Matter 4 – Housing

Main issue – Whether the Plan sets out a positively prepared strategy for the provision and delivery of housing development that is justified, effective and consistent with the London Plan and national policy.

Housing requirement

26. Does the Plan clearly set out the housing requirement for the plan period?

4.1. The overarching objective of the chapter is to deliver up to 26,250 additional homes over the plan period. This figure is derived from Hackney’s Objectively assessed need (OAN) of 1,750 established in the SHMA 2015 (ED030) and confirmed in the SHMA 2018 (ED029) multiplied by the 15 year plan period.

4.2. LP12 Part A states that the plan seeks to deliver a minimum of 1,330 homes per year until 2033, which is the borough’s capacity-based target established in the London-wide SHLAA. This figure is reflected in the draft new London Plan.

27. Is the proposed housing provision of 1,330 dwellings per year up to 2033 and 1,750 between 2029 and 2033, as set out in Policy LP12, appropriate and justified? Is this provision consistent with the London Plan?

4.3. The proposed housing provision is 1,330 dwellings per year between 2019 and 2033 (the target is 1,599 in 2018). This is a capacity based target set out in the London-wide SHLAA (ED060) which runs for the 10 year period between 2019 and 2029 but which has been rolled forward in LP33 for the final 4 years of the plan until an updated target is published. The target is appropriate and justified and consistent with the London Plan.

4.4. The objectively assessed need for the plan period from 2018 until 2033 is 1,750 homes per year as identified in the Hackney SHMA (ED030 and ED029).
4.5. The need is higher than our capacity to deliver but our aim is to exceed the 1,330 target each year with the intention of delivering enough homes to meet our 1,750 needs figure.

**28. How does this provision relate to the objectively assessed need (OAN) established through the Strategic Housing Market Assessment (SHMA) and its addendum (ED029 and ED030)?**

4.6. The 1,750 OAN figure is identified in the SHMA 2015 (ED030), and the SHMA addendum 2018 (ED029) confirms that this figure remains accurate. As noted in response to question 27, the OAN is higher than our capacity to deliver but the aim, through the growth strategy, is to exceed our capacity-based target with the aim of bridging the gap between the capacity and the OAN.

**29. Is the planned growth for 7,000 homes in and around Shoreditch; around 3,000 homes at Woodberry Down/Stamford Hill; around 2,000 homes around Dalston; and around 3,000 homes at Hackney Central, justified and based on robust evidence? How much growth is planned along the Borough’s Enhanced Corridors?**

4.7. The figures for each of the areas are based on the quantum of new homes expected to come forward over the Plan period. Numbers are approximate and rounded but derived from the London SHLAA (2017) (ED060). The distribution of growth has been informed by:

- Evidence on the location of approvals (pipeline)
- Evidence on the location of site allocations (Site Allocations Local Plan ED06 and Appendix 3 of LP33)
- Evidence on the location of other known sites (including those identified in the SHLAA as ‘Housing potential on other large sites’)
- Applying a geographical distribution of windfall based on past trends

4.8. All of the above is also evidenced in the Housing Trajectory (within AMR ref ED021).

4.9. The policy and distribution of housing is also informed by the growth strategy and the areas set out include the broad locations for housing which will, together with Clapton, Homerton and the other growth areas shown on Key Diagram 1, deliver housing growth in the latter part of the plan period and meet the housing need.

4.10. With regards to growth in the Enhanced Corridors, some of the growth in the Corridors will be captured within the locations referred to in the policy, for example Mare Street falls within Hackney Central and the Enhanced
Corridors. In addition, some of the site allocations in Appendix 3 include sites within the corridors. The Corridors seek to identify broad locations for growth and will predominantly meet needs in the latter part of the plan, contributing towards bridging the gap between our capacity and our needs. This approach is based on robust evidence set out in the boroughwide Characterisation Study (ED024) and aligns with the small site policies within the LP33 and the new London Plan. In April 2019, the Council secured funding from the GLA’s Homebuilding Capacity Fund (HCF) to support accelerated housing delivery in the Key Corridors. The HCF funding will be used to look at the character, opportunities for redevelopment and securing optimum densities with a particular focus on small site delivery.

**Housing Supply**

30. The Plan states that the supply to deliver 1,330 homes each year up to 2029 is based on the GLA London-wide Strategic Housing Land Availability Assessment 2017 (SHLAA). Is the methodology sound and are the site assessments based on robust evidence?

4.11. The SHLAA methodology is sound (it is described in detail in pages 12 to 52 of the SHLAA - ref ED060). It follows the principles set out in the Planning Practice Guidance and is supported by the GLA in response 035/008 of document LBH EX01a.

4.12. The SHLAA sites were identified in partnership between the GLA and Hackney Council and the site assessment are based on robust evidence. The capacity, availability, deliverability and suitability of each identified large site (over 0.25 hectares) for residential and mixed use development has been assessed, taking into account planning policy, environmental and delivery constraints and the extent to which these can be mitigated or addressed during the plan period.

4.13. The SHLAA also assesses the capacity of potential housing delivery on smaller sites (under 0.25 hectares) through a modelling exercise where average annual trends in housing completions are adjusted to take into account the expected impact of planning policy changes in the draft London Plan. This modelling considers public transport access levels (PTAL), proximity to town centres and rail/tube stations, the existing built form and heritage assets.

31. How has the supply between 2029 and 2033 been determined? Is it justified and is it based on credible evidence?
4.14. The housing target of 1,330 is rolled forward for 2029 to 2033. There is no capacity based figure for housing delivery after 2029 yet published in the London Plan / SHLAA because the latest SHLAA covers the 10 year period from 2019 until 2029. The SHLAA will be updated in due course to provide updated capacity figures for the coming years as well as to provide a figure for after 2029.

4.15. The housing trajectory, which is discussed in greater detail below, includes indicative housing supply figures for the whole 15-year plan period, including between 2029 - 2033. This is informed by long term site allocations and the broad locations for growth set out in the growth strategy and Policy LP12 which identify areas for growth in the longer term including Clapton, Homerton and key corridors, with the aim of meeting and exceeding the housing target.

32. Are specific housing sites or broad locations to meet the housing requirement clearly set out within the Plan? Are specific housing sites or broad locations to meet the housing requirement clearly set out within the Plan?

4.16. Specific housing sites are to meet the housing requirement are set out in the Site Allocations at Appendix 3 of the Plan. Broad locations to meet the housing requirement are set out in the growth strategy including Place Policies PP2-PP10 and in policy LP12.

33. Policy LP12 part D prioritises the provision of self-contained residential units over other forms of residential accommodation. Is this appropriate or should the policy allow the provision of other forms of accommodation, particularly where it would be meeting identified needs? Is the policy too restrictive? Is it consistent with national policy?

4.17. The prioritisation of self-contained residential units over other forms of residential accommodation is appropriate in Hackney given the overwhelming need for residential accommodation and genuinely affordable housing across the borough. Applicants are required in various policies including LP20 Student Housing, LP21 Large Scale Purpose-Built Shared Housing and LP25 Visitor Accommodation to demonstrate that C3 residential is not feasible before alternative housing models are considered.

4.18. The SHMA 2015 (ED030) and addendum 2018 (ED029) indicate a significant need for conventional housing of 1,758 dwellings per annum which is in excess of the housing targets set by the London Plan. Central
to this is an overwhelming need for genuinely affordable conventional housing, particularly to meet the needs of families and those on the housing waiting list. This type of affordable, family-sized accommodation is provided predominantly as part of conventional housing schemes rather than any alternative type of housing. There are over 13,000 people awaiting social housing in Hackney and 3,000 families in temporary accommodation. Non-conventional housing does not help to meet these housing needs or address the backlog of need for those on the waiting list.

4.19. Self contained homes have the greatest potential and flexibility to provide for a range of needs as policy outlines size and tenure requirements for conventional housing. Whilst it is acknowledged that non-conventional housing such as student housing, visitor accommodation and shared housing contributes towards our capacity-based housing targets, they do not help to meet our objectively assessed needs.

4.20. Finally, the need for non-conventional housing such as student housing and hotel bed spaces is far less pressing than the need for conventional residential accommodation (3,500 students beds are required per year across London and 2,230 visitor bedrooms per annum across London).

