



Proof of Evidence

Paul Bradbury

Arlington Works 23 - 27 Arlington Road Twickenham TW1

Council reference: 18/2714/FUL

Appeal reference: APP/L5810/W/20/3249153

Appeal by Sharpe Refinery Service Ltd against refusal of an application for the Redevelopment of the site to provide 610 sqm of commercial space (B1 Use Class) within existing Buildings of Townscape Merit plus a new build unit, 24 residential units in two blocks (5 x 1 bedroom flats, 12 x 2 bedroom flats and 7 x 3 bedroom flats) and associated car parking and landscaping and other works.

1.0 QUALIFICATIONS AND EXPERIENCE

- 1.1. My name is Paul Bradbury B.A. Hons (Urban and Regional Planning). I have 28 years relevant planning experience, and a further 12 years housing experience eight of which have been within the housing service at the London Borough of Richmond Upon Thames. I have experience dealing with a wide range of housing matters including housing strategy and policy, housing development, I presently hold the post of Development Project Officer as the lead officer responsible for enabling the delivery of affordable housing for the Council.
- 1.2 I am familiar with the appeal site and its surroundings.
- 1.3 I can confirm that the opinions expressed within this evidence are my true and professional opinions.

2.0 INTRODUCTION

- 2.1 The scope of this Proof of Evidence is to set out the housing policy context for the appeal and address the relevant planning concerns raised by the appeal in relation to the provision of affordable housing. My evidence relates to the (NS02 Affordable Housing) reason for refusal:

‘The proposed on-site affordable housing provision, by reason of its under provision of affordable units on site below the percentage required, would fail to meet any priority needs for rented affordable housing. The proposed shared ownership units would fail to meet the affordability criteria in the Intermediate Housing Policy and would fail to adequately contribute to the Borough's housing stock or maximise affordable housing. The proposal would therefore be contrary to policy, in particular, the NPPF, policies 3.13 of the London Plan (2016) and LP 36 of the adopted Local Plan (2018) and the Mayor's Affordable Housing & Viability Supplementary Planning Guidance and the Local Planning Authority's Affordable Housing Supplementary Planning Documents’

- 2.2 The application provides 24 new homes in a mixed-use scheme. The Appellant confirmed that 8 of these homes will be provided as shared ownership homes; 1 x 1 bed, 5 x 2 bed and 2 x 3 bed flats.
- 2.3 The affordable housing offer was the result of agreed conclusions on viability agreed by our respective financial consultants. I confirmed that following agreement on this position the Appellant should provide evidence of engagement of a Registered Provider to confirm their offer for the proposed affordable housing to enable the Housing and Regeneration team to consider whether it would be viable to provide grant support either to alter the tenure, increase affordable homes or a combination of both.
- 2.4 This important policy requirement was not followed by the Appellant prior to determination of the planning application and only now have they provided further evidence to demonstrate compliance with the Council's planning policy and supplementary planning guidance.
- 2.5 I deal with this matter further in Section 8.0 below having considered the acceptability of the affordable housing content which was on offer at the time of refusal.
- 2.6 The Council's planning policy LP36 allows for provision of shared ownership homes within a mixed affordable tenure but the priority need is for homes for affordable rent. The Council's Affordable Housing SPD (para. 2.2.1) and Intermediate Housing Policy Statement (para.7) seeks to ensure that two thirds of shared ownership homes are affordable to people living and/or working in the Borough with median household incomes. Where homes can be sold above this threshold, affordability is to comply with the cap imposed by the Mayor of London's affordable housing planning policies which is currently set at £90,000.
- 2.7 My evidence demonstrates that the scheme fails to comply with the Council's planning and housing policies for the following reasons:
- (i) The proposal fails to comply with policy LP36 of the Local Plan which requires 50% affordable housing with a tenure split of 80:20

affordable rent: shared ownership unless it is demonstrated through evidence of financial viability that a lesser provision is to be provided. The scheme provides no homes for affordable rent. The Appellant has not provided any evidence to demonstrate that the inclusion of affordable rented homes is not financially viable.

