

Flintshire County Council

Local Development Plan (LDP) Examination

HEARING STATEMENT

Hearing Session 13: Affordable Housing and HMO's

**Response by Wales & West Housing Association Limited
(Consultee ID 1230461)**



April 2021

Matter 13 – Affordable Housing and HMOs Key Issue: Will the housing proposed meet the needs of those in the County who have special requirements? Are the assessments for specialist housing based on robust and credible evidence? Is it deliverable? Are the policies for affordable housing, annexe accommodation and for houses in multiple occupation clear, reasonable and appropriate?

Affordable Housing

Wales and West are a registered social landlord who have a development programme of 500 dwellings a year across Wales to meet Welsh Government targets and deliver predominately social housing. We are therefore interested in how development plan policies affect our ability to achieve this aim and to help deliver affordable housing target. We therefore have a keen interest in how local development plan policies may affect our delivery targets.

a) Is the required level of affordable housing need based on robust evidence? Is the Local Housing Market Assessment (LHMA) sufficiently robust to inform the Plan’s housing strategy?

b) Will the affordable housing target meet the local housing need? If not, what other mechanisms are available?

The LHMA provides an understanding of forces which affect the housing market but it does not assess the actual need on housing registers such as SARTH. It does also not provide a detailed geographical interpretation of where the need arises. The use of Housing Market Areas can be confusing as they are spread over large geographical areas and does not pick up local demand as shown on SARTH.

For example Table B5 of the LHMA 2018 update shows that the highest demand is in the Connah’s Quay, Queensferry & Broughton Housing Market Area with 186 units per year. The allocations within the LDP are only anticipated to deliver 60 units in total from Highmere Drive (53) and Broad Oak Holding (7) according to LDP07 Table 2. Warren Hall falls within the Mold and Buckley HMA area according to Table 2.

It is difficult to see how 186 units a year can be provided in the settlements within Connah’s Quay, Queensferry & Broughton Housing Market Area to meet this demand given the plan’s settlement boundary limits around these towns. The table below shows their place within the settlement hierarchy and shows the difference between the size of towns and the geographical spread within one Housing Market Area.

HMA towns in Connah’s Quay, Queensferry & Broughton Housing Market Area	Settlement Hierarchy Tier
Broughton (North East & South)	Local Service Centre – Tier 2
Connah’s Quay (Central, Golftyn, South, Wepre)	Main Service Centre – Tier 1
Mancot	Sustainable Settlement – Tier 3
Northop Hall	Sustainable Settlement – Tier 3
Queensferry	Main Service Centre – Tier 1
Saltney (Mold Junction, Stonybridge)	Main Service Centre – Tier 1

Flintshire's LHMA shows an annual requirement of 238 affordable homes. The LDP has set a target of 132 affordable homes a year. While it is understood this is a target, there is already a shortfall in provision of nearly 100 homes a year. There are over 1,500 households on the SARTH register for social housing, meaning they are currently inadequately housed. It is difficult to see how this actual need is accounted for within the LHMA.

c) Does the plan clearly identify all components of affordable housing supply?

See comments below regarding specialist and extra care housing. WWH is developing its own Low Cost Home Ownership product to provide affordable homeownership to a wider group of people. Attached in Appendix 1 is an Information sheet explain this product. Some local authorities do not consider that this product falls within the definition of affordable housing as following the subsequent sale of the property after the first occupier moves on the equity is passed back to the Association for reinvestment and the house becomes an open market house. We have not had confirmation of this form Flintshire although the concept has been explained to them. If this type of affordable product was deemed to be affordable it would assist us to provide more mixed tenure sites and meet more of the identified demand for affordable home ownership.

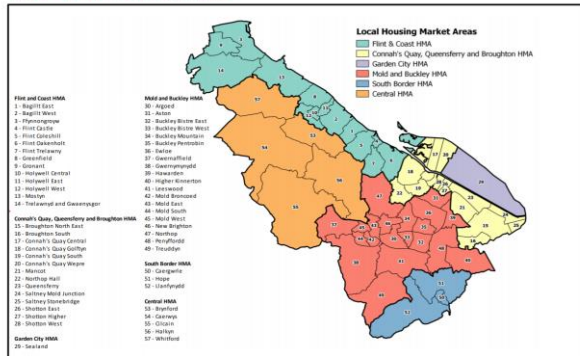
d) Are the required affordable housing contributions and thresholds in Policy HN3 founded on a credible assessment of viability?

