

# Chapter 35 Diversity of Housing

## Affordable and Market Housing, Housing Mix, Estate Regeneration

### 35.1 Introduction

- 35.1.1 Median house prices in the Royal Borough are the highest in the country with the affordability ratio (median sale prices to median earnings) almost five times the national average. Affordability is therefore a significant issue and the delivery of a substantial number of new homes at a price that our residents and people working locally can afford remains a key housing issue in the borough. Demand for all types of housing is insatiable further exacerbating issues of affordability. However many houses are built, we cannot begin to satisfy demand, either for private sale or 'affordable' homes<sup>89</sup>. Our strategic focus is therefore on increasing the supply of housing and 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 Local Plan 'vision', the housing policies will have a positive impact by facilitating both the North Kensington and 'areas of change' 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 Local Plan's central vision of Building on Success. It is central to stimulating regeneration in North Kensington and the 'areas of change', and vital to the residential quality of life.

#### **CO6 Strategic Objective for Diversity of Housing**

Our strategic objective is to boost the supply of housing to further the aim of sustainable development including a diversity of housing that at a local level, 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.

### 35.3 Policies

#### **Housing Targets**

- 35.3.1 The Council supports boosting the supply of new homes both to cater for the demand for private homes and much needed affordable homes in the borough. Evidence set out in the borough's 2015 Strategic Housing Market Assessment (SHMA)<sup>90</sup> identifies an objectively assessed need (OAN) of 11,291 dwellings over the period 2015-2035, or 575 dwellings per annum. These figures are based on the GLA's long-term migration household projections plus an allowance for vacant dwellings and second homes. This is set out in the SHMA (based on the DCLG 2012 household projections and the GLA short

<sup>89</sup> Affordable Housing is defined in the Glossary.

<sup>90</sup> Available from [www.rbkc.gov.uk/planningpolicy](http://www.rbkc.gov.uk/planningpolicy)

term migration scenario) but are assessed as the most realistic for using the longer term migration trend data determined at the London level.

- 35.3.2 The London Plan 2016 (as amended) sets out a housing target of 733 dwellings per annum<sup>91</sup> that the borough should seek to meet and exceed. The target is supply based and exceeds the annual OAN by about 27%. The target is for ten years between 2015 and 2025 and has been rolled forward<sup>92</sup> to 15 years resulting in an overall target of 10,995 units. The target is derived from monitoring evidence and the London Strategic Housing Land Availability Assessment (SHLAA) 2013 which was developed in partnership with London Boroughs. The Mayor of London has committed to revise the target by 2019/20<sup>93</sup> and work on a new SHLAA has commenced.
- 35.3.3 In accordance with the NPPF<sup>94</sup>, the Council must ensure that the Local Plan meets the full OAN for market and affordable housing. It must also demonstrate a 5 year supply of specific deliverable<sup>95</sup> sites sufficient to meet the borough's housing target plus an additional 20% buffer (moved forward from later in the plan period) for the first 5 years due to a record of persistent under delivery. The additional buffer is to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land. The Council's net residential completions over the last 5 years (2011/12 to 2015/16) have averaged around 350 units per annum<sup>96</sup> whilst net residential approvals over the same period have averaged around 790 units per annum. There is no clear guidance on how many years of residential completions need to be monitored before the conclusion can be drawn that there is a persistent under delivery. Nevertheless the Council has included a 20% buffer over the housing target for the first 5 years which results in an annual target of 880 units per annum for the first 5 years.
- 35.3.4 The Housing Trajectory shows a total development pipeline of 11,694 net additional units for the 15 year period 2016/17 to 2030/31<sup>97</sup> and further information on the housing trajectory and delivery from site allocations is provided in Chapter 40. The housing trajectory is based on a combination of the capacity from site allocations, the development pipeline of planning permissions, those sites where pre-application responses have identified a potential for housing development, assumptions on windfall from small sites and vacant buildings returning to use. It is estimated that about 4,400 of these units will be delivered within the first five year period enabling the borough to demonstrate a five year housing land supply including an additional 20% buffer required by the NPPF. The Local Plan also identifies a supply of specific, developable<sup>98</sup> sites or broad locations for growth for years 6-15.
- 35.3.5 Over the next 15 years, the site allocations are expected to deliver about 8,000 units with the largest site Kensal Gasworks (3,500 units) likely to deliver in the latter years. Given the extremely dense built up character of the borough and limited number of large sites, in common with other inner-London boroughs, the Council also relies on a supply of housing from small windfall sites which is taken from the small sites estimate provided in the London SHLAA. These have, historically, provided an important supply of housing for the borough.

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<sup>91</sup> Table 3.1 London Plan 2016 (as amended)

<sup>92</sup> Policy 3.3D Increasing Housing Supply, London Plan 2016 (as amended)

<sup>93</sup> Paragraph 3.24 London Plan 2016 (as amended)

<sup>94</sup> Paragraph 47

<sup>95</sup> Deliverable is defined in the Glossary

<sup>96</sup> It should be noted that the housing target was previously 350 units per annum from 2007/08 to 2010/11 and 600 units per annum between 2011/12 and 2014/15

<sup>97</sup> The housing trajectory will be updated annually in the Monitoring Report

<sup>98</sup> Developable is defined in the Glossary

## Amalgamations

- 35.3.6 Given the overwhelming need for additional homes across the borough and London as a whole, planning policies should resist the loss of existing homes. Evidence suggests that in recent years a significant number of existing homes have been joined together to create a smaller number of larger units. Prior to August 2014 the Council considered that planning permission was not required for schemes resulting in the loss of fewer than five units. Monitoring of Certificates of Lawful Use or Development relating to the loss of residential units through amalgamations indicates that around 290 residential units were lost between 2009/10 and 2013/14 due to amalgamations. Evidence for the 2014/15 financial year sourced from Council tax records indicates a further 93 units were lost through amalgamations. Together this adds up to nearly 400 dwellings, which is equivalent to the borough's combined net completions over three years from 2011/12 to 2013/14. It should also be noted that the losses could be of an even greater magnitude as applying for a Certificate of Lawful Use or Development for something that was not considered development<sup>99</sup> is not mandatory.
- 35.3.7 The Council considers that the impact of amalgamations in reducing the number of residential units across the borough has significant planning consequences that render them a material change of use. Consequently, the Council is of the view that all such proposals should be subject to planning permission so that impacts of the proposed change of use can be assessed against development plan policies.
- 35.3.8 Policy CH1 b. resists the loss of units through amalgamations with some exceptions. The combination of the significant loss of smaller units resulting from amalgamations, the borough's increased housing target, residential completions at levels consistently below target, and the need to be in general conformity with the requirements of the London Plan which protects existing residential densities, all support the approach proposed in Policy CH1.
- 35.3.9 Criterion b. recognises that combining two residential units resulting in the net loss of one residential unit may be acceptable up to the specified maximum floorspace limit of 170 sq m gross internal area (GIA). The floorspace limit based on an analysis of planning application data is considered appropriate to restrict a large proportion of losses through amalgamations. It also recognises that the traditional housing stock in the borough typically has large areas dedicated for circulation which reduce the habitable floorspace. This approach has been taken as it can help serve a need by providing family sized accommodation in the borough and enable families to stay and expand without moving home. The SHMA 2015 supports 50% of new housing to be family sized accommodation (3 to 4 bed plus units). Limiting the extent of amalgamations can also help improve sub-standard accommodation and meet the nationally described space standards<sup>100</sup>. For the policy to be effective, criterion c. ensures that a stepped approach to amalgamations cannot be applied.

