

**Oakley Farm, Priors Road, Cheltenham, Gloucestershire, GL52 5AQ,
20/01069/OUT**

Level of Affordable Housing Provision:

Based on a scheme of 250 residential units we will be seeking 40% affordable housing in line with JCS Policy SD12: Affordable Housing (100 affordable homes).

The Council will also explore with the developer, Homes England and local Registered Providers regarding the possibility of securing additional affordable housing units on the site.

The Council interprets that latest LHNA that has been commissioned also requires a mix of 70:30 rented to intermediate housing. This mix strikes a balance between fostering cohesive, resilient communities and meeting affordable housing needs.

Dwelling Mix

Having regard to local needs and a mix of 70:30 rented to intermediate housing, we would seek the following mix of affordable dwellings on a policy compliant site:

40% affordable (100 affordable homes)	Social Rented	Shared Ownership (let in line with CFG)	Totals:	As % of total affordable.
1b2p Ground Floor Maisonette, M4(2) Cat 2, 50m2.	8	0	8	24
1b2p Upper Floor Maisonette, 50m2.	8	0	8	
1b2p Bungalow M4(3) Cat 3b, 60m2	2	0	2	
1b2p Bungalow M4(2) Cat 2, 50m2	6	0	6	
2b4p House, 67m2	6	10	16	42
2b4p House, 79m2 (M4(2) Cat 2)	8	8	16	
2b4p Ground Floor Maisonette 71m2 M4(2) Cat 2	5	0	5	
2b4p Upper Floor	5	0	5	

Maisonette 71m2				
3b5p House, 82m2	7	8	15	27
3b5p House M4(2) Cat 2	4	0	4	
3b6p House, 95m2,	4	4	8	
4b7p House, 108m2.	6	0	6	6
5b8p House, 121m2	1	0	1	1
Totals:	70%	30%	100	

Viability:

The Joint Core Strategy states that where there is an issue relating to the viability of development that impacts on delivery of the full affordable housing requirement, developers should consider:

- Varying the housing mix and design of the scheme in order to reduce costs whilst having regard to the requirements of other policies in the plan, particularly Policy SD4, and the objective of creating a balanced housing market.
- Securing public subsidy or other commuted sums to assist delivery of affordable housing

If a development cannot deliver the full affordable housing requirement, a viability assessment conforming to an agreed methodology, in accordance with Policy INF6 will be required. Viability assessments will be published in full prior to determination for all non-policy compliant schemes except in exceptional circumstances when it can be proven that publication of certain specific information would harm the commercial confidentiality of the developer to no public benefit. Where necessary CBC will then arrange for them to be independently appraised at the expense of the applicant.

The council considers that information submitted as a part of, and in support of a viability assessment should be treated transparently and be available for wider scrutiny. In submitting information, applicants should do so in the knowledge that this will be made publicly available alongside other application documents.

The council will allow for exceptions to this in very limited circumstances and only in the event that there is a convincing case that disclosure of an element of a viability assessment would cause harm to the public interest to an extent that is not outweighed by the benefits of disclosure. Given the significant benefits associated with the availability of information to the public as part of the decision making process, and the other factors identified above, the councils anticipate that there would be very few exceptions.

If an applicant wishes to make a case for an exceptional circumstance in relation to an element of their assessment, they should provide a full justification as to the extent to which disclosure of a specific piece of information would cause an 'adverse effect' and harm to the public interest that is not outweighed by the benefits of disclosure. The council will consider

this carefully, with reference to the 'adverse effect' and overriding 'public interest' tests in the EIR, as well as the specific circumstances of the case.

The viability of a site may enable additional levels of affordable housing to be delivered above the requirements set out in the Joint core Strategy. In this case the authority will negotiate with developers to find an appropriate balance to deliver affordable housing and infrastructure needs.

Dwelling Mix:

JCS Policy SD11 sets out that development should address the needs of the local area, including older people, as set out in the local housing evidence base including the most up to date SHMA.

The Council's preferred dwelling mix is found above and has been informed by a number of evidence bases that are reflective of affordable housing need of the Borough.

First and foremost, this mix has been informed by the Council's Housing Register, which, as of July 2020 indicated that 2,205 households were in affordable housing need in Cheltenham Borough; of these, 1,162 households were in 1 bedroom need, 630 households were in 2 bedroom need, 302 households were in 3 bedroom need, and 112 households were in 4+ bedroom need.

When deciding upon an appropriate affordable housing mix, it is also useful to consider the 'churn' and waiting times of affordable homes in the Borough, which indicates the availability of certain property sizes for households in affordable housing need.

