

building on success



## Draft Housing Policy for Public Consultation

### Partial Review of the Core Strategy

**March 2013**

This is a Local Development Document under the Town and Country Planning (Local Planning) (England) Regulations. This consultation relates to Regulation 18.



THE ROYAL BOROUGH OF  
**KENSINGTON  
AND CHELSEA**

### **Consultation Information**

This document has been published for comments for a 6 week period from Thursday 21 March to Thursday 2 May.

If you would like to send in comments on this document, please do so by Thursday 2 May 2013.

- By the dedicated consultation portal on our website
- By email to [planningpolicy@rbkc.gov.uk](mailto:planningpolicy@rbkc.gov.uk)
- By post to Planning Policy Team, Kensington Town Hall, Hornton Street, London, W8 7NX

## Contents

Consultation Information.....	4
35.1 INTRODUCTION .....	5
CO 6 .....	5
Strategic Objective for Diversity of Housing.....	5
35.3 POLICIES .....	6
Policy CH 1 .....	9
Housing Diversity .....	9
Policy CH 2 .....	17
Affordable Housing .....	18
Gypsies and Travellers .....	19
Protection of Residential Uses.....	19
Policy CH 3.....	20
Estate Renewal.....	20
Policy CH 4.....	21
35.4 CORPORATE AND PARTNER ACTIONS.....	21
Corporate or Partnership Actions for Diversity of Housing.....	23

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### The Purpose of the consultation

The Core Strategy was adopted in December 2010. Chapter 35: Diversity of Housing sets out the Strategic Objective (CO 6) Diversity of Housing and related Planning Policies (CH1 to CH4). These policies deliver a diversity of housing in the Borough which is an integral part of the Core Strategy's central vision of Building on Success. It is central to stimulating regeneration in North Kensington, and vital to the residential quality of life.

In October 2012 the Council published, for consultation, a document setting out the main issues relevant to the provision of housing within the borough, and setting out a number of possible options to address these. This issues and options paper has been used to inform the current "Draft Policy" paper.

The purpose of this Housing Draft Policy is to set out what the Council considers to be the appropriate policies to effectively address housing within the Borough, and to help achieve the central vision. We seek your views on whether this is, indeed, the correct approach.

### How this document is set out

This document contains extracts from the Core Strategy relating to Policies CH 1 and CH2. Policies CH3 (Protection of residential uses) and CH4 (Estate renewal) have not been altered. Text to be deleted is shown ~~struck through in red~~. Text to be inserted is shown ***emboldened, italicized, underlined and in red***. Please note, the black text is not being issued for consultation – it is only the red changed text that forms the subject of this consultation.

### How to respond to this consultation

Please use the attached questionnaire and respond only to the highlighted text that is being changed. In making your comments please say if you agree or disagree with the change. In the case of disagreement, please explain why.

## 35.1 INTRODUCTION

**35.1.1** House prices in the Royal Borough are among the highest in the country. Since the adoption of the Core Strategy in December 2010 house prices have continued to rise to an average of over a million pounds (£1,094,203)<sup>1</sup>. This is nearly double the average house price in 2005 and the highest average in England. Affordability is therefore a significant issue, especially with ‘part ownership’ schemes. Demand for all types of housing is insatiable. However many houses are built, we cannot begin to satisfy demand, either for private sale or affordable homes<sup>2</sup>. Our strategic focus is therefore on achieving a diversity of housing in mixed communities, to reduce the potential of further polarisation between, in broad spatial terms, the north and south of the Borough.

**35.1.2** In terms of the Core Strategy vision, the housing policies will have a positive impact by facilitating both the North Kensington regeneration and reinforcing Kensington and Chelsea’s international and national reputation as an attractive place to live, with prime residential areas. Residents’ quality of life should be improved by increasing the diversity of housing, providing more affordable housing and maintaining the quality of areas which are already sought after residential locations.

**35.1.3** Diversity of Housing is an integral part of the Core Strategy’s central vision of Building on Success. It is central to stimulating regeneration in North Kensington, and vital to the residential quality of life.

## CO 6

### Strategic Objective for Diversity of Housing

Our strategic objective to have a diversity of housing is that at a local level, it will cater for a variety of housing needs, and is built for adaptability and to a high quality.

## 35.2 WHAT THIS MEANS FOR THE BOROUGH

**35.2.1** The strategic objective means that there will be a better mix of housing types and tenures throughout the Royal Borough, and more housing overall. It is estimated that over 65% of the net increase in new housing<sup>3</sup> will occur in Golborne (north), Abingdon (central) and Cremorne (south) wards. Significant sites in these wards are included in the Site Allocations Section of the Core Strategy Local Plan and are subject to either adopted or forthcoming site briefs or have been granted planning permission. They include the Kensal Gasworks site and Wornington Green (both Golborne ward), the various Warwick Road sites (Abingdon ward) and Lots Road Power Station (Cremorne ward).

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<sup>1</sup> Land Registry Housing Price Index, October 2012

<sup>2</sup> Affordable Housing is defined in the Glossary

<sup>3</sup> The percentage figure is based on individual site figures which are used to provide ward totals. A lapse rate has not been applied to individual sites. However, a lapse rate has been applied to the borough-wide housing figures because it is considered to be appropriate at this level.

## 35.3 POLICIES

### Housing Targets

**35.3.1** A minimum of ~~3,500~~ **5,850** homes should be provided between ~~2007/8~~ **2011** and ~~2016/7~~ **2021** (~~350~~ **585** units per year) based on the ten year housing target of 5,850 net additional units<sup>4</sup>. This housing target is based on evidence of the housing capacity in the Borough<sup>5</sup>, which forms the basis of the London Plan target. The work on the London-wide Strategic Housing Land Availability Assessment (SHLAA) indicates demonstrated that this could go up significantly, principally because of the large strategic sites that have been identified through the Core Strategy Local Plan. A revised SHLAA is currently being prepared and the housing capacity of the Borough will be reviewed accordingly.