## Restrict very large units

- 35.3.10 In recent years the borough has seen an increase in planning applications for 'super-prime' developments. These are very large luxury, high-end, high-specification developments with multi-million pound sales values known as prime and super prime housing. There is no fixed definition of prime or super prime housing. The borough's SHMA 2015 concludes that super prime properties are those valued at more than £10 million and prime properties between £2 million and £10 million. This approach is

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<sup>99</sup> As defined in section 55 of the Town and Country Planning Act 1990 (as amended)

<sup>100</sup> Adopted by the London Plan 2016 (see Table 3.3)

supported by research prepared by central London estate agents with the prime residential market identified as that for properties priced over £2 million but slightly different from a recent report prepared by Westminster City Council which identified super prime properties as those over £5 million.

- 35.3.11 In terms of new build housing within the borough, for properties to achieve these prime and super prime values, the Council has seen an increase in the number of very large residential units coming forward for development which are significantly above the nationally described space standards.
- 35.3.12 There are clear aspirations at the regional level that London retains and extends its role as a global city and this includes continuing to attract significant overseas investment in London's economy and infrastructure. The vision for the borough also seeks to 'enhance the reputation of our national and international destinations'. Whilst this is focused more on the unique retail and cultural offer of the borough there is an argument that different London boroughs should fulfil different roles and that the prime residential market is important for encouraging economic growth and making London an attractive city in which to invest.
- 35.3.13 However, the provision of these larger units has an impact on the ability of the borough to meet its housing supply targets as the sites for these developments are often capable of accommodating a much larger number of smaller units. Given the increase in the borough's housing supply target to 733 units per annum in the 2015 London Plan, the borough is under increasing pressure to ensure that the delivery of new housing is optimised on all sites. The number of residential units delivered on a site can be optimised by taking into account the relevant range within the London Plan Density Matrix. In addition the provision of new very large units to meet the requirements of prime and super prime buyers is unlikely to contribute to meeting local housing needs as identified through the borough's SHMA. This approach may reduce the opportunities within the borough for catering to the market for international investors from new build developments but opportunities will continue to remain within the second-hand market.
- 35.3.14 Linked to the issue of very large units is the phenomenon of homes in the borough being bought purely as investments with the intention of leaving them unoccupied or for occasional use only – so-called 'buy to leave' housing. Having reviewed Council tax records, the electoral register, census data, empty homes data and information on the usage of utilities, the Council's report on Buy to Leave, 2015 found evidence that there are empty homes or they are seldom occupied. The Council is concerned about the impact that large numbers of empty properties will have on the sense of community in these areas and the ability of local businesses and services to survive when the number of potential customers is in decline. The buy to leave homes are normally very large units and therefore restricting the size of units together with the restrictions on amalgamations may also help address this issue in the new build market.

### **Protection of Residential Uses**

- 35.3.15 To achieve the annual housing target in Policy CH1, it is important to protect residential units and floorspace 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 Policy CH1.
- 35.3.16 Arts and cultural uses referred to in Policy CH1 include museums, art galleries, exhibition spaces, theatre, cinemas and studios. Policy CH1 refers to very small offices, which have a floorspace of 100 square metres or less.

### **Policy CH1 Increasing Housing Supply**

The Council will boost the supply of homes in the borough.

To deliver this the Council will:

#### **Housing Target**

- a. seek to meet and exceed the London Plan target for new homes in the borough, which is currently a minimum of 733 net additional dwellings a year.

#### **Amalgamations**

- b. resist the loss of residential units through amalgamations of existing or new homes unless the amalgamation will result in the net loss of one unit only and the total floorspace of the new dwelling created will be less than or equal to 170 sq m gross internal area (GIA);
- c. 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.

#### **Restrict very large units**

- d. optimise the number of residential units delivered in new developments by taking into account the relevant range within the London Plan density matrix.

#### **Protection of Residential Uses**

- e. protect market residential units 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;
  - vi. where proposals meet criterion b. above.
- f. resist the net loss of affordable housing floorspace and units throughout the borough;

NOTE: Other policies within the Local Plan 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.

Do you consider this policy: satisfies the **tests of soundness (positively prepared; justified; effective; and consistent with national policy)**; is **legally compliant**; and is in accordance with the **duty to cooperate**?

Please complete the Response Form at <https://planningconsult.rbkc.gov.uk/consult.ti/LPPRPP/>

## Affordable Housing

- 35.3.17 With the highest median house prices in the country, the issue of providing new affordable homes for those on low and moderate incomes who wish to live in Kensington and Chelsea is a key planning policy issue. With significant reductions in the availability of government funds to subsidise the building of affordable homes over the last few years, the majority of provision is made through Section 106 planning obligations cross funded by the sale of private market housing.