4.21. It is for these reasons that conventional C3 accommodation is prioritised. This is considered to be in line with national policy as it helps to boost the supply of housing as outlined in paragraph 47 of the NPPF: ‘To boost significantly the supply of housing, local planning authorities should:

● use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period’

4.22. The policy is not considered to be too restrictive. Non-conventional accommodation will be permitted if an applicant is able to provide evidence to demonstrate that provision of such accommodation would meet identified needs, will provide a decent quality of accommodation, will provide policy-compliant levels of affordable housing and is a suitable use on the chosen site. The level and quality of on-site affordable will be one of the considerations when assessing whether the site is suitable for non-conventional housing.

34. Does the level of supply provide sufficient head room to enable the Council to react quickly to any unforeseen change in circumstances and to ensure that the full requirement is met during the plan period?
4.23. The Housing Trajectory in the Authority Monitoring Report (AMR) 2017 (ED021) shows sufficient headroom in the next five years to enable the Council to react quickly to unforeseen changes in circumstances in the immediate future. The trajectory indicates that net additional dwellings for the next five years (FY 2018-22) will exceed the target of 6,919 homes (assuming a target of 1,599 homes in 2018/19 and a target of 1,330 for the following four years) by delivering 8,352 homes. An 84% implementation rate has been applied to the pipeline proportion of the trajectory based on past delivery rates. Taking all figures into account, the trajectory provides a buffer of approximately 20.7% in the first 5 years, which is considered to be sufficient headroom.

4.24. In years 6 to 10 the housing trajectory shows that housing delivery in the borough is expected to meet the 10 year London Plan target of 13,300. Hackney will aim to deliver 14,024 during that period (which reflects a higher target in 2018/19).

4.25. For the last 5 years of the plan period, there is a lack of knowledge and detail of development and the trajectory therefore suggests a tailing off of delivery. The trajectory for years 11-15 includes site allocations which are anticipated for delivery in the 'long term'. Alongside this, the growth strategy which sets out the broad locations for growth in the latter part of the plan, including Clapton, Homerton and the enhanced corridors shown on Key Diagram 1, will deliver housing growth in the latter part of the plan period and meet the housing need.

Deliverability

35. Is there a housing trajectory and a housing implementation strategy which illustrates the expected rate of housing delivery and ensures the maintenance of a 5 year supply during the plan period?

4.26. The housing trajectory published in the Authority Monitoring Report 2017 (ED021) (p.37) demonstrates the expected rate of housing delivery.

4.27. The trajectory shows a healthy pipeline in the first 10 years and the ability to meet the 10 year London Plan target of 13,300. Hackney will aim to deliver 14,024 during that period (which reflects a higher annual target of 1,599 in 18/19 and an annual target of 1,330 thereafter). After that time, the broad locations for growth, including Clapton, Homerton and the key corridors, will deliver housing to meet needs and ensure the maintenance of a 5 year supply during the plan period.

4.28. Paragraph 47 of the NPPF (2012) requires local authorities to ‘identify and update annually a supply of specific deliverable sites sufficient to provide
five years worth of housing against their housing requirements with an additional buffer of 5%’ and to ‘identify a supply of specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15’. This requirement is considered to have been met.

4.29. The housing implementation strategy is set out in Section 13 of the Plan, specifically paragraphs 13.2 to 13.8.

36. Does the plan confirm that there is a 5 year supply of specific deliverable sites? Beyond this 5 year period does the Plan confirm that sites are developable?

4.30. The housing trajectory shows that there is a 5 year supply of specific deliverable sites and also a 20% buffer in the first 5 years. The 5 year housing land supply consists of 2,936 homes already in the pipeline (factoring in an implementation rate of 84% based on past delivery rates), 2,958 homes in the site allocations which are expected to come forward in the short-term, 1,359 homes due to be delivered through housing regeneration schemes, approximately 684 homes on small windfall sites, and around 415 non-conventional homes which are in the pipeline.

4.31. The rate of delivery for the first 5 years is published in the Authority Monitoring Report 2017 (ED021) (p.38). All sites in the first 5 years of the housing trajectory that are accounted for in the pipeline, the site allocations or housing regeneration are developable since they already have planning permission or have been allocated for development. Windfall sites are not allocated in advance, but based on past rates of delivery the numbers factored into the trajectory are considered to be developable.

4.32. Beyond the 5 year period, the plan confirms that sites are developable, as shown in the trajectory published in the Authority Monitoring Report 2017 (ED021) (p.37). The trajectory for years 6-10 includes site allocations which are anticipated for delivery in the ‘medium term’, regeneration delivery as per known phasing and windfall sites. The trajectory for years 11-15 includes site allocations which are anticipated for delivery in the ‘long term’, regeneration delivery as per known phasing and windfall sites.

4.33. The Council also maintains a Brownfield Land Register of sites appropriate for residential development. These are included within the pipeline but Register will assist with implementation.

37. How has deliverability/developability been determined for each site? In particular:
   a. Does development of a site rely on the delivery of critical infrastructure?
b. Are there any identified constraints?
c. Have appropriate lead-in times been used to take account of the time needed for such factors as masterplanning, gaining planning permission, agreeing any necessary planning obligations and providing for any infrastructure?
d. What are the build out rates and are they realistic and achievable?

4.34. The site allocations in the plan are all considered to be deliverable and developable during the plan period. They have been identified in previous plans including the Site Allocations Local Plan (2016) (ED06), the Manor House AAP (2013) (ED08), Hackney Central AAP (2012) (ED09), Hackney Central and Surrounds masterplan SPD (2017) (ED010), the Dalston AAP (2013) (ED07), the SHLAA (2017) (ED060) and through a call for sites. Only those sites which have not yet commenced but which are considered to be deliverable are included.

a) None of the individual sites rely on the delivery of critical infrastructure. The overall infrastructure requirements for the plan period are discussed in greater detail in Matter 7.

b) Identified constraints are noted in each allocation under the Planning Considerations section, including consideration of whether the site is located within a POA or PIA, a Conservation Area, a town centre, presence of listed buildings or designated open space, flood zones, etc.

c) Lead in times are factored into the indicative timescales which include indicate short (0-5 years) medium (6-10 years) or long term (11-15 years). The size of the site and proposed scheme, the stage that the site is at in the planning process, i.e. pre-application or otherwise, and having regard to the remaining planning consents needed on site such as the need for any reserved matters applications or planning conditions to be discharged, as well as any site constraints, have all been considered in allocating timescales to each of the sites.

d) Build out rates have also been factored into the indicative timescales for each site. The capacity on large approvals has been phased across the plan period to reflect expected build out rates. This takes into account any known delivery constraints. The phasing has been outlined in the indicative timescales for each site.

It is also worth noting, as mentioned in response to Q38, that the Council has a large proportion of small sites which tend to have shorter build out rates.
Para 7.2 of the Plan states that almost half of the 1,330 dwelling requirement per year up to 2029 will be delivered through small sites. Have these small sites been appropriately identified and assessed?

Almost half of housing delivery over the next 10 years is expected to come forward on small sites. This figure is based on the fact that 47% of all homes delivered over the last 10 years have been delivered on small sites of less than 10 units.

The current pipeline for housing identifies that 41% of planning permissions that have been granted are for sites of 9 units or fewer. These sites have been appropriately identified and assessed through the planning process.

Hackney’s small sites target, as set out in the draft new London Plan, is 660 homes per year. This figure derives from the London SHLAA (2017) (ED060) which considers past trends in housing completions on sites of less than 0.25 hectares in size and the estimated capacity for net additional housing supply from intensification in existing residential areas, taking into account PTAL, proximity to stations and town centres, and heritage constraints. A small sites target of 660 homes per year is 49.6% of our 1,330 target.

Is the Council reliant on the delivery of any windfall sites during the Plan period and if so, how many and when? Is there existing evidence to confirm that such sites will continue to come forward?

Windfall sites are included within the Housing Trajectory. The nature of windfall sites is such that they come forward unexpectedly and numbers cannot be guaranteed into the future. However, to estimate windfall delivery the Council has analysed housing completions on small sites of less than 10 units over the last 10 years and worked out an average number of homes delivered on small sites per year. This was then split by ward.

Windfall has been included in the housing trajectory from year 3 onwards as small schemes from the current pipeline have been included in years 1 and 2. Based on these figures the housing trajectory indicates that windfall sites will deliver 1,140 homes in years 6-10 and a further 1,140 homes in years 11-15; these figures will be updated when a new housing trajectory is produced at the end of 2019.

