



Wellesley

ALDERSHOT

AFFORDABLE HOUSING STRATEGY

DECEMBER 2012



Investing in homes since 1912
grainger plc



CONTENT

- 1.0 INTRODUCTION
- 2.0 HOUSING POLICY
- 3.0 AFFORDABLE HOUSING STRATEGY
- 4.0 MAIDA ZONE - PHASE 1

APPENDIX A: HOUSING DEFINITIONS

APPENDIX B: DEVELOPMENT ZONES & ILLUSTRATIVE DELIVERY PLAN



1.0 INTRODUCTION

This affordable Housing Masterplan Strategy accompanies a 'Hybrid' planning application submitted by Grainger plc (hereafter known as 'Grainger') to Rushmoor Borough Council (RBC) for the development of land within Aldershot known as the Aldershot Urban Extension (AUE), hereafter referred to as 'Wellesley'. Grainger seeks outline planning permission for residential development of up to 3,850 dwellings with associated infrastructure including access, and Maida Zone - Phase 1 detail for 228 dwellings at Wellesley (the Hybrid Application). This Affordable Housing Strategy should be read in conjunction with the corresponding application forms and drawings, along with the suite of documents that support this Hybrid Application. For further details on the Hybrid Application please refer to the Planning Statement.

The Affordable Housing Strategy should be read alongside the Rushmoor Borough Council's Affordable Housing Development: Guidance Note 2011, Design Codes, the Section 106 and local and national planning policy. Affordable housing definitions are set out in **Appendix A** as per the NPPF and will be updated in line with national policy.

Hereafter all reference to Affordable Rent encompasses Social Rent where grant is available.

This strategy sets out the site wide approach and provision of affordable housing for the Wellesley development and was developed in close liaison with RBC. Throughout consultation Grainger has engaged with the Enabling Officers to ascertain information on preferred design criteria, housing mix and tenure split.

2.0 HOUSING POLICY

The policy approach, as outlined by the supporting Planning Statement, and informed by more detailed discussions and agreement with Officers of the Councils and their Members, has provided the basis for the affordable housing approach. RBC's Core Strategy, the Aldershot Urban Extension Supplementary Planning Documents (AUE SPD) and the Affordable Housing Supplementary Planning Documents set out the principles to be followed in delivering affordable housing. Policy SP1 sets out the objectives for the Aldershot Urban extension and specifies a target of 35% Affordable Housing. However, it does specify that the make-up of development will be the subject of detailed studies of viability.

Core Strategy Policy CP6 states that the new development should provide "a site appropriate mix of sizes and tenures of affordable homes designed to meet local needs and create mixed and sustainable communities."

The key statements from the AUE SPD under Principle SN5 are that for the major development area at Wellesley a target of 35% affordable housing should be provided and should be split 60% rented housing and 40% intermediate housing.

Principle SN5 in the AUE SPD suggests that the mix of dwellings which should comprise of:

Unit Type	Suggested Percentage
1 bed	25%
2 bed	35%
3 bed	25%
4 bed	15%

The AUE SPD recognises that as the site is developed the mix of dwellings should be adjusted to meet changing needs, which will be directed by any future Strategic Housing Market Assessment. The SPD was adopted in March 2009 and in dialogue with the enabling officers the following mix was agreed:



Unit Type	Affordable Rent	Intermediate
1 bed Flat	20%	40%
2 bed Flat	10%	20%
2 bed House	30%	20%
3 bed	25%	20%
4 bed	15%	0%

3.0 AFFORDABLE HOUSING MASTERPLAN STRATEGY

Any sale of land to a Developer and/or House builder will encompass a requirement to comply with this strategy. Prior to commencement of a Development Zone the Developer will submit an Affordable Housing Area Strategy setting out the number of estimated reserved matters applications within a Development Zone and the proposed quantum of affordable housing units provided for each application. (Please see **Appendix B** for the Plan and Section 1 of the Planning statement for the definition of a Development Zone). Each subsequent reserved matters application will be accompanied by an Affordable Housing Reserved Matters Strategy which sets out the actual quantum, tenure and size of affordable housing units (AHU) delivered. This approach will enable the authorities to monitor the provision against the targets set out below.