## Affordable Housing Target

- 35.3.18 The Council has a general duty to promote the supply of starter homes as set out in the Housing and Planning Act 2016. The Government intends to include starter homes<sup>101</sup> as a new form of affordable housing. Eligibility for starter homes is linked to age which is set in the Housing and Planning Act 2016 as between 23 and 40 years. The intention is to help young first time buyers on to the housing ladder. Starter homes should be discounted at 20% below market value with a maximum price cap of £450,000 in Greater London. The requirement for starter homes is set nationally and is not based on local needs assessment. The Local Plan supports the provision of starter homes on qualifying sites. The detailed requirements for provision of starter homes are expected to be crystallised in the forthcoming Starter Homes Regulations.
- 35.3.19 Locally, the Council's SHMA estimates that the overall net annual need for affordable housing is 1,171 units per annum. This figure is around twice as large as the objectively assessed need (OAN) figure of 575 dwellings per annum. It should be noted that there is little relationship between the two figures, with the OAN based on projected net growth in households and the affordable housing requirement based on working through the backlog of existing affordable housing need.
- 35.3.20 Despite the distinction in methodology, a comparison of the two figures makes it clear that the primary objective of the revised affordable housing target should be to ensure that the Council achieves the maximum reasonable amount of affordable housing in all instances.
- 35.3.21 In order to set a planning policy target that achieves the maximum reasonable amount of affordable housing, the Council must take account of need but also deliverability. Firstly, the Council's housing target of 733 dwellings per annum is supply based which is limited. Furthermore, even if the borough's entire housing requirement for the next fifteen years were to be delivered as affordable homes, the cumulative affordable need figure for the same period could still not be met. The second issue that must be taken into account is the economic viability of delivering affordable housing. Paragraph 173 of the NPPF requires that new developments should not be subject to such a scale of obligations and policy burdens that their ability to be viably developed is threatened.
- 35.3.22 The London Plan requires boroughs to set an overall target in the Local Plans for the amount of affordable housing provision needed together with separate targets for the different types of affordable tenures. Such targets may be expressed in absolute or percentage terms. The Council considers that since the annual housing target is absolute, the overall affordable housing target should be set as a percentage. Such an approach will provide certainty to applicants on the level of affordable housing expected in each scheme as opposed to an overall number of affordable homes per annum with uncertainty about how it will be distributed across sites.
- 35.3.23 The Council's Affordable Housing Target Viability Study, 2016 update demonstrates that

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<sup>101</sup> Defined in the Glossary

a proportion of affordable housing is viable in all residential developments, and all mixed use developments with 30% of commercial floor space. However, the level of viability varies significantly by area. The range for a generally viable affordable housing target is shown to be between 35% and 40% in the majority of the borough. The Viability Study and Policy CH2 have factored in the starter homes requirement in these targets, assuming the Government will implement its proposed 20% starter homes requirement and include starter homes within the definition of affordable housing.

- 35.3.24 The Mayor's Draft Affordable Housing and Viability SPG, November 2016 makes it clear that the Mayor is committed to a long-term strategic aim of half of all new homes in London being affordable. Supported by the Council's Affordable Housing Target Viability Study, 2016 and the 'threshold approach'<sup>102</sup> in the Mayor's SPG the policy sets a borough wide target of 35% without the use of public subsidy. Schemes providing this level of affordable housing do not need to submit a financial viability appraisal negating the need for protracted negotiations and offering consistency and certainty for applicants. In-line with the Mayor's SPG all applicants should explore the use of grant and other public subsidy to increase the level of affordable housing to the Mayor's strategic aim of 50%. This approach would help maximise the provision of affordable housing and cater to the overwhelming need.

### **Affordable Housing Threshold**

- 35.3.25 National policy requires that contributions for affordable housing should not be sought from developments of 10-units or fewer, and which have a maximum combined gross floorspace of no more than 1000 sq m<sup>103</sup> (gross internal floorspace - GIA). This measure was introduced to tackle the disproportionate burden of developer contributions on small-scale developers, custom and self-builders.
- 35.3.26 The London Plan normally requires boroughs to seek affordable housing on sites which have a capacity to provide 10 or more homes applying the London density guidance in the London Plan. The London Plan policy further encourages boroughs to seek a lower threshold through the development plan process where locally justified.
- 35.3.27 The Council's evidence on the Affordable Housing Target Viability Study 2015 included a range of typologies including a scheme comprising four houses and another with five flats. The floorspace of these schemes ranges between 600 sq m and 629 sq m GIA<sup>104</sup>. Despite the national policy stated above the evidence together with the extremely high land values suggests that a local floorspace threshold enabling maximisation of affordable housing should be set. Therefore to further support scheme viability, the larger of the two figures from the Viability Study i.e. 629 sq m GIA rounded up to 650 sq m or 5 units is taken as a suitable threshold. Schemes which meet or exceed this threshold are required to provide affordable housing in-line with Policy CH2. It is considered that setting the threshold at 650 sq m is generally unlikely to affect the exemption in the national policy intended for custom and self-builders as these typically involve building a single unit. In terms of small scale developers, the extremely high land values in the borough mean that affordable housing contributions are not a disproportionate burden on development. There is a strong reliance in the borough on small sites due to its uniquely dense and historic character and most of these are high end developments where it would be viable to provide a contribution for affordable housing.

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<sup>102</sup> The SPG introduces a 'threshold approach', whereby schemes meeting or exceeding 35% affordable housing without public subsidy are not required to submit viability information nor be subject to review mechanisms where an agreed level of progress has been made on implementing the permission within two years of the permission being granted.

<sup>103</sup> Policy set out in WMS of 28 November 2014 and Paragraph 31 NPPG on Planning Obligations

<sup>104</sup> See Chapter 40 for detailed calculations.

## **Affordable Housing Tenure Split**

- 35.3.28 Affordable housing<sup>105</sup> provision currently consists of three different types of tenure – social rent, affordable rent and intermediate which meet the requirements of households whose needs are not met by the market. Eligibility for each of these types of housing is primarily determined with regards to income.
- 35.3.29 Social rented housing typically meets the needs of those on the lowest incomes and is let to people on the Council's housing register. Affordable rented housing can also only be let through Councils or private registered providers to those groups that would also be eligible for social rented housing. The rents are subject to rent controls nationally of no more than 80% of market rent. The Council has an adopted housing policy for new affordable rent tenancies to ensure that they remain affordable to those in housing need. Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels. The eligibility is linked to household income levels which are set in the London Plan and revised annually in the London Plan Monitoring Report.
- 35.3.30 It is expected that starter homes will also be included in the definition of affordable housing in the future.
- 35.3.31 In terms of the existing three affordable housing tenure types, the London Plan requires that the Council sets a separate target for the provision of social/affordable rented housing and intermediate housing. Policy 3.11 'Affordable Housing Targets' of the London Plan proposes a strategic target of 60% of affordable housing provision as social/affordable rent and 40% for intermediate rent or sale. The Royal Borough is a borough of contrasts with extreme wealth and deprivation and its housing stock caters to those on the opposite end of the spectrum. The Council considers there is a need to increase the provision of intermediate housing which caters to those in between and a 50:50 tenure split in criterion c. of Policy CH2 supports this. The SHMA 2015 included various scenarios for the affordable housing tenure split including one similar to the 50:50 tenure split in criterion c.
- 35.3.32 The updated evidence on the need for each type of tenure is set out in the borough's SHMA. The level of need for each tenure is determined by the affordability threshold which is calculated as the entry level monthly cost. The lowest cost market tenures start at £1,712 for a one bed which is equivalent to a gross household income of £68,480 (assuming 30% of gross income is spent on housing costs) rising to £95,320 for a two bed unit. Given that the median average wage of a borough resident is just under £40,000<sup>106</sup> this indicates that market housing will be unaffordable to a significant proportion of borough residents.
- 35.3.33 The tenure mix in Policy CH2 has been tested for viability and can be delivered with no impact on the overall affordable housing target. The Council's viability evidence demonstrates that the tenure mix is viable and deliverable.
- 35.3.34 In almost all cases in the borough, affordable housing is negotiated as part of a s106 agreement associated with a development scheme including market housing as set out in Policy CH2. 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.

