Cundy Street Quarter

Affordable Housing Statement

Prepared by Quod

May 2020

GROSVENOR

AFFORDABLE HOUSING STATEMENT

CUNDY STREET QUARTER

MAY 2020

GROSVENOR ESTATE BELGRAVIA

70 GROSVENOR STREET | LONDON, W1K 3JP

Contents

Executive Summary 1
1 Introduction 2
2 Application Overview 3
3 Planning Policy and Guidance 11
4 Affordable Housing Proposals & Assessment 16
5 Overall Conclusions 21

Executive Summary

This Affordable Housing Statement ('AHS') has been prepared by Quod on behalf of Grosvenor Estate Belgravia ('the Applicant') in respect of the Cundy Street Quarter Development ("The Development").

The AHS details the proposed affordable housing, summarised as:

- Quantum of Housing Overall: Delivery of between 254-305 much needed new homes optimising an underutilised urban site contributing positively to meeting needs and diversifying housing choice.
- Types of Housing: 70 will be market homes for sale, 93 will be affordable homes and there will be between 91 to 142 senior living accommodation units.
- Affordable Housing: The 93 affordable homes comprise 264 habitable rooms (HR) and almost doubles the number of existing affordable housing units on site.
- Affordable Tenure: The affordable homes will be provided as 44 Social Rent tenure units and 49 Intermediate Rent tenure units, an overall split of 55:45 in favour of social rent by habitable room. This includes re-provision of the existing 40 affordable homes currently provided within Walden House and 9 within Coleshill basement. All reprovided homes will be on the same terms and existing tenants within Walden House will be offered a Right to Return in a single move should they choose to do so.
- Housing Affordability: All of the homes will be genuinely affordable and will offer a range of affordability. The 44 Social Rent tenure homes will be provided at social rents and the 49 Intermediate Rent tenure homes will be provided at London Living Rent values for Churchill ward up to a maximum household income of £60,000.
- Housing Sizes: A mix of unit sizes are provided, with the new social rent homes informed by the housing needs of the existing tenants of Walden House. The new affordable homes are up to 50% larger than the equivalent existing home in Walden House.
- Housing Design: All homes have been designed so that they are tenure blind with no difference in the external appearance between the three buildings, evidenced by the quality of the external elevations for Building B1/B3 and C. They will meet or exceed the design standards set out in local policy and the Intend to Publish London Plan (2019). The scheme has also been designed to be accessible and inclusive to ensure all residents have the opportunity to access on-site amenities.
- Housing Delivery: The affordable homes will be managed by a Registered Provider.

The AHS should be read alongside the Financial Viability Assessment (FVA) which justifies the quantum of affordable housing provided in the context of planning policy. The AHS demonstrates the proposed affordable housing accords with the statutory Development Plan and other material planning considerations and should be afforded significant positive weight in the determination of the planning application.

1 Introduction

1.1 This Affordable Housing Statement ('AHS') has been prepared on behalf of Grosvenor Estate Belgravia in respect of the Cundy Street Quarter Development ('the Development').

1.2 This AHS provides evidence which demonstrates the amount, type and mix of housing proposed in the planning application is appropriate for the site and development proposal, in accordance with the statutory Development Plan and other material planning considerations.

1.3 This AHS is structured to provide: -

- An overview of the planning application (Section 2);
- An overview of relevant policy and guidance (Section 3);
- An assessment of the housing proposals against policy guidance (Section 4); and
- A summary of the overall conclusions (Section 5).

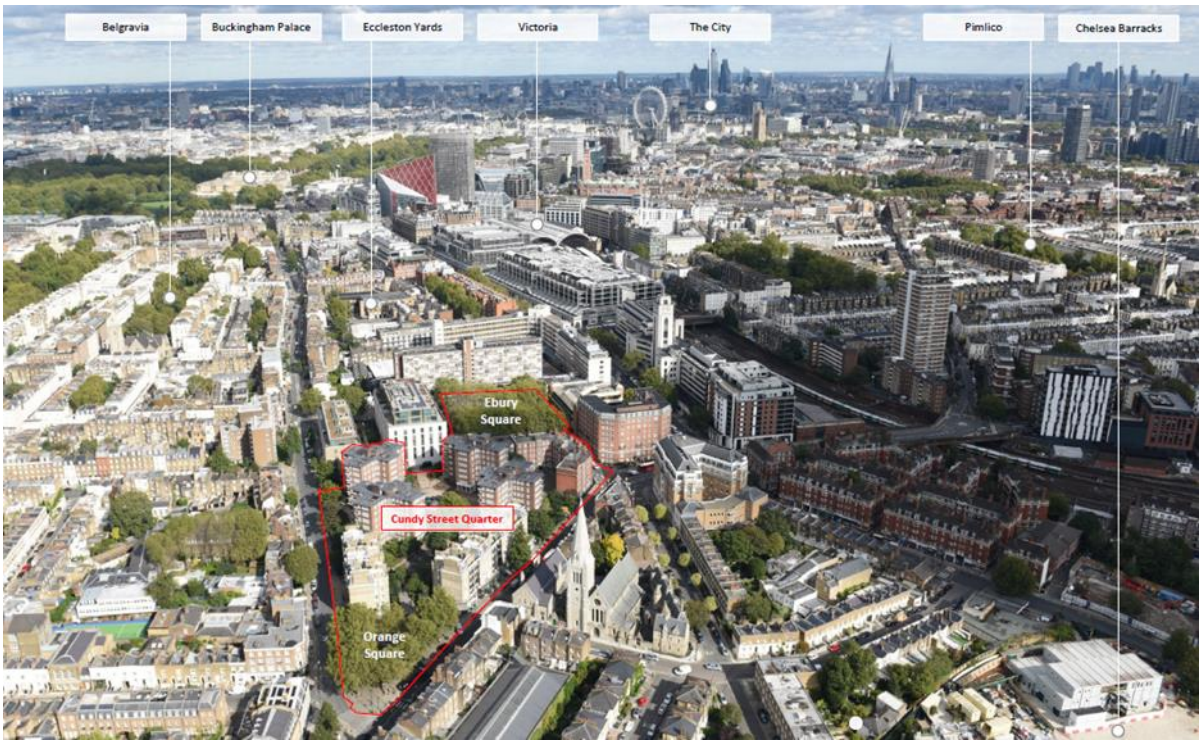
1.4 This AHS should be read in conjunction with several of the other planning application documents, including but not limited to the Planning Statement, the Design and Access Statement and importantly the Financial Viability Assessment ('FVA').

