

WH179

July 2022

Anglia Square  
Norwich  
Affordable Housing Statement  
RevA

Weston  
Homes



# Affordable Housing Statement

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## Document History

Date	Version	Author	Notes/Revisions
31/03/2022	1	JJCR	
15/07/2022	A	JJCR	RevA submission to planning application to reflect amendments to scheme in response to consultation feedback

# Affordable Housing Statement

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## 1. Purpose Of This Update

- 1.1. A hybrid planning application (Ref. 22/00434/F) (the Application) was submitted by Weston Homes (the Applicant) to Norwich City Council (NCC) on 1<sup>st</sup> April 2022 for the comprehensive redevelopment of Anglia Square and various parcels of mostly open surrounding land, (the Site), as shown within a red line on drawing 'ZZ-00-DR-A-01-0200'. The Application comprised a full set of technical documents to assess the potential impacts of the proposals, including an EIA which covered a number of topics. In respect of the affordable housing provision, this was described and explained in the Affordable Housing Statement and schedule of accommodation. Please refer to the original documents for further details.
- 1.2. Following submission of the Application, and completion of the statutory consultation exercise, the Applicant has worked with NCC to review the consultation responses received from the local community, statutory consultees and other key stakeholders, so as to identify an appropriate response where considered relevant. As a result of consideration of these comments, as well as ongoing discussions with NCC, a number of changes to the Application as originally submitted are now proposed, including the reduction in height by 1 storey of Blocks A and D; realignment of basement and ground level car park accesses to Block A; repositioning of houses and apartments forming Block B; amendments to the housing mix; raising of Block C ground level to above 100year (+climate change) flood levels; distance between Block C and 4-10 Beckham place increased; elevational changes and repositioning of Block L (Stump Cross building); roof ridge and eaves on east side of Block M reduced in height; introduction of 2 storey podium between Blocks E and EF to provide larger car park; proposed crossings on Edward Street (opposite Beckham Place) and Pitt Street (by Tooley Lane removed; and landscape amendments. These changes comprise the Amended Application submitted in July 2022. Overall, the Amended Application continues to seek consent for up to 1,100 dwellings and up to 8,000 Sqm (NIA) non-residential floorspace and associated development.
- 1.3. The update to the Affordable Housing Statement sets out where necessary a response to the affordable housing related comments received on the Application as originally submitted, then describes how the design has been developed and adapted as a result of these and other comments, and finally considers the implications of the changes to the scheme now proposed.
- 1.4. The changes in the Amended Application arising from the affordable housing related comments are summarised in the table below.

Comment Received	Response From Project Team
<b>NCC Housing, Design and Planning Officers</b>	
Latest evidence of local housing need is the Local Housing Needs Assessment (LHNA) 2021 for the GNLP.	Report text and figures updated in AHS accordingly
LHNA 2021 is 65% affordable housing for rent and 35% aspiring to home ownership. split of rented and home ownership to be agreed but 76/24 is comfortable with the revised LHNA	Further to discussions with NCC officers the Amended Application affordable tenure split of the 106 affordable housing units is now proposed to be 85% social rent and 15% intermediate. See Affordable Housing Statement RevA.
We may want to promote shared equity over shared ownership to allow up to 75% equity to be sold at first sale	Currently shared ownership is proposed, but happy to discuss further with officers if this is something council would like to pursue
Its good that most of the affordable housing is in the detailed application	Agreed. Block B is now within phase 1 (previously phase 3), meaning greater amount of affordable housing will be delivered earlier on in the development.
Agreed houses to be for rent and shared ownership to be flats	Agreed.
3-bed houses do not meet need should be replaced with 2-bed houses	3-bed houses within block B replaced with 2-bed houses. The design of the houses allow the loft to be easily converted into a third bedroom in the future if necessary.
3-bed flats do not meet need should be replaced with 1-bed flats	3-bed flats have been replaced with 1-bedroom flats.
The RP would prefer a freehold transfer rather than leasehold of the outlying sites and if possible a freehold transfer of complete blocks of flats	The AHS already indicates units will be either transferred (i.e. freehold transfer) or granted a 125 year lease. Happy to discuss further with officers as part of S106 Agreement.
<b>Public &amp; Non-Statutory Consultees</b>	
There should be a greater amount of affordable housing than proposed	The Viability Report & Addendum demonstrate the development would be unviable with larger percentage of affordable housing provision. If the development were unviable it would not be deliverable, meaning no affordable housing would be delivered at all.
Should ensure there are viability review mechanisms to ensure if viability improves over the course of the development affordable housing will be increased	The S106 Agreement will include viability review mechanism, where additional affordable housing provision would be delivered on site as the development progresses if the viability position improves.
Affordable housing is not affordable	The affordable housing meets the definitions and criteria set for affordable housing within local and national planning policy
Affordable housing does not meet local need	The size and tenure split of the affordable housing provision aligns with feedback received from NCC housing, design and planning officers on local housing needs.