## **Off-site provision of Affordable Housing and Payments in Lieu**

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<sup>105</sup> Affordable housing and various tenures are defined in Annex 2 of the NPPF and included in the Glossary for ease of reference

<sup>106</sup> [www.nomisweb.co.uk/reports/lmp/la/1946157252/report.aspx](http://www.nomisweb.co.uk/reports/lmp/la/1946157252/report.aspx)

- 35.3.35 Where schemes meet the affordable housing threshold, national guidance states that policies should require on-site provision unless off-site provision or a financial payment can be robustly justified.
- 35.3.36 The London Plan stresses maximisation of affordable housing provision on individual sites. The London Plan policy supports provision on-site and in exceptional circumstances off-site (where a robust justification can be demonstrated for on-site provision being inappropriate in terms of the policies in this Plan). Where neither on-site or off-site contribution is possible, it provides guidance on the exceptional circumstances where cash in lieu of provision ring fenced, and if appropriate 'pooled', to secure efficient delivery of additional affordable housing on identified sites elsewhere may be accepted (paragraph 3.74). The criteria for these exceptional circumstances are tailored to address the specific requirements for the borough as follows:
- secure a significantly higher level of provision; and/or
  - better address priority needs, including a greater need for one bed, followed by two bed affordable homes as indicated in the Council's most up-to-date published needs assessment.
- 35.3.37 The question then arises about calculating the cash in lieu payment. The Council's Affordable Housing Target Viability Study 2015 update recommended an approach for calculating the value of payments in lieu for affordable housing taking into account difference in sale values and build costs across the borough. The approach put forward is based on the principle that replacing on-site affordable housing provision with a payment in lieu should be financially neutral for the developer. To achieve this an alternative option for calculating the payment in lieu sum is proposed which is calculated by deducting the residual land value of a scheme that incorporates a viable percentage of affordable housing on-site from a scheme that assumes 100% private housing i.e. the difference in residual land value between the two schemes is the value of the payment in lieu. This approach allows for the most accurate assessment of the value of the payment in lieu based on the principle of the provision of off-site affordable housing being a financially neutral option for the developer.
- 35.3.38 The Council intends to spend affordable housing payments in lieu on its estate regeneration programme, amongst other projects such as 'Hidden Homes', to deliver more affordable housing.

### **Viability Assessments**

- 35.3.39 Given the significant level of need for affordable housing, it is essential that the Council ensures that it is securing the maximum reasonable amount of affordable housing on all schemes. Therefore schemes which propose affordable housing at levels below the target for affordable housing in Policy CH2 are required to submit an open book financial viability appraisal. Viability appraisals should be submitted in an open book format so that the Council can test and vary assumptions and observe the impacts on overall scheme viability. This will also help ensure that the Council's planning decisions are based on robust and consistent evidence. In addition, recent Information Commissioner's Office and First Tier Tribunal decisions on requests to release financial appraisals, submitted as part of planning applications under the Environmental Impact Regulations 2004, have been upheld. Therefore in the interest of increasing public trust in the planning process confidential information in financial viability appraisals should be kept to the minimum.
- 35.3.40 Valuations should be done on a residual value<sup>107</sup> basis as this allows account to be taken

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<sup>107</sup> Residual Land Value is defined in the Glossary

of planning policies, and that provisions maybe put in place for re-appraising the viability of schemes to take account of economic uncertainties. Such an approach is also supported by policies and guidance set out in the London Plan which in requiring the maximum reasonable amount of affordable housing supports the use of the residual value approach.

- 35.3.41 The Mayor's Draft Affordable Housing and Viability SPG, November 2016 supports the use of 'Existing Use Value plus' approach in viability appraisals. It states "*The Mayor considers that the Existing Use Value plus<sup>108</sup> (EUV+) approach is usually the most appropriate approach for planning purposes...*". The Council supports this approach as it allows policy considerations to be included at the outset in the process of determining viability. The Council also supports the 'Existing Use Value plus' approach where a development site includes existing affordable housing, which should be included in any viability appraisal at its Existing Use Value rather than using other measures of Benchmark Land Value, such as Market Value or Alternative Use Value.
- 35.3.42 The Council supports using a review mechanism when financial viability assessments demonstrate that current market conditions will support less than the target for affordable housing in Policy CH2. The further financial viability assessment as part of the review mechanism should be based upon the actual known finances of the scheme. Such an approach would be in accordance with paragraphs 50 and 205 of the NPPF which require flexibility to take account of changes in market conditions.
- 35.3.43 National policy provides an incentive for brownfield development on sites containing vacant buildings<sup>109</sup>. Generally known as the vacant building credit, it requires that the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. Affordable housing contributions may be required for any increase in floorspace. It is considered that vacant building credit does not apply to development in the borough. This is because given the central London location and highly dense character of the borough all sites are brownfield and the vacant building credit will not bring forward more development. Where affordable housing targets are not met only viable levels of affordable housing are required following consideration of detailed viability appraisals. As previously mentioned the borough also has the highest property values in the UK and development has always come forward in the borough without the need to incentivise it. Applying vacant building credit would run counter to the London Plan's objective of maximising the provision of affordable housing. This approach has been endorsed by the Mayor's Draft Affordable Housing and Viability SPG, November 2016.
- 35.3.44 Should the vacant building credit be applied, the Council will take the approach that where a building benefits from being deemed 'in use' as per the CIL regulations, it will not be deemed as a vacant building for the purposes of the vacant building credit. The Council will also ensure that the floorspace not subject to the vacant building credit will provide the maximum reasonable amount of affordable housing.
- 35.3.45 The Council may introduce guidance in terms of the information and assumptions which should be included within financial appraisals to speed up the consideration of viability issues as part of the planning application process.
- 35.3.46 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

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<sup>108</sup> Existing Use Value plus is defined in the Glossary

<sup>109</sup> Policy set out in WMS of 28 November 2014 and Paragraph 31 NPPG on Planning Obligations

standards of design and to aid integration of the various communities living within a housing development.

## **Policy CH2: Affordable Housing**

The Council will seek the maximum reasonable amount of affordable housing.