The Council is not reliant on delivery of these sites to meet its housing targets because we have a 20% buffer available.
40. Are the requirements for affordable housing set out in Policy LP13 justified, effective and consistent with national policy?

4.41. The Council considers policy LP13 to be justified, effective and in general conformity with the London Plan and national policy.

4.42. The policy requirements for affordable housing as set out in LP13 should be considered in the context of the acute housing need in the borough. As set out in the supporting text to the policy at 7.4 maximising housing delivery is one of the biggest challenges facing the Plan.

4.43. The Hackney Housing Strategy ‘Delivering the Homes Hackney Needs’ (ED031) sets out the scale of the housing challenges facing the borough. There are nearly 13,000 households waiting for a home on the Council’s housing register, with 3000 households living in temporary accommodation. By contrast house prices have risen by 71% between 2012-2017, and the average price of a 2-bedroom property is in excess of £580,000. The Council through its planning policies is therefore seeking to maximise the opportunities to deliver genuinely affordable housing to meet the needs of Hackney residents and considers that the policies set out within LP13 are fully justified.

4.44. The policy is supported by robust evidence including the SHMA (2015) and addendum (2018) (ED30 and ED29) and the Hackney Local Plan Viability Study (ED016).

4.45. The policies set out in the Plan are deliverable over the Plan period and have been formulated in co-ordination with the aims and objectives of adjoining boroughs and the GLA.

4.46. Policy LP13 has been drafted on the basis of robust evidence of need (the SHMA and addendum, ED30 and ED29) and viability (Hackney Local Plan Viability Study Ed016). Evidence of a track record of delivery is provided by the Council’s Authority Monitoring Reports which show that the borough has been previously successful in delivering on its affordable housing targets. The AMR 2017 (ED021) demonstrates that in 2017 affordable housing made up 42% of the overall housing supply within large schemes of 10 units or more; of this 50% was either social rent or affordable rent and 50% was intermediate tenures.

4.47. The Council has set out its position with regard to with regard to effective joint working within the Duty to Cooperate Statement (SD07).
4.48. Policy LP13 is broadly consistent with national policy. In line with Para. 159 of the NPPF a Strategic Housing Market Assessment and an additional addendum document (ED30 and ED29) has been prepared which identifies housing needs within the borough including the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period.

4.49. The Council recognises that with respect to seeking affordable housing contributions from developments providing 10 homes or less there is a departure from national guidance within the NPPF, but considers this departure to be fully justified by the particular circumstances of the borough (see response to Q.43).

41. Is the Plan clear about what is meant by the term ‘genuinely affordable’? How will the Council determine what is affordable?

4.50. The Plan is clear in defining genuinely affordable housing within the policy.

4.51. The Council’s Housing Strategy ‘Delivering the Homes Hackney Needs’ (ED031) sets out how the Council intends to respond to the housing challenges it faces. This includes increasing the supply of genuinely affordable homes in the borough.

4.52. The term ‘affordable housing’ has a number of definitions, and has been confused by the government’s introduction of ‘Affordable Rent’ homes which can be set at up to 80% of local market rents. In Hackney, where private rent levels are very high, rents at or near 80% are not affordable to many local residents. This is why the Council prefers to use the alternative term ‘genuinely affordable housing’ to refer to homes which are affordable to Hackney residents on low and medium incomes, whether for rent or sale.

4.53. The Council has therefore sought to apply this approach to Local Plan policy to ensure that the affordable housing delivered meets the needs of Hackney residents in line with the Housing Strategy. LP13 sets out in section 1) ii) the affordable housing tenures that are considered to be genuinely affordable.

4.54. The Council has suggested flexibility within the policy for intermediate housing in order to allow for alternative affordable tenures which respond to specific site circumstances. For example, on some estate regeneration schemes shared equity tenures are offered in order to give existing leaseholders an opportunity to return to a new property within the estate. However such alternatives will only be considered if they continue to meet
the needs of Hackney residents and meet the broad definition of genuinely affordable housing.

4.55. The LP13 wording is consistent with the definition of affordable housing within Annexe 2 of the NPPF with regard to social rented housing, affordable rented housing and intermediate housing.

4.56. The tenures identified under the policy are consistent with London Plan Policy 3.10 ‘Definition of Affordable Housing’. In particular it is consistent with the overarching definition set out in the supporting text to the policy at para.3.61. LP13 is also consistent with draft new London Plan Policy H7 – Affordable Housing Tenures, particularly with regard to the policy approach to affordable rent, namely that this should be delivered at London Affordable Rent which is aimed at households on low incomes with the rent level based on social rent levels.

4.57. The following amendment to the glossary definition of affordable housing is proposed to ensure compliance with the NPPF and London Plan. Suggested amendment to glossary:

**Affordable Housing** – housing provided at a cost considered affordable in relation to incomes that are average or below average, or in relation to the price of general market housing. Social rented housing includes housing rented from the Council and or registered social landlords (RSL). The rents on these properties are significantly lower than market housing rents. Genuinely affordable housing is housing affordable to people on low and medium incomes, with social and intermediate tenure housing that meets the needs of Hackney residents.

**Affordable housing is Social Rented, Affordable Rented and Intermediate Housing, provided to eligible households whose needs are not met by the market.**

**Eligibility is determined with regard to local incomes and local house prices.**

**Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.**

**Policy LP13 of this Plan sets out Hackney’s preferred genuinely affordable tenures.**

42. In relation to schemes of 10 units or more, does the evidence support a requirement for 50% affordable housing? Is this justified and...
4.58. For schemes of 10 or more units evidence supports a requirement for 50% affordable housing. Refer to response to question 44 for full details and proposed changes to the wording of policy LP13 Affordable Housing.

4.59. The starting point for the affordable housing target is the very large requirement for social rent and other types of affordable housing in Hackney as outlined in the Hackney SHMA (2015) (ED030) and addendum (2018) (ED029) and the Hackney Housing Strategy (ED031) and the need to secure the maximum viable amount of affordable housing in each scheme. Housing affordability is an overriding concern in Hackney, with the average home costing 17 times the average salary in the borough and prices having risen rapidly over the last 5 years - the increase in lower quartile house prices over the previous 5 years has been greater in Hackney than for Greater London as a whole (+71% v +45%), while household incomes have remained flat in real terms over the same period. It is therefore essential that we seek to secure the maximum amount of genuinely affordable homes which are affordable to Hackney residents to meet local needs. The 50% affordable housing target is a long standing policy approach in Hackney, which has been re-tested in the viability assessment (ED016) based on today’s market conditions and policy context.

4.60. The viability assessment (ED016) uses the residual land value method of calculating the value and viability of a series of development typologies with varying mixes of uses and heights. Each development typology is tested at the policy compliant 50% affordable housing provided at 60% London Affordable Rent / Social Rent and 40% Intermediate, as well as lower levels of 40%, 30%, 20% and 10% affordable housing. Other policy requirements and CIL payments are factored into the analyses. The results show that there are a number of development typologies which are capable of delivering 50% affordable housing whereas others can only come forward with a lower percentage. Based on this evidence, the policy puts forward the most appropriate approach, which is for the Council to seek 50% affordable housing on all sites with the flexibility for negotiation on a site by site basis in situations where 50% is proven to be unviable. This flexible approach enables most developments to come forward and also allows the Council to seek the maximum level of affordable housing that is viable. To have a lower overall aim would not be justified as those schemes which are capable of delivering 50% affordable housing would deliver less, which would negatively impact upon our ability to meet our housing needs.
4.61. The Council’s approach also recognises that the housing market is cyclical and market conditions can change over the Plan period. If sales values improve (in excess of build cost inflation) the capacity for schemes not currently able to provide 50% affordable housing will improve. Conversely, if values fall, the Council’s flexible approach will ensure that developments can come forward with reduced levels of affordable housing.

4.62. The Council’s own analysis of delivery on large sites of 10 units or more between FY2015-2017 shows that there are schemes which have delivered the policy compliant 50% affordable housing, which provides further justification for taking this approach. There are, however, some schemes where 50% affordable housing cannot be achieved because of individual site constraints or other policy requirements, for example:

- Schemes coming forward in Priority Employment Areas (now PIAs or POAs) often provide affordable workspace contributions rather than affordable housing if it is not viable to provide both. In these cases there is often an Affordable housing viability review mechanism in place in the S106 Agreement.
- Some developments incur higher than average build costs due to the complexity of, for example, building over the railway tunnels
- Some schemes (re)provide community centres, schools, nurseries or churches
- Some sites have very high existing use values
- Some schemes provide cash in lieu of affordable housing

4.63. This approach is considered to be consistent with the draft new London Plan which has a strategic target for 50% of all new homes delivered across London to be genuinely affordable. The London Plan also introduces a threshold approach to applications whereby sites which provide at least 35% affordable housing do not need to provide viability statement. The Council has reflected this approach through an amendment to the policy (discussed in question 44 below) but has set the threshold at 50% given the justification set out above.