There is therefore no guarantee that this strategic site will deliver the anticipated number of houses in Table 2 of LDP07. There is a concern that these targets will be reduced through viability assessments once planning applications are submitted for both allocations and windfalls. Unfortunately, affordable housing is often the flexibility factor on housing sites as has historically been the case. Within LDP07 Table 2, this anticipates 40% of KSS2 Warren Hall's 300 units would be affordable which equates to 120 units. It also shows that it is anticipated that 20% affordable housing will be delivered on KSS1 Northern Gateway which equates to 171 units of 994. The first phase of Northern Gateway which is on site for 380 units has provided only 10% affordable housing with 26, S106 units. Northern Gateway is more advanced than Warren Hall and therefore these arguments have yet to be made. It is likely as Warren Hall progresses that this percentage will also be reduced. It is clear given the discussion over KSS2 Warren Hall and the admission that a viability assessment has not been undertaken that the targets are not based on accurate viability assessments.

e) Are the requirements of Policy HN3 clear, and consistent with national policy?

Reference to the LHMA sub- market areas in the policy does not provide a clear reference of which settlements it relates to. Clarification is needed as to which settlements are in which areas. Inclusion of Map 3.1 showing the Flintshire Local Housing Market Areas from the LHMA would be useful.

Map 3.1 Flintshire Local Housing Market Areas



f) *Is the spatial distribution of affordable housing sound and does it adequately reflect local needs?*

Affordable housing delivered through allocated and windfall sites through S106 agreements will deliver a mixture of tenure and will from experience only deliver a small number of social rented units, however this is the tenure where there is the highest demand. Historically the majority of affordable units delivered through allocations and windfall sites are types of low-cost home ownership which have differing levels of success in their delivery. Housing Associations cannot use Social Housing Grant to acquire S106 affordable properties, this has to be financed separately by the Association.

LDP07 states that the LHMA shows that 60% of the affordable housing demand is for affordable rent and 60% of that rent demand is for social rented accommodation. Social rented units are predominately delivered through Social Housing Grant (SHG) on land owned by Housing Associations. Associations are therefore limited to providing this on windfall sites within settlement boundaries or small scale exceptions sites. Housing Associations are competing with market house builders, which makes land prices more competitive and reduces the availability of sites, often leaving Housing Associations with the more 'difficult' brownfield sites to develop. The lack of smaller allocations means it is less likely that housing associations can acquire these sites to develop with SHG.

There is a concern that it is anticipated that the allocated sites would only deliver 915 units of the 1981 affordable homes required as demonstrated in the LHMA and that this is not a realistic assessment. This is based on assumptions of viability especially on the strategic sites. Within LDP07 Table 2, this anticipates 40% of KSS2 Warren Hall's 300 units would be affordable which equates to 120 units. It also shows that it is anticipated that only 20% affordable housing will be delivered on KSS1 Northern Gateway which equates to 171 units of 994. It is likely as Warren Hall progresses that this percentage will be reduced. The first phase of Northern Gateway which is on site for 380 units has provided only 10% affordable housing with 26, S106 units which have been taken by WWH. This will not deliver all of the housing in the areas with local needs as there are not allocations in every settlement.

g) How will off-site or commuted sum contributions for affordable housing be secured and managed? What mechanisms are in place to ensure that the level of contributions sought are appropriate?

WWH is developing its own Low Cost Home Ownership product to provide affordable homeownership to a wider group of people. Attached in Appendix 1 is an Information sheet explain this product. If Flintshire accepted this product as affordable housing such a mechanism would ensure that the commuted sums generated in this way would be reinvested in the social housing sector.

h) Do affordable housing exception sites have to be immediately adjoining settlement limits?

We do not consider that exception sites need to be immediately adjoining settlement limits as it will depend on each site and location as to what may be appropriate. It is more critical that any site should have appropriate connections or linkages in terms of access on foot, or by cycling to services and facilitates or public transport options. Any site would need to meet the Placemaking Agenda and follow the site context analysis process as required by Welsh Government to meet the SHG funding requirements and is therefore thoroughly assessed.

i) Why are exception sites not allowed adjoining Tier 1 settlements? How does this reflect the spatial distribution of need for affordable housing?