To deliver this the Council will require:

- a. a proportion of starter homes on qualifying sites as defined in the Regulations;
- b. developments to provide 35% of all residential floorspace as affordable on sites that provide 650 sq m or more of gross residential floorspace (gross internal area), once the threshold is met all gross residential floorspace is liable for an affordable housing contribution;
- c. separate to any starter homes provision, 50% of the remaining affordable housing provision to be social rent / affordable rent and 50% to be intermediate;
- d. provision of affordable housing to be on-site unless exceptional circumstances justified by robust evidence exist which support provision off-site or providing a payment in lieu;
- e. 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;
- f. where a qualifying scheme providing 650 sq. m or more gross residential floorspace (gross internal area) does not provide 35% as affordable floorspace on-site, the applicant must demonstrate all of the following:
  - i. the maximum reasonable amount of affordable housing is provided through the provision of an open book financial viability assessment;
  - ii. supporting evidence for the exceptional site circumstances or other public benefits to justify the reduced affordable housing provision;
  - iii. to calculate payments in lieu for affordable housing, two viability assessments comparing residual land values on a site-by-site basis – one reflecting the maximum reasonable amount of affordable housing provision on-site and the second with 100% private housing;
- g. affordable housing and market housing to be integrated in any development and have the same external appearance;
- h. the affordable and market housing to have equivalent amenity in relation to factors including views, siting, daylight, noise and proximity to open space, playspace, community facilities and shops.

Do you consider this policy: satisfies the **tests of soundness (positively prepared; justified; effective; and consistent with national policy)**; is **legally compliant**; and is in accordance with the **duty to cooperate**?

Please complete the Response Form at <https://planningconsult.rbkc.gov.uk/consult.ti/LPPRPP/>

## **Housing Size Mix and Standards**

- 35.3.47 In accordance with the NPPF, the borough has updated its evidence base on local housing requirements through the 2015 SHMA. This is shown as a breakdown by

bedroom size of the objectively assessed need (OAN) for all types of housing. The evidence as presented in the table below is of a 50/50 split between smaller (1-2 bedrooms) and larger (3-4+ bedroom) units.

Dwelling Size	Percentage
1 Bed	23%
2 Bed	29%
3 Bed	30%
4+ Beds	18%

Summary of Dwelling Size Requirements taken for SHMA

- 35.3.48 The SHMA also identifies the specific needs for those in need of affordable housing by tenure as shown in the table below.

Dwelling Size	Number	Percentage
1 Bed	575	49%
2 Bed	240	21%
3 Bed	184	15.5%
4+ Beds	171	14.5%
<b>Total</b>	<b>1,170</b>	<b>100%</b>

Summary of Dwelling Size Requirements for Affordable Homes

- 35.3.49 The need for different size homes within the affordable sector varies greatly from general housing needs with a significant requirement for 1 and 2 bed homes at 70% of the total need with the remainder split between 3 and 4 beds.
- 35.3.50 The policy recognises that the needs identified in the SHMA 2015 could change over time. Therefore the policy refers to 'current' evidence in relation to housing need. This approach allows for the policy to reflect changes in the evidence of the need for different dwelling types over time.
- 35.3.51 The Government's Housing Standards Review<sup>110</sup> was seeking to set consistent standards for housing across the country. The nationally described space standards and 'optional' access standards have been adopted by the Mayor of London in the London Plan with further guidance available in the Mayor's Housing SPG May 2016.
- 35.3.52 The Council's SHMA 2015 identifies that 12% of the borough's population is estimated to have some form of limiting long-term health problem or disability. It forecasts an increase in the number of older people with disabilities, including wheelchair needs. It estimates (based on modelling) that the current unmet need for wheelchair accessible accommodation in the borough is nearly 300. The SHMA findings therefore support the need for more accessible housing in the borough.
- 35.3.53 The London Plan requires that ninety percent of new housing should meet Building Regulation requirement M4 (2) 'accessible and adaptable dwellings' and ten per cent of new housing should meet Building Regulation requirement M4 (3) 'wheelchair user dwellings', i.e. is designed to be wheelchair accessible, or easily adaptable for residents who are wheelchair users. The National Planning Practice Guidance states that Local Plan policies for wheelchair accessible homes M4 (3) (b) should only be applied to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling.
- 35.3.54 The relevant category of Building Regulations will be secured through planning condition

<sup>110</sup> Written Ministerial Statement March 2015

and each dwelling will need to meet all the requirements set out in Part M of the Building Regulations. Approved Document Part M provides clear guidance on how to meet these requirements. The access standards do not apply to dwellings resulting from a conversion or change of use. The standards apply to all tenures. The standards do not apply to specialist forms of housing which are not in the C3 use class such as student housing, care homes and houses in multiple occupation.

- 35.3.55 Where compliance with the access 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.
- 35.3.56 The London Plan has adopted the nationally described space standards which apply to conversions and change of use as well as new build. It should be noted that the London Plan strongly encourages a minimum floor to ceiling height of 2.5m for at least 75% of the gross internal area. This is in response to the unique heat island effect of London and the distinct density and flatted nature of most of its residential development.
- 35.3.57 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 which may include communal space. Exposure and access to greenspaces can have a wide range of social, environmental, economic and health benefits<sup>111</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>112</sup>. External amenity space and green spaces benefit people of all ages. Green roofs also provide ecological benefits.

### Policy CH3: Housing Size Mix and Standards

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

To deliver this the Council will require:

- a. new residential developments to include a mix of types 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. new residential developments to be designed to meet the housing standards on space and access as set out in the London Plan;
- c. housing schemes to include outdoor amenity space.

Do you consider this policy: satisfies the **tests of soundness (positively prepared; justified; effective; and consistent with national policy)**; is **legally compliant**; and is in accordance with the **duty to cooperate**?

