

INTERNAL CONSULTATION

TO: Gillian McDermott – Planning

FROM: Hannah Phelan – Housing

OUR REF: 23/0199/AFF

DATE: 21 November 2023

PLANNING REF: W/23/02112/OUT

Description: Planning application for the demolition of existing farmhouse, agricultural buildings and structures, the erection of a phased development of up to 300 residential dwellings (Use Class C3) and associated public open space, drainage, infrastructure and engineering works with all matters reserved except access.

Location: Orchard Farm, Defford Road, Pershore, WR10 3BX

Applicant: Formula Land Ltd

Case Officer: Gillian McDermott

REPLY TO D.C. REQUEST

This application proposes up to 300 residential dwellings.

The Council's document titled 'formal position with respect to affordable housing and tariff style developer contributions following the publication of National Planning Policy Framework 2021' states that on sites of 15 or more dwellings, on greenfield land, 40% of the units should be affordable and provided on site. On the basis of a total of 300 dwellings, this equates to 120 affordable homes. The Affordable Housing Statement submitted as part of this application confirms that the proposals will provide a policy compliant level of affordable housing.

The evidence of affordable housing need for the area is as follows:

- **The Strategic Housing Market Assessment (SHMA) (2021 Update)** – Indicates a minimum net imbalance of 117 affordable dwellings each year over the next five years across Wychavon District.
- **Housing Register (Housing For You)** - As at 21/11/2023, Housing for You data showed that there were 2985 households registered with a banding which indicates that they have a local connection to the Wychavon District. These households have the following bedroom need:

1 bed – 1595

2 bed – 804

3 bed – 448

4 bed – 126

5 bed – 11

6 bed – 1

In terms of tenure split, the South Worcestershire Strategic Housing Market Assessment (SHMA) 2021 Update recommends a tenure split of 69% Social Rented, 25% First Homes and 6% Shared Ownership. Additionally, the National Planning Policy Framework (NPPF) requires 10% of the total number of homes on major sites to be provided as affordable home ownership and these will count towards the affordable housing provision. For this application of up to 300 dwellings (of which up to 120 will be affordable), the required tenure split is 69% Social Rent (82 dwellings), 25% First Homes (30 dwellings) and 6% Shared Ownership (18 dwellings). Should the total number of dwellings reduce at Reserved Matters stage, the tenure splits may need to be re-calculated and therefore any Section 106 Agreement would need to include a caveat to reflect this.

The Affordable Housing Statement states that the tenure will be agreed throughout the planning process but suggests a tenure split of 60 – 69% Affordable Rents (capped at LHA rates), 25% First Homes and 6 – 15% Intermediate Products i.e. Shared Ownership. Housing Officers would refer to the tenure split above and ask that rent levels are of social rent due to affordability issues within the district. Chapter 3 of the SHMA considered affordability of tenure options with reference to local incomes and households on minimum/living wages. It is noted that house prices across the SWDP are consistently higher than West Midland prices and within the SWDP, prices in Wychavon (and Malvern Hills) are highest. The SHMA 2021 Update indicates that households on lower quartile incomes cannot afford any tenure option / product at the current prices except for social renting. Whilst Housing Officers appreciate that capping affordable rents at the relevant LHA rate would provide protection for those who are in receipt of full housing benefit / full housing costs under Universal Credit, the shortfall between social rent levels and affordable rent levels could be significant for households who are not in receipt of full housing benefit / full housing costs making affordable rents an unaffordable option.

First Homes

The National Planning Practice Guidance (NPPG) states that 'First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations'. The adopted SWDP does not include a policy on First Homes because it preceded the Affordable Housing Update Written Ministerial Statement (WMS) issued in May 2021 (Written statements - Written questions, answers and statements - UK Parliament). The emerging SWDPR policy on affordable housing will include a requirement for First Homes and the policy will carry full weight once the SWDPR is adopted. In the meantime, regard has to be made to the WMS and therefore on sites of 5 or more dwellings MHDC and WDC will seek 25% of all affordable homes required by policy SWDP15 South Worcestershire Development Plan 2016 (swdevelopmentplan.org) to be delivered as First Homes.

Whilst Housing Officers appreciate that the finer details will be submitted at a later stage, the below comments may be helpful for future Reserved Matters application should this outline application be approved.

The Strategic Housing Market Assessment (SHMA) 2021 Update sets out an overall dwelling type mix by tenure (extract below). Housing Officers would expect to see a proposed mix that complies with this.

Table 6.3 Overall dwelling mix by tenure: Wychavon			
Dwelling type and size	Tenure mix (range)		
	Market dwellings	Social/Affordable Rented	Affordable Home Ownership
1 and 2-bedroom house	10-15%	10-15%	15-20%
3-bedroom house	35-40%	20-25%	35-40%
4 or more -bedroom house	20-25%	0-5%	15-20%
1-bedroom flat	0-5%	20-25%	5-10%
2 or more bedroom flat	5-10%	20-25%	15-20%
1-bedroom bungalow/level access	0-5%	10-15%	0-5%
2-bedroom bungalow/level access	5-10%	5-10%	5-10%
3 or more bungalow/level access	5-10%	0-5%	0-5%
Other	0-5%	0-5%	0-5%

Additionally, Housing Officers would suggest that smaller homes are the most appropriate to deliver as First Homes in order to attract first-time buyers. To ensure potential first-time buyers can afford to purchase the properties, Housing Officers would ask that approximate values are provided of the proposed homes at / prior to Reserved Matters stage. Housing Officers would welcome a discussion around the mix of property types for each tenure with the applicants.

Housing Officers encourage the Nationally Described Space Standards (extract below shows the recommended sizes of internal floor areas and storage) in terms of the size of affordable dwellings.

Table 1 - Minimum gross internal floor areas and storage (m²)

Number of bedrooms(b)	Number of bed spaces (persons)	1 storey dwellings	2 storey dwellings	3 storey dwellings	Built-in storage
1b	1p	39 (37) *			1.0
	2p	50	58		1.5
2b	3p	61	70		2.0
	4p	70	79		
3b	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
4b	5p	90	97	103	3.0
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
5b	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
6b	7p	116	123	129	4.0
	8p	125	132	138	

Notwithstanding this, affordable properties should be designed to be occupied as follows:

- All 2 bedroom dwellings designed for 4 persons
- All 3 bedroom dwellings to be designed for 5 persons
- 4 bedroom dwellings to be designed for 5, 6 and 7 persons

First Homes must meet the NDSS in terms of internal sizes.

The Affordable Housing Supplementary Planning Document also sets out the requirements for tenure blindness and the avoidance of clustering (ref 4.3 (b) and 4.3 (c)).

Despite this being an outline application, Housing Officers would seek to agree some fundamental principles, to be secured as part of the Section 106 agreement in relation to these dwellings at the outline stage, including the following: -

- 40% affordable housing with 69% Social Rent, 25% First Homes and 6% Shared Ownership.
- Provision of a range of property types to help meet local housing need which is to be agreed in writing with the Council prior to commencement of the Development, in the form of a comprehensive affordable housing scheme.

