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Luvli Homes

Affordable Housing Statement

**Land at Clive Hall Drive
Longstanton CB24 3DT**

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Andrew R Taylor
October 2020

* Luvli Homes is a trade name of Resolute Estates Ltd.

Preliminary considerations

1 We will start with the Council's policy.

Policy H/10: Affordable Housing

1. *All developments of 11 dwellings or more, or on development sites of less than 11 units if the total floorspace of the proposed units exceeds 1,000m², will provide affordable housing as follows:*
 - a. *To provide that 40% of the homes on site will be affordable;*
 - b. *To address evidence of housing need. An agreed mix of affordable house tenures will be determined by local circumstances at the time of granting planning permission;*
 - c. *In small groups or clusters distributed through the site.*
2. *Except where:*
 - d. *It can be demonstrated that the level of affordable housing sought would make a development unviable in light of changing market conditions, individual site circumstances and development costs. In which case a revised mix of affordable house types and tenures and then a lower level of affordable housing provision may be negotiated;*
 - e. *The off-site provision of affordable dwellings can be demonstrated to have benefits such as the provision of additional affordable dwellings, or the improvement or a better use of existing housing stock and would contribute to the creation of mixed and balanced communities;*
 - f. *It can be demonstrated that it is not possible or appropriate to build affordable homes on-site or off-site, in which case the development will provide a financial contribution towards the future provision of affordable housing. The contribution to be of 'broadly equivalent value' to that which would have been provided on-site.*

- 2 In the white paper “Planning for the Future”, at page 68, we note the proposal temporarily to lift the small sites threshold, below which developers do not need to contribute to affordable housing, to up to 40 or 50 units, as follows:

Today, we are also publishing a consultation on four shorter-term measures which will improve the immediate effectiveness of the current system:

- changes to the standard method for assessing local housing need, which as well as being a proposal to change guidance in the short term has relevance to proposals for land supply reforms set out in this paper;*
- securing of First Homes, sold at a discount to market price for first time buyers, including key workers, through developer contributions in the short term until the transition to a new system;*
- temporarily lifting the small sites threshold, below which developers do not need to contribute to affordable housing, to up to 40 or 50 units;*

*This consultation document can be found at:
www.gov.uk/government/consultations/changes-to-the-current-planning-system.*

- 3 In compliance with the last note, that link refers to the document “Changes to the current planning system”. On page 27 at paragraph 79, the government states:

“We are proposing to raise the small sites threshold to up to either 40 or 50 new homes through changes to national planning policy and are seeking views on the most appropriate level. These thresholds balance the aim of supporting SMEs with the need to deliver new affordable homes. This will be for an initial period of 18 months in which we will monitor the impact of the raised threshold on the sector before reviewing the approach.”

- 4 We note that the consultation offers no options for a threshold of fewer than 40 homes. Our present proposal is for 20 units. It seems to us to be inconceivable that the government will not increase the present strong “advice” to a figure in excess of 20 units. Indeed, a decision on this point may well be made before this present application has been decided. We would then be under no obligation to contribute to affordable housing.

Our options

- 5 We have a site of 0.8 ha. Our options are as follows:

- 5.1 as provided under chapter seven of the Local Plan, apply with a proposal for 10 units with a total gross internal floor area of less than 1000 m². That development could take place on approximately half of the site, leaving the remainder for a third party to develop at some time in the future. We make no contribution for affordable housing.

All of that reduced area of land would come inside of the line linking the boundaries of the settlement to the North and South.

The undeveloped remainder would qualify perfectly as a rural exception site, which could be developed in due course subject to some appropriate provision for a proportion of market houses.

- 5.2 leave the proposal as drawn and provide the 40% presently required by the Council, subject to a viability assessment as provided under paragraph 7.46.
 - 5.3 put our proposal on ice for 12 months, then make a proposal similar to the present one but without any contribution to affordable housing, since none will be required after Parliament has approved the forthcoming planning bill.
 - 5.4 make a voluntary proposal to provide a reasonable level of contribution without recourse to the delays usually involved in negotiation of valuations.
- 6 We would like to discuss the following alternatives with the Council, please.
- 6.1 We will make a realistic lump sum payment, to be paid as to a 20% at the time of sale of each of the first five houses sold, excluding self-build plots.
- OR
- 6.2 We will make an appropriate arrangement with Hastoe Housing Association, in their usual terms, for them to acquire and manage three houses.
- 7 In any event, our present intention is to offer the three plots at the north-east end of the site for self-builders, subject to a design code we would first submit to the Council. The Minister has made clear on many occasions that self-build plots contribute to satisfying any obligation by a developer in respect of affordable housing.
- 8 The total value of the options set out above is the equivalent of six units out of 20, that is, 30%
- 9 We make this offer primarily because we want to move fast, enhancing our reputation, rather than awaiting the possibility of a substantially increased profit.

END