The Affordable Housing Mix

The Wellesley development will deliver up to 3,850 new residential units of which a target of 35% will be AHU. Of this 35%, a target of 60% will be allocated as Affordable Rent by agreement with the local authorities and 40% Intermediate affordable housing units.

As part of the Intermediate affordable housing provision the aim will be to provide at least 40% affordable home ownership properties, for instance shared ownership homes and/or rented as defined in the NPPF (see **Appendix A**). The precise level of provision will be determined as part of the Affordable Housing Reserved Matters Strategy as set out in the S106 Agreement.

The site wide quantum and the affordable housing mix ratio schedule set out below has been agreed with Rushmoor Borough Council. Any variation to these schedules has to be agreed by all parties. Any such changes are likely to be based on housing need as evidenced by housing needs studies or housing allocations pool, or commercial viability supported by detailed appraisal using a recognised appraisal tool and subject to independent assessment at the cost of the Developers.

Table 1: Site Wide Quantum of Affordable housing

Total Units	No. Private 65%	Total Provision (AHU) 35%	Affordable Rent (AR) 60%	Intermediate (Int) 40%
3850	2503	1347	808	539

Table 2: Housing Mix Ratio:

Affordable Rent (%) to be provided	No. Affordable Rent (AR)	Intermediate (I) (%) to be provided	No. Intermediate (Int)	Beds	Persons	Type	Total
20%	162	40%	215	1	2	flat	377
10%	81	20%	108	2	3 & 4	flat	189
30%	242	20%	108	2	4	House	350



25%	202	20%	108	3	5	house	310
15%	121	0%	0	4	6	house	121
100%	808	100%	539				1347

The development comprises of 20 Development Zones of which only 19 comprise of residential units (see **Appendix B** for illustrative phasing plan). The indicative quantum of affordable rented and intermediate units for each of the phases of development is set out in Tables 3, 4 and 5 below:

Table 3: Target Affordable Housing Provision Across the Development

Masterplan Component Parcel	No. Units	Private 65%	AHU 35%	% AHU	AR 60%	Int 40%
A. Maida	228	148	80	35.09%	48	32
B. Coruna	705	458	247	35.04%	148	99
C. CMH	134	87	47	35.07%	28	19
D. McGrigor	118	77	41	34.75%	25	16
E. Gunhill	105	68	37	35.24%	22	15
F. Knollys Road	22	14	8	36.36%	5	3
G. Pennyfathers	123	80	43	34.96%	26	17
H. Stanhope Lines West	162	105	57	35.19%	34	23
I. School End	105	68	37	35.24%	22	15
J. Browing/Canalside	480	309	166	34.95%	100	66
K. Stanhope Lines East	255	167	88	34.51%	53	35
L. Neighbourhood Centre	10	10	6	37.50%	3	3
M. Buller	243	158	85	34.98%	51	34
N. God's Acre	170	110	60	35.29%	36	24
O. Mandora	133	87	46	34.59%	28	18
P. Peaked Hill	61	39	21	35.00%	13	8
Q. Clayton	299	194	104	34.90%	62	42
S. REME	392	255	137	34.95%	82	55
T. Parsons	106	69	37	34.91%	22	15
TOTAL	3850	2503	1347	35.18%	808	539

Table 4: Target Affordable Rent/Social Rent Provision

Masterplan Component Parcel	Affordable Rent/Social Rent Housing					Total
	1 bed 2 per flat	2 bed 3 & 4 per flat	2 Bed 4 per house	3 bed 5 per house	4 bed 6 per house	
A. Maida	10	5	14	12	7	48
B. Coruna	30	15	44	37	22	148
C. CMH	6	3	8	7	4	28
D. McGrigor	5	3	8	6	3	25
E. Gunhill	4	2	7	6	3	22
F. Knollys Road	1	1	1	1	1	5
G. Pennyfathers	5	3	8	6	4	26
H. Stanhope Lines West	6	3	11	8	6	34



I. School End	4	2	7	6	3	22
J. Browing/Canalside	20	9	30	25	16	100
K. Stanhope Lines East	10	5	16	14	8	53
L. Neighbourhood Centre	2	1	0	0	0	3
M. Buller	10	5	15	13	8	51
N. God's Acre	7	4	11	9	5	36
O. Mandora	6	3	8	7	4	28
P. Peaked Hill	3	1	4	3	2	13
Q. Clayton	12	6	19	15	10	62
S. REME	16	8	25	21	12	82
T. Parsons	5	2	6	6	3	22
TOTAL	162	81	242	202	121	808
Total Percentage	20%	10%	30%	25%	15%	100%