- (ii) The proposed shared ownership homes will not meet the Council's affordability requirements for provision of shared ownership homes as set out in the Intermediate Housing Policy Statement which seeks to support those on median household incomes to purchase their first home (or incomes to achieve home ownership).
- (iii) Our planning policies seek the engagement of Registered Providers (RPs) to ensure that the affordable housing best meets Richmond's priority housing need, and exploration of the potential for use of public grant (both from the Mayor of London's Affordable Housing Programme and from the Council's Housing Capital Programme) to enhance scheme viability and thereby improve the affordable housing 'offer' to better meet the Council's stated priority affordable housing needs. No evidence has been provided to demonstrate that the scheme will be delivered through the Mayoral Affordable Housing Programme and thereby benefit from grant support. There has been no discussion with Housing officers regarding the potential for Richmond Council grant support to maximize delivery of affordable rented homes.
- (iv) The Appellant has not demonstrated that the design and/or management of the scheme cannot enable inclusion of homes (both for affordable rent and shared ownership) that would comply with the Council's planning and housing policies.

2.8 My conclusion is that the Appellant has not therefore demonstrated that the scheme as refused delivers the maximum reasonable amount and tenure of affordable housing that meets the Council's stated and evidenced priority affordable housing needs as set out in Richmond's Housing and Homelessness Strategy, Richmond Tenancy Strategy and Intermediate Housing Policy Statement and is contrary to policy LP36 of the Local Plan and the Affordable Housing SPD.

2.9 Further evidence of engagement with a Registered Provider and resultant options for affordable housing delivery involving potential Mayoral and Richmond Council grant funding has enabled the Council from a Housing perspective to consider the option which delivers the best 'fit' with our housing priority needs and whether inclusion of our grant funding could be justified to deliver this.

2.10 My evidence therefore is structured as follows:

- The context of Richmond's Housing Need and relevant Housing Policies to address these needs and priorities
- The Mayor's Affordable Housing Programme
- The Appeal Scheme's failure to maximize affordable housing provision as close to our policy requirements regarding affordable housing tenure as is shown to be viable
- Further options to alter or improve the affordable housing content
- Conclusions

3.0 THE CONTEXT OF RICHMOND'S HOUSING NEEDS AND PRIORITIES AND RICHMOND'S HOUSING POLICIES TO ADDRESS THESE NEEDS AND PRIORITIES

3.1 Richmond has the highest house prices in Outer London (Hometrack July 2019). Despite households having the second highest average earnings in Greater London, affordability is a key issue affecting residents. The average house price is now 13.1 times the average working person's income for the Borough (Hometrack, July 2019) with a 20-year average of 9.9. Whilst older residents hold considerable equity in property, their adult children, as well as private renters in the borough may struggle to access the local housing market, especially when families need to move to a larger home.

- 3.2 Richmond upon Thames has the fourth smallest housing association sector in Greater London in which to meet housing need (Census 2011).
- 3.3 For historic reasons the stock profile of housing association homes in Richmond upon Thames includes a large number of one- and two-bedroom units. As at March 2019, 3786 of RHP's 5752 general needs units (66%) are one and two bedroom sized (no bedsits), as stated in its Statistical Data Return.
- 3.4 RHP (Richmond Housing Partnership) to whom the Council transferred its housing stock in 2000 owns a large proportion of the total affordable homes in the Borough. In 2018/19 RHP's stock turnover by property size (as a proportion of total stock of 5226 rented homes) was 10.4% for one bed homes 6.1% for two (bedroom properties and was lowest (3.2%) for three bedroom and (1.9%) for four-bedroom homes. This means more smaller properties become available for re-letting compared to larger units, again increasing the need for larger family homes.
- 3.5 This is reflected in the Council's latest published data on the need and availability of affordable rented homes in the Borough.
- 3.6 Richmond is an expensive area to rent privately and has some of the highest rental prices in Outer London. In Richmond, in 2019/20, 80 households were accepted for the full homelessness duty, 19% of which were due to loss of private rented sector accommodation through eviction. 25 per cent of households became homeless following eviction/exclusion by family or friends. The loss of accommodation following domestic abuse/violence accounted for 18 per cent with all other reasons combined making up the balance.
- 3.7 An important indicator of demand is the Richmond Housing Register which contains the names of households who are in housing need and require re-housing, based on a points scheme to decide priorities for housing. A new Housing Allocations Scheme became effective in April 2018. As at April 2020 there were 4,442 households for whom the Council has accepted a 'duty to

house' on the Council's Access Queue requiring affordable rented homes as shown in Table 1 below.