These sites have additional potential capacity, and subject to development, will deliver the required number of dwellings in the Royal Borough. The target is awaiting confirmation through the revised London Plan however; the Borough will be planning for 600 net additional units per annum, once the revised London Plan is adopted.<sup>6</sup> These se targets are derived from the SHLAA and monitoring evidence to identify sufficient specific deliverable sites in the initial five years of the Core Strategy Local Plan, with a further supply of developable sites for years 6-10.

Beyond this, the Core Strategy Local Plan sets broad locations for future growth. Delivery will be monitored to manage the supply of land to deliver the housing requirements over the next five years of the housing trajectory. The Housing Trajectory **2013** (see Section 40.1) shows the annual requirement for dwellings judged against the target, and further information on the delivery from strategic sites is provided in section 40.2. Combined, these sites account for over 5,400 dwellings, in excess of 90% of the Borough overall ten year target. In common with other inner-London boroughs, there is therefore, a necessary reliance on a relatively small supply of housing from windfall sites. These have, historically, provided an important supply of housing for the Borough, and based on monitoring of past trends will allow annual targets to be exceeded. Contingency plans exist (see Chapter 39 Contingencies and Risks) so that, in the event that monitoring identifies possible risks to delivery, the Council has a strategy to address the risk.

**35.3.2** The agreed affordable housing target in the draft Mayor's Housing Strategy (May 2009) is 90 units a year, from all sources, between 2008 – 2011. adopted London Plan (July 2011) The revised affordable housing target is 2000 units (200 units per year), to be provided over a ten year period. starting from the commencement of the new London Plan (estimated as 2011/12). The target is derived by taking account of the overall annual housing target of 585 units, estimated affordable housing delivery on site allocations, and the typical affordable housing delivery rate as a proportion of overall housing together with

<sup>4</sup> Mayor of London (2008), The London Plan

<sup>5</sup> GLA (2004), Housing Capacity Study, GLA

<sup>6</sup> The 600 units figure may be tested further at the Examination in Public of the London Plan

**the objective of increasing affordable housing in the borough to meet local needs<sup>7</sup>. The justification for the affordable housing target is set out in Section 3: Supporting Information. Housing growth will increase demand for some services and infrastructure. This is set out elsewhere in this plan.**

35.3.3 This target has been derived by taking account of the overall annual housing target of 600 units, estimated affordable housing delivery on site allocations, the typical affordable housing delivery rate as a proportion of overall housing together with the objective of increasing affordable housing in the borough to meet local needs<sup>6</sup>. The justification for the affordable housing target is set out in Section 3: Supporting Information. Housing growth will increase demand for some services and infrastructure. This is set out elsewhere in this plan.

**35.3.3 The 2011 and 2012 Annual Monitoring Reports (AMRs) published since the adoption of the Core Strategy in 2010 provide some initial information about the implementation and delivery of housing in the Borough. Over the five year period from 2006 – 2011 the net gains permitted exceeded the target set out in the former London Plan of 350 units for 2009/10 and the higher target of 585 units of the new London Plan (adopted July 2011). The net gain for approvals was 540 for 2009/10 and 783 for 2011. The Council wishes to ensure that the delivery rates continue to exceed the target and will continue to monitor closely approval rates. However, there is some concern that these permissions have not been translated into completions, with just 324 completions in 2009/10 and 175 in 2010/11.**

35.3.4 Average residential property prices in the Borough in July 2009 were £712,000. In the third quarter of 2008 the average price was £1.18 million, the highest average in England<sup>8</sup>

**35.3.4 Since the Core Strategy was adopted in December 2010 affordable housing permissions have been low against the 200 units per annum target set out in the London Plan. 22 units were negotiated in 2009/10 and 61 in 2010/11. The Council therefore wishes to ensure that the maximum reasonable amount of affordable housing is delivered and that housing delivery is optimised on every site.**

**35.3.65** The tenure profile in the Borough **based on the 2011 Census** is: **4336** % owner occupation, **2624**% social rented housing, **2537** % private rented housing, 3 % other. The private rented sector has the highest turnover of households compared to the other tenures<sup>9</sup>, with 20% of the population estimated to change each year. These figures can be compared to those for Inner London as a whole, which indicate that around 40% of homes are owner occupied, 40% are social rented housing and 20% of the Inner London stock is in the private rented sector. **By comparison, over two thirds of Outer London dwellings are owner occupied, 18% are in the**

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<sup>7</sup> The need for affordable housing is set out in Fordham Research (2009) Strategic Housing Market Assessment, and SHMA update 2012 by HDH Planning.

<sup>8</sup> Land Registry (2008)

<sup>9</sup> Source: Census 2001.

social rented sector and 12% are private rented. Between 2001 and 2006 there was a 25% increase in the number of private rented properties in the capital<sup>40</sup>.

**35.3.6** Research has been undertaken to ascertain the type of affordable housing that should be provided in the Borough, taking into account the ability of a sample of households to afford different products. This research suggests that 4% of affordable housing should be equity based intermediate housing, Affordable housing consists of social rented, Affordable Rented and intermediate housing, provided to eligible households whose needs are not met by the market. Intermediate housing is defined as homes for sale and rent provided at a cost above social rent, but below market rent levels. It is an important component of providing a diversity of affordable housing products in the Borough and whilst there is a growing need in all sectors, to reflect the need for diversity 15% should be intermediate rented housing, and 85% should be Affordable Rent or social rented housing<sup>11</sup>. Affordable Rent (AR) is a new type of housing tenure which will cater for those in housing need and on the Council's Common Housing Register. It attracts grant from the Mayor of London and largely replaces social rents. The rents that can be charged are potentially higher than social rents being up to 80% of the market rent although they are subject to caps to ensure affordability.

