

# **DANDARA**

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### **Bristol Draft Local Plan – Examination in Public**

#### **Matter 7 Statement: Other Housing Policies**

#### **Issue 7.1:**

#### **Policy AH1: Affordable housing provision**

**Q7.1: Is policy AH1 positively prepared, justified, consistent with national policy and effective? In particular:**

**a) Is the policy clearly written and unambiguous such that it is clear what proportion of affordable housing any developer would be expected to provide?**

No, Policy AH1 is not considered to be clear and as such, Dandara question its effectiveness.

The Policy wording sets out that “Residential developments of 10 dwellings or more that are subject to this policy are expected to provide at least 35% affordable housing as part of the dwelling mix”. This is contrary to paragraph 6.23 of the explanation to this policy which sets out that developers can provide a threshold approach of at least 20% within the City Centre.

Dandara consider the policy needs to be redrafted to explicitly set out the threshold approach within its wording rather than in the explanation to the policy.

Dandara also consider that paragraph 6.19 of the explanatory text should also form part of the policy wording to make it explicitly clear that Build to Rent housing is not subject to this affordable policy.

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**b) Are the affordable housing requirements justified by proportionate and up-to-date evidence about need and viability?**

No, the viability assessment (Ref: EVEV01) sets out that there is no uniform level of affordable housing that can be viably delivered by all or most schemes and that the recommendation was for the Council to adopt an area-based approach setting average percentages that are achievable across a range of likely development scenarios within each area. This is completely contrary to Policy AH1 which sets a blanket approach of 35% affordable housing for major development

There is recognition in the explanatory text of the policy that development in City Centre locations can follow a threshold approach (albeit this should form part of the policy itself as set out within our answer to Q7.1a), but the setting of this threshold approach is again not justified against the evidence base contained within the Council's viability assessment (see below answer to Q7.1d).

It should also be noted that the appraisal results within the viability assessment do not test residual land values of specifically 35% affordable housing provision (as set out within Appraisal Tables 6.3.1 to 6.3.9) which is a concern given this is the requirement set out within policy.

**c) Given the evidence, and reasoned justification, suggests 35% affordable housing would not be viable in all parts of the City, is it justified or consistent with national policy to expect this to be provided on all developments of 10 dwellings or more?**

No it is not justified to expect 35% affordable housing on all developments of 10 dwellings or more, given that the evidence base demonstrates that this is unachievable in the majority of locations and scenarios, particularly within the city centre at building heights of 6 storeys +.

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The Policy should reflect the recommendations of the viability assessment for having an area-based approach setting average percentages that are achievable across a range of likely development scenarios within each area.

**d) Is the ‘threshold approach’ for proposals in the City Centre, and the 20% threshold itself, referred to in the second bullet point and paragraph 6.23, justified and is the policy clear and unambiguous as to how it would be implemented? If so, should the threshold be included in the policy to be effective?**

Dandara supports the approach that affordable housing should be lower within the City Centre. Dandara however do not believe the current wording as a “threshold approach” is either effective or justified.

The evidence set out within the viability assessment (Tables 3.6.1 to 3.6.9) demonstrates that in all benchmark land value scenarios and with all assumed sales value scenarios, flatted and mixed-use schemes of 6 storeys +, which would be commensurate with supporting a higher density proposal within the City Centre, cannot viably support any affordable housing.

On this basis, the “threshold approach” of setting a 20% requirement which would not require a viability assessment as an incentive to developer development is not considered justified and is contrary to the evidence that demonstrates the majority of development proposals within the City Centre could not even support 20% affordable housing provision. As already set out above, the approach to not including this within the actual policy wording also makes the policy ineffective.

It is suggested that a lower % of affordable housing should be included within policy for schemes within the City Centre, which should be subject to viability assessment if this cannot be met.

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**e) Paragraph 6.23 states that where the 'threshold' approach is used, a developer should agree to commence development within 18 months of any permission being granted. Is such a requirement justified and, if so, should it be included in the policy to be effective?**

No this requirement is not justified. Commencement of development for schemes that are 6 storey's + within 18 months of receiving planning permission is extremely unrealistic at this point in time, especially the delays the industry is facing in terms of the Building Safety Act and the requirement to undertake the Gateway 2 process in terms of design preparation, submission and determination which is required prior to commencement of development. This requirement should therefore be removed.

