (included in GIA)	Floorspace Standards Viability Study
7P4B	2 Storey House	114	3	120
6P4B	2 Storey House	110	3	

5P3B	2 Storey House	93	2.5	83-100
4P3B	2 Storey House	88	2.5	
4P2B	2 Storey House	83	2.5	70-75
3P2B	2 Storey House	74	2	
3P2B	Bungalow	58	2	
3P2B	Flat – Walk up	65	2	
3P2B	Flat – Common access	58	2	
2P1B	Flat – Walk up	53	1.5	
2P1B	Flat – Common access	50	1.5	

The table illustrates that the floorspace standards used in the Viability Assessment are broadly in line with the new standards. Clearly, there are other requirements set out in the main body of text and in Appendix A of the WDQR which may have either space or financial implications. However, the Viability Assessment in Appendix 2 shows an example financial appraisal of a typical 100 unit scheme which includes a contingency of 2.5% which represents some £2819 per dwelling. The LPA does not have before it, detailed costing of the measures in the standards, and it is also the case that it will take time to fully assess the implications of the new standards on affordable housing schemes. However, many of the measures are not considered to be of a nature or type or of such significance as to fundamentally affect the Viability Assessment and the affordable housing requirements specified in Policy HSG3. However, an agreed Action Point (AP13.6) arising from the Hearing Session for Matter 13 was to amend the policy wording by replacing ‘starting point’ with ‘target’, whereby the revised wording is now:

“Affordable housing contributions will be sought on developments of 10 or more units in accordance with the following quotas which should be taken as a ~~starting point~~ **target** for negotiation on a site by site basis subject to detailed viability considerations:”

The policy clearly provides scope for affordable housing requirements to be revisited if there are particular viability issues arising on a site.