2 Application Overview

The Application Site

2.1 The Site comprises an area of 1.77 hectares, inclusive of two public spaces comprising Ebury Square to the east and Orange Square to the west. The Site is bounded by Pimlico Road to the south, Ebury Street to the northwest and Cundy Street to north-east. The figure below shows the site location. Details are provided in the Planning Statement and the Design and Access Statement.

Figure 2.1 Site Location Plan



2.2 The Site comprises a number of existing buildings and associated car parking spaces, to include:

- Cundy Street Flats: One hundred and eleven private residential flats within four 1950's cruciform style buildings each seven storeys in height (Kylestrome House, Lochmore House, Laxford House and Stack House). The flats are let at a variety of tenancies and lease types. Details of which are set out in the FVA.
- Walden House: Forty flats within a five storey 1920's building. This site is currently leased by Grosvenor to Westminster City Council (WCC) for use as social rent tenure homes (38 occupied 2 vacant). The lease expires in 2021 with a long-stop extension to WCC of 2023. This long stop was subsequently extended for a floating period in the context of the redevelopment proposals to allow a one move solution into newly reprovided social housing on part of the site. There is no legal restriction requiring the ongoing use of Walden House for affordable housing, but for the purposes of this planning application it is treated as affordable housing and therefore the associated planning policies on reprovision of existing affordable housing set out in GLA and WCC policies are triggered.
- Coleshill Flats: Two Grade II Listed buildings framing the south-western end of the site with a surface car park between them. Within the listed Coleshill buildings, above the ground and first floor upwards remain untouched and will be retained by Peabody affordable housing in respect of the upper parts and by individual retailers on the ground floor (with the exception of 20a

Pimlico Road which forms part of the redevelopment proposals). It is only the nine flats in the basement which will be surrendered on a voluntary basis. These units will be reprovided on site (regardless of, when voluntary surrender takes place), the units comprise 4 social rent tenure and 5 intermediate tenure units.

- Coleshill Car Park: Comprising a car park with capacity for c.24 spaces and motorbikes

2.3 The Figure below show the existing buildings.

Figure 2.2 Existing Buildings Plan

Walden House (additional information)

2.4 As introduced above Walden House is leased by Grosvenor to Westminster City Council (WCC) for use as social rent tenure homes of which there are currently 38 social rent tenancies. All of these households, estimated to comprise c. 125 residents, have been offered a Right to Return to the new Development by their Landlord Westminster City Council, based on current household need. Engagement has been held regularly with the tenants and to date this has been led by the Westminster Housing team.

2.5 In redeveloping Walden House the Applicant has committed to ensuring reprovision of the existing social rent housing on site to meet the households current needs whilst also providing significant improvement in the quality of these homes. All of the replacement homes:

- Meet modern space standards and on average are up to 50% larger than the equivalent existing home in Walden House

- Have access to dedicated communal roof gardens with play space – currently there is only a paved/tarmac yard
- Are built to modern day standards, are more energy efficient and will be cheaper to run
- Will have access to secure and purpose built bicycle, waste and storage facilities
- Are served by a lift enabling wheelchair access – Walden House is accessed by stairs only

2.6 Informed by feedback from the Westminster Housing team all of the existing 38 Walden House households are to be provided with a choice to move just once, directly into the new social rent housing on site, or if it is their preference, to move away and then exercise their Right to Return.

Coleshill Flats

2.7 There are 9 basement flats within the Grade II listed Coleshill apartment buildings on A3214 Pimlico Road are part of the application and will enable the basement level of to be used as affordable retail and / or offices (Class A1 and / or B1) where existing tenancies are voluntarily surrendered. These 9 flats would be reprovided regardless of when the voluntarily surrender takes place.

