



Planning Policy Solihull MBC Manor Square Solihull B91 3YA Date: 6 March 2019

Our Ref:

By email only: psp@solihull.gov.uk

Dear Planning Policy Team

RE: REVIEWING THE PLAN FOR SOLIHULL'S FUTURE SOLIHULL LOCAL PLAN REVIEW – DRAFT LOCAL PLAN SUPPLEMENTARY CONSULTATION JANUARY 2019

We represent the **West Midlands HARP Planning Consortium** which includes all the leading Housing Association Registered Providers (HARPs) across the West Midlands. Our clients' principal concern is to optimise the provision of affordable housing and to ensure the evolution and preparation of consistent policies that help deliver the wider economic and social outcomes needed throughout the region.

As significant developers and investors in the region, Housing Associations are well placed to contribute to planning policy objectives and act as long-term partners in the community, delivering high quality housing for local people. We welcome the opportunity to make comments on this document.

Affordable Housing Policy and Open Market Housing Mix

Question 40: Would the above approach of requiring affordable housing contributions of 40% of total square meterage or habitable rooms/floorspace incentivise developers to build more smaller market housing?

Delivering housing that is needed to meet market demand and affordable needs is one of the main challenges of local plan policy production, and something that has been debated for many years and across the country. Very few plans have sought to use either of the approaches being explored here by Solihull in the past, in part as other mechanisms have been used to assess whether development proposals seek to maximise capacity and the level of affordable housing being delivered.

Local plan policies must be clear, unambiguous and capable of bringing forward development speedily, while enabling an element of flexibility to respond to particular site circumstances. We support the Council in seeking to increase the delivery of affordable housing however diverging from the typical approach of calculating affordable housing by the number of units causes difficulties in designing development, calculating likely delivery (and undertaking appropriate viability assessments) and in monitoring delivery. The use of any of the proposed measures will make it difficult to determine whether the policy has led to delivery as identified in the needs assessment.

Defining expectations for affordable housing on the basis of floorspace or habitable rooms can have the undesirable effect of forcing architects to design schemes around numbers, and not good placemaking or in meeting identified housing needs (and demand). Our initial response to this question is that requiring affordable housing contributions of 40% of total square meterage or habitable rooms or floorspace limits the policy's flexibility and the flexibility with which a site can be designed to meet housing needs and still be viable.

Should such a policy be implemented without accompanying guidance on housing mix, relying instead on market forces to deliver this, schemes could be badly skewed towards an arbitrary numerical target instead of housing needs. This could lead to overly dense, or very low density developments which do not reflect actual housing need, with developers seeking to provide larger affordable homes to meet the 40% requirement which may not be affordable.



It is also important to consider the potential impact of such a policy approach on the ability to deliver regeneration schemes; if an estate regeneration scheme is measured to avoid net loss of habitable rooms or floorspace instead of unit numbers, this could compromise the ability to effectively meet housing needs. If an estate is currently over-occupied there may need to be a smaller number of larger units provided in the regeneration scheme, whilst another characterised by under-occupation may need a higher number of smaller units. These nuances must be reviewed by the Council in understanding the potential impacts of any change in policy approach to seeking affordable housing from mixed tenure schemes.

Question 41: If so, what is the most effective approach? Is it to calculate affordable housing as: (a) 40% of bedroom numbers, (b) 40% of habitable rooms, or (c) 40% of habitable square meterage?

Calculating affordable housing as a percentage of habitable rooms is considered problematic as this will not overcome the Council's concerns with low provision of smaller market homes. Should the habitable rooms in the open market element of a scheme be quite large but few in number, this will not necessarily equate to an increase in delivery of much-needed affordable homes. This may in fact also have the unintended consequence of larger affordable homes being provided which do not meet local housing needs, are not affordable (whether due to service charges or other factors) and may be difficult to re-let or sell on shared ownership terms.

Setting a threshold based on the habitable floorspace may be too onerous, adversely impacting on scheme densities to the detriment of good design in cases where scheme viability is marginal and the number of units must increase to achieve a policy-compliant level of affordable floorspace.

Question 42: What is the best way of measuring developable space for this purpose: bedroom numbers, habitable rooms or habitable floorspace?

Further analysis is required by the Council to understand what the impact of any of the proposed measures would have been, had these been introduced and imposed on schemes already subject to planning applications, and in the future for those sites already known to be coming forward. Similar work has been conducted in London in response to the London Plan policies; the work completed by Westminster City Council should be reviewed and similar analysis undertaken by the Council to understand the potential impact in Solihull. Viability testing should also then be completed to ensure that any proposed approach would act to maximise affordable housing delivery, and not disincentivise delivery.

Question 43: What other measures would incentivise developers to build more smaller market housing?

We understand the Council's concerns in seeking to maximise the number of smaller open market dwellings and maintaining, or increasing the level of affordable housing units/floorspace commensurate with this. As suggested above, the Council should seek to understand the impacts of any change in the affordable housing threshold measure by calculating how this would have impacted on development proposals that have already been assessed at application stage, and those likely to come forward through this Plan Review. Once this work has been completed the most appropriate mechanism to use will become clearer.

One approach which should also be considered is the combination of policies on expected housing type, size and tenure mix together with an appropriate threshold measure. The use of the optional National Space Standards across all tenures may be a useful measure where this is justified by local need, and is viable, as this may assist in coordinating floorspace across tenures. Introducing this for single tenures is generally resisted as this can have the impact of reducing scheme viability.



We would like to be notified of further consultations, and when the Draft Local Plan Review is submitted for examination by email only to consultation@tetlow-king.co.uk. Please ensure that the West Midland HARP Planning Consortium is retained on the consultation database, with Tetlow King Planning listed as its agent.

Yours faithfully

IIII IF O'ROURKE MPlan ME

TETLOW KING PLANNING

JULIE O'ROURKE MPIan, MRTPI PLANNER For and On Behalf Of