The Association would welcome the ability to deliver exception site adjacent to all settlement boundaries, especially Tier 1 settlements. In WWHA's own development plan we aim to deliver 500 new homes a year across Wales with a focus on developing in urban areas. We aim to deliver homes in sustainable locations where we have existing stock and the highest need is. We can deliver a better service to residents when looking for sites near to existing built -up areas Housing Associations are competing with market house builders, which makes land prices more competitive and reduces the availability of sites, often leaving Housing Associations with the more 'difficult' brownfield sites to develop. If exception sites were available for Housing Associations on sites adjoining Tier 1 settlements this would greatly assist in delivering more social housing in sustainable locations. In order to meet SHG funding requirements Housing Associations are required to provide a detailed site context analysis to Welsh Government showing how the site relates to the function of the settlement and is well related to facilities and public transport.

Allowing exception sites for Tier 1 settlements would assist Housing Associations better meet the local need and the identified need shown in the LHMA such as in the Connah's Quay, Queensferry & Broughton Housing Market Area, where a lot of sites within settlement boundaries will be restricted by flood risk constraints, such as the lower areas of Connah's Quay around Dock Road.

Policy HN4-D has a criteria based approach to assessing exception sites in tier 2,3 and 4 settlements. In particular criteria d) states " the scale, design, and layout of the proposed development are sympathetic and appropriate to the size and character of the settlement and its landscape setting, and reflect the scale of need identified;" The explanatory text goes on to talk about making special provision to

release small housing sites in rural areas and policy STR2 refers to 'small scale exception sites', however the type of settlements in Tier 2 – Local Service Centres are in the majority not rural in nature e.g. Broughton and would have high levels of housing need. There is a concern therefore that the use of 'small scale exception sites' is not appropriate for Tier 2 or even Tier 3 settlements. It should be left to the criteria d) in the policy, as each settlement will differ. For the Association it is more cost effective to build a site of 25 units to meet a range of housing need than 5 small sites of 5 dwellings.

j) What is the basis for restricting management of exceptions schemes in Policy HN4-D (e)? Will this deliver smaller schemes in rural areas?

For the Council to answer, as Housing Associations are a natural choice of the management of schemes, but would not necessarily chose to build a small site in a rural area.

k) Should the LDP specify the criteria that will be applied to determine who will qualify for an exception site?

Housing Associations should be within the critiera.

l) How will the affordable housing target be delivered and reviewed? Flintshire Local Development Plan 2015 – 2030 Schedule of Matters, Issues and Questions 8

Delivery of affordable housing in particular social housing will depend on the availability of SHG which can vary depending on Government agendas and budgets. Therefore delivery may be higher in some years than others.

m) Will the affordable housing policies ensure a balanced mix of house types, tenures and sizes, and is the required density level appropriate?

The Association aims to always provide a range of housing types on sites, where possible in order to meet local need.

n) How will housing for people/groups with special needs, such as the elderly, be provided? Should there be a separate policy and/or allocations for such housing?

We would suggest that a separate policy for specialist housing would be useful. LDP07 refers to the 51 applicants on the specialist housing register. This type of accommodation is at a lower density than general needs housing and has a greater land take in terms of providing single storey accommodation with covered parking areas. The ability to have more flexibility in the location of this housing would therefore be welcomed.

Again, in terms of accommodation for elderly people and extra care accommodation, these tend to be higher density in order to make it viable in terms of the operation of communal catering and activities and in terms of care provision. 50 units is seen as the best operating model for this type of accommodation. Finding suitable sites in sustainable locations to accommodate the number of units required is therefore difficult and leads to high rise buildings which do have practical operational issues. The provision of flexibility on edge of settlement locations could make lower density designs more achievable. Reduced parking requirements for elderly accommodation

should also be considered with provision for secure buggy/mobility scooter storage in place of this.

o) Are criteria a), b) and c) of Policy HN4-B reasonable and necessary, taking account of the Plan's approach to employment provision and the costs associated with conversion?

No comment.

p) Is the restriction on infill development to meet a proven local housing need unduly onerous? To what extent will this contribute to the provision of affordable housing in the County?

No comment.