Summary

2.8 The existing residential unit mix by tenure is as follows:

Table 2.1 Existing residential unit tenure and size mix (including the 9 Coleshill apartments)

	1-bedroom	2-bedroom	3-bedroom	4-bedroom	Total
Private residential	26	57	28	0	111
Intermediate affordable	4	1	0	0	5
Social rented affordable	2	17	20	5	44
Total	**32**	**75**	**48**	**5**	**160**

2.9 Additional details regarding the site, its history and relationship with the broader area as well as other properties within the Grosvenor Estate are set out in the application documents

The Proposals

2.10 The Full Application seeks permission for:

"Comprehensive residential-led mixed-use redevelopment, including demolition of Kylestrome House, Lochmore House, Laxford House, Stack House, Walden House and structures attached to Coleshill Flats; tree removal and pollarding; erection of a partial sub-basement, basement and buildings varying in height from five to 11 storeys, to provide affordable homes (Class C3), market homes (Class C3), senior living accommodation (comprising Class C3 and / or Class C2), alongside a range of uses at partial sub-basement, basement and ground floor level including retail (Class A1), restaurants / cafes (Class A3), drinking establishments (Class A4); offices (Class B1), community space (Class D1), cinema (Class D2); use of the lower ground floor of the Coleshill Flats as retail and / or workspace (Class A1 and / or B1); provision of new pedestrian routes; basement car parking; basement and ground floor circulation, servicing, refuse, ancillary plant and storage; provision of hard and soft landscaping; landscaping works and creation of new play facilities at Ebury Square; rooftop PV panels; rooftop plant equipment; refurbishment and relocation of Arnrid Johnston obelisk to Five Fields Row; refurbishment and relocation of the water fountain on Avery Farm Row; repair and relocation of the telephone boxes on Orange Square; and other associated works."

2.11 A proposed site location masterplan is set out in Figure 2.3 below:

Figure 2.3 Site Location Masterplan

2.12 The Development is a residential led scheme, which delivers new homes for a range of people including almost doubling the number of affordable homes on site. Alongside these new homes will be a mix of uses, high quality architecture, public realm and landscaping, which will activate pedestrian routes through the site. The proposals seek to erect three mansion block buildings varying in height from 5 to 11 storeys.

Building A Senior Living

2.13 Specialist accommodation for older people ('Senior Living'), is to be provided in a new building at the corner of Ebury Street and Cundy Street (Building A).

Figure 2.4 Proposed Building A CGI

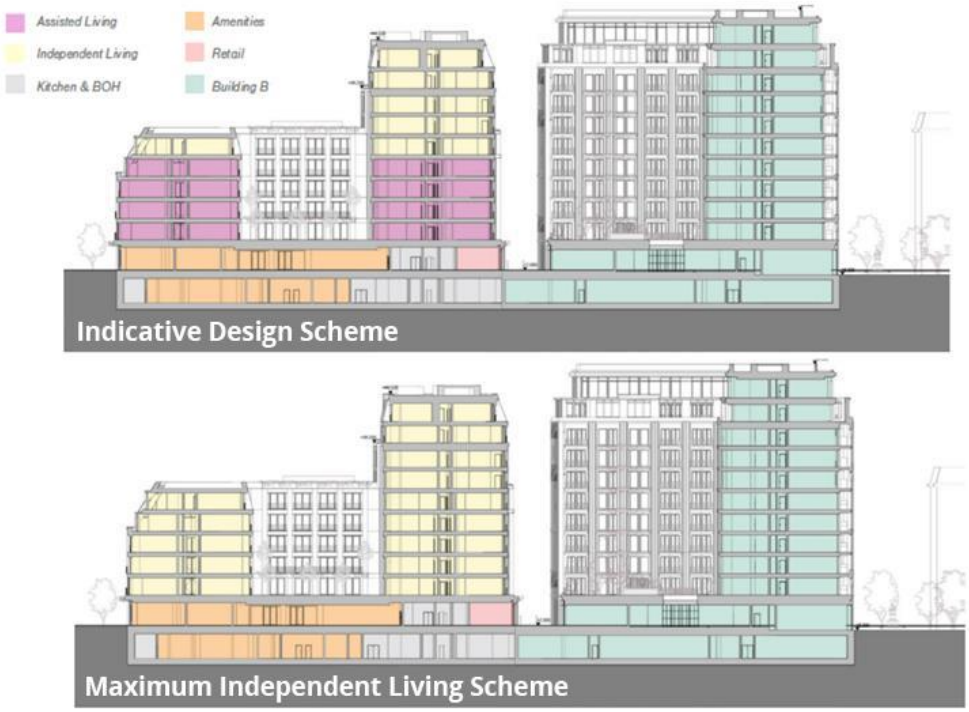
2.14 These are homes for primary residents aged over 65 comprising flats and suites with dedicated care for older people and run by a specialist operator. The Senior Living accommodation within Building A Class C3 and/or C2 uses consistent with the description of development.

2.15 There is a large demand for care in the local area, this will increase as the population ages. The opportunity to provide Independent and Assisted Living will respond positively to need. Assisted Living is a relatively new concept in the UK, particularly in Central London, and as such will require further

market testing before an agreed mix is finalised. As the final configuration of the space is not known the definitive details of the final mix, including the numbers of each type of unit, are to be secured by planning condition, to allow for continued evolution before construction starts.

