

Affordable Housing Statement

Court Farm, Dorney, Windsor SL4 6QG

Buckinghamshire Council

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1 Introduction

1.1 Overview

- 1.1.1 This Affordable Housing Statement (AHS) has been prepared to support planning and listed building consent applications made to Buckinghamshire Council on behalf of Eton College (the Applicant) for the redevelopment of Court Farm, Dorney (the Subject).
- 1.1.2 Through assessing national, regional and local planning policy, and from drawing on supplementary research, this AHS examines the Subject with a view to establishing how Affordable Housing can most appropriately be delivered. This AHS should be read in conjunction with a number of other application documents including, but not limited to, the Site Plan, Planning Statement and Design and Access Statement.

1.2 Application Site

- 1.2.1 The application site is located in Buckinghamshire Council, extending to c. 1.70 ha and currently comprises four residential properties and five agricultural buildings in a farmstead setting on the west part, some of the former agricultural buildings are in use for storage, with the exception of the large former agricultural building to the north of the site, which is currently vacant. The north-eastern area of the site is in use as a horse paddock and horse keeping use. The height of the existing buildings are one to two storeys, with pitches roofs. The residential buildings on site are of brick construction with slated roofs, some of the buildings have been rendered on the façade. The site is irregular in shape. The Site Plan can be viewed at **Appendix 1**.
- 1.2.2 The site is accessed via two vehicle routes from Common Road, which is situated to the eastern side of Dorney Village . The site comprises part of the hamlet of Dorney, a grouping of some 30-40 properties which lies immediately to the north of Dorney Lake, the River Thames and Windsor Racecourse.
- 1.2.3 The surrounding area is predominantly residential in character, with the site being located within Dorney Village. The centre of Dorney Village is to the west of the site.
- 1.2.4 Immediately to the north of the site is greenfield land and the Jubilee River slightly further to the north. The site is located towards the eastern edge of the built up village centre of Dorney. To the southeast of the site is the Grade II listed Dell Cottage (List Entry Number: 1332693) and Vine Cottage (List Entry Number: 1162791). The surrounding character to the east of the site is residential and agricultural land.
- 1.2.5 The site is considered to be located in a very sustainable location, given its direct links to Common Road and the M4 to the north. It is also located next to a number of key services and facilities, which will support the future residential population.

2 National Planning Policy Context

2.1 The National Planning Policy Framework (NPPF)

- 2.1.1 The revised NPPF, adopted on 20 July 2021, sets out the Government's planning policies for England and how these are expected to be applied. The NPPF is a material consideration in planning decisions. In respect of affordable housing, paragraph 63 of the Framework specifies "Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:
- off-site provision or an appropriate financial contribution in lieu can be robustly justified; and
 - the agreed approach contributes to the objective of creating mixed and balanced communities"
- 2.1.2 The NPPF goes on to identify an element of affordable housing for affordable home ownership in paragraph 65 "Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:
- a) Provides solely for Build to Rent homes;
 - b) Provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);
 - c) Is proposed to be developed by people who wish to build or commission their own homes; or
 - d) Is exclusively for affordable housing, an entry-level exception site or a rural exception site."
- 2.1.3 All Local Plans therefore need to include 10% minimum affordable home ownership within their affordable housing policies and supporting planning documents for major developments.
- 2.1.4 Affordable housing is defined in Annex 2 of the NPPF as "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); and which complies with one or more of the following definitions'
- Affordable Housing for Rent
 - Starter Homes
 - Discount Market Sales Housing (DMSH)
 - Other Affordable Routes to Home Ownership"

2.1.5 The policies in the NPPF are material considerations which should be taken into account from the day of its publication. However existing and submitted plans (prior to January 2019) should not be considered out of date. Instead, due weight will be given to them, according to their degree of consistency with the NPPF (i.e. the closer the policies in the plan to the policies in the NPPF, the greater the weight that may be given).

2.2 First Homes

2.2.1 The Government launched the First Homes Consultation in February 2020, with the aim to make the dream of homes ownership a reality for everyone, and for local people to have first refusal to First Homes in their area. Various options were consulted upon and the key points are as follows:

- Homes will be Discount Market Sale Housing (DMSH) with a minimum of 30% discount in perpetuity.
- Priority will be given to First Time Buyers, and possibly those in unsuitable housing, and for local people.
- Price caps will be considered to ensure they are affordable, and household income caps may be introduced to ensure only eligible households can access the homes.
- Planning policy or legislation may be brought in to ensure First Homes are delivered.
- The existing affordable housing percentage through s106 agreements to include First Homes. The consultation suggested a range from 40% of all S106 provision up to 80% of all s106 provision.