Table 1-Richmond Housing Access Queues

	1st April 2020
Applicants on general needs queue	4,100
Registered under-occupiers (various queues)	65
Applicants on the older persons housing queue	233
Applicants on the physical disability queue	19
Applicants on the Supported queue	18
Applicants on social care queue	7
TOTAL	4,442

3.8 The assessed need by unit size in the Access Queue is shown in Table 2 below.

Table 2- Assessed bed size required

Assessed Bed size required	Numbers register at 1st April 2020
Studio/1 bed	2,250
2 bed	1,182
3 bed	596
4 bed	137
5 bed and larger	32
TOTAL	4,197

Note: excludes outstanding assessments for those in the Housing Access Queues.

This shows that there is a significant need for family sized rented homes of the size to be provided in the proposed scheme; i.e. in the General Needs Access

Queue, 43% of the households (1778 households) have an accepted need for a two or three bedroom home.

3.8 Actual supply by unit size in 2019/20 was as follows:

1 bed	209
2 bed	120
3 bed	36
4 bed	9
5 bed +	0

The supply for 2019/20 is shown in Table 3 below. This shows that in 2019/20 366 households were housed for 2018/20

Table 3-Access Queue Forecast and Actual delivery

Access Queue	2019/20 (Forecast)		2019/20 (Actual)	
	No.	%	No. (rounded)	%
General needs queue*	116	26	169	46
Homeless	197	45	114	31
Older persons (sheltered) housing queue	22	5	25	7
Physical disability	13	3	7	2
Supported queues	66	15	36	10
Social care queue	36	10	15	4
TOTAL	441	100	366	100

The forecast supply for 2020/21 is shown in the table attached as **Appendix PB1**. The forecast figure is 343 households will be accommodated.

3.9 The clear need for homes for affordable rent is reflected in the Richmond Tenancy Strategy 2019 (CDE34) and the Richmond Housing and Homelessness Strategy 2019-2023 (CDE35). Richmond's stated priorities for supporting those seeking to move to home ownership is set out in the Intermediate Housing Policy 2018. A summary of these Strategies is attached as **Appendix PB2**.

3.10 Note that the Council's Adult Social Service Health and Housing Committee on 2 September 2020 (CDH6) agreed revisions to the Intermediate Housing Policy that:

- RPs demonstrate affordability of sales in each scheme at an average household income of £56,200.
- Housing providers are required to demonstrate in marketing plans prior to launching sales that two thirds of the homes are affordable at gross household incomes of below £50,000, unless agreed otherwise by the Council, to ensure lower income households can still access these homes.

4.0 The London Plan

4.1 Fiona Dyson's evidence refers to the London Plan policies in detail.

Policy 3.11 Affordable housing targets

Policy 3.12 Negotiating affordable housing

Policy 3.13 Affordable housing thresholds

4.2 In relation this reason for refusal, policy H5 (CDB1) of the Intend to Publish London Plan is also relevant: setting the threshold for delivery of affordable housing on major development proposals and in relation to Strategic Industrial Locations, Locally Significant Industrial Sites and Non-Designated Industrial Sites. appropriate for residential uses in accordance with Policy E7 Industrial intensification, co-location and substitution where the scheme would result in a net loss of industrial capacity.

5.0 The Mayor’s Affordable Housing Programme 2016-2021

5.1 The Mayor’s Affordable Housing Programme 2016-2021 introduced three categories of affordable housing eligible for funding from the Programme. These are as follows:

5.2 London Affordable Rent

5.2.1 The starting point for London Affordable Rent should be the benchmarks set by the Mayor of London for homes which are let in 2017/18, set out in the table below. These benchmarks reflect the formula rent cap figures for social rents uprated by CPI for September 2016 plus one per cent. The 2020/21 weekly rent levels applicable for one- and two-bedroom homes are:

One bedroom	£159.32
Two bedrooms	£168.07
Three bedrooms	£178.05

Richmond’s Tenancy Strategy 2019 (CDE34) applies the London Affordable Rent model.