2.16 The planning application includes an indicative scheme (Indicative Design Scheme) that represents a potential configuration of the Building A space. The final configuration of the space is not yet known, it is proposed that definitive details of the final mix will be secured by planning conditions to allow for scheme evolution to take into account the recommendations of market research. The potential configuration of the Indicative Design Scheme and a Maximum Independent Living scheme is provided below. The total number of senior living units in Building A will always be between 91 (Maximum Independent Living) to 142 (Maximum Assisted Living Scheme), with the Indicative Design Scheme totalling 137 senior living units.

Figure 2.5 Proposed Building A Potential Configurations



*the Maximum Assisted Living scheme would total 142 units and would comprise an additional floor of Assisted Living compared to the Indicative Design Scheme.

2.17 In any configuration, the proposed use will have extensive shared amenity, care and support facilities, including exercise, library, dining, treatment, and a shared reception/concierge area serving the whole building. Where Assisted Living accommodation is provided this will include shared amenity facilities, such as a dining room, lounge and spa room on each typical floor. The affordable housing proposed will not be affected by the balance of different types of units within Building A.

Figure 2.6 Precedent Images Senior Living

Building B (Market and Intermediate)

2.18 Market and affordable tenure homes (Class C3) would be provided in buildings fronting Ebury Square, Pimlico Road (Building B) and Ebury Street (Buildings C). Building B contains Building B1 which will comprise 70 market homes and Building B2/3 which will provide 49 intermediate homes. All residents have access to a private roof terrace offering shared amenity space. This will be delivered as part of Phase 2, after Phase 1 is completed to enable the relocation of residents from Walden House.

Figure 2.7 Proposed Building B CGIs

Building C (Social Rent)

2.19 Building C provides 44 social rent homes with a unit size mix that meets the requirements of the 38 households from Walden House. The Walden House residents will have a choice to move just once, directly into the new social rent housing, or to move away and then exercise their Right to Return giving residents the choice. Private roof terraces are provided on the 1st, 4th and 7th floor. It is constructed as part of Phase 1, requiring to be completed prior to Phase 2 works commencing to enable a one move option for residents. Additional details on phasing is set out in the FVA.

Figure 2.8 Proposed Building C CGIs

Ground Floor Uses

2.20 The ground floor frontages of the scheme will be activated through the introduction of a range of complementary commercial units which will include a foodstore (Class A1), a cinema (Class D2) retail (Class A1) and a community facility (Class D1) as well as flexible uses including much of the site containing retail (Class A1), restaurants/cafes (Class A3) an drinking establishment (Class A4). It is envisaged that there would be a maximum of 700sqm of Class A3 floorspace across the site and a maximum of 150sqm of A4 floorspace.

Public Realm

2.21 The proposals will also deliver extensive public realm at ground floor level. Proposals include:

- Refurbishment works to Orange Square
- Extensive landscaping and refurbishment works to Ebury Square including the introduction of children's playspace
- Introduction of Elizabeth Place Gardens, a new publicly accessible garden in the place of an underutilised car part to the rear of the Coleshill flats
- New pedestrian/ cycle friendly public space at Avery Farm Row introducing the relocation of a Grade II historic fountain.

2.22 A proposed scheme image is set out in Figure 2.9 below.

Figure 2.9 Proposed Masterplan CGI

Land Use Summary

2.23 Two residential scenarios are summarised in the table below, comparing existing (including Coleshill basement flats) and proposed uses.

2.24 Details of the Affordable Housing Proposals are set out in Section 4.

Table 2-2 Land Use Areas for Maximum Independent Living Scheme and Indicative Design Scheme[1]

Land Use	Existing (sqm GIA)	Maximum Independent Living Scheme		Indicative Design Scheme	
		Proposed (sqm GIA)	Net Change (sqm GIA)	Proposed (sqm GIA)	Net Change (sqm GIA)
Market Housing (Class C3)	9,058	14,018	4,960	14,018	4,960
Affordable Housing (Class C3)	3,283	11,005	7,722	11,005	7,722
Senior Living Independent Living (C3)	0	20,003	20,003	7,620	7,620
Senior Living Assisted Living (C2)	0	0	0	12,383	12,383
Total Residential	12,341	45,026	32,685	45,026	32,685

[1] RICS GIA (sqm) extracted from Design & Access Statement Appendices

3 Planning Policy and Guidance

3.1 This section of the Statement sets out relevant extracts of national, regional and local policy and guidance (including the supporting evidence base) which have informed the proposed approach to affordable housing delivery.

National Policy & Guidance

3.2 The National Planning Policy Framework (NPPF), provides the national context for planning in England, including implementing Central Government's housing policy objectives. The NPPF sets out national economic, social and environmental objectives and is an important material consideration in the determination of all planning applications.

3.3 The core message in respect of housing provision is that plans and decision-taking should ensure delivery of a wide choice of high-quality homes for a range of needs for today and in the future (paragraph 8(b)).

