

Brian Capon
Planning Policy Team
London Borough of Ealing
Perceval House
14/16 Uxbridge Road
London
W5 2HL

26th May 2004

Dear Mr Capon,

DRAFT SPG – AFFORDABLE HOUSING

Thank you for giving the House Builders Federation (HBF) the opportunity to comment on the Draft Supplementary Planning Guidance on Affordable Housing for the London Borough of Ealing. The HBF have considered the proposed document and wish to make the following observations:

Funding for Affordable Housing

Provision of 65% TCI will inevitably effect viability of certain developments. It is important, that the Council reflects this, with a flexible approach to affordable housing provision. For instance, in order for a development to be financially viable it may need a lower proportion of affordable housing or an alteration to the 70%: 30% Social Rented to Intermediate affordable housing split, with an increased proportion of Intermediate housing.

Additionally, the final sentence of Para 4.6 is written very poorly and does not appear to make sense

Cash in Lieu

Para 4.11 states that Cash-in-Lieu will be paid into a 'discrete Affordable Housing Fund'; this should be 'ring-fenced' in order to be invested in affordable housing provision for the Borough.

Additionally this funding should be invested within a reasonable time period e.g. five years. If not, it should be returned to the developers, with any interest accrued over that period.

Registered Social Landlords

The whole thrust of the SPG and specifically Para's 4.17 and 4.18 is geared towards provision of subsidised social housing for rent to be provided by Registered Social Landlords (RSLs). The implication is that the Council will be extremely reluctant to consider any other form of affordable housing provision rather than delivery by RSLs. This is clearly contrary to paragraph 17 of 6/98, which states that:

“Local Planning Authorities should not prescribe which partners developers should use to deliver affordable housing but rather should aim to ensure that arrangements will deliver the objectives of the policy as set out in the local plan.”

Paragraph 12 of 6/98 also recognises that there will be other mechanisms for the delivery of affordable housing than just through the involvement of RSLs. It is for that reason that it requires authorities to set out other circumstances, which may equally satisfactorily lead to the provision and effective maintenance of affordable housing.

Therefore the SPG should be amended to reflect these facts.

With regards to Appendix 3, the Council is entitled to have its own list of preferred partners provided it is just that; a list or preferred partners with whom the Council will work and not a definitive list of selected companies whereby, if you are not on the list, the Council will not work with you. Given the new regime for the funding of affordable housing Councils should be willing to work with anyone who can demonstrate they have the finance in place to deliver affordable housing and the practices and mechanisms in place to ensure satisfactory long-term management. Only by adopting a more reasonable and flexible approach to future affordable housing provision working with a wider range of partners will the Council get anywhere near its targets.

Additionally, with regard to Para 4.18 and the stipulation that negotiations with social housing providers should ideally commence prior to the submission of an application, this is not always possible due to financial constraints, the Council needs to be more flexible and this should be reflected in the SPG.

Off-site provision

HBF objects to the Council's instructions in Para 4.24 that when a development requires off-site provision, the developer will be required to fulfil a number of criteria, notably that the site should be:

- In the borough
- Ideally in the vicinity of the parent site
- Suitable for affordable housing
- Available within an appropriate time scale and have planning permission
- Provided at the same time as the development of the parent site.

The Council's approach is inflexible and fails to show regard for the development process. Given financial and planning constraints, it is highly unlikely that a developer will be able to fulfil all those criteria, nor should they. These demands are unreasonable, if a site is unsuitable for affordable housing, then Para 23 Circular 6/98 states that the developer should be allowed to make a contribution towards the cost of providing affordable housing on a different site. Developers are under no obligation to find an alternative site and the inclusion of such rigorous criteria will deter them further.

Types of Affordable Housing sought

According to the Housing Needs Survey and Housing Capacity Study, the affordable housing requirement in Ealing is such that it will not be reached through the UDP. The main issue therefore becomes one of maximising the supply of new affordable housing.

The Council are therefore being too prescriptive regarding the type of affordable housing to be provided by private residential development. There is a need for all types and sizes of affordable housing and the range of affordable housing provided through a development should reflect this broad need as well as having a regard to the economics of provision, the availability of Social Housing Grant and individual site constraints. As a consequence, Appendix 4 should be removed.

I sincerely hope that the Council will take on board these important matters and that the draft SPG be amended accordingly. I look forward to receiving a copy of your Council's response to these comments in due course.

Yours sincerely,

Jonathan Sheldon
Assistant Planner – HBF London