**35.3.6A** The London Plan policy confirms that for planning purposes the Affordable Rent levels are set centrally by the Mayor to ensure that the delivery of affordable housing is maximised. However, due to the very high market rent levels in the Borough the Council will continue to rely on its own local data alongside levels set by the Mayor to ensure that Affordable Rented levels remain affordable to households who Affordable Rented properties are let to.

~~35.3.7 Key workers are more likely than non-key workers to be living in the social rented sector. This may be because they are less likely to be able to afford market housing than non-key worker households<sup>42</sup>. Fifty per cent of intermediate affordable housing is targeted at key workers on the Council's affordable ownership register. In 2009, there were approximately 200 key workers on a register of about 1,300 interested in intermediate housing<sup>43</sup>.~~

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<sup>10</sup> Greater London Strategic Housing Market Assessment, 2008

<sup>11</sup> Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment, and update.

<sup>12</sup> Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment

<sup>13</sup> Housing Department Information, August 2009

## Policy CH 1 Housing Targets

The Council will ensure that sufficient housing sites are allocated in order to ensure the housing targets are met.

To deliver this the Council will:

a. make provision for a minimum of **350 585** net additional dwellings a year until the London Plan is replaced (estimated as 2011/12) based on the overall ten year housing target of **3,500 5,850** net additional units. From adoption of the London Plan the Council is planning to make provision for a minimum of 600 net additional dwellings a year, until 2027/28, based on the ten year housing target of 6,000 net additional units. The exact target will be set through the London Plan process;

b. make provision for the maximum amount of affordable housing with a target of a minimum of 200 units per annum from 2011/2012 until 2027/28 from all sources, the exact target will be set through the London Plan process;

c. require affordable housing tenures to be provided such that they work towards a Borough-wide target of 85% social rented and Affordable Rent housing and 15% Intermediate housing.

## Housing Diversity

**35.3.8** It is estimated that there is a shortfall of around **3,950 4,800** affordable housing units per annum which has increased by nearly 1,000 since 2009<sup>14</sup>. Given that the overall ten year housing target for the Borough is **3,500 5,850** net additional units (based on an assessment of land availability and capacity), this figure is clearly unachievable. What it shows, however, is that there is a significant need for affordable housing in the Borough.

**35.3.9** Between 50% and 70% of the housing stock in Golborne, St. Charles, and Notting Barns wards is social rented housing. In Colville, Norland, Earl's Court and Cremorne wards between 25% - 49 % of the housing stock is social rented <sup>15</sup>. It is important that future housing development does not reinforce this existing broad spatial pattern. It is important that future housing development takes into account existing concentrations of socially rented housing and seeks to provide an appropriate mix of tenure types.

**35.3.10** There is an overall **severe** shortage of all sizes of affordable homes in the Royal Borough. Evidence from the latest Strategic Housing Market Assessment (SHMA) continues to show that The the greatest shortage relative to supply of **social rented affordable** housing **is remains** for properties with four or more bedrooms: 45% of homes are recommended to include one and two bedrooms and 55% three and four or more bedrooms. The main identified shortfalls in terms of market housing are for three and four or more bedroom homes. Over the next 20 years, the size of new market housing likely to be required in the Borough is 20%

<sup>14</sup> Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment update

<sup>15</sup> source: Census 2011

one and two bedroom units and 80% three and four or more bedroom units. For intermediate affordable housing the reverse is true, with nearly 70% of the demand being for one and two bedroom homes, with only 30% for larger homes of 3 or more bedrooms. Intermediate affordable housing includes key worker housing. It is estimated there are around 7,000 households in the borough headed by a key worker.<sup>16</sup>

**35.3.11** It would be unrealistic to expect all housing schemes to comprise dwellings built to these exact ratios. However, in the private market sector, they underline the need for as high a proportion of large dwellings to be provided as possible, with a similar emphasis in the social and affordable rented sector there is a need for as high a proportion of large dwellings to be provided as possible. In the private market sector the evidence suggests a need for larger family sized dwellings. However, property prices mean that even when provided to standard floor areas these properties cannot cater for London families. Whilst the Council will take affordability into account there is a need to cater for a diversity of units. In intermediate housing the reverse is true. The exact mix of houses of any proposal will also take into account factors such as the characteristics of the site such as its location, size and built context, as well as the way housing need will change over time.

**35.3.12** Size of dwellings is not just a matter of their number of habitable rooms or bedrooms. The absolute size of the dwelling matters, both in terms of floorspace, and floor to ceiling heights. Increasingly it is being realised that planning has a legitimate role to play in setting standards not only for affordable housing, but for private housing as well, to ensure the dwellings we build today are flexible and provide quality accommodation in the long term.

**35.3.13** The Mayor has proposed the introduction of introduced minimum housing standards on all housing tenures in the draft replacement as supplementary planning guidance (SPG) to the London Plan. (Policy 3.5 and table 3.3), and space standards which must be met as a minimum for new developments are contained within the London Housing Design Guide. The Housing Design Guide guidance also sets minimum floor to ceiling heights within habitable rooms. These standards will inform requirements for all new housing within the Borough.