5.3 London Living Rent

5.3.1 London Living Rent is a Rent to Buy product with sub-market rents on time-limited tenancies. This will help households on average income levels with a maximum household income of £60,000 to save for a deposit to buy their own home. The expectation is that households will purchase their home on a shared ownership basis within 10 years of occupation. The GLA has calculated ward-specific rent levels for London Living Rent homes based on one-third of median gross household income for the local borough. The level is based on the borough median but varies by up to 20 per cent in line with house prices

for the ward. Thus, in Twickenham Riverside ward in which the appeal site is situated for 2019/20 the monthly LLR for one, two-and three-bedroom homes is £1167 and £1297 and £1427 respectively equating to a household income of £50,014 £55,595 and £61,157 respectively (based on 40% of net household income (at 70% of gross income)).

5.4 London Shared Ownership

5.4.1 London Shared Ownership homes allow a home buyer to purchase a share in a new home, and pay a regulated rent on the remaining, unsold share.

London Shared Ownership purchasers should have household incomes that can support an initial purchase of between 25 per cent and 75 per cent of the value of a property, and usually a mortgage deposit of around 10 per cent of the share to be purchased. Initial rents on the unsold equity of London Shared Ownership properties can be no more than 2.75 per cent of the value of the unsold equity at the point of initial sale, and all sales must use a form of lease containing the fundamental clauses set out in the GLA Capital Funding Guide.

5.4.2 London Shared Ownership homes are available to Londoners who have a maximum household income of £90,000 in accordance with the London Plan (updated in the Annual Monitoring Report). Where boroughs specify lower local income thresholds or other restrictions, providers should only apply these restrictions for the first three months of marketing, after which the London Plan maximum household income should apply. Thus, in Richmond our Intermediate Housing Policy applies a lower income threshold of £50,000 for two thirds of new build shared ownership sales (CDE28)

5.4.3 Notwithstanding the £90,000 affordability cap, The London Plan Annual monitoring Review September 2018 advises in para. 3.179 as follows:

‘Local planning authorities should seek to ensure that intermediate provision provides for households with a range of incomes below the upper limit and provides a range of dwelling types in terms of a mix of unit sizes (measured by number of bedrooms). The 2016 AMR (Annual Monitoring Review) stated that

average housing costs, including service charges for Shared Ownership and Discounted Market Sale, should be affordable by households on annual gross incomes of £56,200 pa, calculated as the mid-point of the upper income threshold of £90,000 and a lower threshold of £22,400 that was derived by increasing the previous year's threshold by RPI. This lower threshold has also not been increased in this AMR.'

5.4.4 All affordable housing schemes which are included in the Mayor's Affordable Housing Programme 2016-2021 need to accord with the requirements of the Mayor's Funding Prospectus, regardless of whether they receive GLA grant. Our local housing policies and affordable housing schemes therefore seek to comply with the Prospectus, taking account of local circumstances. The Prospectus sets out the Mayor's requirements in respect of Affordable Rented and Intermediate homes including the design standards that are to be complied with.

5.4.5 The Mayor published the Affordable Housing Programme Homes for Londoners 2021/26 in November 2020 (CDE14). The Programme aims to support delivery of three forms of affordable housing these are:

- London Living Rent -as above
- Shared Ownership-as above but enabling purchase with a minimum share of 10% and 'staircasing' purchase of additional shares at a minimum of 1%
- Social Rent- Recognising the overwhelming housing need in London is for low cost rented homes to help low income households, typically nominated by councils, the Mayor has replaced London Affordable Rent with Social Rent calculated using the formula and data set out in the Ministry of Housing, Communities and Local Government's Policy Statement on Rents for Social Housing from 1 April 2020 and in the Regulator of Social Housing's Regulatory Framework for Social Housing (including the Rent Standard 2020) for local authorities and private Registered Providers.

5.5 GRANT FUNDING FOR AFFORDABLE HOUSING

- 5.5.1 The Funding Prospectus for the Mayor's Housing Covenant 2016-2021 confirms the terms under which schemes included in the Affordable Housing Programme for 2016-21 will be funded.
- 5.5.2 The GLA is prepared in principle to provide grant support for additional affordable housing units above that shown to be viable and delivered through S106. This remains the case for the Mayor's 2021-2026 Affordable Housing Programme. Schemes with a start on site no later than September 2022 can be included within the 2016-21 programme and therefore subject to the grant rates in this programme.
- 5.5.3 Consideration of availability of public grant (both Mayoral and Richmond Borough) is a requirement of both the Council's Affordable Housing SPD and policy LP36 in determining the maximum reasonable amount of affordable housing that can be provided.
- 5.5.4 The Council funds a Housing Capital Programme to support the development of affordable housing to meet the needs of Borough residents. Capital resources for this programme come from a variety of sources including Council funding and financial contributions to the Affordable Housing Fund. Support from this funding may be available to help ensure schemes remain viable, particularly to ensure that larger family rented units remain affordable. In determining which schemes should be funded by the Council, the priorities are to meet key objectives in the Council's plans and strategies, which focus on increasing the supply of new permanent affordable rented housing and releasing existing under-occupied housing, taking into account value for money, deliverability of individual schemes and the implications of cross-borough working arrangements

5.6 RELEVANT PLANNING POLICIES

- 5.6.1 The relevant planning policy LP36 and the Affordable Housing Supplementary Planning Document have been agreed between the parties and are listed in the Statement of Common Ground. (CDI4).
- 5.6.2 These policies and guidance refer to the Housing Strategy (now the Housing and Homelessness Strategy), the Tenancy Strategy (CDE34)_and the Intermediate Housing Policy Statement (CDE28) in specifying the type of affordable rent and shared ownership homes to be provided and also provides guidance on the need to take account of the availability of public funding and to consult Rs in determining the maximum reasonable amount of affordable housing).
- 5.6.3 The Council's planning policies are clear that in order to maximise opportunities for providing affordable housing, there are two main requirements:
- 5.6.4 Firstly, that early engagement takes place with an RP (preferably one with existing stock in the Borough and who is familiar with and willing to apply the Council's guidance in relation to rent setting and shared ownership affordability) (policy LP36 (A)and para. 9.3.4. of the Local Plan)
- and
- Secondly, that the opportunities for use of public grant are fully explored (Local Plan policy LP 36 (C) (CDB1) and para.2.7.1 of the Affordable Housing SPD - CDC7):
- 5.6.5 The relevant housing and planning policies are referred to directly in the sections below.

5.7 Summary of Richmond's Priority Housing Need and Relevant Policies

5.7.1 Richmond's priority housing needs for affordable rented homes is informed by the following factors:

- Richmond is an expensive Borough in which to live with the private rented market being distorted by focusing on meeting the needs of corporate let market and professional with higher incomes. Tenancy termination is the reason why a significant number of households are placed on the Council's Access Queue.
- More smaller social rented properties become available for re-letting compared to larger units, increasing the need for larger family homes of 2 or more bedrooms.
- Affordable Rents at 80% of market rents are clearly not affordable in large parts of the Borough these areas taking them outside of all Local Housing Allowance rates by a significant margin. There is a need to set rent levels below LHA levels to ensure sustainability of tenure for housing applicants claiming welfare benefits including the low waged, who comprise most households on the Richmond Housing Register.

5.7.2 Planning policy LP36 reflects the Borough's priority housing needs as set out in the Council's adopted housing strategies. Policy LP36 seeks to deliver 80% of new affordable housing to support those in priority need on the Richmond Access Queue, a large proportion of whom are dependent on welfare support including low income working households.

5.7.3 Our housing policies seek to address identified need by adopting the Mayoral approach to rents by applying London Affordable Rents and ensure sustainability of tenure.

5.7.4 Our housing policies seek to support households on the Housing Register and other households who live and/or work within the Borough who want to

move into home ownership by ensuring that two thirds of new shared ownership units are affordable to those with household incomes not exceeding £50,000.