**f) Where 35% affordable housing without public subsidy is proposed, would it be justified and consistent with national policy to expect applicants to identify the maximum provision of affordable housing that can be achieved viably without public subsidy (first bullet point)?**

No this is not considered to be justified. The purpose of the policy is to identify and be clear to both the decision maker and the application in what the affordable housing requirement is. It is not clear how applicants would be expected to demonstrate the maximum provision that can be achieved viably without submitting a viability assessment with every planning application. This would be unjustified and would cause delays within the determination of every planning application.

**h) Would the 'rolling review' of policy requirements through use of 'practice notes' be justified, consistent with national policy and the plan-led approach?**

No this is not justified and would be against national policy as set out within our Regulation 19 Representations at Paragraph 6.10. Any revision to the amount of affordable housing required in developments would need a strategic policy review and evidence base/viability

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testing and appropriately scrutinised. This proposed wording needs to be omitted from the plan.

**i) Is the proposed tenure split and approach to First Homes justified and consistent with national policy?**

No, First Homes is no longer being actively promoted by the Government and therefore the policy should not make reference to this tenure.

**Issue 7.2:**

**Policy H7: Managing the development of purpose-built student accommodation**

**Q7.5: Is Policy H7 justified, consistent with national policy and effective? In particular:**

**a) What overall need for purpose built-student accommodation has been identified and would the policy be effective in ensuring this is met?**

Dandara consider that the overall need for PBSA has not been justified and is acutely underestimated (as set out within our Regulation 19 representation paragraphs 6.14-6.20) and therefore Policy H7 is neither effective nor positively prepared.

**b) How does the provision of student accommodation contribute to the overall housing numbers and is this justified?**

The PPG (Paragraph: 025 Reference ID: 68-034-20190722) is clear that all student accommodation can contribute to the overall housing numbers, however it is unclear how the Council have assessed this contribution within their evidence base and their calculation of housing need/capacity.

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**c) Is the principle of the numbers and defined locations/distribution as set out in the policy (for the University of Bristol sites, Bristol city centre, Bristol Temple Quarter and St Philip's Marsh, Broadmead, Frome Gateway and Central Bedminster) justified?**

Dandara support the inclusion of PBSA within growth areas of Bristol, specifically Frome Gateway, but it is considered that the numbers, which are set out as caps, are not justified against the clear identified need for this tenure within the City (as set out within our Regulation 19 representation at paragraphs 6.21-6.22).

Setting a restrictive cap on PBSA bedspaces within certain areas when there is a clear unmet housing need does not make this policy positively prepared and therefore unsound. It is considered that the quantum of bedspaces set out within the policy should be stated as minimums rather than maximums.

With specific regard to Frome Gateway, it is clear that the estimation of 1,000 residential homes within policy is to be exceeded, with this area being able to support further growth as demonstrated within development proposals that are currently at pre-application stage. Given that the residential capacity will be exceeded there is no need to place a cap on PBSA bedspaces within this area as the area will clearly come forward as a balanced mixed community.

The PPG (Paragraph: 004 Reference ID: 67-004-20190722) is clear that strategic policy making authorities need to consider options which would support both the needs of the student population as well as local residents before imposing caps or restrictions on students living outside university-provided accommodation. It is clear that there is an unmet student housing need within the City and therefore restrictions and caps should be avoided within draft policy.

**d) Will it be clear to the decision maker how to react to proposals when assessing them against the three bullet points in the first paragraph of the policy? How does this relate to**

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**the final paragraph of the policy relating to general provisions? Are the general provisions also capable of being assessed appropriately?**

It is considered that the three bullet points at the start of the first paragraph of the policy are not clear in how the decision maker will assess applications and are overly vague. These bullet points should be omitted from the policy and the general provisions should be used by the decision maker when assessing proposals.

**e) Are the suggested main modifications to Policy H7 in response to PQ86 regarding the support needed of the relevant higher education provider necessary for soundness? Is this part of the policy justified, and will it be effective?**

No further comments other than what is set out within our Regulation 19 representation (paragraph 6.20).