Table 5: Target Intermediate Provision

Masterplan Component Parcel	Intermediate Affordable Housing				
	1 bed 2 per flat	2 bed 3 & 4 per flat	2 Bed 4 per house	3 bed 5 per house	Total
A. Maida	13	6	7	6	32
B. Coruna	39	20	20	20	99
C. CMH	8	4	3	4	19
D. McGrigor	7	3	3	3	16
E. Gunhill	6	3	3	3	15
F. Knollys Road	1	1	0	1	3
G. Pennyfathers	7	3	4	3	17
H. Stanhope Lines West	9	4	5	5	23
I. School End	6	3	3	3	15
J. Browing/Canalside	26	13	13	14	66
K. Stanhope Lines East	14	7	7	7	35
L. Neighbourhood Centre	2	1	0	0	3
M. Buller	13	7	7	7	34
N. God's Acre	10	4	5	5	24
O. Mandora	7	4	4	3	18
P. Peaked Hill	2	2	2	2	8
Q. Clayton	17	9	8	8	42
S. REME	22	11	11	11	55
T. Parsons	6	3	3	3	15
TOTAL	215	108	108	108	539
Total Percentage	40%	20%	20%	20%	100%

The total number of units identified in each development zone above is approximate. In order to provide a degree of flexibility a 5% variance can be applied to each development zone to allow for site specific technical constraints and opportunities. Notwithstanding this variance the site wide number of dwellings delivered at Wellesley is capped at 3,850. Where the actual numbers of units vary the quantum of affordable housing will adjust accordingly, both within the development zone and across the remainder of the development. The provision of Affordable Housing Units within a Development Zone may range between 30-40% provided the overall provision across the site is 35%. In special circumstances, e.g. the Cambridge Military Hospital, no affordable housings may be delivered within a particular reserved matters application, however the overall target of 35% will still apply.



Affordable Housing Design Criteria

The design of the affordable housing will be tenure blind and must be Part M of the building regulations compliant. They will be constructed to lifetime homes 6-16 criteria unless otherwise agreed with the local authority. Where the site and design conditions permit consideration will be given to achieving Lifetime Homes Standard criteria 1-5. All units which receive Grant funding will meet HCA Design and Quality Standards 2007 and specifically the HQI standards

Minimum gross floor areas are set out below:

Table 6: Minimum Gross Internal Floor Area

Occupancy	Min GIA (sqm)
2 People (Flats)	45-50
3 People (Flats)	60-69
4 People (Flats)	60-69
4 People (House)	70-84
5 People (House)	85-99
6 People (House)	100-110

Approximately 10% of the Social Rented Units in any Reserved Matters Area will be Wheelchair-accessible housing unless otherwise agreed by the Relevant Authority. The design of these units will take account of guidance produced by 'Habinteg' and the exact quota and size of units shall be agreed with the local authority as part of the Affordable Housing Reserved Matters Strategy.

The mix, design and layout will support long term, cost effective management and sustainability with the aim of keeping service charges at an affordable level.

The local authority do not advocate pepper potting of individual units The affordable housing should be delivered in clusters and although the Core Strategy promotes integrating affordable tenures in small groupings of 10/ 12 units this will be reviewed for each submission. These clusters can only be contiguous if they are accessed separately, no more than two clusters should be grouped in this way unless otherwise agreed with the local authority. Proposals should avoid the situation where whole streets are located in large clusters of affordable units.

All new affordable homes will achieve a minimum Level 3 of the Code for Sustainable Homes published by the Department for Communities and Local Government (or such replacement guidance) with an aspiration for a percentage of each phase to be at a higher code level. Once further updates to Part L of Building Regulations come into effect new homes will be required to reach the minimum requirements.

Delivery Partner

Grainger's aspiration is to have a common approach across the wider development area to ensure a consistent level of service with the affordable housing product delivered through a single organisation or a managed consortium. It is Grainger's intention to deliver the affordable housing through its Registered Provider 'Grainger Trust' which was registered on the 5th November 2012 by the HCA. This not only gives Grainger a long term interest in the development of the site but also in the on-going management and maintenance. As a recently appointed Register Provider Grainger will work with RBC on the nomination agreement and management arrangements.