3.4 The NPPF sets out that planning authorities may give weight to relevant policies in emerging plans according to the stage of preparation of the emerging plan, the extent to which there are unresolved objections to relevant policies and the degree of consistency between the relevant policies and the NPPF (paragraph 48).

3.5 The National Planning Practice Guidance (PPG) provides guidance on the application of policies set out in the NPPF (2019). In respect of housing need it confirms that housing need is an unconstrained assessment of the number of homes needed in an area (ID: 2a-001-20190220). It also confirms that all households whose needs are not met by the market can be considered in affordable housing need (ID: 2a-018-20190220) and (ID: 2a-020-20190220) that:

Strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of: the number of homeless households; the number of those in priority need who are currently housed in temporary accommodation; the number of households in over-crowded housing; the number of concealed households; the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.

Regional Policy & Guidance

3.6 The London Plan (2016) provides the overarching strategic planning framework for London. Policy 3.3 (Increasing Housing Supply) states that there is a 'pressing need' for more homes in London. Part B of this policy states that the Mayor will seek to ensure that the housing need identified in paragraphs 3.16a and 3.16b of the London Plan is met through the provision of at least an annual average of 42,000 net additional homes across London.

3.7 Policy 3.12 of the London Plan (Part A) considers negotiating affordable housing on individual private residential and mixed-use schemes. It states (inter alia):

The maximum reasonable amount of affordable housing should be sought when negotiating on individual private residential and mixed-use schemes, having regard to:

- *current and future requirements for affordable housing at local and regional levels identified in line with Policies 3.8 and 3.10 and 3.11 and having regard to guidance provided by the Mayor through the London Housing Strategy, supplementary guidance and the London Plan Annual Monitoring Report (see paragraph 3.68);*
- *affordable housing targets adopted in line with Policy 3.11;*
- *the need to encourage rather than restrain residential development (Policy 3.3);*
- *the need to promote mixed and balanced communities (Policy 3.9);*
- *the size and type of affordable housing needed locations;*
- *the specific circumstances of individual sites;*
- *resources available to fund affordable housing, to maximise affordable housing output and the investment criteria set by the Mayor; and*
- *the priority to be accorded to provision of affordable family housing indicated in policies 3.8 and 3.11.*

3.8 Part B of Policy 3.12 states that negotiations on sites should take account of their individual circumstances including provisions for re-appraising the viability of schemes prior to implementation ('contingent obligations'), and other scheme requirements. In this respect, Paragraph 3.72 of the London Plan (2016) strongly emphasises the need to maximise affordable housing output by making the most effective use of available resources to achieve this objective.

3.9 Policy 3.14 resists the loss of housing, including affordable housing "unless the housing is replaced at existing or higher densities with at least equivalent floorspace".

3.10 The Affordable Housing and Viability SPG (August 2017) 'GLA SPG' is used routinely in decision making by the GLA. It introduces the 'Threshold Approach' and as part of this a 'Fast Track Route' whereby qualifying schemes are not required to provide viability information. Schemes involving loss of existing affordable housing are not eligible for the Fast Track Route and instead will progress down the 'Viability Tested Route' meaning viability information is required (paragraph 2.66). This ensures alignment between the SPG and London Plan Policy 3.14 requiring replacement of existing affordable housing by better accommodation and at least equivalent floorspace.

3.11 The preferred tenure split outlined in the GLA SPG is for at least 30% low cost rent, at least 30% intermediate tenure and the remaining 40% to be determined in partnership with the Local Planning Authority and the GLA (paragraphs 2.38-2.41). Definitions are provided on the rent levels, affordability of the different tenures and the basis on which affordability to the occupier should be calculated (paragraphs 2.43-2.52).

3.12 The Intend to Publish London Plan was published for consultation in December 2017 and was consolidated with changes following the Examination in Public in July 2019. The Panel of Inspectors appointed by the Secretary of State issued their report and recommendations to the Mayor on 8th October 2019. The Mayor has considered the Inspectors' recommendations and, on the 9th December 2019, issued to the Secretary of State his intention to publish the London Plan, as set out in the 'Intend to Publish' draft. The Secretary of State issued a direction relating to a number of policies in March 2020. The Secretary of State direction and subsequent Mayors response does not alter the conclusion that significant weight should be accorded to the Intend to Publish London Plan.

3.13 In respect of affordable housing, emerging Policy H4 (Delivering Affordable Housing) states that the strategic target is for 50% of all new homes to be affordable. It requires (inter alia):

Major developments which trigger affordable housing requirements to provide affordable housing through the threshold approach (Policy H5 Threshold approach to applications) using grant to increase affordable housing delivery beyond the level that would otherwise be provided.

3.14 Emerging Policy H5 (Threshold Approach to Applications) confirms the circumstances where schemes can follow the fast track route, meaning a viability assessment and late stage viability review mechanism should not be required. Policy H8(E) however requires that this site is subject to viability testing as detailed below.