**f) Are the suggested main modifications to Policy H7 in response to PQ88 regarding the support of local communities necessary for soundness? Is this part of the policy justified and will it be effective?**

No comments.

**g) The part of the policy referring to 'Other locations' indicates that proposals for purpose-built accommodation should form part of mixed-use locations. When considered with the other bullet points in this part of the policy, will be it be effective?**

No as set out within our Regulation 19 Representations (paragraph 6.23-6.24) this wording is not considered effective or justified.

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- h) Paragraph 6.87 sets out the circumstances in which a local imbalance is likely to occur. To be effective, should these circumstances be set out in the policy and is the approach justified?**

Yes, if this wording is to remain then this should form part of the policy text to be effective.

- i) The policy states that development in all locations will be expected to include an appropriate proportion of affordable student housing to meet identified need. Is this approach justified, based on viability evidence and will it be effective?**

There is no evidence to demonstrate that there is a need for affordable student housing. Para. 61 and 62 of the NPPF are clear that strategic policies should determine the minimum number of homes needed, including for affordable housing (Para. 62) informed by a local housing needs assessment, yet the City of Bristol Local Housing Needs Assessment (November 2023) within the Council's evidence base makes no reference to affordable student housing. To the contrary it states, *'student households are also excluded, given that their needs are assumed to be transient and do not count towards the need for affordable housing in West of England'*.

The Local Plan Viability Assessment (August 2023) suggests 35% would be appropriate in 'most circumstances', yet the policy provides no recognition of the fact the evidence base does not conclude 35% would be appropriate in all circumstances. The viability assessment only tests two scenarios – 100% studios and 100% 4-bed cluster arrangements – which are the most profitable scenarios and therefore suggest a viability conclusion that is distorted and unlikely to be delivered as part of a balanced and mixed PBSA offer. It is clear that the requirement is therefore not justified.

Irrespective, if appropriate evidence could be demonstrated in support of affordable student homes the policy wording should be amended to enable this to be viability tested to ensure developments to meet the identified need remain viable to be delivered. This is significantly

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important as the majority of PBSA developments are being sought within the regeneration areas which all have additional infrastructure requirements in addition to CIL. Any % target should also be specifically referred to in the policy text for Policy H7.

### **Policy BTR1: Build to Rent Housing**

**Q7.7: Is Policy BTR1 positively prepared, justified, consistent with national policy and effective? In particular:**

**a) Are the thresholds and requirements, including tenure split, based on a robust assessment of viability and consistent with national policy and guidance?**

The thresholds are considered to be consistent with national policy and guidance. Whilst Dandara do not dispute the preference for proposals to have a stand-alone block of affordable housing comprising social rent and shared ownership **object** to this being an absolute requirement as it is not consistent with national policy which refers to affordable private rent as being the appropriate tenure being the expected normal form of affordable housing for build to rent. As such the use of the word “should” should be omitted from this part of the policy.

**b) Paragraph 6.121a refers to a rolling programme of review of the percentage of affordable housing to be sought, which will be set out in the Affordable Housing Action Note. Is such an approach justified, consistent with statutory function of the development plan and national policy, including those relating to plan viability and planning obligations?**

No this is not justified.

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Notably that the PPG (Para 48. of the Viability section) sets out that the NPPF (Para. 34) requires plans to set out the contributions expected from development, including setting out the levels and types of affordable housing provision required, and that such policies should not undermine the deliverability of the plan. It continues that policy requirements for developer contributions should be informed by proportionate evidence of infrastructure and affordable housing need and be assessed for viability at the plan-making stage in accordance with guidance. Paragraphs 61 and 62 of the NPPF are clear that strategic policies based on evidence is the basis for determining the amount of type of housing, including affordable housing. The Council's suggestion of being able to monitor and revise the % as and when they consider it appropriate is therefore wholly inconsistent with national policy and cannot pass the tests of soundness. Any revision to the amount of affordable housing required in BtR developments would need a strategic policy review and evidence base/viability testing. This proposed wording needs to be omitted from the plan.

**Are the suggested main modifications to Policy BTR1, as set out in EXA002.1, necessary to make the Plan sound?**

No comments.

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