## 2. Introduction

- 2.1. This Affordable Housing Statement has been prepared by Weston Homes Plc (the Applicant) in support of a hybrid (part full/part outline) planning application, (the Application), submitted to Norwich City Council (NCC) for the comprehensive redevelopment of Anglia Square and various parcels of mostly open surrounding land, (the Site), as shown within a red line on drawing 'ZZ-00-DR-A-01-0200'.
- 2.2. The Site is located in a highly accessible position within the northern part of Norwich City Centre and comprises a significant element of the Anglia Square/Magdalen Street/St Augustines Large District Centre, (the LDC). It is thus of strategic importance to the City, and accordingly has been identified for redevelopment for many years within various local planning policy documents, including the Northern City Centre Area Action Plan 2010, (NCCAAP), (now expired), the Joint Core Strategy for Broadland, Norwich and South Norfolk 2014, (JCS), and NCC's Anglia Square and Surrounding Area Policy Guidance Note 2017, (PGN). The Site forms the principal part of an allocation (GNLP 0506) in the emerging Greater Norwich Local Plan (GNLP).
- 2.3. This application follows a previous application on a somewhat smaller development parcel, (NCC Ref. 18/00330/F) made jointly by Weston Homes Plc as development partner and Columbia Threadneedle Investments, (CTI), the Site's owner, for a residential-led mixed use scheme consisting of up to 1,250 dwellings with decked parking, and 11,000 sqm GEA flexible ground floor retail/commercial/non-residential institution floorspace, hotel, cinema, multi-storey public car park, place of worship, and associated public realm and highway works. This was subject to a Call-in by the Secretary of State (PINS Ref. APP/G2625/V/19/3225505) who refused planning permission on 12<sup>th</sup> November 2020, (the 'Call in Scheme').
- 2.4. In April 2021, following new negotiations with Site owner CTI, Weston Homes decided to explore the potential for securing planning permission for an alternative scheme via an extensive programme of public and stakeholder engagement, from the earliest concepts to a fully worked up application. The negotiations with CTI have secured a "Subject to Planning" contract to purchase the Site, (enlarged to include the southeastern part of Anglia Square fronting Magdalen Street and St Crispins Road), which has enabled a completely fresh approach to establishing a redevelopment scheme for Anglia Square. This has resulted in a different development brief for the scheme, being to create a replacement part of the larger LDC suited to the flexible needs of a wide range of retail, service, business and community uses, reflective of trends in town centre character, integrated with the introduction of homes across the Site, within a highly permeable layout, well connected to its surroundings.
- 2.5. The new development proposal seeks to comprehensively redevelop the Site to provide up to 1,100 dwellings and up to 8,000sqm (NIA) flexible retail, commercial and other non-residential floorspace including Community Hub, up to 450 car parking spaces (at least 95% spaces for class C3 use, and up to 5% for class E/F1/F2/Sui Generis uses), car club spaces and associated works to the highway and public realm areas (the Proposed Development). These figures are maxima in view of the hybrid nature of the application. This proposes part of the scheme designed in full, to accommodate 353 dwellings, 5,411 sqm non-residential floorspace, and 134 car parking spaces (at least 95% spaces for residential use, and up to 5% for non-residential use), with the remaining large part of the Site for later detailed design as a "Reserved Matters" application, up to those maxima figures.