3.15 Schemes progressing through the Viability Tested Route are subject to Part F which states:

1. The borough, and where relevant the Mayor, should scrutinise the viability information to ascertain the maximum level of affordable housing using the methodology and assumptions set out in the Plan and the Affordable Housing and Viability SPG

2. Viability tested schemes will be subject to:

a. An Early Stage Viability Review if an agreed level of progress on implementation is not made within two years of the permission being granted (or a period agreed by the borough)

b. A Late Stage Viability Review is triggered when 75 per cent of the units in a scheme are sold or let (or a period agreed by the borough)

c. Mid Term Reviews prior to implementation of phases for larger phased schemes

3.16 Policy H8 sets out the GLA approach to loss of existing housing requiring (A) replacement at existing or higher densities with at least the equivalent overall level of floorspace and (D) where there are proposals for replacement of affordable housing this is to be at an equivalent amount of affordable housing floorspace and where this relates to social rent housing it must be reprovided as social rent and offer a right of return. Any proposal that includes the demolition and replacement of affordable housing is required to follow the Viability Tested Route and should seek to provide an uplift in affordable housing in addition to the replacement affordable housing floorspace (E).

3.17 Policy H13 Specialist older persons housing sets out boroughs should work positively and collaboratively with providers to identify sites which may be suitable for specialist older persons housing taking account of local housing needs information and the need for sites to be well-connected in terms of contributing to an inclusive neighbourhood, having access to relevant facilities, social infrastructure and health care, and being well served by public transport.

Local Policy & Guidance

3.18 The local development plan comprises the adopted Westminster City Plan: Strategic Policies adopted in 2016 and the saved policies of the Unitary Development Plan (2007). Supplementary information in relation to affordable housing was most recently provided in the Cabinet Member Statement (2019). Westminster City Council ('WCC') recently submitted a new Local Plan to the Secretary of State in November 2019, this policy holds little weight given its current status.

Quantum

3.19 WCC's adopted affordable housing policy is set out in Policy S16 of the City Plan (2016). This requires developers to provide in excess of 30% of new homes as affordable on sites of 10 or more units or overall 1,000sqm additional floorspace. The Statement on Affordable Housing Policies (2017) provides clarification that there is a preference for delivery of onsite affordable housing rather than payments in lieu. On 14 May 2019 the Cabinet Member for Place Shaping and Planning issued a formal statement on the application of Westminster's adopted affordable housing policy to bring it in line with the NPPF and emerging London Plan requiring affordable housing contributions to be based on total (gross) residential floorspace.

3.20 Policy S16 states that affordable housing and floorspace that is used or was last used as affordable housing will be protected. All affordable housing floorspace must be safeguarded and will need to be replaced as affordable housing upon redevelopment. Supporting text states that existing housing estates can, in appropriate circumstances provide opportunities for new infill development and redevelopment to higher densities.

3.21 WCC is currently working on a review of the City Plan. For the reasons given in the planning statement limited weight can be afforded to it (as against the adopted City Plan) given its current status, although it is useful guide to WCC's future intentions for the purposes of this AHS. Emerging Policy 9 seeks the delivery of 35% affordable housing, calculated on gross residential floorspace, on all schemes providing 10 or more residential units, or more than 1,000 square metres of residential floorspace. WCC's presumption is that affordable housing will be provided on site. Policy 9 requires that where affordable homes are redeveloped at least an equivalent amount of affordable housing floorspace must be re-provided. Furthermore, WCC will seek an uplift in the amount of affordable housing provided where existing affordable housing is redeveloped as part of mixed tenure or mixed-use schemes and any such proposals will be expected to submit a viability assessment.

3.22 WCC published an updated schedule of proposed minor pre-examination modifications to the City Plan in April 2020. Changes M/H/05 and M/H/07 relate to Policy 9 Part H and the associated supporting text requiring at least the equivalent affordable housing floorspace to be provided where there is demolition of existing floorspace and seeking additional affordable housing to be maximised. Reprovision is required to be in the vicinity of the original home(s) to maintain mixed tenure communities. Viability evidence is required to demonstrate the maximise amount of affordable housing is being provided. This is consistent with the Intend to Publish London Plan.

Tenure

3.23 Paragraph 4.14 of the City Plan sets out the regional adopted plan requirements for 60% social rent and 40% intermediate housing, reinforced in WCC's draft Housing Strategy (2015). The new Local Plan will require a tenure mix of 60% intermediate housing for rent or sale and 40% for social or London Affordable Rent.

3.24 WCC also includes intermediate housing thresholds on a range of incomes dependent on unit size. These range from Lower Quartile incomes to £90,000. The income thresholds are updated annually dependent on housing needs.

Bedroom Mix

3.25 WCC seeks for the size of the affordable housing units is to be provided in line with the Council's Annual Affordable Housing Statement. The 2019 mix requirements are summarised in the table below:

Table 3-1 Bedroom Mix Summary (Council's Annual Affordable Housing Statement 2019)

Tenure	Studio	1 bed	2 bed	3 bed+
Social Housing	0%	5%	40%	55%
Intermediate	0%	70%	30%	

3.26 Policy 11 of the draft City Plan requires 25% of all new homes to be family sized, 2 bedroom 4 person homes to predominately accommodate 4 persons, a maximum of 10% of studios within a new development.

Summary

The requirements and guidance set out above on affordable housing have informed the approach taken and the assumptions made in relation to the affordable housing components i.e. reproviding the existing and affordability levels. Details on how the proposals respond to and perform against the affordable housing policies is set out in section 6 below.