**35.3.14** The cost of intermediate housing should be set at the ‘usefully affordable’ point, defined by Fordham Research in the Strategic Housing Market Assessment 2009. It is the midpoint between the cost of social rented housing and the cost of entry-level market housing. It represents a cost that is feasible to produce intermediate housing that will be affordable to a reasonable proportion of households unable to access the market, therefore providing a genuine step on the housing ladder. Intermediate housing is defined as homes for sale and rent provided at a cost above social rent, but below market levels. Whilst intermediate housing comprises of only a small proportion of the mix of affordable housing required in the Borough a broad range of products are required ranging in cost from social rent levels to those closer to the private market sector. However, the Council will continue to treat intermediate housing products on their own merits but will assign substantial weight to those that are

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<sup>16</sup> Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment

affordable to a reasonable proportion of households that are unable to access the market.

**35.3.15** The Council caps the cost of developing affordable housing; therefore, in terms of costs to the developer, there is little financial difference in providing a social rented unit compared to an intermediate affordable unit. Land values in the Borough, however, make the provision of intermediate housing at the usefully affordable point a cost that is in line with the Mayor's income thresholds (set annually) very difficult. Although the evidence combined with the need for housing diversity indicates just 15% of homes should be intermediate, this is in large part because of the affordability of the homes, rather than a reflection of need. There are, however, other models of intermediate housing provision that may better overcome the affordability issue. The Borough wide target of 15% is therefore a pragmatic response to balancing affordability and demand.

**35.3.15A** The Council has adopted a gross external floorspace standard of 800 sq m<sup>17</sup> as the affordable housing threshold based on the ten unit capacity of a site set in the London Plan. Once this threshold has been reached all the net additional floorspace will be eligible for an affordable housing contribution to ensure that affordable housing delivery is maximised.

**35.3.16** In almost all cases in the Royal Borough, affordable housing is negotiated as part of a section 106 agreement associated with a larger development scheme including market housing. On larger sites that exceed the threshold for a financial contribution The the Council will expect applicants to provide the affordable units on the same site as the market housing in order to ensure a diversity of housing at a local level. However, on-site provision is not always possible, in which case provision should be within the area that does not re-enforce the existing broad spatial pattern of housing tenure in the Borough. (see the Housing Diversity Map).

**35.3.17** Reasons for providing off-site affordable housing may include: On-site affordable housing may not be feasible due to there only being one entrance (e.g. in a conversion). It is normal practice to have separate service charges for the market and affordable housing, and therefore separate entrances enable the separation of charges for maintenance/heating communal hall ways etc; It may also be the case that on small sites it is not practical from a design or management perspective to provide a small number of on-site affordable units; It may be easier to provide a particular type of affordable housing, such as large affordable units, off-site rather than on-site.

**35.3.17A** In view of the fact that many of the housing sites coming forward for development in the Borough are small, the delivery of on- site affordable housing can be problematic, both in terms of the number of affordable units that can be delivered and the practical requirements of Registered Social Providers. Analysis of the percentage of affordable floorspace that has come forward for a scheme to remain viable is significantly below the 50% floorspace target previously adopted. The affordable housing target has been set at a third of the total number of dwellings that should be provided each year based on

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<sup>17</sup> Equivalent to a site capacity of 10 residential units

average viable floorspace levels. Using this benchmark a net increase of below 2,400 sq m of floorspace is unlikely to deliver sufficient affordable floorspace on a site to make it a practical proposition.

35.3.17B On the basis of maximising the delivery of affordable housing a financial contribution will be required to reflect the costs of affordable housing delivery in the Borough on sites where the net increase in floorspace is below 2,400 sq m. The Council will wish to ensure that development is optimised on a site to ensure that the threshold is honoured. Once the 2,400 sq m threshold has been reached affordable housing should be delivered on site. This is because the size of the site should enable sufficient flexibility to ensure that on site affordable housing can be provided.

35.3.17C The London Plan states that off site affordable housing may be provided in exceptional circumstances which include securing a higher level of provision and better addressing priority needs, especially for affordable family housing. The sites that generally come forward in the Royal Borough are small and often constrained because of townscape issues. In view of the higher threshold for on- site provision, the very high property prices in the Borough and the need for mixed and balanced communities the Council will wish to ensure that provision is on site where larger sites are involved.

35.3.17D The financial contribution sought in lieu of affordable housing is set out in the Planning Obligations SPD and will be reviewed from time to time to ensure that it reflects both build costs and the cost of land in the Borough. The contributions received will be ring fenced to ensure that they are spent to facilitate the delivery of new affordable housing, to assist with regeneration where this leads to the development of new units or by remodelling existing units or bringing affordable housing units back into use.

35.3.18 The creation of larger homes by amalgamating smaller ones is not uncommon in the borough. Planning permissions granted between January 2006 and March 2008 indicate that 174 units were lost through all forms of deconversion/ amalgamation of units. During the same period, 88 dwellings were lost through deconversion to a single dwelling unit, predominantly in Hans Town, Holland, Brompton, Queen's Gate and Redcliffe wards<sup>18</sup>. However, as stated above, there is also a demand for larger residential dwellings of three or more bedrooms in the Borough<sup>19</sup>. On this basis, an appropriate balance needs to be struck between the loss of residential units and the need for larger family dwellings. Therefore, in order to limit the loss of residential units whilst allowing some flexibility in terms of the creation of larger residential units, a policy has been developed which resists proposals which result in the net loss of five or more residential units. Future amalgamation will be restricted to ensure that successive developments do not lead to loss of residential units.

35.3.19 Whilst the prime residential market has been affected by the recession, there is still demand for large, luxury properties particularly in the south of the

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<sup>18</sup> Source: Council Development Monitoring System

<sup>19</sup> Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment.

