

Full Name:

Organisation **Thomas Wrenn Homes Ltd**

Number: Core Strategy Policy 1 Title: Housing provision, mix and affordability

ID:

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Legal Compliance: Yes Soundness: No

Reasons for Unsoundness: (1) Justified (2) Effective (3) Consistent with national policy

Reasons for Non-Compliance: Thomas Wrenn Homes Ltd considers Policy CP1 sub-paragraph 3 unsound in respect of the level of contributions sought for affordable housing, for the following reasons. 1. The strategic target of 50% derived from the London Plan applies to all sites across the Borough, including 100% affordable housing schemes, and it is inappropriate to apply the target to S106 contributions on individual schemes particularly without making an assessment of the likely contribution from other sources. 2. Paragraph 29 of PPS3 states that targets "should also reflect an assessment of the likely economic viability of land for housing within the area, taking account of risks to delivery and drawing on informed assessments of the likely levels of finance available for affordable housing, including public subsidy..." This was tested during the 'Blyth Valley case' which concluded that local planning authorities cannot rely on housing needs surveys alone in setting their affordable housing targets. 3. It is not accepted that the Council's Housing Viability Assessment justifies an affordable housing target of 50%. In fact the study shows, in Table 6.1, that with even a modest contribution of £5,000 to other infrastructure only one scheme of the 14 assessed would be viable without grant, and that only under the very optimistic scenario of a 20% rise in market values. There is no indication of levels of grant, if any, which may be available and Section 6.1 of the report itself concludes: "The tables at Appendix 2 demonstrate that the delivery of 50% affordable housing (in combination with other planning obligations of £5,000 per unit) is likely to be very difficult to achieve throughout the three 'value areas' in the Borough and across all types of site, in current market conditions." 4. Even under more favourable market conditions in 2007/08 affordable housing provision in Lewisham Borough only reached 42%, including 100% affordable housing sites (Housing Viability Assessment para 2.2.1). 5. To make the level of contribution subject to financial viability appraisals will not provide either developers or the Council with any level of certainty regarding contributions to be levied. It would be more appropriate to set realistic, achievable requirements at the outset.

Suggested Changes: The level of contribution sought in the current UDP (35%) has proved to be achievable in favourable housing conditions, and amending the policy to this level of contribution would therefore be justifiable in the context of available evidence and make the policy effective and compliant with government policy, thereby securing its soundness. It may be acceptable, however, for some flexibility to be included by substituting 'a minimum of 35%' in place of 50%.

Attend Oral Exam: No, I do not wish to participate at the oral examination

Reasons for Attendance:

Other Comments:
