

Research Report

Affordable Housing Statement

The former Dairy Crest Site and surrounding land

222-224 Dunsbury Way, Havant

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1. Introduction

- 1.1 This affordable Housing Statement has been prepared by JLL on behalf of Southern Co-Operative Properties Ltd in respect of an outline planning application for the redevelopment of the Former Dairy Crest Site, Dunsbury Way, Havant for residential use.
- 1.2 This application seeks for all matters (save for access) to be reserved. The information submitted through this application is therefore an indicative scheme which outlines the quantum of development which the applicant feels as being acceptable on the site.
- 1.3 A complete description of the proposed development is set out within the Planning Statement which supports this application.

2. National Planning Policy and Guidance

2.1 The national Planning Policy Framework (NPPF) makes provision for the delivery of affordable housing through the Local Plan. In particular, the NPPF states that local planning authorities should:

- ‘Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:
 - Off site provision or an appropriate financial contribution in lieu can be robustly justified; and
 - The agreed approach contributes to the objective of creating mixed and balanced communities’ (paragraph 62)
- ‘To support the re-use of brownfield land, where vacant buildings are being used or redeveloped, any affordable housing contribution should be reduced by a proportionate amount’. (paragraph 63)
- ‘Where major development involving the provision of housing is proposed, planning policies and decision should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:
 - Provides solely for build to rent homes
 - Provides specialist accommodation for a group of people with specific needs
 - Is proposed to be developed by people who wish to build or commission their own homes; or
 - Is exclusively for affordable housing, an entry level exception site or a rural exception site’. (paragraph 64)

2.2 The definition of affordable housing is set out in Annex 2 of the NPPF.

3. Local Policy

- 3.1 Policy CS9 (housing) states that planning permission will be granted for housing proposals that will deliver on average 30-40% affordable housing on sites of 15 dwellings (gross) or more and secure a suitable contribution, or on-site provision, equivalent to on average 30-40% on smaller housing developments between 5 and 14 dwellings, unless a lesser requirement has been transparently justified on viability grounds.
- 3.2 Havant Borough Council have produced a Housing SPD (Supplementary Planning Document). Section 2 of this document sets out the Affordable Housing Guidance.
- 3.3 This document sets out the principles of providing affordable housing. These can be summarised as:
- A variety of affordable dwelling types and sizes should be provided to meet the wide range of identified housing needs
 - Priority is given to the provision of affordable housing for those in need. The tenure mix between social rented, affordable rented, intermediate housing and other tenure types (either existing or emerging) will vary in order to meet the real needs of the borough
 - Affordable housing should be made available clean and serviced and at nil cost.
 - The affordable housing that is provided must remain available for as long as the need exists
 - On developments of 15 or more dwellings affordable housing should normally be provided on site. On developments of between 5 and 14 dwellings affordable housing should be provided on site or a suitable alternative contribution provided. Independent valuations will be sought that do not undermine viability
 - Affordable housing will be secured through planning obligations
 - Affordable housing should be delivered free of public subsidy, unless the use of subsidy would improve the numbers or mix of dwellings, in which case the level of subsidy needed should be minimised
- 3.4 This document assesses the Affordable Housing Need within the Borough. Within paragraph 1.29 It is recognised that this level of affordable housing is unrealistic in terms of its impact on the viability of many schemes. Therefore, a significant element of affordable housing need is unlikely to be met over the plan period. Nevertheless, the Core Strategy Policy CS9 requires an average of 30-40% of new homes to be affordable which goes some way to meeting this need.
- 3.5 If non-viability is demonstrated the SPD states that the council will require the developer to fully explore the options available to achieve economic viability and provided an agreed level of affordable provision.
- 3.6 The options which the council will require the developer to explore include taking measures to provide the affordable housing on site and achieving economic viability by varying the tenure, size, type and number of units to be provided (in that order) or if appropriate, examining the level of other contributions.

Section 106BA – Application to Local Planning Authority

- 3.7 An application may be made to the local planning authority for a revised affordable housing obligation. This application should contain a revised affordable housing proposal, based on prevailing viability, and should be supported by relevant viability evidence. The local planning authority may prepare its own viability evidence or provide commentary on the evidence submitted in support of the application.

4. Commentary

- 4.1 This outline application seeks to utilise this underused brownfield land for residential use. The current and existing configuration and location is no longer fit for purpose. Even if the property was to be demolished, there is no financial viability reason to redevelop the site for industrial uses and as such the site does not have a future as an industrial/commercial site.
- 4.2 Indicatively, the application has sought to build up to 78 residential units (through a mix of 1 and 2 bed apartments) on the site.
- 4.3 The outline nature of the scheme therefore seeks to establish residential use on the site. At this stage, the applicant is as yet undecided as what type and tenure of accommodation is to be constructed on the site i.e. retirement, PRS, fully affordable.
- 4.4 Paragraph 64 of the NPPF sets out the national requirements for affordable housing on major developments. This paragraph states that the planning policies should expect at least 10% of the housing to be available for affordable home ownership.
- 4.5 This paragraph acknowledges exceptions to this 10% requirement i.e. should the scheme be built solely for Build to Rent homes, provide specialist accommodation for a group of people with specific needs or is exclusively for affordable housing.
- 4.6 It is also acknowledged that local planning policy seeks to ensure that there is a requirement for 30-40% for new dwellings to be produced to be affordable.
- 4.7 Given the outlined nature of the scheme, the applicant is unable to commit at this stage to a defined level of affordable housing of the scheme, which will ultimately have an impact on both the viability and deliverability of the scheme.
- 4.8 The Adopted Core Strategy acknowledges the importance to allow for flexibility on the type and tenure of housing proposed.
- 4.9 A viability assessment has been submitted with this application, which outlines the profitability of this indicative scheme. However, as outlined above, the indicative nature of the scheme therefore makes it difficult at this stage to quantify an exact level of affordability.
- 4.10 The application would therefore welcome the opportunity to enter into negotiations with the Local Authority regarding the types and tenure of housing which they are keen to see developed within the Leigh Park area, as this may inform the desired residential use of the scheme, and ultimately may result in a scheme being brought forward which meets one of the exemptions to the national 10% requirement.

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