

MEMORANDUM

To: Anne McDonald
Principal Planning Officer

From: Debbie Ealand
Housing Supply Officer
Ext: 4526

Your Ref: 24/01426/FP

Date: 12th August 2024

**Full Planning Permission: Demolition and redevelopment to provide 44 residential apartments (in four part 4 storey / part 5 storey linked blocks) 325 sqms of Class E floorspace at ground floor fronting the High Street, landscaping, amenity and associated parking.
9 - 10 High Street, Hitchin, Hertfordshire.
Case Ref No: 24/01426/FP**

Dear Anne,

Thank you for your memo dated 16 July 2024 in respect of the above application for full planning permission.

The affordable housing requirement is 40% on sites which will provide 25 or more dwellings, in accordance with the Local Plan.

There are seven allocated housing sites in Hitchin in the Local Plan, which are expected to deliver approximately 971 new homes. The site is not an allocated residential site although it is within the Paynes Park mixed use allocation, Policy HT12. The site is within the Town Centre boundary of Hitchin in the conservation area.

The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals, in accordance with the NPPF.

Paragraph 63 of the NPPF says “Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing; families with children; older people (including those who require retirement housing, housing-with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes”.

Paragraph 64 of the NPPF says “Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required³⁰, and expect it to be met on-site unless:

- a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and
- b) the agreed approach contributes to the objective of creating mixed and balanced communities.”

Where a need for affordable housing is identified the definition in Annex 2 of the Framework should be applied to the type of affordable housing required. The definition for affordable housing includes housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers).

Based on the provision of 44 residential dwellings a 40% affordable housing provision would equate to 18 affordable dwellings.

Within the overall affordable housing requirement, the council requires a 65% rented / 35% other form of affordable housing tenure split, in accordance with the proposed submission Local Plan, the Developer Contributions SPD and as evidenced in the 2016 Stevenage and North Hertfordshire SHMA Update.

This would equate to 12 rented units and 6 other affordable housing tenure units.

The 2016 SHMA Update recommends a greater proportion (59%) of one and two bedroom homes for rent, and a smaller proportion (41%) of three and four bedroom homes for rent. For other forms of affordable housing, the figures are reversed with 36% one and two bedroom homes and 64% three and four bedroom homes.

Given the location and nature of the development the proposals comprise a development comprising one and two bedroom flats and the provision of houses is not included in the scheme.

Any affordable flats should be owned and managed by a registered provider (RP) and ideally be in a self-contained block with a separate entrance, as neither the developer nor the registered provider like shared blocks of market and rented affordable housing.

Registered providers (RPs) usually prefer any affordable units/flats to be in a self-contained block, with their own entrance as this works better in terms of management and maintenance. In addition, service charges costs for affordable housing residents are generally cheaper in self contained blocks as RPs are often able to negotiate their own service contracts or use their in-house maintenance teams.

Looking at the submitted plans there is potential to accommodate affordable housing in a separate block with its own entrance and staircase. Block 2 provides 13 flats including 2 x one bed flats on the ground floor with separate entrances. This block could accommodate the rented affordable housing and one of the shared ownership units with the remaining 5 shared ownership units in block 1

which comprises 6 units including 2 x one bed flats at the ground floor with separate entrances.

The council will accept social rent and affordable rent for rented tenure dwellings, but it should be noted that the affordable rent for one or two bedroom dwellings should be no more than 80% of the equivalent local market rent (including service charges, where applicable) and all rents should be within Local Housing Allowance (LHA) rates, in accordance with the council's Tenancy Strategy and Developer Contributions SPD.

In June 2021, the Government introduced a policy requiring 25% of affordable housing provided to be First Homes. First Homes can be considered on merit where the overall proportion of affordable housing that can be achieved on site will not be adversely affected and the Local Plan requirement for 65% of affordable homes for rent is met. Five of the six other affordable housing units could be delivered as First Homes to meet this requirement.

The nationally described technical housing standards provide the nationally recognised standards for bedrooms, storage and internal areas in new dwellings across all tenures. The affordable units are required to meet the nationally described housing space standards.

Any affordable homes provided should be available for applicants with a local connection to the district of North Hertfordshire.

Grant funding for the provision of affordable housing is not available on S106 sites and any affordable homes should be delivered through planning gain alone.

The council's preference is for affordable housing to be delivered on site and there is high housing need for one bedroom and two bedroom homes. There is provision within the (Local Plan) Policy to consider off-site delivery and/ or a commuted sum in lieu of affordable housing, in exceptional circumstances.

There is uplift in the provision of affordable homes for off-site delivery and for commuted sums in accordance with 5.2.10 of the council's Developer Contributions SPD.

If a commuted sum were to be accepted, in lieu of the affordable housing, the commuted sum payable in accordance with 5.2.25 and 5.2.26 of the Developer Contributions SPD, will be:

$$44 \times 0.67 \times £123,000 = £3,626,040.00$$

Issues of viability must be proven with robust documentary evidence using a recognised financial toolkit. Any financial viability assessment submitted will be independently tested at full cost to the applicant.

I hope these comments are useful. Please let me know if I can be of any further assistance.

Regards

Debbie Ealand
Housing Supply Officer