Illustrative Phasing Programme

The phased delivery of the affordable housing will be in line with the Illustrative Delivery Plan as set out in **Appendix B**. The illustrative delivery plan is based on predicted build out rates. However due to the nature of

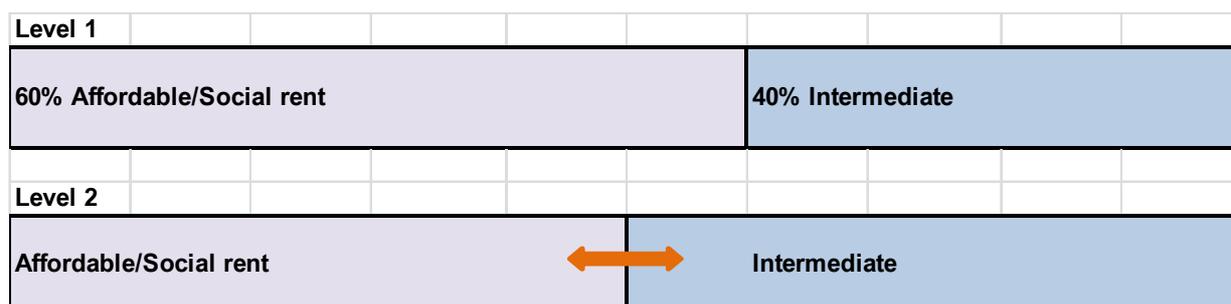


development of this size there will be variations to the programme. This will be dealt with by regularly monitoring and reviewing the actual deliver rates.

Variations to the Affordable Housing Provision

The preferred affordable housing tenure mix is 60% social rented housing and 40% intermediate affordable housing. However it has become common practice to include in the Section 106 a cascade that allows for the affordable housing numbers and/or tenures to be varied. With no grant funding available for this development at this stage it is important to have a cascade in place to maintain scheme viability to ensure delivery.

The illustration below describes how this may be achieved, notwithstanding that variations within these levels of cascade may be agreed, always subject to the requirements of the S106 Agreement,



Level 1 will be applicable for the delivery of affordable housing within a Reserved Matters Application where it is financially viable.

Level 2 will be applied where the delivery of a reserved matters area is financially unviable. The Developer will discuss with the Council its intentions to apply to use this cascade prior to making a formal application and agree an approach to allow the application to be considered, including the modelling of alternative tenure mix and rent scenarios. The Developer shall submit the proposed housing mix to the Local Authorities for approval with the reserved matters application. The submission should optimise the affordable rent levels and mix. The optimisation will take account of the:

- Costs incurred by the developer for the build, inclusive of piling, infrastructure and S106 costs
- Council's affordable housing objectives

This Affordable Housing Strategy will be updated should there be any variation to the 40/60% split between the Affordable Rent and Intermediate units by agreement with the local authorities.

Any Extra Care units and/or specialist housing (e.g. supported housing scheme for people with Learning Disabilities) provided within the development, defined in the S106, will be deducted from the total number of affordable units. Thereafter this Affordable Housing Masterplan Strategy should be updated to take account of the reduced number of affordable units. The affordable housing mix ratio set out above will be applied to the reduced number of units.

Monitoring & Review

Until completion of all affordable housing units, every 6 months, a monitoring report will be sent to the Councils. This shall include:

- The number and location of all dwellings occupied during the reporting period
- The cumulative number of all dwellings occupied
- The number, location and tenure of affordable housing units occupied during the reporting period
- The number, location and tenure of all affordable housing units occupied



When a land sale, lease or development agreement has been entered into with a Developer and or Registered Provider for the provision of affordable housing Grainger will notify the Councils. If requested by the Council, the Developer shall attend meetings to work together to provide the affordable housing. This information will include:

- Details of the parties to the contract
- Reserved Matters phase to which the contract applies
- A forecast delivery timetable

The quantum of housing set out in this Affordable Housing Strategy will be reviewed upon submission of each Affordable Housing Area Strategy and Reserved Matters Application and updated accordingly, should those strategies vary from the Masterplan (and those variances will be agreed with the Councils).