6.0 THE APPEAL SCHEME'S FAILURE TO MAXIMISE AFFORDABLE HOUSING PROVISION

6.1 Failure to provide evidence of scheme viability to demonstrate that it is not possible to provide a policy compliant tenure and unit mix

6.1.1 With reference to the planning policy requirements as set in Section 5 above no evidence has been provided by the Appellant of involvement with RPs who can provide homes for Affordable Rent to ensure mixed tenure provision as part of the development. Full evidence of scheme viability including evidence of engagement with an RP would have enabled the potential for public grant funding to be fully explored before determination of the application. Such evidence is now provided and assessed in Section 8.0 below.

6.1.2 In this case the shared ownership homes are provided in two blocks providing 4 in each. They are therefore capable of providing homes for affordable rent for ownership and management by a Registered Provider independent of the remainder of the scheme.

6.1.3 I have confirmed the significant need for family sized rented homes with two or more bedrooms; the scheme no homes for affordable rent for which there is significant need in the Borough (see paras. 3.3 and 3.4 above).

6.1.4 No evidence has been provided to demonstrate that it would not be viable to provide homes for affordable rent in at least one of these blocks. Such evidence is also now provided and assessed in Section 8.0 below.

6.1.5 Both policy LP36 and the Affordable Housing SPD require the availability of public grant (defined as grant both from the Mayoral Affordable Housing Programme and from the Council's Housing Capital Programme) to determine

the maximum amount of affordable housing that can be provided to meet the Council's priority housing needs.

7.0 Failure to ensure affordability of the proposed shared equity/ownership homes in compliance with Local and Mayoral policy

7.1 The Council's affordable housing planning and housing policies seek to encourage delivery of shared ownership homes as a proportion of overall affordable housing delivery to meet the identified need for low income households to gain access to the housing market whilst seeking to give priority to households living and/or working in the Borough and with a household income not exceeding £50,000.

7.2 The Table attached as **Appendix PB2** illustrates the affordability of the proposed homes. The sales values are as agreed in the assessment of financial viability.

7.3 Thus a household seeking to purchase a 25% share with a deposit of 10% and mortgage on the equity purchase share of the single one bedroom flat would require a household income of £50,527. For the five two bedroom flats a household income of between £61,546 and £72,560 would be required. For the two three bedroom flats a household income of £88,100 would be required. I estimate the average household income required for the units to be £68,180.

7.4 The appellant estimates that the proposed shared ownership homes would require a household income of between £69,700 and £76,000 but have not provided the inputs to confirm this level of affordability.

7.5 By either of our assessments, the proposed shared ownership homes would not meet the Council's affordability requirements neither in relation to the low income cap nor the average household income achieved (see para. 3.10 above).

7.6 In summary as submitted, the proposed homes to be provided as shared ownership do not meet the Council's requirements to ensure local affordability and eligibility for shared ownership.

8.0 Design and Value Engineering to Improve the Affordable Housing Content

- 8.1 I have explained why the proposed shared ownership homes do not meet the Council's affordability requirements and also. explained how Richmond Council works in partnership with Registered Providers to maximise affordable housing in well-designed schemes at rents that meet our priority housing needs. The availability of public grant is a material consideration in determining whether provision has been maximised. It is therefore necessary to consider whether the scheme content could be improved to better meet the Council's priority housing needs.
- 8.2 As an example two high value 3-bedroom homes (floor area 101 sq.m.) are included as shared ownership homes. Inclusion of larger sized homes as affordable housing (whether for rent or shared ownership) inevitably impacts on scheme viability more than smaller units.
- 8.3 In this case there is clear potential to release two high value 3 bedroom shared ownership homes which clearly do not meet the Council's affordability requirements for open market sale. The value released can therefore be applied to convert smaller 2 bed shared ownership units for provision as affordable rented homes.
- 8.4 The Appellant has now put forward various options on two further occasions for alternative affordable housing delivery based on confirmed offers received from a Registered Provider (RP), namely RHP. These are attached as **Appendix PB3** and enables the Council to consider the merits of providing grant from its Housing Capital Programme to enhance the affordable housing offer. The Appellant has now correctly followed our adopted Policy that viability should be evidenced by engagement with RPs and should take account of availability of public grant funding

8.5 The finalised options can be summarised as follows:

Option 1-11 shared ownership allowing for Mayoral grant

Option 2-40% affordable housing by habitable room (10 flats) with policy compliant tenure (8 London Affordable Rent and 2 shared ownership allowing for Mayoral grant resulting in a deficit

Option 3-4 London Affordable Rent & 1 shared ownership Unit

Option 4-8 shared ownership (as currently proposed)

Option 5-6 London Affordable Rent and 2 shared ownership

8.6 Having reviewed the options, the Council wishes to secure affordable housing as set out in **Option 2** and in principle will support the provision of grant from our Housing Capital Programme to fund the identified deficit. Grant funding may also involve use of funding to which the Council and RHP have joint access through an Agreement arising from the transfer of our housing stock to RHP. The required grant funding will therefore be subject to the necessary procedural approvals from both parties.

8.7 Further negotiation is ongoing to agree this Option and confirmation of an appropriately worded S106 agreement to deliver this (or alternative affordable housing provision as appropriate).

9.0 CONCLUSIONS

- 9.1 I have demonstrated that there is a sound evidential basis for the housing and affordable housing planning policies that are relevant to this appeal.
- 9.2 The scheme as refused will not meet our priority housing need for family rented housing of two bedrooms or larger. The scheme furthermore fails to address the Council's priority to support lower income households into home ownership, although the design and layout of the scheme appears to offer potential for affordable homes complying with the Council's priority needs to be included within the development.
- 9.3 Richmond's planning policies and guidance require evidence of effective liaison between the developer, Housing and Planning colleagues and with partner Registered Providers. There is no evidence that these requirements have been met.
- 9.4 The Council's policy approach seeks to establish a baseline position on the viability of providing affordable housing in full compliance with design standards and with our adopted approach to rent setting and shared ownership affordability. This enables our partner Registered Providers to consider the potential for them to provide additional funding either from their own resources and/or GLA funding and to consider use of our own Housing Capital Programme funding to complement RP resources.
- 9.5 The application was determined without agreement on the viability position and compliance with the procedure set out in our planning policy and supplementary planning guidance was not followed. This could have enabled agreement on delivery of affordable housing and avoided the (NS02 Affordable Housing) reason for refusal.
- 9.6 Putting aside any other material planning considerations addressed in the evidence of Fiona Dyson, I consider that the scheme as refused fails to provide

the maximum reasonable amount of affordable housing and reason NS02 is justified.

- 9.7 The Appellant has belatedly provided evidence of engagement with an RP with a local management presence the input of whom has now assisted in negotiation of a scheme which better meets this Council's priorities with the assistance of our Housing Capital grant funding. This is ongoing.
- 9.8 There is therefore clear potential for the scheme to deliver an improved tenure mix which would better meet the Council's priority housing needs

APPENDICES

APPENDIX PB1	FORECAST PROVISION OF AFFORDABLE RENTED HOUSING
APPENDIX PB2	SHARED OWNERSHIP AFFORDABILITY
APPENDIX PB3	OPTION TENURE AND UNIT SIZE MIX