2.2.2 The First Homes Consultation ended on 3rd April 2020, and on the 24th May 2021 the Government published the Affordable Homes Update in a written Ministerial Statement which set the national standards and the implementation timing of First Homes. The key points to note are:

- First Homes will form part of the definition of affordable housing for planning purposes.
- 30% minimum discount, with a £250,000 price cap (outside London) once the discount is applied. (The price cap could be lower depending upon local values).
- Local Authorities can increase the discount to 40% or 50% if the need is demonstrated.
- Purchasers should have a combined annual income not exceeding £80,000 (outside London).
- At least 25% of all affordable housing delivered via planning obligations should be First Homes.
- Local Authorities can also priorities key workers for First Homes, with the flexibility to define their key worker group in any profession that is considered essential for the functioning of a local area.

- Whilst draft Local Plans/Neighbourhood Plans will undertake transitional arrangements, existing Local Plans will need to account for First Homes from 28th June 2021.
- New planning applications will need to include First Homes, however planning applications with significant pre-application engagement that will be determined before March 2022 do not need to include First Homes unless the Applicant wishes to include the tenure.
- Local Plan Viability Assessments will be used to calculate the appropriate swap of tenures so that values are not affected.
- Social Rent tenure is protected, whereas other tenures will be proportionately adjusted down.
- First Homes is exempt from CIL.

2.2.3 Whilst the NPPF will need to be updated to incorporate First Homes, this new tenure will be part of the affordable housing tenure mix in all s106 developments where planning applications are determined after March 2022.

2.3 Planning White Paper – Planning for the Future

2.3.1 The Government launched the Planning White Paper in August 2020, setting out their proposals for future planning legislation to streamline and modernise the planning process. The consultation ran until the end of October 2020. The Planning Reforms Bill intended to include elements from the White Paper and was expected in spring 2022, however, the Bill has not moved forward and any planning changes are now expected to be incorporated into the Levelling Up and Regeneration Bill which is due to be published later in 2022.

2.3.2 In relation to affordable housing, the Government is proposing a radical change in the method of determining the quantum of affordable housing on site. Instead of developer contributions being defined in separate elements, such as CIL, S106 contributions and affordable housing, an all-encompassing Infrastructure Levy will be used to secure on site affordable housing along with all the other contributions required as part of a development. Each Local Authority will specify the affordable tenures (adhering to Government policy) and dwelling sizes (i.e. bedrooms), and the Infrastructure Levy will pay for the difference between an open market home and an affordable home. The total levy will need to stretch to cover all developer contributions, and the Local Authority will need to decide how it uses the levy. As a result, each Local Authority will be tasked with the responsibility of deciding between its priorities in new build developments.

3 Local Planning Policy Context

3.1 Overview

- 3.1.1 This section summarises the relevant national, regional and local planning policy which the application is being considered against. Below, we provide the relevant planning policy and guidance relating to affordable housing provisions.

3.2 Local Planning Policy: Buckinghamshire

South Bucks Adopted Core Strategy 2011

- 3.2.1 Under the South Bucks Core Strategy (2011), Core Policy 1 indicates that provisions will be made for a net increase of roughly 2,200-2,800 dwellings in the period 2006 to 2026, broadly in accordance with the Spatial Strategy. At least 80% of this development will be accommodated on Previously Developed Land. This equates to 16-18% as affordable homes.
- 3.2.2 Core Policy 2 (Housing Type and Size) provides further detail on the type of housing that should be provided, and states the council seek to encourage a range of housing types and sizes. 'On sites of 5 units or more, a provision should be made for a suitable mix of dwelling types and sizes... to ensure that new accommodation is sufficiently flexible and adaptable to meet the needs of all sections of the community, a proportion of the new dwellings on sites of 5 units or more must be to the full Lifetime Homes standard'.
- 3.2.3 Core Policy 3 (Affordable Housing) seeks to achieve 'at least 40% of all dwellings in schemes of 5 units and above (gross), or on sites of 0.16 ha and above (where there is a net gain in the number of dwellings) to be affordable, unless it is clearly demonstrated that this is not economically viable'. If an affordable provision cannot be agreed upon, the developer and council will need to discuss an appropriate financial contribution in lieu of on-site provision. Paragraph 1.5 of the South Bucks Affordable Housing Supplementary Planning Document (SPD) 2013 states that it forms 'a material consideration in the determination of planning applications and will be considered alongside Core Policy 3 and other planning policies.' The SPD highlights the 40% affordable housing requirement and that two thirds of the affordable homes should be Rented.
- 3.2.4 Planning applications that propose a tenure split for the affordable element with less than two-thirds social or affordable rented housing, should normally be accompanied by a detailed financial viability appraisal. It is noted that roughly two thirds of the affordable units provided should be social rented, with the remainder as intermediate affordable dwellings. The precise tenure split will vary, however this should reflect the evidence in the latest Strategic Housing Market Assessment.
- 3.2.5 The SHMA (2008) suggests that the proportion of home types needed in South Bucks is: 38% for one bedrooms, 25% for two bedrooms, 34% for three bedrooms and 3% for four plus bedrooms. There is a target of 300-500 affordable dwellings to be provided during this timeframe.

3.2.6 The Housing and Economic Needs Assessment (HENA, 2019) identifies the proportional split between housing and flats required in the South Bucks Area. Market Units should allocate 4% for flats and 76% for houses. Affordable units should allocate 8% to flats and 12% to houses.