4.64. Part 1) iv) of LP13 addresses instances where off-site delivery may be considered acceptable. Due to the outstanding affordable housing need within the borough as evidenced within the both the Housing Strategy (ED031) and the Strategic Housing Market Assessment and it addendum (ED30 and ED29) the Council considers it appropriate to seek affordable housing on site, and that off-site provision should only be considered in exceptional circumstances. This approach is consistent with the approach set out in Policy H5(B) of the draft London Plan.

43. In relation to schemes of 9 units or less, does the evidence support payments in lieu for 50% affordable housing? Is this justified and
consistent with the London Plan? Is the approach consistent with national policy? Does the policy allow flexibility in relation to viability?

4.65. The evidence in the viability assessment (ED016) supports payments in lieu of 50% affordable housing for schemes of 9 units or less. The report states: ‘Small schemes (9 units or fewer) are able to contribute financially to affordable housing provision through payments in lieu at the equivalent of 50% on-site affordable housing. Section 6 provides a formula based approach to determining the quantum of payments in lieu. In common with schemes of 10 or more units, the policy would be applied having regard to scheme-specific viability.’

4.66. The formula put forward for calculating these payments in lieu is as follows:

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<thead>
<tr>
<th>Formula for calculating payments in lieu</th>
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<tbody>
<tr>
<td>$X = (A - B \times C) - (A \times C) \times D$</td>
</tr>
<tr>
<td>$X = \text{the Payment in lieu}$</td>
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<tr>
<td>$A = \text{The market value of a square metre of floorspace in the development}$</td>
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<tr>
<td>$B = \text{The value of affordable housing per square metre of floorspace (reflecting the blend between affordable rent and shared ownership)}$</td>
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<tr>
<td>$C = \text{the number of square metres that would be required on-site to meet the target in Policy LP13}$</td>
</tr>
<tr>
<td>$D = \text{Additional developer costs (the difference between the profit applied to market housing and affordable housing; and marketing costs on private housing)}$</td>
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4.67. The Council will undertake further work as part of the forthcoming Housing SPD to consider the most effective way of collecting affordable housing contributions on small sites in line with the policy approach to secure up to the equivalent of 50% payment in lieu. For example, a payment per-unit approach is being considered to provide certainty and simplicity to applicants. This will be consulted on as part of the Housing SPD.

4.68. The clarify the approach, the Council proposes a modification to Policy LP13 Affordable Housing as follows:

**2. Schemes of 1-9 units:**

i. Schemes which fall below the 10 unit threshold will be required to provide **on site provision or** payments in lieu **up to** the equivalent **of** 50% of net-housing delivered as affordable housing, subject to viability. Further guidance will be set out in the Hackney Housing SPD.
4.69. Specific details of payments will be set out in the forthcoming Hackney Housing SPD so that they can be reviewed periodically. If the specified contribution is demonstrated to be unviable then the applicant can submit viability evidence to the Council to demonstrate this; therefore the proposed approach is considered to allow sufficient flexibility.

4.70. The approach of seeking affordable housing contributions on small sites is consistent with the current London Plan which actively supports boroughs in setting affordable housing thresholds for schemes of less than 10 units. Policy 3.13 ‘Affordable housing thresholds’ states:

A. Boroughs should normally require affordable housing provision on a site which has capacity to provide 10 or more homes, applying the density guidance set out in Policy 3.4 of this Plan and Table 3.2.

B. Boroughs are encouraged to seek a lower threshold through the LDF process where this can be justified in accordance with guidance, including circumstances where this will enable proposals for larger dwellings in terms of floorspace to make an equitable contribution to affordable housing provision.

The GLA’s also support this approach in comment 035/010 of document LBH EX01b.

4.71. Seeking affordable housing contributions on small sites is supported to an extent in national policy. The NPPF (2012) states in paragraph 50 that planning authorities should ‘identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand’ and ‘where they have identified that affordable housing is needed, set policies for meeting this need on site’. Hackney has identified that affordable housing contributions are required on small sites given 1) the high proportion of housing delivered on small sites, 2) the acute shortage of affordable housing, and 3) the high price of land in Hackney and subsequent impacts on viability. These specific circumstances justify the application of a policy requiring affordable housing contributions on small sites.

4.72. It is proposed that the word ‘net’ within Part B1i of policy LP13 is deleted to ensure conformity with draft new London Plan Policy H6. This change is made in response to GLA representation 035/010 in document LBH EX01b. This change is justified, effective and necessary for soundness.
4.73. With regards to the fastrack approach to viability, the Council proposes an amendment to clarify that the fast track approach would apply to sites that deliver over 50% affordable housing. In line with the draft new London Plan, the fast track approach means that a viability assessment is not required. This change is made in response to GLA representation 035/010 in document LBH EX01b. Note that a further change to the wording has been proposed (below) subsequent to the wording proposed in document LBH EX01b. This change does not alter the intention of the policy, which is to achieve 50% affordable housing contributions on each site, and the change is therefore justified, but it is necessary to ensure conformity with the London Plan and to ensure soundness.

4.74. Hackney’s amendment puts forward a threshold of 50%, rather than the GLA’s 35% which applies by default to all London boroughs - the majority of which have lower land values than Hackney - to enable the fast track approach to viability to be followed. Hackney has taken the approach of applying a higher threshold than the London Plan because, as set out in response to question 42, 1) Hackney has a very high need for genuinely affordable housing, and 2) viability evidence and an assessment of historic delivery shows that provision of 50% affordable housing is viable on a number of sites in Hackney.

4.75. In addition, the approach put forward by Hackney of a 50% threshold is considered to provide maximum certainty and flexibility for applicants by making it very clear to applicants the level of affordable housing that is required, avoiding the two-tier approach used by the London Plan whereby applicants must seek to provide 50% affordable housing but can follow the fast track approach if they provide over 35%. In Hackney- this is considered to create complexity and uncertainty. Applicants will only be able to follow the fast tack approach in hackney if they provide a policy compliant scheme including 50% affordable housing. This approach will help us to achieve the maximum reasonable amount of affordable housing on each site - and, as mentioned above, it is known that some schemes can and do provide 50% AH. If a 35% threshold approach was implemented, there is a high likelihood that those schemes which can provide 50% affordable housing would drop down to 35% which would make it very difficult to achieve the borough and London-wide strategic target of 50%.

4.76. As noted in the Viability Study (ED016), many schemes at relatively low sales values £8,500 per square metre or £790 per square foot are able to provide 50% affordable housing, depending on the benchmark land value. Figures 4.37.1 and 4.37.2 are based on the data in ED016 and show that most schemes are able to provide at least 40% affordable housing on sites with high benchmark land values, while all but one of the schemes are able to provide 50% on sites with lower industrial benchmark land values.
(from which more housing land will be forthcoming than office sites).

Figure 4.37.2 also indicates that schemes could deliver more than 50% affordable housing, which justifies setting the ‘fast track threshold’ at 50%. At slightly higher sales values of £9,000 per square metre (£836 per square foot), more schemes are able to provide 50% affordable housing when tested against the higher benchmark land value (see figures 4.37.3 and 4.37.4).