Please complete the Response Form at <https://planningconsult.rbkc.gov.uk/consult.ti/LPPRPP/>

<sup>111</sup> Morris, N (2003) Health, Well-Being and Open Space: Literature Review, Edinburgh College of Art and Heriot-Watt University

<sup>112</sup> Morris, 2003, DCLG 2006 cited in Ward Thompson, C (2006), Woodland and a Healthy Society

## Specific Housing Needs

### Older People's Housing

- 35.3.58 In Kensington and Chelsea adults aged over 65 is the fastest growing household group with the share of those aged 65 and over increasing from 14% in 2012 to 23% in 2037, a rise from 10,900 to 20,000 in absolute terms. Whilst an ageing population is a national issue, it is notable that the projected proportion in Kensington and Chelsea is notably higher than the London projected average of 14%. This growth has implications in terms of a reduction in the economically active population, as well as increasing health, care and housing support needs. In terms of households, the SHMA shows a projected increase of 55% from 16,750 over 65 households in 2014 to 25,938 in 2035. However, the most important trend in terms of needs is the anticipated accelerated increase in over 85 households who are most likely to need specialist accommodation.
- 35.3.59 It is recognised that the majority of older people will prefer to remain in their own home and support for this is provided in relation to new housing through requirements to meet the 'optional' Part M Building Regulations 2015 for accessible and adaptable dwellings (Policy CH3). However, evidence in the London and borough SHMA also suggest that a proportion of older Londoners are interested in a move to specialist housing where this is made available.
- 35.3.60 Annex 5 of the London Plan also provides indicative benchmarks on the amount of specialist accommodation needed each year for older people over the next 10 years. The benchmark for the borough is set at 100 units of specialist older people provision per annum, with the majority (60%) provided for private sale. The need forecasts for specialist older people's housing is set out in the Council's SHMA, and is slightly lower than the London Plan benchmarks at 87 units per annum over the next ten years.
- 35.3.61 The Council's SHMA<sup>113</sup> estimates current supply of specialist elderly accommodation in the borough is 1,350 units incorporating both sheltered and extra care housing. There are also residential and nursing care homes which provide care services for older people. In 2013 the Council published its 'Modernising Older People's Housing and Accommodation with Care Services Strategy' which outlined the vision to improve the quality, quantity and choice of housing and accommodation with care services for older people. The evidence underpinning the strategy identifies that there is currently a lack of choice in terms of extra care and sheltered housing which is likely to lead to ongoing demand for expensive care home services. The Council's housing and adult social care service therefore supports an increase in the capacity of specialist provision by encouraging the development of new extra care housing. Extra care housing can meet the needs of a range of older people who are able to be diverted away from residential and nursing care, and retains a degree of independent living. Alongside the delivery of new extra care housing provision, the borough also needs good quality, accessible housing for older people in which care can be delivered if required, but not by on-site services. This so-called 'sheltered' or 'retirement' housing supports independent living but also meets aspirations to live in safe and secure communities.

### Extra Care Housing

- 35.3.62 The level of care provided within older people's housing can influence the way in which planning permissions are assessed particularly in terms of their planning use class. Aside from nursing and care homes which clearly fall within the C2 use class (residential institutions), there are two other main types of housing for older people: extra care

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<sup>113</sup> Table 9.4 SHMA 2015

housing and retirement housing. The key difference between these latter two types is the level of on-site care and communal facilities with extra care providing higher levels which can cater for a wider range of physical, sensory or mental health needs. In either case, it is important to note that the provision of extra care housing will contribute to meeting the Council's annual housing supply target.

- 35.3.63 The Mayor's Housing SPG<sup>114</sup> acknowledges that there has been some debate over how to categorise specialist older persons accommodation in terms of the Use Class Order and whether it is C2 or C3 use. The SPG provides further guidance and commentary on the view to take on the use class. Critically whether the use class falls within C2 or C3 would determine if the proposal is subject to affordable housing requirements and trigger the considerations for viability. Ultimately it is not for planning policy to classify use classes and a view will have to be taken on a case-by-case basis using available guidance. The Council's Affordable Housing Viability Study Update (2016) indicates that the Council should seek to continue to apply Policy CH2 to seek affordable housing on these schemes, with the same site-specific viability caveats that apply to all other developments.

### **Houses in Multiple Occupation (HMOs)**

- 35.3.64 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 borough SHMA 2015 estimates that according to the latest Local Authority Housing Statistics (LAHS) (2013-14), there are 4,434 HMOs in the borough, amounting to nearly 16% of the private rented stock. Whilst significant this is a lower proportion than neighbouring authorities, especially when compared to the 29% that make up Hammersmith and Fulham's private rented 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 per cent of households). Less than ten per cent 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>115</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>116</sup>.
- 35.3.65 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 twenty-first century. On this basis proposals to convert HMOs into studio flats will generally be supported, as the evidence suggests that while studio flats are more expensive the rents they command are not significantly higher than some HMOs, although there is variation depending on geographical location.

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<sup>114</sup> Paragraph 3.7.17 of the Mayor's Housing SPG May 2016

<sup>115</sup> Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment

<sup>116</sup> Information from Imperial College, August 2009

### **Self build and custom build**

- 35.3.66 The Government is keen to support and encourage individuals and communities who want to build their own homes, and is taking proactive steps to stimulate the growth of the self build market. Paragraph 50 of the NPPF sets out how councils should plan for the needs of different groups in the community including those who wish to build their own homes. Policy 3.8 (Housing Choice) of the London Plan also requires boroughs to make appropriate provision for custom build housing having regard to local need.
- 35.3.67 The density of existing development and the need to protect and enhance the historic townscape, together with very high land values throughout the borough will significantly limit the opportunities available for self build. However, the Council recognises that such proposals will contribute to increasing the overall housing supply and if designed to a high quality can have a positive impact on the overall townscape.
- 35.3.68 Self build homes have the potential to make a small contribution to increasing the supply of housing in the borough, coming forward on small sites which may not be of interest to larger developers. The Council would therefore offer support to such proposals where they are meeting local housing need subject to meeting the requirements of the development plan as a whole.

### **Build to Rent**

- 35.3.69 The borough SHMA 2015 indicates that the private rented sector is the largest single tenure in the borough housing 36% of households according to the 2011 Census, higher than the London average. The sector is mostly occupied by single person households working in 'high end' industries and occupations such as financial, real estate and professional activities, occupying management, administrative and professional posts.
- 35.3.70 The Mayor's Draft Affordable Housing and Viability SPG, November 2016 recognises that long term, purpose built, private rented "build to rent" developments in block ownership and managed as a single development could make a particular contribution to meeting housing need. Such schemes are beneficial in a number of ways; they have the potential to accelerate delivery and not compete with nearby for sale developments; they can offer longer term tenancies/more certainty over long term availability; they can ensure high quality management through single ownership; and they can ensure a commitment to, and investment in, place making. They can also meet a wide range of needs, including those of singles, sharers, families and older people. The definition in the Mayor's Draft Affordable Housing and Viability SPG, November 2016 will be used in classifying a scheme as build to rent. This includes a covenant that homes to be held as build to rent for at least 15 years.
- 35.3.71 The Mayor's Draft Affordable Housing and Viability SPG, November 2016 provides guidance on the distinct economics including the affordable component of such schemes compared to mainstream for sale housing developments including a reliance on annual revenue through rent rather than upfront capital receipts and inherently lower returns. The Council recognises the benefits they can bring in providing a choice of rental accommodation both in the private rental market and particularly in affordable housing tenures and supports build to rent.

