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Anglia Square
Norwich
Affordable Housing Statement

Weston
Homes



Affordable Housing Statement

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Document History

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Affordable Housing Statement

1. Introduction

- 1.1. 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'.
- 1.2. 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).
- 1.3. 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 12th November 2020, (the 'Call in Scheme').
- 1.4. 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.
- 1.5. 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 367 dwellings, 5,808 sqm non-residential floorspace, and 146 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.

- 1.6. 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.
- 1.7. This AHS is structured as follows:
 - **Section 2** - Planning Policy
 - **Section 3** - Proposed Affordable Housing Provision
 - **Section 4** - Conclusion

2. Planning Policy

- 2.1. 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.
- 2.2. 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."

- 2.3. 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 Central Norfolk Strategic Housing Market Assessment (June 2017) (the 'SHMA 2017'). For NCC the SHMA 2017 states that the affordable housing tenure mix should be 90% affordable rent and 10% affordable home ownership, and figure 83 identifies the size mix shown in figure 1 below.

	Size	Market Housing	Affordable Housing
Flat	1 bedroom	11%	36%
	2+ bedrooms	12%	21%
House	2 bedrooms	12%	11%
	3 bedrooms	52%	25%
	4 bedrooms	11%	6%
	5+ bedrooms	2%	1%

Figure 1: SHMA 2017 Size Mix identified for NCC

- 2.4. 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:
- 2.4.1. 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, and the 2017 SHMA identifies need for 84% affordable housing for rent and 16% affordable home ownership, delivering 10% of total homes at affordable home ownership in accordance with NPPF paragraph 65 would prejudice delivery towards identified need.
 - 2.4.2. 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))'.
 - 2.4.3. Therefore, the JCS strategic 85:15 affordable 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.
- 2.5. 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, 45% 1-bedroom, 48% 2-bedroom and 7% 3-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.
- 2.6. The Affordable Housing SPD (2019) provides further guidance on delivery of affordable in accordance with JCS Policy 4.

3. Proposed Affordable Housing Provision

- 3.1. The Proposed Development delivers up to 1,100 dwellings, with 367 dwellings within the detailed element and up to 733 dwellings within the outline element. This application seeks to maximise the provision of affordable housing to meet the JCS strategic objective, 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 preparation of this application, and this work is continuing at the time of submission of the application. As soon as possible, the final detailed Viability Assessment will be submitted in support of these proposals.
- 3.2. 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 is expected to demonstrate that the Development could support the proposed minimum of 106 units of affordable housing, with a tenure split of 76% affordable housing for rent and 24% shared ownership at pre-development assessment stage subject to comments from the NCC housing team and further dialogue with regard to the viability process. This updated viability appraisal 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.
- 3.3. 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.
- 3.4. 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

- 3.5. 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 76% affordable housing for rent (affordable rent) and 24% shared ownership.

- 3.6. The detailed element of the Application (see are outlined in red on drawing 'ZZ-00-DR-A-01-0301 RevD0-1, Detailed Application Plan Block plan on proposed layout') includes Phase 1 (Blocks A, C, D and M), Phase 2 (J3 and K/L) and part of Phase 3 (Block B) which collectively delivers 367 dwellings in a mix of types and sizes, comprising 45% 1-bedroom, 48% 2-bedroom and 7% 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	Affordable Rent	Shared Ownership	TOTAL	% Units	
1-bedroom 1-person	0	0	0	0%	82%
1-bedroom 2-person	40	21	61	82%	
2-bedroom 3-person	0	0	0	0%	0%
2-bedroom 4-person	0	0	0	0%	
3-bedroom 5-person	9	4	13	18%	18%
3-bedroom 6-person	0	0	0	0%	
TOTAL	49	25	74	N/A	
% Units	66%	34%	N/A	100%	

Figure 2: Detailed Element Affordable Housing Mix and Tenure

- 3.7. The outline element is for up to 733 dwellings, which will include the remaining 32 affordable housing units, all of which will be affordable 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.
- 3.8. 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 SHMA 2017 and by NCC Officer indicates the greatest need is for 1-bedroom flats and 3-bedroom houses, therefore the proposed affordable mix includes 82% 1-bedroom flats, 3% 3-bedroom flats 15% 3-bedroom houses, with all 3-bedroom houses within the detailed element allocated to affordable housing. 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 following the application submission and independent review of the supporting viability assessment.

Design and Location

- 3.9. 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.”*

- 3.10. 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 21 are located within Block C (Phase 1) to the north part of Site, 28 are located within Block K/L (Phase 2) to the east part of Site, and 25 are located within Block B (Phase 3) to the north-west part of Site. The outline element will deliver a further 32 affordable units within the 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 each phase, which promotes social cohesion and mixed communities as the development is progressed.
- 3.11. 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 affordable rent and shared ownership 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.
- 3.12. 11 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

- 3.13. A Registered Provider (RP) will manage the affordable rented and shared ownership units. It is anticipated that the owner will either transfer 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.

4. Conclusion

- 4.1. 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 76% affordable housing for rent (affordable rent) and 24% 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% 3-bedroom flats 15% 3-bedroom houses, with all 3-bedroom houses within the detailed element allocated to affordable housing. The remaining 32 affordable units, all of which will be affordable 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.
- 4.2. 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 appraisal 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.