3.2.7 The below table indicates the proportion of home type needed (percentage):

Proportion of Home Type (% of overall need)

			Chiltern	South Bucks	Total (Plan Area)
Market	Flat	1 bed	1	1	1
		2+ bed	2	3	3
	House	2 bed	4	3	4
		3 bed	37	32	35
		4 bed	27	24	25
		5+ bed	14	16	15
Affordable	Flat	1 bed	1	4	2
		2+ bed	2	4	3
	House	2 bed	4	4	4
		3 bed	5	7	6
		4+ bed	2	2	2
	Total % Rounded			100	100

4 Local Housing Context

4.1 Chiltern District Council and South Bucks District Council Joint Housing Strategy 2018 - 2021

- 4.1.1 The delivery of additional housing numbers in Chiltern and South Bucks has been limited in recent years predominantly due to high land and property values, limited development opportunities due to green belt / AONB restrictions, viability challenges, and changes in the Registered Provider sector. Savills Research Team has undertaken analysis and identified that South Bucks is ranked the 6th lowest in England in terms of new build affordable housing delivery in the 10 years to March 2019.
- 4.1.2 There has been limited government grant funding for rented housing, rent reductions and continued welfare reforms, meaning all registered providers have needed to review business plans and alter future development strategies.
- 4.1.3 In recent years, providers have gravitated towards developing discounted home ownership properties rather than traditional rented housing. However, since the government has improved funding to deliver a higher level of affordable rented and social rented housing, providers are moving back towards the delivery of more rented units.
- 4.1.4 The problems caused by the restricted amount of additional affordable housing delivery are exacerbated by the lack of alternative affordable housing options in Chiltern and South Bucks. High private sector rent levels and the continued welfare reforms mean many low income households cannot afford to rent privately within the two districts.
- 4.1.5 The Local Housing Allowance (the cap on Housing Benefit payable on a private sector tenancy) is £400 to £500 below the average market rent for a family home, and this gap is likely to grow as LHA rates remain frozen. Some larger families are also impacted by the household Benefit Cap (£20,000 per annum for a family).
- 4.1.6 The ability of the Councils to secure alternative housing for clients in the private rented sector and elsewhere has become even more important in light of the new Homelessness Reduction Act.

4.2 Buckinghamshire Council (BC) Affordable Housing Position Statement

- 4.2.1 Buckinghamshire Council has been collectively considering affordable housing since the four Councils formed together in April 2020. An affordable housing member task and finish group was formed in August 2021, which has led to an Affordable Housing Position Statement produced at the end of March 2022. This Position Statement 'recognises that Buckinghamshire has an acute shortage of housing in terms of socially rented housing, affordable rent and rented key worker accommodation,' and 'that the delivery of affordable housing has to be subsidised in order for the rent level or sale price to be truly affordable to those people who cannot afford renting or buying on the open market.' The key commitment of the Position Statement is 'maximising delivery of affordable and key worker housing'.

4.3 Buckinghamshire First Homes Interim Position Statement

- 4.3.1 Buckinghamshire Council has published an Interim Position Statement on First Homes which notes that First Homes will be required in Chiltern, South Bucks and Wycombe areas.
- 4.3.2 First Homes will be secured through the council's consideration of affordable housing on planning applications.
- 4.3.3 The tenure impacts for South Bucks require 25% to be allocated as First Homes, 52.5% Affordable Rent, and 22.5% as Intermediate Tenures.
- 4.3.4 A priority order will also be applied for the first 3 months of marketing a First Home, which is based upon the length of time a household has lived or worked in the area.

5 The Proposed Housing Provision

5.1 Proposed Development

- 5.1.1 The planning application at Court Farm, Dorney is in the process of being submitted to Buckinghamshire Council, for the construction of 11 residential units, including 9 x 4 bedroom dwellings, 1 x 5 bedroom dwelling and 1x 6 bedroom dwelling. A more detailed breakdown of the proposed scheme is provided in the attached Planning Statement.

5.2 Proposed Affordable Housing Contribution

- 5.2.1 Savills were instructed to prepare an initial Financial Viability Assessment in accordance with the National Planning Policy and RICS guidance, to determine the level of planning obligations that the proposed development can support whilst remaining viable.
- 5.2.2 We ran an initial appraisal for the development on the basis of 100% private tenure to determine the feasibility of providing an affordable housing provision to be provided on-site.
- 5.2.3 The results of the appraisal illustrated a deficit of -£99,083 against the site value benchmark, The Viability Assessment concludes that the proposed scheme produces a minor deficit against the Site Value Benchmark, which means the site is technically unviable by normal commercial measures.
- 5.2.4 We are aware that no planning application has been submitted at this stage.

6 Summary

6.1 Summary

- 6.1.1 The FVA results indicate that the RLV of the proposed development creates a negative land value against the SVB and is therefore, under planning terms, unable to contribute towards any affordable housing provision.