### **Student Accommodation**

- 35.3.72 The most significant higher education institute within the borough is Imperial College with over 16,000 students. The borough SHMA 2015 estimates that there are over 13,000 students living in the borough of which nearly half are overseas students and a similar

proportion are postgraduates. There has only been a very limited increase in the number of purpose built student accommodation units granted planning permission between 1999 and 2013 (232 units). Nearly half of the students living in the borough are in the private rented sector.

- 35.3.73 There would be an additional 265 students per annum in the borough based on London wide work done by the London Academic Forum on student housing requirements<sup>117</sup>. However, the actual demand for student housing is less clear, as it depends on the proportion of purpose built versus existing private rented sector HMOs that are required.
- 35.3.74 The Mayor's Housing SPG recognises the pressure for student accommodation on a relatively small number of boroughs due to the clustering of higher education institutions in and around central London. However, it notes that student accommodation should not compromise the capacity to meet more general housing requirements. It refers to the London Plan which encourages a more dispersed distribution of student accommodation to reduce pressures on central boroughs and utilise development and regeneration potential in accessible locations outside central London.
- 35.3.75 Where purpose built student accommodation is proposed the providers should have an undertaking with a specified academic institution(s) that specifies that the accommodation will be occupied by students of that institution(s). If no such undertaking is in place the Council will require providers to maximise affordable student accommodation in-line with the guidance in the Mayor's Housing SPG.

#### **Other groups**

- 35.3.76 In addition to meeting the needs of the borough's growing elderly population the NPPF requires the Local Plan to meet the needs of other groups with specialist needs within the community. The groups identified by the SHMA include households with disabilities and wheelchair requirements (Policy CH3), families, students and service personnel. The type of housing that may be suitable for these groups includes sheltered accommodation, supported housing, refuges and hostels.
- 35.3.77 The Council will support the provision of housing to meet specialist needs where the proposed accommodation would meet an identified need as set out in the SHMA i.e. accommodation for homeless families, victims of domestic violence, and other identified groups.
- 35.3.78 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.

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<sup>117</sup> Paragraph 9.37 Borough SHMA 2015

#### **Policy CH4: Specific Housing Needs**

The Council will ensure that new housing development meets the housing needs of a range of specific groups.

To deliver this the Council will:

- a. support the provision for older people's housing including new extra care and sheltered housing to meet identified local needs;
- b. resist the loss of existing older people's housing unless the loss is to improve substandard accommodation or increase the existing provision on the site;
- c. 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;
- d. support self build by providing serviced plots subject to availability;
- e. support build to rent schemes in particular those that include intermediate rent as part of the affordable housing component;
- f. require student housing to not compromise the provision of general housing;
- g. require purpose built student accommodation to have an undertaking with a specified academic institution(s) that specifies that the accommodation will be occupied by students of that institution(s);
- h. resist the loss of supported housing which meets identified community needs;
- i. resist the loss of residential hostels except where the site will be utilised as a different form of affordable housing.

Do you consider this policy: satisfies the **tests of soundness (positively prepared; justified; effective; and consistent with national policy)**; is **legally compliant**; and is in accordance with the **duty to cooperate**?

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## Estate Regeneration

- 35.3.79 The Council as landowner is exploring options for the regeneration of existing low density housing estates. Estate regeneration provides a potential opportunity to:
- Ensure that housing stock meets the needs of existing and future residents.
  - Help tackle underlying causes of deprivation by improving health outcomes, employment opportunities, educational attainment and aspiration, and to reduce crime and the fear of crime.
  - Build the 'conservation areas of the future' by reflecting and matching the high quality urban design in the rest of the borough.
  - Deliver additional housing and affordable housing.
- 35.3.80 Estate regeneration may take the form of the refurbishment of existing housing stock, infill development or partial or comprehensive redevelopment.
- 35.3.81 Estate regeneration proposals often differ from other proposals for residential development because often the sale of market housing is used to fund re-provided social rented and other forms of affordable housing. For this reason the proportions of affordable and market housing may differ from conventional housing applications where cross subsidy is not being done on the same scale.
- 35.3.82 In calculating whether there is any net loss of affordable housing through estate regeneration, former social rented properties sold under the right to buy or right to acquire should be categorised as market sector provision. This includes the right to buy or right to acquire units which have been used on an interim basis as, for example, temporary accommodation in advance of estate regeneration progressing.
- 35.3.83 The Council as a Local Housing Authority will be publishing the Tenant Decant Policy and consulting on a Strategy for Leaseholders in Regeneration Areas. This will provide the Council's policies on right to return, deals for leaseholders, and offers for adult children or other family members.
- 35.3.84 Sites which may be suitable for estate regeneration (of one form or another) are Silchester East and West, Warwick Road and Treverton. These sites, and their wider surrounding areas, appear in land use planning terms to offer opportunities for the delivery of new housing in the Royal Borough. Options for the regeneration of these sites require further investigation, and ultimately the regeneration option chosen, if any, will be determined by the Council as landowner, having regard to a wide range of considerations, including consultation responses.
- 35.3.85 The Council has made clear that it will always consult potentially affected residents at the earliest feasible opportunity and has committed to engaging with and involving affected residents throughout the appraisal, design and development processes. The Council has also resolved that any redevelopment should be designed around streets and squares and to be mixed-tenure.

### Policy CH5 Estate Regeneration

The Council will require that where the regeneration of housing estates including affordable housing is proposed, a compelling case is made 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 affordable housing provision;
- b. 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;
- c. require that where estate regeneration is being funded through the provision of private housing or other commercial development, schemes must be supported by an open book financial viability appraisal;
- d. 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.

Do you consider this policy: satisfies the **tests of soundness (positively prepared; justified; effective; and consistent with national policy)**; is **legally compliant**; and is in accordance with the **duty to cooperate**?