Considering the churn of affordable homes in the Borough, the latest Locata reports indicate that, of 1,874 lets completed between 01/01/2016 and 30/07/2020 in Cheltenham Borough, only 50 lets were for 4 bedroom affordable homes (3% of total lets) and 4 (0.2% of total lets) were for 5 bedroom homes. For the sake of comparison, in the aforementioned timeframe the Council let 343 three bedroom affordable homes (18% of total lets) and 730 two bedroom affordable homes (39% of total lets), with the remaining 747 lets completed (40% of total lets) being for 1 bedroom affordable homes. Whilst it is recognised that not all of these lets will relate directly to new-build affordable homes, it is nevertheless important to consider churn as an indication of the availability of affordable homes for households in need in the Borough.

Moving onto examine the waiting times for the allocation of affordable homes in Cheltenham Borough between 01/01/2016 and 30/07/2020, a clear trend emerges surrounding extended waiting times for households in 4 and 5 bedroom affordable housing need compared to those requiring smaller affordable homes. Case and point, the average wait for a 1, 2 or 3 bedroom home ranged between 7-14 months in this period, compared to an average wait of 18 months for a 4 bedroom affordable home or 32 months for a 5 bedroom affordable home in the Borough.

The Council has also drawn upon past delivery of affordable homes in Cheltenham Borough when deciding upon a mix that best accommodates local affordable housing needs. Between 2011/12- 2019/20, the Council has delivered 32 four bedroom + homes (approximately 5% of overall delivery). However, despite this delivery, clearly a significant need for larger affordable homes still exists.

Figure 59 of the 2020 Gloucestershire LHNA also provides a basis for establishing an appropriate dwelling mix, when considered in a holistic manner with other databases

indicating affordable housing need. The LHNA reflects that Cheltenham Borough has a need to deliver 1,510 rented homes between 2021-41; of these, the LHNA identifies a need for approximately 534 (35%) 1 bedroom affordable homes, 481 (32%) 2 bedroom affordable homes, 265 (18%) 3 bedroom affordable homes and 230 (15%) 4+ bedroom affordable homes.

The Council's mix also indicates clear preference for providing a contingent of 1 bedroom bungalows, on the grounds of providing an attractive offer for downsizers (with 57 downsizers currently on the Housing Register for 1 bedroom accommodation). Cheltenham Borough's emerging evidence base, the 2020 Gloucestershire LHNA, supports this approach, noting that for every bungalow built, a large affordable home is released into the wider affordable housing stock.

Taken altogether, these evidence bases have been balanced against housing management implications for RP's to inform the Council's preferred affordable housing mix found on Page 1.

Rents

The 2015 SHMA Update Note indicates a substantial need for rented affordable housing in Cheltenham Borough with particular emphasis upon the need for social rented homes. Case and point, of 707 households in need of affordable housing each year in Cheltenham, Table A1.12 states that 76% of Cheltenham Borough Council's total affordable housing delivery (537 Affordable Homes per annum) should be in the form of Social Rent, compared to 15% for Affordable Rent respectively.

In addition to the above, the Council's emerging evidence base, the 2020 Gloucestershire LHNA (which has been signed off, but is not yet publically available) indicates that Cheltenham Borough has an overriding need to deliver social rented homes to meet affordable housing need. Figure 86 reflects that, between 2021-41, Cheltenham Borough has a need for 1,511 rented homes, of which 1,325 new affordable homes should be provided in the form of Social Rent, which forms 88% of Cheltenham's rented need. Accordingly, the Housing Enabling team will seek the entire rented provision on this scheme in the form of Social Rent to best accommodate identified affordable housing needs.

In particular, the emerging LHNA makes a compelling case for delivering 1 bedroom and 4 bedroom + units at Social Rented levels. Addressing the case for delivering 1 bedroom affordable homes at social rent, The LHNA identifies that an annual income of £15,762 is required to rent a 1 bedroom Affordable Rented property in Cheltenham Borough, however, the maximum annual income for housing benefit support in the Borough for a 1 bedroom household ranges between £12,791 and £14,970. This leaves a shortfall of £792-£2,971 between the maximum housing benefit support a household can receive and the annual income required to ensure that households were not spending more than 35% of the gross annual income on their housing costs. Accordingly, providing 1 bedroom affordable homes at social rented levels will ensure that they are genuinely affordable for households in affordable housing need.

Equally, due to the impact of the benefit cap upon larger households, the Council is also justified in seeking 4 and 5 bedroom affordable homes to be provided at Social Rented levels.