- 2.6. The Affordable Housing Statement (AHS) provides Norwich City Council with details of the proposed affordable housing provision (quantum, type, tenure and location), how it complies with the adopted planning policy requirements and relates to layout. The affordable housing will be secured within an S106 Agreement, draft terms for an obligation are set out by the Planning Obligations, Draft Heads of Terms document submitted with the application.
- 2.7. This AHS is structured as follows:
- **Section 3** - Planning Policy
  - **Section 4** - Proposed Affordable Housing Provision
  - **Section 5** - Conclusion

### 3. Planning Policy

- 3.1. Norwich Local Plan, adopted November 2014, comprises three documents, the Joint Core Strategy (the 'JCS'), the Norwich Development Management Policies Plan (the 'NDMP'), and the Site Specific Policies and Site Allocations Plan.
- 3.2. Policy 4 (Housing Delivery) of the JCS sets out affordable housing requirements for the Proposed Development. Policy 4 states the following in respect of affordable housing mix and tenure:

**“Housing mix**

*Proposals for housing will be required to contribute to the mix of housing required to provide balanced communities and meet the needs of the area, as set out in the most up to date study of housing need and/or Housing Market Assessment.*

**Affordable Housing**

*A proportion of affordable housing, including an appropriate tenure mix, will be sought on all sites for 5 or more dwellings (or 0.2 hectares or more). The proportion of affordable housing, and mix of tenure sought will be based on the most up to date needs assessment for the plan area. At the adoption of this strategy the target proportion to meet the demonstrated housing need is:*

- *on sites for 16 dwellings or more (or over 0.6 ha) 33% with approximate 85% social rented and 15% intermediate tenures (numbers rounded, upwards from 0.5).*

*The proportion of affordable housing sought may be reduced and the balance of tenures amended where it can be demonstrated that site characteristics, including infrastructure provision, together with the requirement for affordable housing would render the site unviable in prevailing market conditions, taking account of the availability of public subsidy to support affordable housing. At appropriate settlements, sites that would not normally be released for housing will be considered for schemes that specifically meet an identified local need for affordable homes. Such schemes must ensure that the properties are made available in perpetuity for this purpose.”*

- 3.3. JCS Policy 4 calls for the mix to be considered with regards to the most up to date study of housing need, which is the Greater Norwich Local Housing Needs Assessment (June 2021) (the 'LHNA 2021'). For NCC the LHNA 2021 identifies the affordable size mix shown in figure 1 below.

Size		Market Housing	Affordable Housing
Flat	1 bedroom	9%	20%
	2+ bedrooms	16%	21%
House	1-2 bedrooms	13%	13%
	3 bedrooms	52%	35%
	4 bedrooms	9%	9%
	5+ bedrooms	2%	2%

Figure 1: LHNA 2021 Size Mix Identified for NCC



- 3.4. Post-adoption of the JCS, three iterations of the NPPF have been published. The NPPF (2021) introduces new requirements for affordable housing and definitions have changed:
- 3.4.1. Paragraph 65 requires at least 10% of the total number of homes to be available for affordable home ownership as part of overall affordable provision (provided this doesn't prejudice the ability to meet identified affordable housing needs). Given the JCS Policy 4 identifies a strategic 85% social rent and 15% intermediate, delivering 10% of total homes at affordable home ownership in accordance with NPPF paragraph 65 would prejudice delivery towards identified need.
  - 3.4.2. The NPPF Annex 2 now defines affordable housing as 'housing for sale or rent, for those whose needs are not met by the market' which meets one of the following categories 'affordable housing for rent, starter homes, discount market sales housing and other affordable routes to home ownership (such as shared ownership, equity loans, low-cost homes for sale (price at least 20% below market value) and rent to buy (which includes a period of intermediate rent))'.
  - 3.4.3. Therefore, the JCS housing tenure split should be followed in this instance, but in line with up-to-date definitions of affordable housing in the NPPF (so 85% affordable housing for rent and 15% affordable home ownership (starter homes, discount market sales housing and other affordable routes to home ownership)), and taking into consideration material considerations such as viability, site location.
- 3.5. In the context of JCS Policy 4, discussions have been held with planning officers of NCC in respect of both the appropriate – and market relevant - mix of dwellings, and also scheme viability, bearing in mind the above considerations. The highly sustainable and central location, together with the form of development being overwhelmingly flats above ground floor commercial uses, so as to bring activity, natural surveillance, and increased footfall for commercial uses within this part of the Large District Centre, has been acknowledged by officers to suit small dwellings, although officers have sought a mix of typologies within that limited range. In particular, officers have advised that the need for affordable dwellings in this part of the city is primarily for 1-bedroom flats. Accordingly, 82% 1-bedroom and 18% 2-bedroom size dwellings, including flats, duplexes and houses are proposed within the detailed element of the application, with size mix of the outline element to be submitted as part of reserved matters application.
- 3.6. The Affordable Housing SPD (2019) provides further guidance on delivery of affordable in accordance with JCS Policy 4.