Figure 4.37.1: Viable schemes at sales value of £790 per square foot, higher benchmark land value

<table>
<thead>
<tr>
<th>LP</th>
<th>Site</th>
<th>No of units</th>
<th>Site area</th>
<th>Benchmark</th>
<th>0% AH</th>
<th>10% AH</th>
<th>20% AH</th>
<th>30% AH</th>
<th>40% AH</th>
<th>50% AH</th>
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<tbody>
<tr>
<td>1</td>
<td>Small 1 x 1 units - low density flats</td>
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<td>0.01</td>
<td>0.23</td>
<td>0.74</td>
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<td>0.35</td>
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<tr>
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<td>Small 1 x 1 units - medium density flats</td>
<td>4</td>
<td>0.01</td>
<td>0.23</td>
<td>0.84</td>
<td>0.75</td>
<td>0.62</td>
<td>0.61</td>
<td>0.57</td>
<td>0.53</td>
</tr>
<tr>
<td>3</td>
<td>Small 1 x 1 units - houses</td>
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<td>0.04</td>
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<tr>
<td>4</td>
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<td>0.05</td>
<td>1.73</td>
<td>4.72</td>
<td>3.89</td>
<td>3.97</td>
<td>3.75</td>
<td>3.63</td>
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<tr>
<td>5</td>
<td>Small 5 x 9 units - low density flats</td>
<td>7</td>
<td>0.02</td>
<td>0.33</td>
<td>1.18</td>
<td>0.97</td>
<td>0.72</td>
<td>0.57</td>
<td>0.49</td>
<td>0.43</td>
</tr>
<tr>
<td>6</td>
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<td>3.19</td>
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<td>7</td>
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<td>2.21</td>
<td>5.64</td>
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<td>4.44</td>
<td>3.91</td>
<td>3.64</td>
<td>3.31</td>
</tr>
<tr>
<td>8</td>
<td>Small 5 x 9 units - high density flats</td>
<td>9</td>
<td>0.11</td>
<td>3.44</td>
<td>5.50</td>
<td>4.97</td>
<td>4.44</td>
<td>3.91</td>
<td>3.64</td>
<td>3.31</td>
</tr>
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</table>

Figure 4.37.2: Viable schemes at sales value of £790 per square foot, medium benchmark land value

<table>
<thead>
<tr>
<th>LP</th>
<th>Site</th>
<th>No of units</th>
<th>Site area</th>
<th>Benchmark</th>
<th>0% AH</th>
<th>10% AH</th>
<th>20% AH</th>
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<th>50% AH</th>
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<tbody>
<tr>
<td>1</td>
<td>Small 1 x 1 units - low density flats</td>
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</table>

Figure 4.37.3: Viable schemes at sales value of £836 per square foot, higher benchmark land value

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<tr>
<th>LP</th>
<th>Site</th>
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<td>3.31</td>
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</tbody>
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18
4.77. Other changes necessary for soundness include minor amendments to the numbering. For clarity, policy LP13 should read as follows:

**LP13 Affordable Housing**

A. New development must maximise opportunities to supply genuinely affordable housing on-site. The Council will seek the maximum reasonable amount of affordable housing, subject to viability and site context.

B. Affordable housing requirements are not limited to Class C3 in the Use Classes Order and will be sought from alternative housing products and developments such as purpose-built shared housing (e.g. co-living), supported and specialist housing and student housing.
1. Schemes of 10 units or more:
   i. A minimum 50% of net housing delivered will be sought as on-site affordable housing, subject to the requirements set out in part A.; and

   ii. Schemes meeting or exceeding 50% genuinely affordable housing (defined in iv. below) will follow the fast track route in line with the GLA’s Affordable Housing and Viability SPG and will not be required to submit viability information.

   ii. Schemes meeting or exceeding 50% affordable housing without public subsidy will not be required to submit viability information.

   iii. Schemes that propose less than 50% on-site affordable housing will be required to submit a detailed viability assessment and will be subject to early and late review mechanisms.

   iv. Conventional C3 housing schemes will need to deliver affordable housing in accordance with the following tenure split:

<table>
<thead>
<tr>
<th>Affordable Housing Tenures</th>
<th>Type of affordable housing</th>
<th>Proportion required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Rent/London Affordable Rent</td>
<td>Social</td>
<td>60%</td>
</tr>
<tr>
<td>Hackney/London Living Rent or London Shared Ownership or other genuinely affordable products that the Council considers appropriate</td>
<td>Intermediate</td>
<td>40%</td>
</tr>
</tbody>
</table>

   iii. Other types of affordable housing tenures will be considered to form part of on-site affordable provision alongside or in-place of the listed tenures if its affordability relative to local ward level incomes can be demonstrated to be ‘genuinely affordable housing’.

   iv. Off-site affordable housing or payments in-lieu will only be considered in truly exceptional circumstances where the Council is satisfied that off-site provision would secure a better outcome in meeting housing need. Off-site affordable housing and payments in lieu will be required to be equivalent to the 50% requirement, subject to viability.
2. Schemes of 1-9 units:

i. Schemes which fall below the 10 unit threshold will be required to provide on-site provision or payments in lieu up to the equivalent of 50% of net housing delivered as affordable housing, subject to viability. Further guidance will be set out in the Hackney Housing SPD.

ii. C. Where additional homes are proposed through amended planning applications (i.e. through re-submissions or variations of existing planning applications or submission of a new planning application for an extension resulting in an increase in homes delivered) within four years of the commencement of the original planning permission, affordable housing requirements stated in the rest of this policy will apply to the total number of net new homes.

iii. D. For Developments which are demonstrated through a viability assessment to have an affordable housing contribution below the Council’s requirements and there is a chance that viability will improve on completion of the development, the Council will require an updated viability assessment, and if the development is capable of delivering more affordable housing than originally stated, payment in lieu contributions of equal value will be required.

iv. D. Where development sites are split, or separate proposals are brought forward on neighbouring or nearby sites which are physically or functionally linked, affordable housing requirements will be assessed on the total number of net residential units proposed across all related sites.

4.78. The supporting text should read as follows:

7.4 Maximising the delivery of genuinely affordable homes remains one of the biggest challenges facing the Plan. On sites of 10 or more residential units, applicants must provide 50% affordable housing - which could be part-funded by public subsidy - in order to follow the fast track route as outlined in the GLA's Affordable Housing and Viability SPG. The fast track route means that it is not necessary for applicants to submit a detailed viability assessment.

7.5 Sites of 10 or more residential units that provide less than the policy compliant 50% affordable housing contribution are required to submit a detailed viability assessment and will be subject to early and late review mechanisms to ensure that affordable housing contributions are increased if viability improves over time. If the late stage viability review indicates that the development is capable of delivering more affordable housing than originally stated, payment in lieu contributions will be required. Further information on the early and late stage review is provided in the GLA’s Affordable Housing and Viability SPG.
7.6 Approximately 47% of all new homes delivered in Hackney over the last decade have been on small sites with developments of less than 10 units. These are developments where the Council has been unable to secure the delivery of affordable housing due to existing policy limitations. In order to better meet our housing need these sites will be required to contribute towards affordable housing delivery either through on-site provision or off-site monetary contributions which could then fund Council-led projects to deliver genuinely affordable housing. Small schemes may also be subject to affordable housing review mechanisms. Further guidance will be set out in the Hackney Housing SPD.

7.7 To further maximise the delivery of genuinely affordable housing we need to make sure that the type of housing delivered on larger sites of 10 units or more, is affordable to Hackney residents having regard to average house prices, private rents and wages incomes in different parts of Hackney. This means that different affordable housing tenure products will be appropriate for different areas. In certain areas, particularly in the southern wards of Hoxton East Shoreditch, Hoxton West and Haggerston, the focus will be on delivering Social Rented alongside Living Rent. The Future Shoreditch Area Action Plan and planning briefs will provide further policy and guidance to ensure the delivery of genuinely affordable housing on key sites having regard to other considerations set out in this policy. We will also encourage the development of innovative intermediate housing tenures that can be made affordable to a wider range of groups in Hackney.

7.7 A local plan viability assessment demonstrates that requiring new housing development to contribute a minimum 50% affordable housing is viable.

7.8 Where permission is granted, review mechanisms will be applied to these developments to ensure that any future uplift in values contributes to the delivery of the maximum reasonable amount of affordable housing. Review mechanisms will only apply if a ‘surplus’ is generated over and above the returns necessary for a scheme to be deemed viable.

45. The Council has clarified that the calculation for affordable housing relates to units, not habitable rooms and suggests that the supporting text could be amended to state this. Is this approach effective?

4.79. The Council believes that calculating affordable housing by unit numbers is an effective approach to delivering affordable housing requirements. Calculation of affordable housing by unit rather than habitable room has
been a long standing approach in Hackney, in the existing DMLP, and the
Council’s track record in delivery of affordable housing suggests that this
approach has been effective.

4.80. Monitoring data (AMR 2017, ED021) indicates that in 2017 affordable
housing made up 42% of the overall housing supply within development
schemes of over 10 units. This indicates that the unit-based approach has
been successful over the years in delivering on our affordable housing
targets.

