

Westminster City Plan 2019-2040 – Examination in Public

Response to Inspector's Matters, Issues and Questions

MATTER 4: Housing

Affordable Housing

Policy 9

22) What is the evidence of the need for affordable housing in terms of numbers and tenure?

1. No comments.

23) What is the basis for the target of 35% and the approach to site size thresholds?

2. We would like to reiterate our concerns that the current draft policy requires affordable housing contributions to be based on gross floorspace rather than net additional floorspace.
3. Please refer to our below representations to Matter 4: Question 25 to avoid repetition.

24) Is the reference to 1,000sqm appropriate and consistent with national policy?

4. We are concerned with the way this policy is currently drafted as it suggests an affordable housing requirement would apply to properties of 1,000sqm or more (gross), rather than net additional floorspace of 1,000sqm or more. This would likely result in many refurbishments or redevelopment proposals to properties of 1,000sqm or more to be unviable.
5. Please refer to our below representations to Matter 4: Question 25 to avoid repetition.

25) How has viability been taken into account in formulating the policy and how would the viability of schemes be taken into account?

6. Policy 9 makes no reference to viability. This is only outlined in supporting paragraph 9.1 which states that developments which fall short of the 35% target “will be subject to viability assessment and reviews in line with the Mayors’ threshold approach to viability”. It is unclear why this hasn’t been explicitly referenced in the Policy wording itself. However, affordable housing provision being subject to viability is fundamental for the delivery of development and is clearly outlined as part of the requirements of the NPPF used to determine the appropriate level of affordable housing, and should therefore be made clearer in the policy wording itself as well as supporting text.
7. Furthermore, draft policy should make clear that as well as being “subject to viability”, residential developments should aim to provide a minimum of 35% of “net additional” residential floorspace as affordable housing to avoid hindering sites where there is existing residential onsite, as they would be rendered unviable and there would be no incentive to release the site for redevelopment from the offset.
8. Likewise, further clarification is sought on whether the ‘total’ number of units referred to under Part B is applicable to sites with existing residential accommodation.

26) Is the policy justified in terms of the approach to on site and off-site provision and payments in lieu? Is there sufficient flexibility? Is there sufficient clarity as to how the policy will be implemented in practice, particularly in terms of the calculation of payments in lieu?

9. We question whether the off-site provision of affordable housing “in exceptional cases” set out under Part C is realistic and deliverable. As acknowledged in the City Plan, Westminster has limited space and given the challenges to deliver affordable housing in the central core of the City, it is considered that the requirements under

Part C to secure the delivery of off-site provision of affordable housing is too restrictive.

10. Whilst we support the option for a payment in lieu to the Council's Affordable Housing Fund, as set out under Part D, we need to understand the relevant calculations which underpin this policy.

11. At present, the Planning Obligations and Affordable Housing SPD referenced in Part D has not been published for review and consultation and timescales for the publication of this document remains unclear. In the absence of the proposed SPD, the implications of affordable housing, particularly on viability, is not fully understood. Furthermore, it is paramount that this fundamental document is subject to a full assessment and consultation alongside the local plan process, including the examination. As such, it is considered that the City Plan does not positively accord with the requirements for plan-making under the NPPF, and on this basis, it remains unsound until this important SPD is issued and tested.

27) What is the basis for the approach to tenure split and the type and size of affordable housing sought?

12. No comments.

28) In overall terms is the policy in general conformity with the London Plan? How would the London Plan and City Plan interrelate on this issue in terms of dealing with specific proposals?

13. No comments.

29) Are the proposed modifications necessary for soundness? Are any other modifications necessary?

14. No comments.

Policy 10

30) What is the basis for seeking affordable housing contributions from office and hotel developments in principle? Is the approach justified, consistent with national policy and in general conformity with the London Plan?

15. We acknowledge the Council's need to deliver affordable housing in the borough. However, it is considered that there remains a level of ambiguity over the evidence base behind the justification for Policy 10.
16. Whilst we support the option for payments in lieu with respect to affordable housing policies, particularly for sites located within the International Centre (as acknowledged in Part B Policy 10), we consider Policy 10, as currently worded to be unsound and inconsistent with national policy.
17. Policy 10 would place onerous requirements on the delivery of on-site affordable housing for office schemes above 2,750 sqm with no flexibility to make payments in-lieu of on-site or off-site provision, As such, there is concern that such an inflexible policy could stifle and constrain office development in the City, contrary to paragraph 80 and 61 of the NPPF.
18. The NPPF is not explicit in requiring only affordable housing from residential schemes but neither the NPPF or adopted London Plan require the delivery of affordable housing where commercial development is proposed. We consequently request that the relevant supporting evidence for this approach should be made publicly available and consulted upon, to ensure that the Plan is robustly justified and sound when tested at an Examination in Public.

19. It remains our view that the aspiration to deliver affordable housing should not compromise the ability for the City Council and developers to meet other strategic objectives of the City Plan.

31) How would the policy affect commercial growth?

20. It is questioned whether the approach to Policy 10 will be commercially achievable for hotel and office developments in the borough by introducing additional planning policy requirements, such as affordable housing (which is not expected elsewhere in the capital), which will likely result in the reliance on viability evidence to demonstrate that the policy expectations are unachievable in practice.

21. Furthermore, we are concerned that economic uncertainties will be further exacerbated by the impacts of the Covid-19 Pandemic, and the absence of a Planning Obligations and Affordable Housing SPD setting out the necessary associated costs involved does not enable a full and proper assessment of the impact of the proposed policy approach.

22. It is therefore considered that this onerous approach towards commercial development, which has not been robustly tested, will likely deter or add significant delays to prospective commercial developments coming forward in the plan period. This is not in accordance with local plan objectives – or to the approach taken within the NPPF or London Plans (both adopted and emerging - seeking for increases in job and employment opportunities.

32) What is the basis for the percentage contributions and floorspace thresholds?

23. No comments.

33) How has viability been taken into account in formulating the policy and is the evidence on viability sufficiently comprehensive and robust?

24. No comments.

34) How would the viability of particular schemes be taken into account?

25. No comments.

35) Is the policy justified in terms of the approach to on site and off-site provision and payments in lieu? Is there sufficient flexibility? Is there sufficient clarity as to how the policy will be implemented in practice?

26. No comments.

36) Are the proposed modifications necessary for soundness? Are any other modifications necessary?

27. No comments.