Please complete the Response Form at <https://planningconsult.rbkc.gov.uk/consult.ti/LPPRPP/>

## Gypsy and Traveller accommodation

- 35.3.86 The Council has prepared a Gypsy and Traveller Accommodation Needs Assessment (GTANA)<sup>118</sup> with LBHF. The GTANA has been prepared in line with the 2007 GTANA Guidance, the National Planning Policy Framework (NPPF), the Planning Policy for Traveller Sites (PPTS) and the Draft Guidance to Local Housing Authorities on the Periodical Review of Housing Needs: Caravans and Houseboats. The GTANA concludes that there will be a total requirement for nine additional pitches across RBKC and LBHF between 2015 and 2030.
- 35.3.87 There is one Gypsy and Traveller site in the borough at Stable Way which has existed since 1974 and is now jointly managed by the Council and the London Borough of Hammersmith and Fulham (LBHF). The Stable Way site is a permanent site and currently comprises a total of 20 pitches, of which one is taken up by 'The Hut' Community Centre, resulting in 19 available authorised pitches. The site's freehold is owned by TfL with a lease to the Council. The site was in LBHF until a boundary change in 1995 and it is now within the administrative area of this Council. The site is managed by the Kensington and Chelsea Tenant Management Organisation (KC TMO).
- 35.3.88 Applying the Government's planning definition of Gypsies and Travellers as set out in the PPTS, some of the existing occupiers of Stable Way do not fall under the planning definition of 'Travellers'<sup>119</sup>, however, many of the occupiers are long established on this site and therefore their accommodation needs need to be appropriately assessed. The GTANA considers all arising accommodation needs then applies the PPTS definition.
- 35.3.89 The shortage and high cost of land in the borough means that there are many competing land uses. The Council has commenced a Site Appraisal Study with the London Borough of Hammersmith and Fulham which will investigate opportunities to provide new Gypsy and Traveller sites within the two boroughs. The boroughs will work with partners, Registered Providers, developers, neighbouring authorities, the Mayor of London and TfL to explore making provision in line with the most up to date needs assessment over the plan period.

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<sup>118</sup> RBKC and LBHF (2016) Gypsy and Traveller Accommodation Needs Assessment (GTANA)

<sup>119</sup> The definition contained in Planning Policy for Traveller Sites, Annex 1: Glossary does not reflect the ethnicity of Travellers, it is purely for planning purposes for assessing need and determining planning applications.

### **Policy CH6 Gypsy and Traveller Accommodation**

The Council will work closely with London Borough of Hammersmith and Fulham, the Mayor of London and TfL to protect, improve and, if possible, increase the capacity of the existing Travellers' site at Stable Way which the Councils jointly manage. Additional sites for temporary or permanent use and any applications at Stable Way should meet the following criteria:

- i. the site can provide for a satisfactory arrangement of pitches, permanent buildings and open space;
- ii. use of the site would have an acceptable effect on the safety and amenity of occupiers of adjoining land;
- iii. use of the site would be acceptable in terms of amenity, safety and local environment for future and / or current Gypsy and Traveller occupiers;
- iv. the use could be supported by adequate physical and social infrastructure (such as access to education, health, welfare and employment) in the locality.

Do you consider this policy: satisfies the **tests of soundness (positively prepared; justified; effective; and consistent with national policy)**; is **legally compliant**; and is in accordance with the **duty to cooperate**?

Please complete the Response Form at <https://planningconsult.rbkc.gov.uk/consult.ti/LPPRPP/>

## **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 The Council Stock Options Review 2008 – 2010 concluded that the stock should remain in the freehold of the Council and should continue to be managed by the Kensington and Chelsea Tenant Management Organisation (KCTMO). Subsequent work was then undertaken to look at the investment requirements of the stock and how this could be met with the projected funding shortfall in the Capital Programme. This work concluded that the Council should continue to retain its stock as the new HRA self-financing arrangements gave local authorities the resources, incentives and the flexibility they needed to manage their own housing stock over the long term.
- 35.4.3 In response to this KCTMO developed an Asset Management Strategy that provides a framework for determining how investment decisions are made. This is underpinned by option appraisals that assess the overall performance of the stock, and determine which stock should be retained, disposed of or considered for regeneration and development. With the implementation of a levy for the sale of High Value Voids, this strategy will be crucial in determining how we invest in the stock going forward.
- 35.4.4 The Council has an established programme of small scale delivery known as 'hidden Homes' that will be maintained in partnership with the KCTMO. The Council is also exploring asset management and regeneration options across four large sites, and the

mechanisms for delivery for each should the Council decide to proceed with redevelopment.

*Mayor of London (October 2014) Homes for London: The London Housing Strategy*

- 35.4.5 The Mayor's London Housing Strategy, adopted October 2014, sets out policies to intended to meet London's housing needs. The statutory document includes plans for building at least 42,000 new homes a year across all tenures, and for improving the housing opportunities of working residents. It sets out a series of priorities and interventions which include increasing opportunities for home ownership, improving the private rented sector, and developing affordable homes to rent for working residents. The strategy also seeks to address homelessness, overcrowding and rough sleeping.
- 35.4.6 The new Mayor will publish an updated Housing Strategy investment prospectus and Supplementary Planning Guidance in due course.

*Modernising Older People's Housing and Accommodation with Care Services Strategy 2013*

- 35.4.7 In 2013 the Council adopted a strategy for modernising older people's housing and accommodation with care services. The strategy was developed jointly between Housing and Adult Social Care. It outlines the Council's vision to improve the quality, quantity and choice of housing options for older people and to help us to meet future need. This includes developing new retirement housing to replace existing poor quality sheltered housing and more extra care housing.

*Older People's Housing Design Guide*

- 35.4.8 The 'Older People's Housing Design Guide' provides details on the building design and service provision for two main types of housing for older people: extra care housing and retirement housing. It outlines design standards and considerations required to support the needs and aspirations of older people. The guide has been developed for architects, developers and housing providers delivering homes across housing tenures including homes for private sale and a range of affordable housing tenures. By meeting the standards in the guide, new homes for older people in Kensington and Chelsea are expected to achieve excellence in quality and desirability.

*Housing Strategy 2013 - 2017*

- 35.4.9 The Council's Housing Strategy sets out how the Council wants to improve both the quality of accommodation and lives of people who live here by:
- Resources – Develop effective asset management and longer term business planning, taking advantage of the new regime for Council Housing finance.
  - Development and regeneration – Regenerate, renew and develop new affordable housing where opportunities arise.
  - Housing options – Provide a service that enables people to make informed decisions about their housing options.
  - Vulnerable residents – Support people who are vulnerable with appropriate accommodation and advice services.
  - Employment and training – Enable people in social housing to access employment and training opportunities.

- 35.4.10 The Council's Housing Strategy states that "the Council is committed to providing a safe, secure and desirable environment for the Gypsies and Travellers living at the Stable Way site, in north Kensington... We recognise that a good quality, well-managed site plays an important part in achieving better social, health and educational outcomes for the whole community".
- 35.4.11 The Council will publish a new four year Housing Strategy in 2017.

#### **Corporate or Partnership Actions for Diversity of Housing**

1. The Council's Directorate of Planning and Borough Development and the Housing Department will work proactively 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 Mayor of London, housing associations, residents and other partners, to deliver estate regeneration 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.
4. The Council's Supporting People programme will continue to provide a range of supported housing and housing support services for vulnerable homeless groups.
5. The Council's Environmental Health Department will monitor HMOs and use their powers, as necessary, to ensure they meet various quality and safety standards.