4.81. In addition, the alternative approach of providing affordable housing by
habitable room is not considered necessary as there is a separate dwelling
size mix policy in LP33 - LP14. The dwelling size mix provides guidance
on the proportion of 1, 2 and 3 bed units that are sought across different
tenures and this is based on local evidence. The dwelling size mix policy
will be used alongside the affordable housing policy to ensure delivery of
homes that meet housing needs. Evidence in the AMR 2017 (ED021)
indicates that over the last 5 years the unit-based approach has delivered
41% of social rented homes as 3+ beds, which is policy complaint and the
tenure and size for which we have the greatest need. This is a clear
indication that the unit-based approach is effective.

46. **Is the tenure split proposed in LP13 based on robust and credible
evidence and is it justified, effective and consistent with the London Plan?**

4.82. The tenure split proposed within policy LP13 strikes an appropriate
balance between social/London Affordable Rented and intermediate
housing and is based on robust and credible evidence that is justified,
effective and consistent with the London Plan.

4.83. The Council considers that the guideline mix of 60% social-affordable
rented housing and 40% intermediate housing is justified by the evidence
base and clearly expressed. This has been informed by the Strategic
Housing Market Assessment (ED30) and its addendum (ED29), although it
should be acknowledged that the SHMA is a methodology for setting out
housing need, and does not indicate a precise tenure split. This tenure
split outlined within the policy has been arrived at by balancing a number
of factors, in particular the desire to secure mixed and balanced
communities through planning policy, as well as the need to maximise
delivery of affordable housing.

4.84. Intermediate housing in Hackney has the potential to retain middle
income households within the borough and so reduce potential social
polarisation. In particular intermediate housing can provide housing for
particular groups who provide essential functions within the borough and across London such as nurses, teachers and those working in the emergency services. In seeking to address this the Council’s Housing Strategy ‘Delivering the Homes Hackney Needs’ (ED031) focuses on the delivery of genuinely affordable homes for rent and low cost home ownership (Action 1, p.9). The objective of this approach is to deliver homes for people on both low and middle incomes.

4.85. Given the outstanding need for social rented housing outlined in both the Housing Strategy (ED031) and the Strategic Housing Market Assessment and it addendum (ED30 and ED29) the Council through its planning policies has sought to strike a balance between delivery of homes for those on its housing waiting list, but also recognising the role intermediate housing can have in providing for a range of genuinely affordable homes in the borough. Given the above the 60% social/London Affordable Rent, 40% intermediate split identified within Policy LP13 is justified.

4.86. The proposed tenure split has been tested through the Hackney Local Plan Viability Appraisal (ED016) and is considered viable.

4.87. Monitoring data set out in the AMR 2017 (ED021) demonstrates that in FY2017 50% of the affordable element of large schemes was delivered as socially rented and affordable rent versus 50% as Intermediate. Over the last 5 years the percentages are 41% social rent or affordable rent and 59% intermediate. This is nearing a policy compliant mix and is an indicator of policy effectiveness.

4.88. The policy is consistent with London Plan Policy 3.11, which indicates that 60% of affordable housing provision should be for social and affordable rent and 40% for intermediate rent or sale. The Policy is also consistent with Policy H7 of the draft London Plan in relation to tenure split. This sets out a requirement for 30% low cost rented homes (social rent/London Affordable Rent), 30% intermediate rent, and 40% to be determined by the borough based on identified need. The identified need for the borough (as evidenced above) is for an overall 60%/40% split between social/London Affordable Rent and intermediate housing. Therefore the 40% to be determined at borough level would be split proportionally to meet this target.

47. Has the impact of affordable housing on the viability of schemes been assessed? Is there sufficient flexibility in circumstances where there may be a lack of viability to deliver all the affordable housing within a scheme?
4.89. The impact of affordable housing on the viability of schemes has been assessed in the Viability Assessment (2018) (ED016). The assessment tests 50% affordable housing to be provided at 60% London Affordable Rent / Social Rent and 40% intermediate (London Living Rent or shared ownership) alongside other policy requirements including provision of family housing, zero carbon standards and green roofs, together with borough and Mayoral CIL. The assessment concludes the Council’s flexible approach to affordable housing delivery (i.e. 50% affordable subject to individual site circumstances and scheme viability) will ensure that most developments can come forward over the economic cycle. The policy allows negotiation on a case by case basis if the 50% level of affordable housing cannot be achieved.

4.90. The Council considers that there is sufficient flexibility within the policy to address instances where there may be a lack of viability to deliver all of the affordable within a scheme. Part 1 i) of the policy (schemes of 10 units or more) seeks 50% affordable housing but makes clear that this is subject to the requirements set out in Part A. Part A states that the Council seek the maximum amount of affordable housing subject to viability and site context. Part 2) i) (schemes of 9 units or less) states that schemes should deliver the equivalent of 50% affordable housing as a payment in lieu subject to viability (NB: if amending policy to a tariff based approach this needs to be amended).

4.91. It is the intention of the Council to produce further detailed guidance on affordable housing delivery through Supplementary Planning Documents.

Gypsy, traveller and travelling showpeople accommodation

48. Have the housing needs for gypsies, travellers and travelling showpeople been adequately assessed in accordance with national policy and have they been based on robust evidence?

4.92. Yes, the accommodation need for the Gypsy and Traveller community in Hackney has been informed by the Gypsy, Travellers and Travelling Showpeople Accommodation Assessment 2018 (GTAA) (ref ED033), which updates the 2015 GTAA study (ref ED032). This is in accordance with the Planning Policy for Traveller Sites (August 2015) (PPTS) (not evidence), which at paragraph 4 states that “local planning authorities should make their own assessment of need for the purposes of planning.”

4.93. Hackney’s 2018 GTAA is a combination of desk based review, interviews with officers, household on all 3 sites located in Hackney’s planning area, and sections of the community living in bricks and mortar
accommodation. The study provides future pitch requirements using both the PPTS, and the wider New Draft London Plan definition of Gypsy and Travellers. Paragraph 3.47 of the 2018 GTAA identifies the components of that determines future needs.

49. Does the Plan make adequate provision for the identified needs? Are they consistent with the London Plan?

4.94. Hackney’s GTAA (ED033 pp 28) concludes that there is a need in Hackney of between 8 and 92 additional pitches up to 2033. The former is based upon the PPTS definition of a Gypsy and Traveller, and the latter uses the wider definition proposed in policy H16 ‘Gypsy and Traveller accommodation’ pp 90 of the draft new London Plan (see appendix 1 below).

4.95. The additional 8 pitches is broken down by five year bands in accordance with the PPTS, for the lifetime of LP33.

4.96. Additional need for Gypsy and Traveller Households in Hackney that meet the Planning Definition by 5 year period pp 23

<table>
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4.97. In the Council’s response to the Inspector of the 29th April (LBH EX01c), the Bartrip Street Site Allocation (within the London Legacy Development Corporation area) was highlighted as an allocated site, which has the capacity to meet the first 5 year need arising from Hackney and the LLDC.

4.98. The draft new London Plan is currently in examination, and the definition is a matter for consideration. Hackney’s GTAA indicates that is a difference of 84 pitches in terms of additional need, between the PPTS and the London Plan definitions. The Council’s response to Question 50 explains how the housing needs of gypsy and traveller households, who do not meet the national planning definition, are being met within the Plan.

4.99. The GTAA does not recommend a need for any transit provision, and concluded there was no travelling showpeople yards in Hackney and there is no current or future need for new or additional plots for travelling showpeople.

50. How are the housing needs of gypsy and traveller households, who do not meet the national planning definition, being met within the Plan?
4.100. Paragraph 9 of the PPTS states that “Local planning authorities should set pitch targets for gypsies and travellers as defined in Annex 1 ....”. Paragraph 7.34 of LP33 details the need in Hackney, which will be amended to reflect the findings of the GTAA (see suggested change below).

4.101. However, the PPTS definitions exclude many Gypsies and Travellers, for example those who have ceased to travel permanently. This means that for the purposes of accommodation needs assessments and planning policy, planning authorities do not have to set pitch target for Gypsy and Travellers who do not meet the national definition as set out in Annex 1 of the PPTS.

4.102. The Council supports the wider definition of Gypsy and Traveller, however like most inner boroughs in London, Hackney has a finite supply of land available for competing land uses.

