



LRM
PLANNING
LIMITED

AFFORDABLE HOUSING STATEMENT

LAND WEST OF PAGHAM ROAD, PAGHAM

On behalf of Hallam Land Management Limited

December 2021



Report Control

Project: Land west of Pagham Lane, Pagham

Client: Hallam Land Management Limited

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1 Introduction

1.1 This Affordable Housing Statement accompanies an outline planning application submitted on behalf of Hallam Land Management Limited for residential development on land situated west of Pagham Road, Pagham.

1.2 The submitted application seeks planning permission for:

The construction of up to 106 new homes, formation of access onto Pagham Road, new pedestrian and cycle links, the laying out of open space, new strategic landscaping, habitat creation, drainage features and associated ground works and infrastructure. [description of development].

1.3 Matters not reserved for subsequent approval relate to access from Pagham Road.

1.4 As part of the proposed development, new affordable housing is to be provided. Policy AH SP2 of the Arun Local Plan requires 30% of new homes to be provided as affordable homes, equating in this instance to 30 new affordable homes.

1.5 This Statement provides an overarching explanation of the affordable housing element of the scheme, the framework provided by relevant tiers of planning policy, and the scheme's compatibility with Development Plan policy. In terms of its structure, it comprises:

- Section 2: provides contextual information;
- Section 3: explains the Local Plan policy for Affordable Housing;
- Section 4: describes the development proposals, including the proposed affordable housing provision; and
- Section 5: provides a summary.



2 Contextual Information

- 2.1 A long-established planning principle is that a community's need for affordable housing is a material planning consideration which may be taken into account in deciding planning applications.
- 2.2 The Nation Planning Policy Framework (NPPF) was updated in 2021. Paragraphs 7 to 10 explain the purpose of the planning system as a means of achieving sustainable development, with Paragraph 8 identifying the three dimensions of sustainable development namely social, economic and environmental which are interdependent and need to be pursued in mutually supportive ways.

- 2.3 The social dimension is described in the following terms:

Social objective – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed, beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being.

- 2.4 Paragraph 60 of the NPPF confirms that the Government's objectives is to significantly boost the supply of homes. To achieve this, it is important that the needs of the groups with specific housing requirements are addressed.

- 2.5 Paragraph 62 states that:

...the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes.)

- 2.6 Paragraph 63 states that:

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.

- 2.7 Paragraph 65 states that:

Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of home 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. (Certain other exemptions are also listed.)

- 2.8 In May 2021 a Written Ministerial Statement was issued concerning First Homes, and the



Government's Planning Practice Guidance was updated. A minimum of 25% of all affordable housing units secured through developer contributions should be First Homes. This is a national threshold which should be applied for England.

2.9 The *transitional arrangements* set out in the PPG would, in this instance, indicate that the First Homes requirement exists as a matter of principle.

2.10 The Government's definition of affordable housing constitutes the following:

Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidized route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable);(b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider);and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision or refunded to Government or the relevant authority specified in the funding agreement.

2.11 Within this context, there exists an established affordable housing need in Arun District which is discussed in the following sections.



3 Local Planning Policy

3.1 The Arun District Local Plan was adopted in July 2018 and is part of the Development Plan for the purpose of Section 38(6) of the Planning and Compulsory Purchase Act 2004. In this instance there is no Neighbourhood Plan.

3.2 Policy AH SP2 of the Local Plan states that:

"For all developments of 11 residential units or more the Council will require a minimum 30% of the total number of units proposed on site to be provided as affordable housing on the same site in the first instance.

...The Council will negotiate the affordable housing tenure mix on development sites from an initial default position of 75% rent and 25% intermediate market housing.

Affordable housing must be visually indistinguishable from market housing with large groupings of single tenure dwellings or property types avoided. Affordable housing units shall be permitted in small clusters throughout development schemes".

3.3 This approach to tenure has to be read alongside the NPPF's approach to affordable home ownership referred to in the previous Section and the May 2021 Written Ministerial Statement concerning *First Homes*.

