

Planning Policy

From: Rosie Matthews <.....>
Sent: 10 September 2018 18:00
To: Planning Policy
Cc: Windebank, Jane; Linda Bonnin
Subject: Comments on the Issues and Options document for next TVBC Local Plan
Attachments: Issues and Options Consultation for the next TVBC Local Plan.docx

Hello,

Please find attached VIVID's comments in response to your Local Plan consultation.

Thank you,

.....
 Land and New Business Manager



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Q10: Do you think we should continue with seeking up to 40% of new homes to be affordable, or should we change the percentage?

40% has been an established mechanism and as a policy minimum is largely accepted by developers. Where this causes a challenge to the schemes viability there is already an established mechanism to review the level of provision. Therefore, we do not see a reason to change the quantum.

Q11: What should the trigger be for seeking affordable housing?

We would not propose any changes to the current trigger of 15 homes.

Q12: Should we allow market housing on rural affordable exception sites?

Yes, this should be permitted where it can be demonstrated that the inclusion of market housing is able to bring forward a sustainable development that otherwise would not be developed.

Q13: How should we meet the requirement for self build plots? Should it be as part of sites over a certain threshold or separate sites?

This should be on separate sites, as it would be onerous to include it on every site and might result in fewer sites being brought forward in your LA area. It might be beneficial to allow SB plots as part of Rural Exception sites, which can be more community driven, and the SB plot/s can help to make the schemes viable.

Q15: Should the Council change its approach and set out a requirement that certain sites should provide for the needs of such groups as the elderly?

Site requirements should match housing need in order to facilitate sustainable communities and help local economies.

Q16: Should we include a policy that requires a mix and type of housing, or should the housing market inform what mix and type of housing to build?

This should be informed by a mixture of housing market demands plus what the community actually needs.

Q18: Should the Council establish density standards in the Local Plan?

Yes, but with the ability to be flexible dependent on housing needs and market conditions.

Q19: Do you think we should establish internal space standards for future homes?

It would be ideal for Local Authorities to fall in line with National requirements, so that they are on a level playing field. However, many LAs have not adopted NDSS. By doing so, it might prejudice your area over others. If your standards are smaller, you are more likely to get more delivery (NDSS could make your area less attractive).

NDSS provides unit sizes are much larger than RPs have historically built to (such as under HQIs, Housing Corporation Scheme Development Standards etc). The downside to providing larger units is that they are so much expensive to build, yet the rental yield will rarely increase in line with the increased build cost (due to rents being capped at LHA). This will impact on offers made to developers for s106 plots and may impact on their scheme viability. The knock on effect of this could see more viability assessments having to be carried out and AH reduced. Or worst case scenario, landowners could hold back on selling their sites, as the increased build costs will reduce the site values.

20: Do you think we should establish standards for accessible, adaptable and wheelchair user dwellings?

Yes, but Lifetime Homes (or the equivalent under Building Regs) may be more appropriate for some areas than full wheelchair accessible units.

Q35: Should the next Local Plan continue to promote water efficiency from new developments?

Yes

Q38: Should the Local Plan encourage energy efficiency when constructing new development?

Yes, subject to not making it so onerous that people don't want to build. If schemes become unviable, developments will not come forward.

Q45: How do you think the Council should be making provision for parking within new development?

The target market should be considered e.g. flats for shared ownership are likely to be targeting young professionals and they might have 2 cars. Some households in affordable rented homes might not all have cars. A market rented block near a train station might work with little or no parking.

Other:

Regarding affordable rented housing and the standard s106 wording in relation to this. It is understood that the Council might suggest that RPs cap rents at LHA in perpetuity for affordable rented properties (rather than just at first let).

Our initial financial appraisal modelling assumes a small annual rent increase, generally in line with CPI plus 0.5% (current assumption). It would be difficult to build a business model around a set of assumptions that we don't know – for example – what if the LHA should decrease?

If we were to make a change to our financial modelling, perhaps to include a slightly lower % rent increase on an annual basis, to factor in any possible LHA capping in perpetuity, this would have an effect on the affordable offer for the homes. This may result in a viability challenge if offers become lower.

Whilst it is appreciated that affordability is an issue in Test Valley, would an alternative option be to require a small proportion of the rented homes to be for social rent, to give a broader range of affordable options? Or even, have ARP rents at 75% OMV, capped at LHA but only at first let?

Here's an example from another Local Authority's s106 agreement which works well:

"Affordable Rented Units" means rented housing with tenancies granted for at least 5 years and 11 months duration (provided that this shall not prevent a Registered Provider from granting a starter tenancy or an assured periodic tenancy) that are owned and managed by Registered Providers let on tenancies at rents agreed with the Council between target rents as determined through the national rent regime and 80% of the local market rent (including service charges where applicable) and which rents would not exceed the Local Housing Allowance rates unless otherwise agreed in writing with the Council PROVIDED THAT the rents may be increased annually during the tenancy to take account of the effects of inflation and/or in accordance with arrangements made for such rent increases established by the HCA;

It would also be useful to have a nationally agreed Mortgagee in Possession clause that suits everyone – this is something that regularly comes up as a sticking point.

Response from VIVID
Sept 2018

