

**AFFORDABLE
HOUSING STATEMENT
BRIDGE HOUSE,
UXBRIDGE, UB8 1HS**

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1.0 Introduction

- 1.1.1 Bidwells has been instructed by Permitted Development Investments No.6 Ltd. ("the Applicant") to prepare this interim viability statement in support of a planning application ("the Proposed Scheme") that is being submitted to the London Borough of Hillingdon ("LB Hillingdon") for the redevelopment and extension of the above property.
- 1.1.2 The application site comprises Bridge House, a seven-storey office building located north-west of Uxbridge town centre. It is bound by Oxford Road to the north, the Grand Union Canal to the east, the River Colne to the west and a multi-storey car park and two additional office buildings (Riverview House and Waterside House) to the south. The wider site forms the UK and European headquarters of Xerox, which is in the process of relocating its operations.
- 1.1.3 Prior Approval was obtained in September 2017 to convert the three existing office buildings to C3 residential, delivering a total of 237 dwellings. As the permission was obtained under permitted development rights, there is no requirement to provide affordable housing or other planning gain.
- 1.1.4 The Prior Approval Scheme would include the conversion of all seven floors of Bridge House, including the top floor plant room, to provide 123 new flats.
- 1.1.5 The Proposed Scheme would see the demolition of the plant room of Bridge House and the construction of a new two-storey roof-top structure delivering a total of 25 new units (instead of the seven which would be housed in the converted plant room in the Prior Approval Scheme). The total net addition of units over the Prior Approval Scheme would therefore be 18.
- 1.1.6 Local planning policy requires all new residential developments of ten or more dwellings to make a contribution towards affordable housing, subject to viability, with a 'target' of 35% provision by Habitable Room.
- 1.1.7 The Applicant intends to provide a level of affordable housing contribution which conforms with the local policy requirement, and will confirm this using an Economic Viability Assessment ("EVA") following agreement of the bulk and massing of the Proposed Scheme with LB Hillingdon.

2.0 Review of Relevant Planning Policy

2.1 National Planning Policy

- 2.1.1 The National Planning Policy Framework ("NPPF") was adopted in March 2012 and this document sets out the Government's planning policies for England and how these are expected to be applied. This document is a material consideration when determining planning applications.
- 2.1.2 The NPPF swept away almost all previous national planning policy, including Planning Policy Statement 3 (PPS3) on Housing. The NPPF is the only source of national policy on how the planning system should deal with housing, including affordable housing. The NPPF is centred around a presumption in favour of sustainable development. This presumption in favour of sustainable development applies when making decisions on planning applications.

2.1.3 Section 6 'Delivering a wide choice of high quality homes' sets out the housing policies within the NPPF. These policies are specifically designed to boost the supply of housing significantly and in order to do this, local authorities should "use their evidence base to ensure that the local plan meets the full objectively assessed need for market and affordable homes in the housing market area".

2.1.4 Para 50 of the NPPF states the need to deliver a wide choice of high quality homes and it notes that local planning authorities should:

"plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community.

identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand;

where a need for affordable housing is identified, set policies for meeting this need on-site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified and the agreed approach contributes to the objective of creating mixed and balanced communities. Such a policy should be sufficiently flexible to take account of changing market condition over time".

2.1.5 Para 173 of the NPPF refers to viability and deliverability in plan-making and decision-taking. It specifically discusses that the scale of obligations and policy burdens should not threaten development. This is expanded on:

"to ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable."

2.1.6 Finally, the glossary section of the NPPF defines affordable housing as:

"Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as "low cost market" housing, may not be considered as affordable housing for planning purposes."