Consulting with RP's has testified to the fact that providing the entirety of the rented provision at social rented levels will also provide wider benefits beyond meeting affordable housing need. For instance, whilst in theory, housing costs should be covered in full by

housing benefit at affordable rented levels, where households are working part-time, housing benefit is correspondingly reduced, meaning that housing costs take up a greater percentage of household earnings, which, in turn, is likely to lead to households falling into housing stress and threatening the sustainability of their tenancy.

Equally important, by providing the affordable homes on this development at social rented levels will reduce the burden upon housing benefit (by granting households greater disposable income due to the lower rental levels associated with social rent).

The Council are keen to take steps to ensure that tenancies are sustainable, as this will help contribute towards creating cohesive, resilient communities which, in turn will aid all residents in reaching their potential. Therefore, by providing affordable homes at Social Rented levels, households are likely to have increased levels of disposable income and a better quality of life.

Service Charges

Any service charges on the affordable dwellings should be eligible for Housing Benefit.

Service charges should be kept minimal this can be achieved through the design and we would be happy to refer you to RP's for further input if necessary.

Shared Ownership

We would expect that the shared ownership units will be let at a level that is affordable, having regard to local incomes and house prices. Additionally, Shared Ownership homes should be let in line with the latest Capital Funding Guide (CFG) from Homes England.

Examining the latest figures provided by Help to Buy South Agent 3 to address Cheltenham's need for Shared Ownership homes reveals that 513 households specifically required Shared Ownership homes, (not including 195 households who applied for any scheme). Of these 513 households, the majority required a 2 bedroom Shared Ownership home, with 303 households (59% of total households) stating this preference. Addressing the need for 1, 3 and 4 bedroom Shared Ownership properties in Cheltenham Borough, Help to Buy South Agent 3's statistics indicate that 94 households (18% of total households) required a 1 bedroom Shared Ownership home, 110 households (21% of total households) required a 3 bedroom Shared Ownership home, and 6 households (1% of total households) required a 4 bedroom Shared Ownership home.

Considering the preferences of those in Shared Ownership need, 75% of those in 2 bedroom need stated a preference for a house, with only 8% stating a need for a flat. Equally, no households in 3 bedroom need stated a preference for a 3 bedroom Shared Ownership flat, and, as such, the Council would also expect these properties to be houses.

Car Parking

Parking provision for affordable homes will be expected to be made on the same basis as that provided for market dwellings.

The Council would prefer on-plot parking wherever possible.

Affordable Housing Standards

We would expect all the affordable housing to meet minimum gross internal floor area size measurements, space, design and quality standards as described by the Homes England.

JCS Policy SD11 states that housing should be designed to be accessible and adaptable as far as is compatible with the local context and other policies.

Amendments to M4(1), M4(2) and M4(3) of Schedule 1 to the Building Regulations 2010 took effect on 1st October 2015 therefore we would seek the Council's preferred mix found on Page 1.

All ground-floor flats or a proportion of dwellings (to be agreed) should be designed to meet the 2015 amendments of M4 (2) Building Regulations 2010.

Cheltenham's emerging evidence base, the 2020 Gloucestershire LHNA identifies that, between 2021-41, there is a need for 67% of all new development across Gloucestershire to meet M4(2) Cat 2 standards.

Looking at Cheltenham's needs specifically, the LHNA notes that Cheltenham Borough has a need to deliver 7,215 M4(2) Category 2 homes between 2021-41 (361 M4(2) Cat 2 dwellings per annum). It therefore follows that the Council will seek to maximise the provision of new M4(2) Category 2 affordable homes on this development scheme.

Scrutinising the need for M4(2) Cat 2 dwellings on a Borough-wide level, as informed by Homeseeker Plus data, the latest data indicates that 183 households in Cheltenham Borough require a 1 bedroom affordable ground floor flat or lift (level access accommodation), 51 households require a 2 bedroom affordable ground floor flat/lift, and 20 households require a 3 bedroom level access home. Clearly, these figures indicate a significant level of need for level access accommodation across 1, 2 (and to a lesser degree) 3 bedroom affordable homes, which has been reflected in the ideal affordable housing mix found on Page 1.

Assessing the need for accessible, level access M4(2) Category 2 accommodation on a parish level (Charlton Kings), 45 households required a 1 bedroom affordable ground floor flat/lift (level access accommodation), 11 households require a 2 bedroom level access home, and 5 households require a 3 bedroom level access home. Therefore, considered in both the context of meeting Borough wide and local parish needs, there is a significant unmet need for M4(2) Category 2 properties on this development.