3.4 The District Council is preparing an Interim Affordable Housing Policy to accommodate the Government's First Homes Policy in November 2021. This was considered by Planning Policy Committee at its meeting on the 30th November 2021 and is due to be considered at Full Council in January 2022. The effect of this Interim Policy would be that 33% of the affordable housing should be intermediate housing (i.e., 25% First Homes and 8% other Intermediate Home Ownership) and 67% rent.

3.5 In this context the tenure of the proposed development would be as follows:

Market Housing:	74
Affordable Housing:	32
First Homes:	8
Other Intermediate	3
Rent	21

3.6 The policy also outlines the range of homes required to create a mix of housing types for affordable housing as follows:

- 1 bedroom 35 - 40 %
- 2 bedroom 35 - 40%
- 3 bedroom 15 - 20%
- 4+ bedroom 5 - 10%

3.7 These policy requirements have informed the Applicant's approach to affordable housing



proposed as part of the development as explained in the following section.



4 Affordable Housing Proposals

4.1 In the context of AH SP2, the Applicant's affordable housing proposals are set out in Table 1.

Table 1 Applicant's Affordable Housing Proposals

Arun Policy Approach	Affordable Housing Proposals
30% affordable housing	30% affordable housing is to be provided: on the basis that planning permission is sought for up to 100 new homes with will comprise <u>30 affordable homes</u> .
First Homes	Calculated as 25% of the total number of affordable homes – 8 First Homes
Other Immediate	Calculated as 8% of the total number of affordable homes – 3 other intermediate homes
Affordable Home Ownership	10% of the total number of homes required by the NPPF – comprised of 8 First Homes and 3 Other Intermediate Homes, totalling 11.
Affordable Housing for Rent	Calculated as 66% of the total number of affordable homes – 21 homes for rent
Integration	Whilst layout is a reserved matter the guiding principles are that: • Pockets of affordable housing, both shared ownership and social rent, will be pepper-potted across the development. • Their positioning and layout will be carefully considered to ensure they are well integrated into the development, fronting on to key streets with easy access to the open space and local facilities.
Design	All affordable homes will comply with the Homes and Community Agency Design and Quality Standards.
Accessibility	All affordable homes will be designed and constructed m4(2) (accessible and adaptable) standard. 10% of the affordable homes will be designed and constructed to m4(3) wheelchair user dwellings) standard.

4.2 Using the mix in Policy AH SP2 the anticipated mix would be as follows:

Table 2 Illustrative Affordable Housing Mix

Dwelling Type	AH SP2 mid point	No of proposed dwellings
1 bedroom	37.5%	12
2 bedroom	37.5%	12
3 bedroom	17.5%	5
4 bedroom	7.5%	2



Planning Obligation

- 4.3 The Applicant's proposes that a planning obligation is entered into to secure the above affordable housing proposals and that an Affordable Housing Scheme is provided with the reserved matters application.



5 Summary

- 5.1 This Affordable Housing Statement accompanies a planning application submitted by Hallam Land Management Limited for residential development on and west of Pagham Road, Pagham.
- 5.2 A long-established planning principle is that a community's need for affordable housing is a material planning consideration which may properly be taken into account in deciding planning applications.
- 5.3 As part of the proposed development, new affordable housing is to be provided, pursuant to Policy H SP2 which seeks 30% provision; this would total 30 dwellings. Reflecting the Government's objective in the NPPF (para 64) and the more recent Ministerial Statement concerning *First Homes*, the tenure split would be one third *First Homes / affordable home ownership* (11 dwellings) and two thirds *affordable housing for rent* (21 dwellings).
- 5.4 Principles relating to tenure split, integration, design and accessibility have been specified herein. The applicants intend that the affordable housing element of the scheme is secured by a planning obligation.
- 5.5 It is evident that the affordable housing component of the scheme accords with established Development Plan policy and the Council's emerging Affordable Housing Policy. The scheme's contribution to meeting the need for affordable housing is a material benefit that should properly be afforded substantial weight in the determination of the submitted application.