4.103. As outlined in paragraph 7.35 of LP33 a deliverable site within the London Borough of Hackney, albeit in another planning authority area, has been identified to meet the first 5 years of need to accommodate those who meet the PPTS definition has been identified. The Council has been working cross boundary to deliver this site (as evidenced in ED055 and ED056).

4.104. The Council’s Travellers Service maintains a Travellers Pitch waiting list which at March 2019 has 32 made up of families, couples and single households. Of the 32 on the waiting list, records indicate that 25 are also on the Council’s general Housing Register. The housing needs of gypsy and traveller households, who do not meet the national planning definition, will be met through other housing policies within the Local Plan including LP13 on affordable housing and where appropriate needs will be met through the Housing Register.

4.105. It is proposed that paragraph 7.34 the Local Plan is updated to reflect the findings of the latest needs assessment (ED033, Figure 12, pp28) Based on latest evidence there is a need for 8 pitches and a further 84 units for non travelling gypsy and travellers within the borough to 2033 presented in the 2015 Hackney Gypsy and Traveller Needs Assessment, a need for 78 net additional pitches to 2030 in Hackney has been identified”

51. Whilst no sites are allocated in the Plan, the Bartrip Street site allocation in the LLDC Local Plan is proposed to contribute to meeting need arising from Hackney as set out in the statement of common ground between the Council and the LLDC (ED055). Is this approach
4.106. Paragraph 7.35 of LP33 sets out the Council’s commitment to deliver the Bartrip Street site. The following amendments are suggested: The Council will endeavour to find ways to address some of the needs and requirements of the community. Hackney Council is working jointly with the LLDC and other agencies on a site on E9 site, to meet the needs arising within the first five years of the plan period, which may be able to deliver a number of traveller pitches to meet local need.

4.107. The LBH and LLDC SOCG (ref ED055) illustrates the ongoing discussions between the two authorities and other agencies to deliver this site. Hackney as the housing authority will have nomination rights for the new pitches, which is derived from Hackney Council’s Traveller Pitches waiting list.

4.108. The Bartrip Street site is allocated in the adopted LLDC’s Local Plan and has been assessed by the Inspector for this plan as being deliverable. The delivery of this site has support at political and officer levels (as evidenced in ED056, ED055 and ED059).

4.109. The approach is justified and the site is deliverable within the first five years of the plan period.

52. Does the plan confirm that there is a 5 year supply of gypsy and traveller sites to meet identified needs?

4.110. The Plan at paragraph 7.35 (as amended) confirms that there is a 5 year supply of gypsy and traveller sites to meet identified needs.

53. LP23 Gypsy and traveller accommodation: Does the policy set out clear and reasonable policy criteria to make decisions on relevant planning applications, that are justified and effective? Are the requirements too onerous when compared to policies for other forms of housing development or is there parity between policies?

4.111. Policy LP23 supports the provision of sites and pitches in the borough. It is a positive policy, which sets the criteria against which such an application will be assessed. The criteria is compatible with the criteria set under policies LP1 `Design Quality and Local Character’ and LP2 `Development and Amenity’. It seeks to ensure the long term sustainability of new site and pitches, and the relationship with neighbouring uses and environment. It also recognised the needs of this particular community in having access to services and public highway.
4.112. It accords with the consideration for an economically, socially and environmentally sustainable traveller site as set out in paragraph 13 of the PPTS.

Other housing policies

54. LP14 Dwelling size mix – is this policy too prescriptive in setting out the dwelling sizes to be sought from development? Is the policy justified and effective?

4.113. The Council has taken a fine grained spatial approach to dwelling size mix and this policy is justified as it is based on evidence set out in the SHMA (2015) (ED029) which demonstrates that across all tenures there is a particularly high need for 3 bedroom (family) housing. The greatest identified need, as a proportion of a total need, is for 1, 2 and 3 bedroom social rented housing. In the market housing sector the highest need is for 3 bedroom family housing and there is also a need for more 2 bedroom dwellings than 1 bedroom. Overall there is a greater need for 1 bedroom dwellings than 2 bedroom dwellings, however the Council’s preference is for there to be a higher proportion of 2 bedrooms than 1 bedroom dwellings, as they offer greater flexibility of accommodation with the potential to accommodate families.

4.114. Evidence also indicates a requirement for larger family sized units in Stamford Hill. Policy LP14 therefore seeks a higher proportion of 4+ bed dwellings in the Stamford Hill AAP area across all tenures.

4.115. The policy is not considered to be too prescriptive since part C of the policy and paragraph 7.10 of the supporting text permit variations to the dwelling size mix if this can be justified based on the tenures and type of housing proposed, site location, area’s characteristics, design constraints, scheme viability; and where shared ownership is proposed, the ability of potential occupiers to afford the homes proposed.

55. LP16 Self/custom-build housing – are the policy requirements justified by robust evidence and is the policy suitably clear on the level of detail to besought?

4.116. The policy requires large developments of 0.25ha or more to seek to make provisions for serviced plots of land for self/custom build housing, subject to the characteristics and constraints of the site and area. Details and appropriateness of the site for custom build housing will be assessed on a site by site basis through the planning process.
56. LP17 Housing design – Are the internal and external space standards based on robust evidence of identified need and are they justified, effective and consistent with the London Plan and national policy?

4.117. Internal and external space standards are in conformity with the London Plan and the nationally described space standards (2015).

57. LP20 Student housing – Is the negative approach of this policy consistent with national policy? Does the policy allow student housing where appropriate? Is the inclusion of the words ‘subject to viability’, as suggested by the Council for Part A vii of the policy justified and necessary for soundness?

4.118. This policy allows student housing where it is appropriate but prioritises self-contained residential housing for the reasons set out in response to question 33.

4.119. There is no national policy on student housing however the draft new London Plan states that the overall strategic requirement for student housing is 3,500 bed spaces to be provided per year across London as a whole. This figure is not broken down into borough-level targets.

4.120. It is proposed that the wording of the policy is edited as follows:

**LP20 Student Housing**

A. Proposals for new student accommodation will only be permitted supported if all of the following criteria are met:

i. The site is not suitable for development for conventional self contained units; and

ii. The accommodation is needed and secured for students from one or more academic institutions based in Hackney, or within London; and

iii. The proposal does not result in the loss of conventional housing; and

iv. The site is highly accessible by public transport and provides good access to local shops, services and facilities; and

v. The development does not lead to an over-concentration of such uses which may be detrimental to local amenity, or the balance of uses within the area affecting the character and function of an area; and

vi. 10% of rooms provided are wheelchair accessible or easily adaptable for occupation by wheelchair users; and

vii. A minimum of 50% of student rooms will be required to be affordable for students, subject to viability, in the context of student maintenance loans and rents; and

viii. The rent for affordable student rooms should be set at a maximum of 55% of the maximum income that a new full-time student studying in
London and living away from home could receive from the Government’s maintenance loan for living costs for that academic year.

B. Details of the management of such developments must be submitted with an application, setting out how the impact of development on local amenity will be minimised.

4.121. The inclusion of the words ‘subject to viability’ in criterion vii is in response to representation 073/011 in document LBH EX01b and is a point of clarification, not essential for soundness.

58. LP21 Large scale purpose built shared housing – Is the policy too onerous and is its negatively worded approach appropriate? Is the 50 unit threshold justified? Has the viability assessment tested the requirement for at least 50% of units to be capped at one third of ward level incomes and is this requirement justified by the evidence? Is the policy consistent with the London Plan? What is meant by an ‘over-concentration’ in criterion x and is the Plan clear on how this will be measured? Is the requirement in criterion xi for 10% of units to be easily adaptable for occupation by wheelchair users justified and based on credible evidence? Are any suggested amendments necessary for soundness?

4.122. Overall, the policy is not considered to be too onerous. It recognises that shared housing, such as co-living, forms a strategically important part of London’s housing offer. Applicants are expected to justify the principle of co-living by demonstrating that a co-living scheme would meet an identified need and that the site is not suitable for conventional self-contained units. There are various elements of information that an applicant could submit to address this.

4.123. First and foremost, the applicant must demonstrate that the co-living scheme is of a high quality design. This is an important part in justifying the in-principle acceptability of co-living on a site. For example, the scheme must provide good amenity space for residents, and when taken as a whole (i.e. bedroom space and per person communal amenity space) the scheme must meet the national space standards as well as all other amenity requirements such as adequate daylight and sunlight. If a scheme provides co-living as part of a wider co-working scheme, it is important that the communal space provided is solely for the residential element, i.e. separate from the co-working space.
4.124. The applicant must also demonstrate need for a co-living scheme. For example, it may be possible to demonstrate that there are high levels of young people living in rented accommodation in the area who would choose to live in a co-living development. Perhaps it could be demonstrated that a scheme would reduce pressure on housing stock elsewhere.