2.2 Regional Planning Policy

- 2.2.1 The London Plan is the London Mayor's spatial development strategy for the city. The latest publication, adopted in March 2016, consolidates the London Plan 2011 with Revised Early Minor Alterations (October 2013), Further Alterations (March 2015) and minor alterations to housing and parking standards.
- 2.2.2 London Plan Policy 3.11 requires that boroughs seek to maximise affordable housing provision. Within the same policy is a requirement for 60% of affordable housing provision to be for social and affordable rent and 40% for intermediate rent or sale.
- 2.2.3 With regard to the affordable housing mix, London Plan Policy 3.8 requires new development to offer a range of type and size of housing which will satisfy the Local Authority's housing need.
- 2.2.4 London Plan Policy 3.12 states to Local Authorities that:
- 2.2.5 *"The maximum reasonable amount of affordable housing should be sought when negotiating on individual private residential and mixed use schemes..."*
- 2.2.6 This policy also identifies the need for Local Authorities to encourage rather than restrain development whilst also considering the individual circumstances of the site. This is supported by the text in paragraph 3.73 which states that the Mayor wishes to encourage rather than restrain overall residential development and that boroughs should take a reasonable and flexible approach to securing affordable housing on a site-by-site basis.
- 2.2.7 Paragraph 3.71 of the London Plan states that:
- 2.2.8 *"In estimating provision from private residential or mixed-use developments, boroughs should take into account economic viability and the most effective use of private and public investment, including the use of developer contributions..."*
- 2.2.9 The same paragraph also states that the use of the GLA development control toolkit and other independent assessments which take account of the individual circumstances of a site, the availability of public subsidy and other scheme requirements should be used to demonstrate viability.

2.3 Local Planning Policy

- 2.3.1 The most relevant and up-to-date components of the LB Hillingdon Development Plan for the purposes of this viability assessment are the 'Local Plan: Part 1 Strategic Policies' document (adopted November 2012) and a Planning Obligations SPD dating to July 2014.
- 2.3.2 Policy H2 of the Strategic Policies document states that LB Hillingdon will seek to maximise the delivery of affordable housing over the plan period to 2026. Whilst the policy does not set a specific target, it draws upon an Economic Viability Assessment undertaken during the plan-making process which indicated that 35% of all new residential units should be delivered as affordable housing. A tenure split of 70% social rent and 30% intermediate housing is targeted.
- 2.3.3 In accordance with national and regional policy, LB Hillingdon recognises that development viability considerations can negatively impact the ability of individual schemes to provide the targeted level and mix of affordable housing.
- 2.3.4 The Planning Obligations SPD states that applicants are required to submit an economic viability assessment in the event that on-site provision of the target amount and mix of affordable housing cannot be achieved. It is also noted that affordable housing provision will normally be assessed on the basis of Habitable Rooms.

- 2.3.5 The only guidance on alternative forms of affordable housing provision, including off-site and payment-in-lieu contributions, is contained in an interim guidance note dating to September 2006. However, we note that this document was intended to support the implementation of the 1998 Unitary Development Plan, which has now largely been replaced by the Part 1 and emerging Part 2 Local Plan. We therefore consider that little weight can be attributed to it in devising an appropriate affordable housing solution for the Proposed Scheme.

3.0 Proposed Affordable Housing Provision

- 3.1.1 In accordance with Paragraph 5 of the National Planning Practice Guidance on Planning Obligations, the Prior Approval Scheme is not required to deliver affordable housing.
- 3.1.2 The affordable housing target for the Proposed Scheme equates to 35% of the 18 net additional units which would be delivered by the 25-unit rooftop extension. As above, Policy H2 of the Local Plan targets a 70/30 tenure split.
- 3.1.3 Therefore, in order to achieve the policy target, the Proposed Scheme would be required to deliver 4 social rent and two intermediate units. This is subject to viability.
- 3.1.4 The forthcoming EVA will identify an appropriate affordable housing contribution, subject to viability, as the design of the Proposed Scheme is finalised.

4.0 Methodology of the EVA

- 4.1.1 The EVA will be carried out in accordance with the principles and approach advocated by the RICS in the Guidance Note 'Financial Viability in Planning', with full regard to the policy framework summarised above.

5.0 Conclusion

- 5.1.1 In summary, the EVA will ensure that the Proposed Scheme provides the maximum reasonable affordable housing contribution, thereby satisfying national, regional and local planning policy requirements, whilst at the time ensuring that the Proposed Scheme is deliverable.