## 4. Proposed Affordable Housing Provision

- 4.1. The Proposed Development delivers up to 1,100 dwellings, with 353 dwellings within the detailed element and up to 747 dwellings within the outline element. This application seeks to maximise the provision of affordable housing to meet the JCS Policy 4 strategic objectives, as far as it would be viable to do so, given various constraints and viability considerations. Extensive viability assessment work has been undertaken and discussed with NCC to inform the application proposals, the viability of the scheme is set out within the Viability Report and Viability Report Addendum.
- 4.2. To date, the initial viability appraisal determined that the scheme could not support any affordable housing. This was presented to NCC, assessed externally on behalf of the Council by independent viability consultant, and acknowledged informally to be based on acceptable assumptions to support the appraisal model. However, with the successful Housing Infrastructure Fund (HIF) bid by NCC in respect of a grant of £15m towards the substantial demolition and infrastructure costs, the viability of the proposal is further improved. If additional financial assistance were to be provided by NCC through an exemption from Community Infrastructure Levy (CIL) charges for the scheme, which is under discussion with the Council, the updated viability appraisal demonstrates that the Development could support the proposed minimum of 106 units of affordable housing, with a tenure split of 85% affordable housing for rent and 15% shared ownership at pre-development assessment stage subject to further dialogue with regard to the viability process. The Viability Report Addendum will be the subject of further independent review by consultants appointed by NCC, to enable the Council to arrive at a view on the submitted viability case during the determination of the application.
- 4.3. The viability assessment process will need to be reviewed at appropriate stages through the implementation of the scheme, which will be secured within the S106 Agreement. This will enable the scheme viability to be reassessed under prevailing economic conditions, and in the light of the viability outcome to date at that stage, so as to establish whether additional affordable units can be provided viably, and if so, in what tenure arrangement. The commitment is given that these would be upwards only reviews, so that no affordable units already committed in the first or subsequent phases of the scheme would be removed. The details of the review process and the triggers for review will be discussed with officers during the determination of the application, and enshrined in the Section 106 Agreement.
- 4.4. Thus, in summary, at this stage it is proposed to deliver at least 106 of the new residential units as affordable dwellings within the application proposals. The mix and tenure, design and location and management of the proposed affordable housing provision is set out under associated headings below.

### Mix and Tenure

- 4.5. The proposed development delivers up to 1,100 dwellings, of which at least 106 (10%) are proposed as affordable housing units, with a tenure split of 85% social rent and 15% shared ownership.
- 4.6. The detailed element of the Application (see are outlined in red on drawing 'ZZ-00-DR-A-01-0301 RevD0-2, Detailed Application Plan Block plan on proposed layout') includes Phase 1 (Blocks A, B, C, D and M) and Phase 2 (J3 and K/L) which collectively delivers 353 dwellings in a mix of types and

sizes, comprising 45% 1-bedroom, 52% 2-bedroom and 3% 3-bedroom size dwellings, including flats, duplexes and houses. The proposed affordable housing mix within the detailed element includes 74 affordable housing units, the mix and tenure are shown in figure 2 below.

Size	Social Rent	Shared Ownership	TOTAL	% Units	
1-bedroom 1-person	0	0	0	0%	82%
1-bedroom 2-person	45	16	61	82.4%	
2-bedroom 3-person	1	0	1	1.4%	18%
2-bedroom 4-person	12	0	12	16.2%	
3-bedroom 5-person	0	0	0	0%	0%
3-bedroom 6-person	0	0	0	0%	
<b>TOTAL</b>	58	16	74	N/A	
<b>% Units</b>	78%	22%	N/A	100%	