APPENDIX PB1 FORECAST PROVISION OF AFFORDABLE RENTED HOMES

RICHMOND UPON THAMES - HOUSING RESOURCES 2020/21	Forecast Housing Resources 2020/21					
	BS/ 1 BED	2 BED	3 BED	4 BED	5+BED	TOTAL
RICHMOND HOUSING PARTNERSHIP (RHP) PROPERTIES						
Casual vacancies - General needs properties	100	32	15	2	0	149
Casual vacancies - Sheltered properties	4	0	0	0	0	4
Developments - General needs and Sheltered properties - Not suitable for wheelchair users	0	0	5	0	0	5
Developments - General needs and Sheltered properties - Suitable for wheelchair users	0	2	0	0	0	2
sub total	104	34	20	2	0	160
PARAGON PROPERTIES						
Casual vacancies - General needs properties	40	20	2	2	0	64
Casual vacancies - Sheltered properties	12	1	0	0	0	13
Developments - General needs and Sheltered properties - Not suitable for wheelchair users	0	0	0	0	0	0
Developments - General needs and Sheltered properties - Suitable for wheelchair users	0	0	0	0	0	0
sub total	52	21	2	2	0	77
NOTTING HILL HOUSING GROUP (NHHG) PROPERTIES						
Casual vacancies - General needs properties	2	0	0	0	0	2
Casual vacancies - Sheltered properties	0	0	0	0	0	0
Developments - General needs and Sheltered properties - Not suitable for wheelchair users	0	0	0	0	0	0
Developments - General needs and Sheltered properties - Suitable for wheelchair users	0	0	0	0	0	0
sub total	2	0	0	0	0	2
LONDON & QUADRANT PROPERTIES (L&Q)						
Casual vacancies - General needs properties	4	0	2	0	0	6
Casual vacancies - Sheltered properties	4	0	0	0	0	4
Developments - General needs and Sheltered properties - Not suitable for wheelchair users	0	0	0	0	0	0

Developments - General needs and Sheltered properties - Suitable for wheelchair users	0	0	0	0	0	0
sub total	8	0	2	0	0	10
OTHER HOUSING ASSOCIATIONS PROPERTIES						
Casual vacancies - General needs properties	10	4	3	1	0	18
Casual vacancies - Sheltered properties	1	0	0	0	0	1
Developments - General needs and Sheltered properties - Not suitable for wheelchair users	0	0	0	0	0	0
Developments - General needs and Sheltered properties - Suitable for wheelchair users	0	0	0	0	0	0
sub total	11	4	3	1	0	19
SUB TOTAL	177	59	27	5	0	268
Private Sector properties made available to applicants who are homeless or threatened with homelessness	40	30	5	0	0	75
sub total	40	30	5	0	0	75
GRAND TOTAL RESOURCES	217	89	32	5	0	343

APPENDIX PB2

SHARED OWNERSHIP AFFORDABILITY

Unit size -beds	1	2 bed 3 person	2 bed 4 person	3
Open Market Value £	415,500	523,530	631,560	839,310
Deposit £	10,388	13,088	15,789	20,983
Share Purchase %	25%	25%	25%	25%
Share £	103,875	130,882	157,890	209,827
Unsold Equity £	311,625	392,648	473,670	629,483
Mortgage £	93,488	117,281	142,101	188,845
Annual mortgage £	5,640	7,080	8,544	11,352
Rent on Unsold Equity %	2.5	2	2	1.75
Annual rent £	6,232	7,853	9,473	11,016
Annual service charge £	2000	2,000	2,000	2,000
Total annual housing cost £	14,146	17,233	20,317	24,668
Household Income required £	50,526	61,546	72,562	88,100

Notes:

- Sales value assessed at £8,310 per square metre applied to a floor area of: 1 bed 50 sq.m, 2 bed 62 sq.m. and 3 bed 101 sq.m.
- Mortgage at 3.5% for a 25 year period
- Deposit at 10% of share purchased
- Service charge @ £167 per month Total income required assessed based on total housing costs representing no more than 40% of net household income (at 70% of gross income).

APPENDIX PB3**OPTIONS FOR ALTERNATIVE PROVISION****OPTION 1**

Unit Size	London Affordable Rent	Shared Ownership
1 bed		2
2 bed 3 person		4
2 bed 4 person		3
3 bed 5 person		2

OPTION 2

Unit Size	London Affordable Rent	Shared Ownership
1 bed	1	1
2 bed 3 person	4	
2 bed 4 person	1	1
3 bed 5 person	2	

OPTION 3

Unit Size	London Affordable Rent	Shared Ownership
1 bed		
2 bed 3 person	2	1
2 bed 4 person		
3 bed 5 person	2	

OPTION 4

Unit Size	London Affordable Rent	Shared Ownership
1 bed		1
2 bed 3 person		4
2 bed 4 person		1
3 bed 5 person		2

OPTION 5

Unit Size	London Affordable Rent	Shared Ownership
1 bed		1
2 bed 3 person	1	1
2 bed 4 person	3	
3 bed 5 person	2	