4 Affordable Housing Proposals & Assessment

4.1 This section of the AHS provides an overview of the proposed approach to affordable housing delivery alongside an analysis of the proposals against the Development Plan.

Quantum of Affordable Housing

4.2 The residential development comprises both market and affordable housing with a mix of unit sizes and products, providing a broad housing offer that includes Senior Living. There is flexibility within the Senior Living to respond to needs at the time as described in section 2 of this AHS. Additional details on the potential configurations of the Senior Living is provided in the Planning Statement.

4.3 The proposals will secure provision of 93 affordable homes equating to 264 habitable rooms and 11,005sqm (RICS GIA). The unit size and tenure mix on the basis of units and habitable rooms is set out in the table below.

Table 4.1 Affordable Housing Provision by Unit

Tenure	1-bedroom	2-bedroom	3-bedroom	4-bedroom	5-bedroom	Total
Intermediate	33	12	4	-	-	49
Social Rent	11	13	16	3	1	44
Total	**44**	**25**	**20**	**3**	**1**	**93**

Table 4.2 Affordable Housing Provision by Habitable Rooms

Tenure	1-bedroom	2-bedroom	3-bedroom	4-bedroom	5-bedroom	Total
Intermediate	66	36	16	-	-	118
Social Rent	22	39	64	15	6	146
Total	**88**	**75**	**80**	**15**	**6**	**264**

4.4 Section 3 identifies two key policy considerations relating to the quantum of affordable housing.

1. Whether the existing affordable housing is reprovided to a higher quality and at least equivalent floorspace and without loss of overall affordable housing; and

2. Whether the scheme delivers the maximum reasonable affordable housing

4.5 Each are addressed in turn below.

Reprovision of Existing Affordable Housing

4.6 The existing and affordable housing provision is set out in Table 4.3 below by unit, habitable room and floorspace. This summarises that there is no net loss of affordable housing and the proposals will secure 44 affordable homes over and above the existing homes.

Table 4.3 Existing and Proposed Affordable Housing Provision (unit, habitable room and floorspace)

Measure	Existing	Proposed	Difference	Existing	Proposed	Difference	Existing[2]	Proposed	Difference
Tenure	Units			Habitable Rooms			Floorspace (RICS GIA sqm)		
Social Rent	44	44	0	160	146	-14	3,033	6,015	+2,982
Intermediate	5	49	+44	11	118	+107	250	4,990	+4,740
Total	49	93	+44	171	264	+93	3,283	11,005	+7,722

4.7 The affordable housing will secure an additional 93 habitable rooms and additional 7,722sqm affordable floorspace (RICS GIA). There will be no loss of affordable floorspace and re-provision will be on-site to maintain mixed tenure communities. Furthermore, the development programme has been structured to ensure existing tenants have the option to move only once from the existing homes directly into the on-site replacement housing.

4.8 The affordable homes have been designed to be up to 50% bigger than existing and the unit mix has been designed to meet housing needs.

Additional Affordable Housing

4.9 GLA and WCC planning policies require viability evidence to be submitted to demonstrate that the proposed affordable housing represents the maximum reasonable where there is existing affordable housing onsite. A Financial Viability Assessment has been prepared to support the proposed development. The FVA tests the Maximum Independent Living and Indicative Design schemes.

4.10 The amount and type of affordable housing is consistent in both of the Senior Living scenarios however the proportion varies depending on the type of Senior Living accommodation. Table 4.4 summarises the quantum of affordable housing by habitable room where the maximum amount of Assisted Living (C2 Use) is included, and compared with the Indicative Design Scheme and the Maximum Independent Living Scheme (C3 Use) is provided. The rationale for the flexibility is dealt with earlier in the AHS and is addressed in the Planning Statement.

[2] Existing Floorspace for Coleshill Flats is approximate.

Table 4.4 Senior Living C2/C3 Possible Combinations

	Maximum Assisted Living (142 units)	Indicative Design Scheme (137 units)	Maximum Independent Living (91 units)
Habitable rooms in Buildings B & C (conventional C3)	484	484	484
Habitable rooms Independent Living in Building A (C3)	47	79	232
Total	531	563	716
Of which affordable	264	264	264
% affordable (C3 only)	50%	47%	37%
Other habitable rooms in Building A (assisted living, C2)	139	112	0
Total Habitable Rooms (C2 and C3)	670	675	716

4.11 In summary the proposals ensure full reprovision of the existing affordable housing and the quantum of affordable housing is consistent because this reflects the maximum reasonable, in accordance with Policy H8 of the Intend to Publish version of the London Plan applies. The FVA demonstrates that the 93 affordable homes are the maximum that can reasonably be provided. In the Maximum Independent Living scenario this would be 37% of all C3 habitable rooms. In the Indicative Design Scheme and Maximum Assisted Living scenarios, this would be 47% and 50% respectively.

Tenure and Affordability

4.12 The proposed tenure split is 55% social rented homes and 45% intermediate homes by habitable room. Whilst it is recognised that this does not meet Westminster's adopted policy requirement of 60% social/affordable rent and 40% intermediate, Westminster's emerging Local Plan will require a tenure mix of 60% intermediate housing for rent or sale and 40% for social or London Affordable Rent demonstrating the importance of intermediate tenures in meeting local need.