4.125. Viability information could be submitted to demonstrate the benefits of co-living in comparison to conventional housing, for example evidence to demonstrate that provision of co-living accommodation provides a better outcome in terms of overall delivery of homes and affordable homes than conventional homes. One type of situation where a co-living scheme may be considered appropriate is as part of an employment-led mixed use scheme in a PIA or POA where affordable workspace is provided on site and viability difficulties mean that it is not possible to secure much conventional affordable housing on site. In these situations, a co-living scheme could be a useful alternative.

4.126. An applicant could also undertake a comparison of how many units could be provided as part of a conventional scheme versus a co-living scheme, noting that the rental cost of co-living is not directly comparable to conventional housing units as the units are significantly smaller than the minimum housing space standards. If a comparison is undertaken it should be on a square metre rental rate of the private accommodation and not a unit rental rate.

**50 unit threshold**

4.127. The 50 unit threshold is in line with the draft new London Plan which states that ‘large-scale purpose-built shared living developments are generally of at least 50 units’. The 50 unit threshold reflects the fact that the vast majority of co-living schemes will be large scale as part of mixed use developments.

**One third of ward level incomes**

4.128. The viability assessment has not specifically tested the requirement for at least 50% of units to be capped at one third of ward level incomes. The viability assessment was based on example schemes that have been delivered in Hackney in recent years. Given that there are no co-living schemes in Hackney, this was not one of the development typologies tested. This would need to be tested on a scheme by scheme basis.

**Consistency with the London Plan**
4.129. The affordable housing element of this policy is not consistent with the London Plan and this has been picked up by representors to the Regulation 19 Consultation (058/003, 123/003, 122/002, 018/003 and 104/001 within document LBH EX01b). The proposed Hackney policy requires at least 50% of units to be provided at rental levels which do not exceed one-third of ward level incomes whereas the draft new London Plan requires a cash in lieu payment to the local authority or an annual payment to the local authority in perpetuity that is equivalent to 35% of the units at a discount of 50% of the market rent. Representors disagree with Hackney’s proposed approach to affordable housing in co-living schemes as they believe it will impact on viability and deliverability and because it has not been tested in the viability assessment. Hackney is taking the one-third of ward level incomes approach in co-living schemes because this is equivalent to London Living Rent which is a recognised form of genuinely affordable housing which is considered to be affordable in Hackney. The affordable element must be provided on site (rather than off site or as a cash in lieu contribution) because this is consistent with affordable housing policy LP13 which seeks to prioritise on site delivery of affordable housing. In addition the scale of affordable housing need in Hackney is such that the Council must take all opportunities to deliver affordable housing on site as part of all development schemes in order to achieve mixed and balanced communities.

**Over-concentration**

4.130. ‘Over-concentration’ is not defined. It is not specified in the policy how over-concentration will be measured however this will be assessed on a scheme by scheme basis. The policy seeks to avoid an over-concentration of such uses as this could have potentially negative impacts on local amenity and local infrastructure provision.

**Adaptable for wheelchair users**

4.131. The requirement for 10% of units to be easily adaptable for occupation by wheelchair users is justified as it is necessary for the provision of an accessible and inclusive built environment. If co-living is to form part of the housing offer that meets the needs of Hackney residents then the standards applied must be consistent with other forms of housing.

**Amendments**

4.132. Refer to the Statement of Common Ground made between Hackney Council and CMA Planning on behalf of Pause (Kingsland Road Developments Ltd) (LBH SOCG02).

4.133. It is proposed that the wording of the policy is edited as follows:
LP21 Large Scale Purpose-Built Shared Housing

A. Development involving the provision of new large-scale purpose-built shared housing comprising of at least 50 units will only be permitted if all of the following criteria are met:

i. It meets an identified need; and the site is not suitable for development for conventional self-contained units.

ii. It is located in an area well-connected to local services and facilities, and in an area with high-transport accessibility; and

iii. It is under single management; and

iv. its units are all for rent with minimum tenancy lengths of no less than three months; and

v. a management plan is provided with the application; and

vi. At least 50% of all units are provided at rental levels which do not exceed one-third of ward-level incomes (excluding utility bills and council tax) subject to viability and site context; and

vii. Rooms and communal spaces are of a high quality and of adequate size and the development provides a good standard of accommodation in terms of space standards, management requirements, facilities, daylight and sunlight, aspect and amenity space; and

viii. Suitable communal facilities amenity space is provided to meet the needs of occupiers; and

ix. The development must not have a detrimental impact on the amenity of neighbouring occupiers; and

x. The development must not lead to an over-concentration of these types of uses in the area; and

xi. 10% of the units provided are easily adaptable for occupation by wheelchair users.

xii. A detailed management plan and details of proposed tenancy lengths are provided.

Supporting text:

Paragraph 7.30 The Council’s preference is for the provision of on-site affordable housing through the provision of units one-third of ward level incomes. The level and quality of provision of on-site affordable housing will be one of the considerations when assessing whether the site is suitable for purpose built shared housing. Proposed shared housing development will be subject to a planning agreement to ensure rents for rooms remain affordable for low-income occupiers in the long term. In accordance with policy LP13 off-site affordable housing or payments in-lieu will be considered in truly acceptable circumstances where the Council is satisfied that the off-site provision would secure a better outcome in meeting housing need.
59. LP25 Visitor accommodation – is the negative wording of the policy justified? Are the restrictions and other policy requirements suitably clear and are they effective, justified and consistent with national policy and the London Plan? Are any amendments necessary for soundness?

4.134. It is proposed that the negative wording of this policy is amended as follows:

**LP25 Visitor Accommodation**

A. The amount of new visitor accommodation including short term lettings will be managed having regard to up to date assessments of current and future room demand and supply published by the Council. Where the assessment indicates long-term demand has not yet been met, visitor accommodation applications will not be permitted considered.

B. Large scale hotels (50+ rooms) will only be permitted in the Central Activities Zone and major town centres where there is an identified need that the Council deems to be greater than identified need for other policy compliant land uses. Small scale hotels in other areas may be permitted if they meet specific identified needs.

C. Proposals for any new visitor accommodation including short term lettings will only be permitted if all of the following criteria are met. The development must:
   i. not result in a total supply (which includes approved schemes not yet built) of visitor accommodation rooms significantly greater than the projected demand for rooms; and
   ii. not lead to an over-concentration of similar uses within the locality; and
   iii. not result in the loss of general purpose housing or opportunities to provide conventional C3 housing or employment uses in line with policies LP12 Housing Supply and LP26 New Employment Floorspace, and
   iv. not harm complement the balance and mix of uses in the area, and the character and function of the area, and be compatible with surrounding land uses; and
   iii. not cause an unacceptable level of disturbance to, or loss of amenity to, occupiers of surrounding premises; and
   iv. make adequate provision for servicing, and pick up and set down points for taxis and coaches; and
   vi. include at least 10% wheelchair accessible bedrooms.

D. Active frontages should be incorporated at ground floor level and ancillary facilities such as conference rooms, restaurants or gymnasiums
should be accessible to the public, unless there are valid and appropriate reasons why such facilities should not be accessible to the public.

4.135. The policy requirements are suitably clear. Applicants are required to take account of needs for visitor accommodation; current needs set out in the GLA Economics Working Paper 88 ‘Projections of demand and supply for visitor accommodation in London to 2050’ (2017) indicate that by 2041, 58,140 net additional rooms will be delivered across London, equating to a net additional 2,236 rooms per year. Of the total 58,140 rooms, it is projected that Hackney will provide an 3,382 rooms between 2015 and 2041. Since these figures were published in 2015, 464 units have been completed, 531 are under construction and there is a pipeline of 1,352 new rooms yet to be started in Hackney. This leaves a projected need of 1,035 visitor rooms to be provided in Hackney by 2041. This is not a substantial need and therefore the restrictions set out in the policy are considered to be justified and effective.

4.136. The policy is considered to be consistent with draft new London Plan policy E10 Visitor infrastructure insofar as we direct large scale hotels to town centres and the CAZ.

Ends.