

Affordable Housing Statement

Land at Egerton Road, Twickenham

August 2015

1 Introduction

Richmond Upon Thames College has submitted a planning application to the London Borough of Richmond upon Thames (LBRuT) proposing the redevelopment of the College site to provide a mixed-use development.

The development will provide 180 units (44 houses and 136 flats), a new Free School and Special Educational Needs (SEN) School, new college buildings, including a sports centre with public access, and a B1 'Tech Hub' office building.

This Affordable Housing Statement has been prepared to clarify the affordable housing offer proposed with the development including the reference to the viability appraisal submitted for consideration by LBRuT.

2 Affordable Housing Planning Policy

London Plan Policy 3.12 (Negotiating Affordable Housing on Individual Private Residential and Mixed Use Scheme) confirms that the maximum reasonable amount of affordable housing should be sought on private residential schemes having regard to the need to encourage rather than restrain residential development and the specific circumstances of individual sites amongst other matters. Furthermore, the policy states that negotiations on sites should take account of their individual circumstances including development viability.

In the LBRuT Core Strategy (CS), Section 7.2 'Costs and Viability' paragraph 7.2.5 confirms that there may be circumstances where affordable housing, other contributions or other requirements may make a particular scheme unviable for a developer. Paragraph 7.2.6 goes on to state that policies allow for exceptions subject to being supported by an appropriate viability appraisal. Finally, paragraph 7.2.7 confirms that LBRuT will assess the viability and weigh up the community benefits of the development taking place or not against the costs and impacts of reducing contributions or making other variations to policy to make the scheme viable.

CS Policy CP15 sets a baseline affordable housing target of 50% of all new units, with a tenure mix of 40% housing for social rent and 10% intermediate housing, on sites capable of ten or more units gross. Supporting text to the policy in paragraph 8.3.3.7 confirms that where viability is an issue in providing affordable housing, the onus will be on the developer to produce a viability appraisal showing the maximum amount that could be achieved on the site.

In the LBRuT Development Management Plan (DMP), Policy HO6 confirms that LBRuT will expect the maximum reasonable amount of affordable housing on mixed use schemes having regard to Policy CP15 and site specific circumstances. It also refers to Section 7.2 of the CS and that when considering proposals the Council will have regard to economic viability, individual site costs, the availability of public subsidy and the overall mix of uses and other planning benefits. Supporting text to the policy in paragraph 5.1.46 states that where the Council considers accepting a reduction in contributions, consideration will be on a case by case basis as to whether to prioritise funding for affordable housing or other priorities such as education and transport.

3 Viability Appraisal

The proposed development is supported by a detailed Affordable Housing and Economic Viability Assessment, which has been prepared in accordance with

LBRuT requirements set out in the CS (particularly paragraph 7.2.6), the DMP and also emerging guidance set out in the Draft Affordable Housing SPD (March 2012). It has also been prepared in general accordance with the GLA Toolkit guidance.

The appraisal includes detailed information including open market valuation report (land value), private sales revenues, development costs, planning obligations and CIL contributions.

We have not had detailed discussions with an Registered Provider of affordable housing (RP) as to the transfer of the affordable housing units within a scheme, as this is not appropriate at this stage. However, we have extensive experience in dealing with RPs and are of the firm opinion that the proposed affordable housing units would find more than sufficient demand amongst suitable RPs to ensure that a transfer is delivered. In addition, we would comment that the affordable housing figures adopted in our Viability Assessment have been assessed using a bespoke in-house model, that replicates the approach taken by RPs in order to assess the likely value of these units.

4 Affordable Housing Standards

The proposed affordable units comprise: 7 x 1-bed apartments; 6 x 2-bed apartments; 6 x 2-bed maisonettes; 1 x 3-bed apartments; 4 x 3-bed houses; 1 x 4 bed apartments; and 2 x 4 bed houses. The proposed tenure split of the affordable housing units is 80% Affordable Rented tenure and 20% shared ownership tenure, in accordance with CS Policy CP15. All of the proposed affordable dwellings will meet the relevant residential standards as set out in the Design Code.

5 Summary

Development viability is a key factor in determining the level of affordable housing and this is recognised by relevant Development Plan policies and the NPPF.

As confirmed in Section 7.2 of the CS and Policy DM HO6, LBRuT will assess each scheme on its individual merits including the overall mix of uses and its community benefit. The detailed Affordable Housing and Economic Viability Assessment indicates that the Section 106 obligations in the form of provision of affordable housing on the residential sites will need to be significantly reduced compared to a policy (CP15 – Core Strategy) compliant scheme of 50% affordable housing in order to generate sufficient receipt to provide the required College funding. However, there are considerable benefits associated with the proposals for the Site which should be considered alongside the provision of affordable housing. These include the provision of a significant amount of educational use development and infrastructure that is crucial to meeting local needs, together with employment generating uses, all within a sustainable development.