4.13 It is also important that the proposals take into account not only reprovision of the existing affordable housing and their housing needs of the occupiers of those units but also the configuration of the scheme to ensure the maximum amount of affordable housing is delivered.

4.14 It is therefore considered that the proposed tenure mix is acceptable. Details of each tenure type are summarised below:

Social Rent Homes

4.15 The application proposals secure 44 social rent homes, comprising 146 Habitable Rooms of which will be provided at Social Rent Levels (target rent caps). These will meet the requirements of the current 38 Walden House tenancies on terms that reflect their current tenancies – in the event that not all of the tenants choose to return these homes will be let to households on the Council's Housing Waiting List. The remaining 6 units will be provided at Social Rent levels thereby ensuring reprovision of the 2 vacant units in Walden House and 4 rented units in Coleshill Flats.

4.16 The rents for these units will be subject to Social Rent caps as defined by National Formulas. This will be secured in the Section 106 Agreement. The current weekly rents for each unit type are set out in Table 4.5.

Table 4.5 Social Rent's per week (excluding Service Charge)

Unit Size	Social Rent p/w
1 bed	£146.39
2 bed	£154.98
3 bed	£163.60
4 bed	£172.20
5 bed	£180.42

4.17 The rents outlined above exclude the service charge which will be added on to the Social Rented Homes, a widely accepted approach. The Applicant will seek to ensure that the service charge is kept as low as possible ensuring it only relates to the management of the affordable homes.

Intermediate Rent

4.18 The proposals will also secure 49 intermediate rent homes, comprising 118 Habitable Rooms. This includes the re-provision of 5 intermediate homes within the Coleshill basement flats. The Intermediate homes are proposed at London Living Rent Levels for the Churchill ward, capped at £60,000 gross household income.

4.19 The proposed weekly rent levels including service charge for each unit type are set out in the table below:

Table 4.6 Intermediate Rent levels and Household Income Requirement (including service charge)

Unit Size	London Living Rent	Income Requirement
1 bed	£267	£50,000
2 bed	£298	£55,000
3 bed	£323	£60,000

4.20 Homes will be prioritised to the existing intermediate tenants, and thereafter let in accordance with the Council's priorities. Based on the proposed housing mix the average income requirement for these homes is £52,000.

Unit Size Mix

4.21 The proposed unit mix is set out in Table 4.7. The proposed social rented housing has been informed by a detailed housing needs survey of the existing homes as well as engagement with Westminster Council and Registered Providers who will manage the affordable homes. A range of unit sizes will be provided including a considerable proportion of family sized units (2bed 4 person +) equating to 49 (53%) of affordable homes, 37 (76%) of the Affordable/Social Rented Homes are family homes.

Table 4.7 Unit size mix

	1-bedroom	2-bedroom	3-bedroom	4-bedroom	5-bedroom	Total
Intermediate Rent	33	12	4	-	-	49
Social Rent	11	13	16	3	1	44
Total	**44 (47%)**	**25 (27%)**	**20 (22%)**	**3 (3%)**	**1 (1%)**	**93**

4.22 The quality of the homes is significantly improved comparative to the existing Walden House units, for example the proposed affordable homes are on average up to 50% bigger in floorspace compared to the existing homes at Walden House.

4.23 The intermediate rented housing has been prioritised towards smaller unit sizes to meet identified needs and to optimise affordability.

Location of Affordable Housing

4.24 The intermediate homes will be located in Building B and the Social Rented homes will be located in Building C as shown in the Proposed Masterplan Figure 3.4.

4.25 The consolidation of the Social Rent in Building C will allow for effective management with a Registered Provider to ensure service charges are minimised and will also enable a one move solution for Walden House residents. The scheme has been designed to be tenure blind with no difference in the external appearance or quality between the three buildings evidenced by the quality of external elevations for Buildings B2/3 and C they all have access to storage, amenity space etc.

Delivery

4.26 The affordable homes will be managed by a Registered Provider. Grosvenor have been engaging with a number of Registered Providers who are active in Westminster as part of a formal tender process.

5 Overall Conclusions

5.1 Overall this AHS demonstrates that the amount, type and mix of housing proposed in the planning application is appropriate for the site and development proposal in accordance with the statutory Development Plan and other material planning considerations including the national planning policy and the Intend to Publish London Plan (2019).

5.2 The Affordable Housing secured will meet the re-provision requirements as well as secure additional affordable housing onsite. A total of 93 affordable homes are proposed equating to 264 habitable rooms. The affordable housing will be provided as 44 social rented homes and 49 intermediate rent homes proposed at London Living Rent levels capped at £60,000 income threshold.

5.3 The affordable homes proposed are genuinely affordable. The affordable homes take into account the needs of the existing tenants and are up to 50% larger than the equivalent existing homes. The homes have been designed to be tenure blind with access to onsite amenities.

5.4 The affordable housing provision is supported by a Financial Viability Assessment demonstrating that the proposals secure the maximum reasonable amount evidenced through viability alone.