The Council would also be keen to explore the potential for straight staircases to be installed on the top floor of all maisonettes to facilitate easy adaptation for dwellings to meet M4(2) Category 2 standards (as updated from time-to-time) with Disabled Facilities Grant if and when required. This will enable households to maintain their tenancies and live sustainably for longer, as well as allowing households to access the entirety of their homes without restriction.

This approach is justified on the grounds of facilitating households to access the entirety of their property, free from any restraints in entering and exiting their home. In a day-to-day context, providing a significant number of M4(2) Category 2 accessible homes to meet identified needs will allow households to have socialise with friends, study in a comfortable environment and move freely about their home.

Any wheelchair user dwellings would be required to be designed to meet the 2015 amendments of M4 (3) Building Regulations. As the gross internal areas in this standard will

not be adequate for wheelchair housing, additional internal area would be required to accommodate increased circulation and functionality to meet the needs of wheelchair households. The size standards expected from these dwellings has been set up in the affordable housing dwelling mix found on page 1.

Under the Public Sector Equality Duty found within the 2010 Equality Act, the Council has an obligation to, when exercising its functions (such as negotiating on affordable housing provision);

- Eliminate discrimination, harassment, victimisation and any other conduct prohibited under this Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

The 2010 Equality Act goes on to state that Local Authorities (when exercising public functions, such as negotiating on affordable housing provision) should...

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or any other activity in which participation by such persons is disproportionately low.

Our latest evidence base, the 2020 Gloucestershire LHNA, forecasts a need for Cheltenham Borough to deliver 213 M4(3) Category 3 affordable homes between 2021-2041 (an average of 11 per annum).

Reflecting upon the current for affordable M4(3) Cat 3 wheelchair accessible homes, the Council finds that as of July 2020, 57 households across the Borough are in need of wheelchair accessible accommodation. The majority of this need falls into 1 bedroom (32 households), with a lesser degree of need found in 2 and 3 bedrooms respectively.

The Council's ideal mix of wheelchair accessible dwellings is also informed by constrained past delivery of wheelchair accessible affordable homes in Cheltenham Borough. In this case, the Borough's affordable housing quarterly returns reflect that, in the period between 2011-12 and 2019-20, Cheltenham Borough Council has delivered 8 wheelchair accessible affordable homes. In essence, this means that there is likely to be a shortfall in the current provision/availability of wheelchair accessible homes in Cheltenham Borough that must be addressed, in part through new delivery where a need for these homes arises.

To this end, the Council will seek 2 x 1 bedroom wheelchair accessible M4(3) Category 3b wheelchair homes to meet the Borough-wide need for these dwellings. By delivering these affordable homes for wheelchair users, the Council will also be meeting its obligations under the 2010 Equality Act.

There is no longer a requirement for a specific level of Code for Sustainable Homes Standard to be achieved to meet HCA standards for new affordable homes. This is therefore to be negotiated with the developer.

Design, Clustering and Layout:

The design of affordable housing should meet required standards and be equal to that of market housing in terms of appearance, build quality and materials.

Furthermore, affordable housing should also be provided on-site and should be seamlessly integrated and seamlessly distributed throughout the development scheme to the extent that the development is tenure blind, and the affordable homes are visually indistinguishable from their affordable counterparts.

In line with the JCS clustering strategy, the Council will expect that each cluster of Affordable Housing Units shall not exceed eight (8) units unless otherwise agreed in writing by the Council.

The JCS clustering strategy also clarifies the Council's expectation that no group of Affordable Housing Units will be located contiguously to any other group of Affordable Housing Units.

Further guidance on appropriate clustering and/or layout of the affordable homes on this development scheme can be provided by the Housing Strategy and Enabling Officer upon request.

The Council will await a more detailed planning layout before commenting further upon the distribution and layout of the affordable homes.

Full Planning Application

On submission of a full planning/revised matters application we would require an Affordable Housing Plan as part of the application, detailing the location of both the market and affordable homes in terms of their type, tenure, accessibility standards and size as well as highlighting parking spaces and the dwellings they serve.

Registered Providers

All affordable housing should be provided by a Registered Provider who will be expected to enter into a nominations agreement with the Local Authority, providing 100% nominations on first letting/sale and 75% of all subsequent lettings thereafter. This will assist the Local Authority in meeting its statutory housing duties under the Housing and Homelessness legislation.

A list of Registered Providers managing accommodation in Cheltenham can be made available if needed.

Ewan Wright

Housing Strategy and Enabling Officer

19/08/2020