Figure 2: Detailed Element Affordable Housing Mix and Tenure

- 4.7. The outline element is for up to 747 dwellings, which will include the remaining 32 affordable housing units, all of which will be social rent. The size mix will be determined as part of the subsequent reserved matters application, but the schedule of accommodation indicatively shows they will all be 1-bedroom size units.
- 4.8. The Proposed Development provides the maximum amount of affordable housing units that is viable to do so with HIF grant funding and CIL exemption. The size mix identified by the LHNA 2021 and by NCC Officers indicate the greatest need is for 1-2 size bedroom units therefore the proposed affordable mix includes 82% 1-bedroom flats, 3% 2-bedroom flats and 15% 2-bedroom houses, with all 2-bedroom houses within the detailed element are all allocated to affordable housing and designed so that the loft is easily convertible to achieve a third bedroom if necessary in future. Taking into account viability, site context and local housing need, it is considered the proposed affordable housing provision satisfies JCS Policy 4. The tenure and size mix will be subject to further discussion with NCC as part of the independent review of the supporting Viability Report and Viability Report Addendum.

## Design and Location

- 4.9. In respect of design, paragraph 2.30 of the Affordable Housing SPD (2019) states:

*“In order to achieve the mixed and balanced communities advocated in JCS policy 4, as a minimum, the following design criteria should be met:*

- there should be no distinction between affordable units and market units, (i.e. development should be ‘tenure-blind’);*
- the same levels of car parking provision should be made for the affordable units as for market units (i.e. if 80% of the market housing has a parking space, then 80% of the affordable units should have a parking space), and;*
- affordable units should be distributed evenly throughout the development where practicable to promote social inclusion and mixed communities.”*

- 4.10. The affordable dwellings will be spread out across multiple blocks on different parts of the Site rather than all in one location. The detailed element of the application includes 74 affordable units, of which 46 are located within Blocks B and C (Phase 1) to the north and north-west part of Site, and 28 are located within Block K/L (Phase 2) to the east part of Site. The outline element will deliver a further 32 affordable units within the remaining southern part of Site, the exact location to be established as part of reserved matters submission. This approach to locating affordable units spreads out affordable units within the Site and delivers an element of affordable within different phases, which promotes social cohesion and mixed communities as the development is progressed.
- 4.11. The external design of the apartments throughout the Development is completely tenure-blind, the apartments within the outline element will be based on a Design Code prepared by the scheme architects, as set out in the Design and Access Statement and determined as part of reserved matters submission. Clearly the 11 houses within Block B will have a different form from the apartments, but it is considered that their provision as social rented housing would be beneficial for the community, and therefore their distinction of form should be accepted. In terms of external design style they are anticipated to complement the remainder of the scheme.
- 4.12. 12 car parking spaces are provided in Block B, serving the larger houses and the apartments, and would also be at ground level, and thus suitable for adaptation for the disabled in future. However, the smaller 1-bedroom affordable apartments within Blocks C and K/L would not be provided with parking given these are very sustainably located dwellings and this approach was supported in respect of the Call in Scheme. This will be subject to further discussions with NCC.

## Management

- 4.13. A Registered Provider (RP) will manage the social rent and shared ownership units. It is anticipated that the owner will either transfer freehold or grant a lease to the party of not less than 125 years in respect of them on practical completion. The RP will then lease / sell the affordable unit in accordance with eligibility criteria to be set out and agreed within the S106 Agreement.

## 5. Conclusion

- 5.1. The Proposed Development delivers up to 1,100 dwellings, of which at least 106 (10%) are proposed as affordable housing units, with a tenure split of 85% social rent and 15% shared ownership. The detailed element of the Application includes 74 of the affordable units spread across three blocks, consisting of 82% 1-bedroom flats, 3% 2-bedroom flats 15% 2-bedroom houses, with all 2-bedroom houses within the detailed element allocated to affordable housing and designed with a loft easily convertible into a third bedroom in the future. The remaining 32 affordable units, all of which will be social rent, will be delivered within the outline element, the location and size mix to be submitted as part of subsequent reserved matters application. The affordable housing is designed tenure blind. Taking into account viability, site context and local housing need, it is considered the proposed affordable housing provision satisfies JCS Policy 4.
- 5.2. The proposed affordable housing provision has been informed by viability appraisal at pre-development assessment stage, and is subject to comments from the NCC housing team and further dialogue with regard to the viability process. The Viability Report and Viability Report Addendum submitted with the Application will be the subject of further independent review by consultants appointed by NCC, to enable the Council to arrive at a view on the submitted viability case during the determination of the application.