Borough. It is envisaged that over the long term this market will remain Important<sup>20</sup>. Proposals for housing schemes including dwellings with a floorspace of 250-300m<sup>2</sup> (2,690- 3,230 ft<sup>2</sup>), or larger, are not uncommon. Often schemes of this nature involve fewer than ten units, and therefore fall below the London Plan ten unit trigger for affordable housing. A floorspace threshold, rather than unit threshold, is therefore considered most appropriate as a trigger for affordable housing in the Borough, as identified in the Affordable Housing Viability Study<sup>21</sup>. This is because more schemes will be required to provide affordable housing which should increase the likelihood of delivery. Appendix 2 of Chapter 40 (supporting information) explains the affordable housing threshold and target in further detail.

**35.3.20** In order to ensure we are delivering the maximum amount of affordable housing, developments proposing less than **50 40% of affordable housing by floorspace** will need to demonstrate a viability case, using the GLA toolkit or an agreed alternative. The target is based on the high level of need, **and takes account of the Council's Affordable Housing Viability Study, and the numerical target, which is a third of the total annual housing target.** The intention is to provide certainty to those developing housing in the Royal Borough as to the level of affordable housing that is expected.

**35.3.21** In assessing any viability assessments the Council will have regard to **the 'dynamic viability model' developed by Fordham Research<sup>22</sup> and individual site circumstances. The Dynamic Viability Model allows for and changing market circumstances, to be assessed annually, and therefore allows for the proportion of affordable housing sought to be closely related to market conditions. This model can also take into account other Other** planning obligations **will also be taken into account.** A statement demonstrating the exceptional site circumstances or the weight attached to other benefits from the scheme should accompany any application proposing less than **5040 %** affordable housing target, to justify to the Council a reduced level of affordable housing provision **or contribution.** Targets should be applied flexibly, taking account of individual site constraints, the availability of public subsidy and other scheme requirements.

**35.3.22 Due to the very high need for affordable housing in the borough, it is important that the delivery of affordable housing is not delayed. For this reason, applications for affordable housing should be provided concurrently with the main planning application.**

**35.3.232** The affordable and market housing should be designed so that it is not possible to identify either tenure - known as 'tenure blind'. To ensure all residents enjoy the same high standards of design and to aid integration of the various communities living within a housing development.

**35.3.22A The private residential market has largely been unaffected by the recession with the overall trend being a year on year increase in prices since**

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<sup>20</sup> -ibid

<sup>21</sup> Fordham Research (2009) RBKC Affordable Housing Viability Study

<sup>22</sup> Ibid.

2005. There is also a strong demand for very large, luxury properties particularly in the south of the Borough. This market has continued to expand, despite the recession. Evidence shows the very large units tend to be about four times the minimum standards laid down in the London Plan for larger family units and they tend to be single units in excess of 350 sq m.

35.3.22B Very large floorspace units provide an important function in contributing towards the London Plan's vision of London as a global city and for the Borough's reputation as one of Europe's most desirable residential locations. However, one unit of 500 sq m equates to roughly six small family sized units of 80 sq m. It is therefore appropriate to strike a suitable balance between catering for this market and endeavouring to optimise housing delivery and provide for a diversity of housing. Very large floorspace units will therefore be supported on the basis that they form one component of a suitable mix of units and pay attention to the prevailing residential density.

35.3.22C The creation of larger homes by the amalgamation of smaller ones is also undertaken in the Borough. Whilst this creates larger family sized units, can restore properties back to their original purpose as single family dwellings and can assist in improving the townscape it clearly involves the loss of residential units. The loss of residential units through de-conversion was estimated as 35 in 2012; 60 in 2011; 90 in 2010 and 30 in 2009. This gives an average of over 50 dwellings a year.

35.2.23 A balance needs to be struck so that properties purpose built as larger family housing units can be restored back to their former use, whilst not permitting such a loss of dwellings as to undermine the Borough's overall housing target. The loss of any residential unit is considered to be a material change of use which requires planning permission.

**35.3.24** In the future, most older people will continue to live in their own homes. However, some older people will no longer be able to live at home or may not wish to do so. It is estimated that the Borough's population of people aged 65 and above will increase by 10.6% and the population of people aged 85 and above is projected to increase by 10.8% between 2008 and 2025. Older people are most numerous in the relatively affluent south of the Borough. There are 1,186 sheltered housing units in the Borough, mostly in the north and south, with little provision in the four central wards. There are three social rented extra care housing schemes in the north of the Borough but there are no schemes in the south, and none for sale or shared ownership within the Borough. There is a need for a mixed tenure, extra care housing scheme in the south of the Borough due to a current lack of provision in that location<sup>23</sup>. The Council should review the fitness of the will support schemes that ensure that sheltered housing stock for is suitable for future needs, in terms of its size, number of bedrooms and wheelchair accessibility, as there appears to be a large number of bedsits with little provision for the likely increase in older couples<sup>24</sup>.

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<sup>23</sup> The Council will not seek affordable housing from proposals for care homes or extra care housing schemes. The Council regards extra care housing as falling within Use Class C2: Residential Institutions.

<sup>24</sup> Institute of Public Care (May 2008), Older People's Housing Needs – Research Paper, Royal Borough of Kensington and Chelsea.

**35.3.24A An increasing number of elderly people in the Borough are living in unsuitable accommodation. There is a demand for older people living alone in a large property to downsize to something smaller which is both manageable and accessible. There is a lack of suitable housing that would support their needs, both in the affordable and private housing sector. The Council will therefore support the creation of smaller accessible residential units as part of a suitable mix both in the private market and as affordable housing sector providing they are dedicated to the needs of the elderly.**

**35.3.25** It is estimated that there are 11,700 households (14% of all households) in the Royal Borough with one or more members in an identified 'additional needs' group, such as people with a physical or learning disability, as well as the frail elderly. Research has indicated that the households in the north of the Borough are more likely to have an additional need. Households with additional needs have much lower than average incomes and are far more likely to be in unsuitable housing (i.e. requiring adaptations to the home) compared to households overall <sup>25</sup>. A proportion of households with physical disabilities will require wheelchair accessible housing <sup>26</sup>.

**35.3.26** Lifetime homes standards will be used to address this issue. New homes will incorporate basic design criteria to ensure that the properties are convenient, flexible and adaptable. They are designed to meet a family's changing needs over time, but are not intended to be fully wheelchair accessible. The standards exceed those in Part M of the Building Regulations which are only concerned with enabling disabled people to visit a dwelling. The criteria include issues which relate to parking, the approach to a dwelling, entrance treatment and the design of internal spaces <sup>27</sup>.

**35.3.27** Where compliance with the various standards is not possible due to other policy requirements, for example in the case of development involving historic buildings, the development should demonstrate that all reasonable measures have been taken to meet them.

**35.3.28** The private rented sector plays an important role in the housing market, especially in meeting the need for lower cost housing. Houses in Multiple Occupation (HMOs) form one important element of this sector. The Council has a relatively high proportion of household spaces in a shared dwelling according to the 2001 census, and a recent household survey has estimated that in 2009 there were approximately 1,640 HMO shared flats/ houses in the borough (1.9% of households). Less than 10% of those were estimated to be student only households. The wards to the east of Notting Hill and around Earl's Court had the highest proportion of shared dwellings. Earl's Court and Chelsea are the most favoured destinations for students to live in shared accommodation <sup>28</sup>. Imperial College estimates there are 2,300 students living in the private rented sector, in addition to 1,000 students living in its halls of residence <sup>29</sup>.

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<sup>25</sup> Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment

<sup>26</sup> For further information on wheelchair accessible housing standards to be met see GLA (September 2007) 'Wheelchair Accessible Housing: Best Practice Guidance: Designing Homes That Can Be Easily Adapted for Residents Who are Wheelchair Users

<sup>27</sup> For further information on the standards to be met see GLA (April 2004) SPG Accessible London: achieving an inclusive environment, Appendix 4 Lifetime Homes Criteria.

<sup>28</sup> Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment

<sup>29</sup> Information from Imperial College, August 2009

**35.3.29** The Council recognises the role that HMOs have made in terms of providing lower cost housing, and on this basis they have traditionally been protected from self-containment. However, it is recognised that they provide a less than ideal form of habitation in so far as certain facilities, normally bathrooms, have to be shared. A balance has therefore been struck between the need to cater for the lower end of the private rented market and the need to provide a dwelling of an appropriate standard for the 21st Century. On this basis proposals to convert HMOs into studio flats will generally be supported, as the evidence suggests that whilst studio flats are more expensive the rents they command are not significantly higher than some HMOs, although there is variation depending on geographical location.

**35.3.30** Residential hostels within the Borough have traditionally catered for groups such as the single homeless, people who are mentally ill or disabled, women who have experienced domestic violence and students. It is recognised that the traditional type of hostel may, in some cases, no longer be the most appropriate form of accommodation and therefore the change of a hostel site to a different form of affordable housing may be appropriate.

**35.3.31** A London-wide A Council gypsy and traveller needs assessment has identified that there is a need to provide an additional 6 to 12 two gypsy and traveller pitches in the Borough for the period 2007-2017 2013 - 2018<sup>30</sup>. The shortage and high cost of land means that there will be limited opportunities for new gypsy and traveller pitches. However, the Borough will work with partners, RSLs, developers and neighbouring authorities to meet the this identified need by improving the existing Stable Way site, realising any additional capacity on the site and exploring whether any outstanding need can be addressed by more conventional social housing solutions. A site(s) will be allocated as part of a forthcoming specific Gypsy and Traveller DPD.

**35.3.32** The Borough is very densely developed and therefore protection of existing amenity is paramount. The creation of new external amenity spaces associated with new developments is also very important. Exposure and access to greenspaces can have a wide range of social, environmental, economic and health benefits<sup>31</sup>. There is evidence that access to outdoor environments can provide health benefits at a number of levels, for example through physical activity and through informal recreation which can provide relief from depression and stress<sup>32</sup>. External amenity space and green spaces benefit people of all ages. Green roofs also provide ecological benefits.

**35.3.33** The evidence on housing diversity shows that we need to have a policy to address housing mix, older people's housing, affordable housing, inclusive housing, flat deconversions and gypsy and traveller issues.

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<sup>30</sup> Fordham Research (2008) London Boroughs' Gypsy and Traveller Accommodation Needs Assessment: Final Report, GLA.

<sup>31</sup> Morris, N (2003) Health, Well-Being and Open Space: Literature Review, Edinburgh College of Art and Heriot-Watt University

<sup>32</sup> Morris, 2003, DCLG 2006 cited in Ward Thompson, C (2006), Woodland and a Healthy Society

## Policy CH 2 Housing Diversity

The Council will ensure new housing development is provided so as to further refine the grain of the mix of housing across the Borough.

To deliver this the Council will, in relation to:

### Housing Mix and Type

- a. require new residential developments to include a mix of types, tenures and sizes of homes to reflect the varying needs of the Borough, taking into account the characteristics of the site, and current evidence in relation to housing need;
- b. require new residential developments, including conversions, amalgamations and changes of use, to be designed to as a minimum achieve all the following standards:
  - i) lifetime homes;
  - ii) floorspace and floor to ceiling heights;
  - iii) wheelchair accessibility for a minimum of 10% of dwellings;

where compliance with the above standards is not possible because of other policy requirements, to require new residential developments to demonstrate that all reasonable measures to meet them have been taken;

- c. encourage extra care housing, **particularly in the south of the Borough throughout the Borough**;
- d. protect houses in multiple occupation except where a proposal concerns conversion into self-contained studio flats, and require any such proposal to be subject to a s106 agreement to ensure the flats remain as studios in perpetuity;
- e. resist the loss of residential hostels except where the site will be utilised as a different form of affordable housing;
- f. ~~resist development which results in the net loss of five or more residential units~~;
- f. **resist the amalgamation of residential units unless:**
  - (i) from smaller units, it creates a 3 or 4 bedroom unit of a size close to the London Plan floorspace standards;**
  - (ii) it will enable a single family dwelling house to be restored provided it was constructed originally for that purpose.**
- g. ~~require development that results in the amalgamation of residential units to be subject to a s106 agreement to ensure the resultant units are not further amalgamated in the future~~;
- h g. require housing schemes to include outdoor amenity space;

## Affordable Housing

~~**i h.** require developments that involve a net increase of 800 sq m of net floorspace to provide affordable housing at **5040** % by floor area on all the net additional residential floorspace created in excess of 800sq.m gross external area;~~

~~**j.** require provision to be in the form of a commuted sum in lieu of the equivalent amount of affordable housing floorspace where in excess of 800sq.m but less than 1,200 sq.m of gross external residential floor space;~~

~~**i.** require developments of over 800 sq m of net additional residential floorspace to provide affordable housing on the total net increase in residential floorspace either:~~

- ~~**i)** as commuted sum for developments with a net additional residential floorspace of below 2,400 sq m;~~
- ~~**ii)** on site where the development involves a net additional residential floorspace of 2,400 sq m or more.~~

~~**k.** require affordable housing provision of affordable homes on site where more than 1,200 sq.m of gross external residential floor space is proposed~~

~~**l.** require any off-site affordable housing to be provided in any wards except the following:~~

~~Golborne, St. Charles, Notting Barns, Colville, Norland, Earl's Court and Cremorne;~~

~~**m.** require an application to be made for any 'off-site' affordable housing concurrently with the main planning application and that the two applications are linked through a s106 agreement or unilateral undertaking;~~

~~**n.j.** require that affordable housing and market housing are integrated in any development and have the same external appearance;~~

~~**e.k.** require the affordable and market housing to have equivalent amenity in relation to factors including views, daylight, noise and proximity to open space, playspace, community facilities, and shops;~~

~~**p.l** where a scheme over 800sq.m does not provide **5040**% of gross external residential floorspace for affordable housing, the applicant must demonstrate:~~

- ~~**i)** the maximum reasonable amount of affordable housing is provided through the provision of a viability assessment, using the GLA toolkit or an agreed alternative~~
- ~~**ii)** the exceptional site circumstances or other public benefits to justify the reduced affordable housing provision;~~

~~**r.** require that the provision of intermediate housing is provided at the 'usefully~~

affordable' point.

m. require large residential units which have a floorspace of 350 sq m or more to be part of a suitable mix of units by:

- i) ensuring that no single residential unit of 350 sq m or more exceeds 25% of the total floorspace (GEA) of the scheme as a whole; and
- ii) the scheme as a whole reflects the prevailing residential density in the immediate locality.

### **Gypsies and Travellers**

g.n. protect **and improve** the existing Westway Travellers' site which the Council jointly manages with the London Borough of Hammersmith and Fulham **and realise additional capacity on the site where possible. Additional sites for temporary or permanent use will be identified in the forthcoming Gypsy and Traveller DPD and Any additional site to accommodate the specific needs of Gypsies and Travellers in the Borough** should meet the following criteria:

- i) meet a demonstrable local need;
- ii) the site can provide for a satisfactory arrangement of pitches, permanent buildings and open space;
- iii) use of the site would have no significant detrimental effect on the amenity of occupiers of adjoining land and be fit for purpose for the occupants of the site;
- iiii) use of the site would be acceptable in terms of the visual amenity;
- v) the use could be supported by adequate physical and social infrastructure in the locality
- vi) the identification of a site is complemented by a Housing Allocations policy which will facilitate the movement of households in housing need from the site to conventional social housing.

### **Protection of Residential Uses**

**35.3.34** Loss of housing through deconversion, and, additionally to other uses, can reduce the overall provision of housing stock. The AMR monitors losses of residential use, and has identified the need to further prevent against losses. To achieve the annual housing target in policy CH1, which takes account of net losses of units, it is therefore important to protect residential units in most circumstances. However, there are a limited number of situations in which losses will be permitted in order to meet various policy objectives of this plan. These are set out in the policy below.

**35.3.35** Arts and Cultural Uses include museums, art galleries, exhibition spaces, theatre, cinemas and studios. Policy CH3 refers to very small offices, which have a floorspace of 100 square metres or less.

## Policy CH 3 Protection of Residential Uses

The Council will ensure a net increase in residential accommodation.

To deliver this the Council will:

- a. protect market residential use and floorspace except:
  - i. in higher order town centres, where the loss is to a town centre use;
  - ii. in employment zones, where the loss is to a business use, or other use which supports character and function of the zone;
  - iii. in a predominantly commercial mews, where its loss is to a business use;
  - iv. where the proposal is for a very small office; or
  - v. where the proposal is for a new social and community use which predominantly serves, or which provides significant benefits, to Borough residents; or an arts and cultural use;
- b. resist the net loss of both social rented and intermediate affordable housing floorspace and units throughout the Borough

**NOTE:** Other policies within the Core Strategy set out where the Council will permit new residential uses and floorspace. Refer to Policy CF3 in relation to introducing new residential use at ground floor level within town centres; CK2 in relation to loss of shops outside of town centres; CF5 in relation to business uses and in relation to new development within Employment Zones; CF8 in relation to Hotels and Policy CK1 in relation to social and community uses.

## Estate Renewal

**35.3.36** The Council is undertaking a Housing Stock Options Review to provide clear advice on the options that are available to resolve the Housing Revenue Account deficit, secure long term investment to renew the Council's housing stock, and ensure that there is an adequate supply of affordable housing to meet future needs. One potential source of funding to replace existing new affordable housing is from the sale of new private housing provided alongside the replacement social housing, with estates being rebuilt to a higher density. This would, if undertaken, be carried out in a phased way over 20 years or more<sup>33</sup>. The Council has a legal duty to re-house all existing Council tenants.

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<sup>33</sup> The range of options under review is detailed within various Stock Options publications and the Housing Strategy. The Council plans to reach a view on the best available option by Autumn 2009

**35.3.37** Estate renewal proposals differ from other types of application because often the sale of market housing is used to fund the re-provided social rented housing. For this reason the proportions of social rented and market housing may differ from conventional housing applications where cross subsidy is not being done on the same scale.

## **Policy CH 4**

### **Estate Renewal**

The Council will require that where the redevelopment of social rented housing estates is proposed, a compelling case is demonstrated that the long term benefits outweigh the considerable uncertainty and disruption such projects will cause.

To deliver this the Council will:

- a.** require the maximum reasonable amount of affordable housing, with the minimum being no net loss of existing social rented provision;
- b.** require a guarantee that all existing tenants have an opportunity of a home that meets their needs, with those wishing to stay in the neighbourhood being able to do so;
- c.** require that the mix of house sizes for the re-provided social rented housing will be determined by the housing needs of the tenants of the estate and by the housing needs of the Borough, at the time that an application is submitted;
- d.** require that where estate renewal is being funded through the provision of private housing or other commercial development, schemes must be supported by a financial appraisal;
- e.** recognise that cross subsidy between estates may also be required where proposals involve several estates. The principles set out above for one estate would be applied to two or more estates, taken as a whole.

## **35.4 CORPORATE AND PARTNER ACTIONS**

### **Introduction**

**35.4.1** Delivering the strategic objective of Housing Diversity will take more than the planning policies above. A range of activities undertaken across the Council and by our partner organisations will also deliver this objective. This section sets out the main strategies and action plans that have been prepared and that will play a part in delivering this objective. It then sets out specific actions that will be undertaken to further the objective.

### **Corporate or Partnership Strategies that will contribute to the delivery of the Strategic Objective**

#### **Royal Borough of Kensington and Chelsea Stock Options Reports**

**35.4.2** Various documents have been produced by the Council, setting out the options for the redevelopment of the Council's housing estates. In Autumn 2009, a new report will set out the Council's views on options and recommendations regarding the future of the Council's housing estates.

### **Mayor of London (February 2010) London Housing Strategy**

**35.4.3** This strategy covers many housing topics. It includes the Council's three year annual affordable housing target and details regarding gypsy and traveller pitch requirements. These issues are of particular relevance to the Core Strategy. The final version was published in 2010.

### **Institute of Public Care (May 2008) Older Persons Housing Strategy**

**35.4.4** The Institute of Public Care was commissioned by the Council in October 2007, to assist in the development of an older people's housing strategy: 'RBKC Older People' Housing Needs - Research Paper May 2008'. The report is based on an analysis of local information and statistics about older people and housing, and indicates the strategic direction that the Council could follow over the next decade in relation to this topic. The main aims of the research were to establish whether or not the Royal Borough 'has the right profile of accommodation and related services to meet older people's needs across the continuum of housing, health and social care needs' and 'whether the existing provision is fit for the future.'

### **Housing Strategy 2003-2008**

**35.4.5** The Council's Housing Strategy has at its heart the following mission statement: 'Housing services in Kensington and Chelsea aim to improve the lives of residents and customers. This will be achieved directly through service provision, commissioning and performance management, and indirectly through working with central Government, the Police, health services, voluntary sector and others to support local communities'.

**35.4.6** The Housing Strategy covers the following topics including homelessness, options to meet housing need, better asset management, engaging communities, independent living, and improving performance. A new strategy is being prepared and will be available covering future years

## Corporate or Partnership Actions for Diversity of Housing

1. The Council's Directorate of Planning and Borough Development and the Housing Department will work pro-actively with developers to bring forward housing sites;
2. The Council's Directorate of Planning and Borough Development and the Housing Department will work with the Homes and Communities Agency, housing associations, residents and other partners, to deliver estate renewal projects and to ensure high quality affordable housing is developed;
3. The Council's Environmental Health Department will continue to work towards reducing the number of empty properties in the borough, as set out in the Private Sector Housing Renewal Policy 2004, by providing grants for the refurbishment of empty properties;
4. The Council's Supporting People programme will continue to provide needs led services for older people through developing options for the modernisation of sheltered housing services;
5. The Housing Needs Section and the Council's Access Officer will provide specialist input on planning applications for new dwellings to ensure where relevant, new accommodation meets Lifetime Homes standards and satisfies the criteria for meeting wheelchair standards;
6. The Council's Environmental Health Department will monitor HMOs and use their powers, as necessary, to ensure they meet various quality and safety standards.