4.0 MAIDA ZONE - PHASE 1

Maida Zone - Phase 1 falls within the Maida Development Zone and is the first residential development at Wellesley. The planning proposal is a Hybrid application with detailed consent sought for Maida Zone - Phase 1: 228 dwellings (65% market and 35% affordable), access, landscaping and associated infrastructure. All other matters apart from access are reserved in Outline. As such the overall housing mix for Maida Zone - Phase 1 is fixed and the remainder of the site is indicative. The affordable housing mix will include a range of unit types – 1 and 2 bed flats and 2, 3 and 4 bed houses and will, in the first tranche, include a mix of 60% rented and 40% intermediate tenures.

The site specific policies under RBC's Core Strategy policies and the SPD guidance relevant to the wider development and Maida Zone - Phase 1 will be met by:

- Compliance with HQI standards;
- Achieving Code of Sustainable Homes level 3 with a portion Code Level 4 as agreed with Enabling Officers at RBC;
- Integration of the private and affordable housing. It is important to note that these units are to be tenure blind and indistinguishable from the private units
- Compliance with Lifetime Homes 6 to 16 for all 3 and 4 bedroom houses but there will be flexibility for the 2 bedroom houses provided they are Part M compliant as agreed with RBC Officers; and
- Provision of 1 x 2 bed flat and 1 x 4 bed house wheelchair compliant units

The table illustrates Grainger's agreed approach with RBC for the Maida Zone - Phase 1 affordable housing mix:

Table 7: Maida Zone - Phase 1 Housing Mix

Affordable Unit Type	Total Affordable Housing Mix	Affordable Rented Tenure Mix	Intermediate Tenure Mix
1 bed flat	28%	20%	40%
2 bed flat	14%	10%	20%
2 bed house	26%	30%	20%
3 bed house	23%	25%	20%
4 bed house	9%	15%	

This provides the following Housing Mix in the Maida Zone:

- Area (ha) 4.71 (excl. retained buildings)
- Density 48
- No. Units 228
- No. Private Units 148
- Total Affordable 80



Table 8: Maida Zone – Phase 1 Housing Mix

Size of Units	Private		Affordable/Social Rent		Intermediate	
	%	No. Units	%	No. Units	%	No. Units
1 Bed - Flat	6%	9	20%	10	40%	13
2 Bed - Flat	6%	9	10%	5	20%	6
2 Bed - House	11%	16	30%	14	20%	7
3 Bed - House	47%	69	25%	12	20%	6
4 Bed - House	27%	40	15%	7	0%	0
5 Bed - House	3%	5	0%	0	0%	0
Total	100%	148	100%	48	100%	32



APPENDIX A: Housing Definitions



NPPF HOUSING DEFINITIONS

Affordable housing: 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.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing.

Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

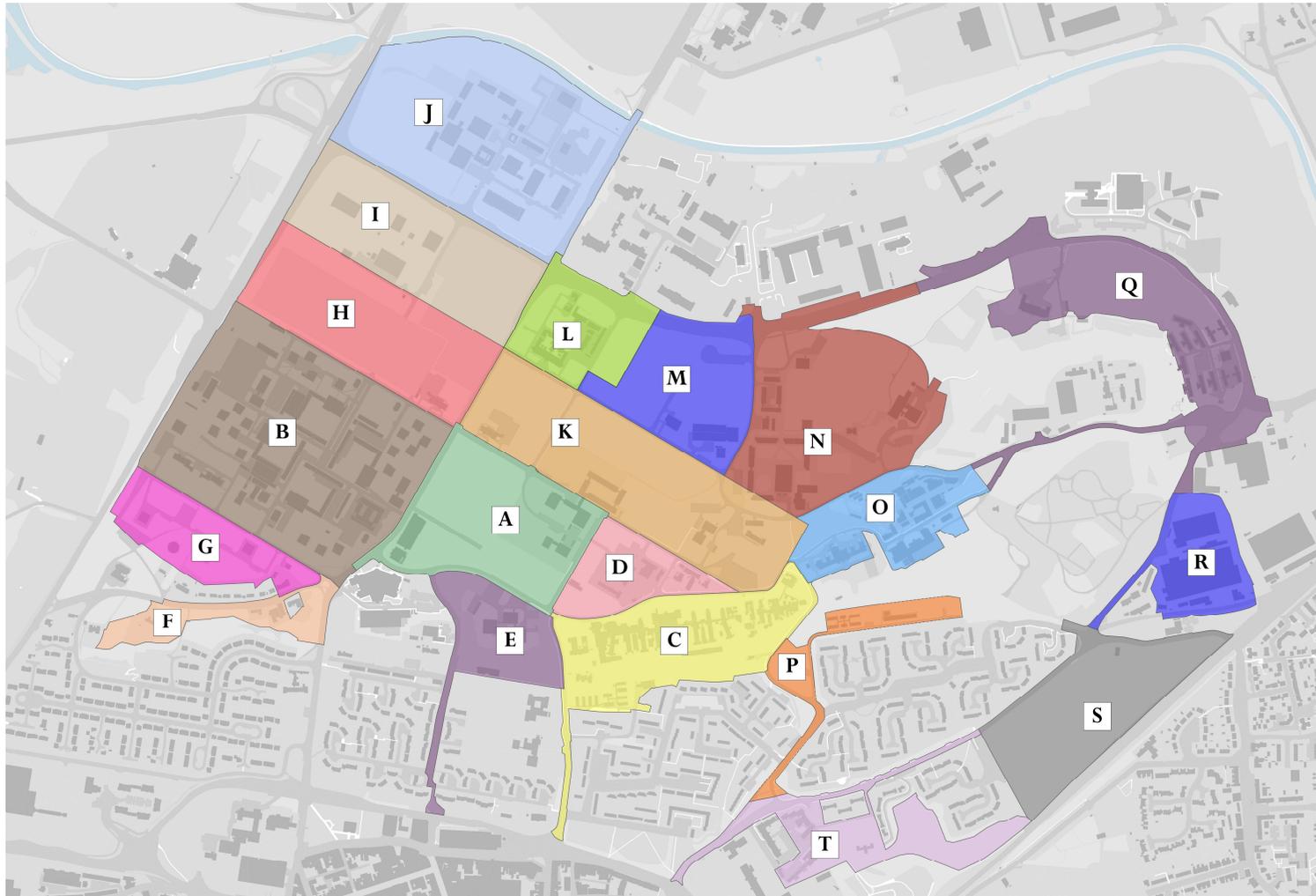
Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.



APPENDIX B: Development Zones & Delivery plan



DEVELOPMENT ZONES – DEVELOPMENT ZONES



KEY

WELLESLEY OUTLINE PLANNING APPLICATION BOUNDARY

A MAIDA	D MCGRIGOR	G PENNEFATHERS	J BROWNING	M BULLER	P PEAKED HILL	S REME
B CORUNA	E GUNHILL	H STANHOPE LINES WEST	K STANHOPE LINES EAST	N GOD'S ACRE	Q CLAYTON	T PARSONS
C CMH	F KNOLLYS	I SCHOOL END	L NEIGHBOURHOOD CENTRE	O MANDORA	R ABRO	

ILLUSTRATIVE DELIVERY PLAN

Development Zone	No. Units	Private 65%	AHU 35%	2013/2	2014/201	2015/2	2016/20	2017/20	2018/20	2019/20	2020/20	2021/20	2022/20	2023/20	2024/20	2025/2	Total		Accum Total													
				014	5	016	17	18	19	20	21	22	23	24	25	2026	Private	AHU														
A. Maida	228	148	80	175	53												148	80	228													
B. Coruna	705	458	247	114	61	34	19										458	247	705													
C. CMH	134	87	47		77	57											87	47	134													
D. McGrigor	118	77	41			73	45										77	41	118													
E. Gunhill	105	68	37			47	26	30	15								68	37	105													
F. Knollys Road	22	14	8				14	8									14	8	22													
G. Pennyfathers	123	80	43					75	48								80	43	123													
H. Stanhope Lines West	162	105	57					49	26	31	17						105	57	162													
I. School End	105	68	37					57	105								68	37	105													
J. Browning/Canalside	475	309	166					52	28	16	9						309	166	475													
K. Stanhope Lines East	255	167	88					38	21	65	35	79	43	78	42	49	25	110	112	33												
L. Neighbourhood Centre	16	10	6					16						72	39	73	39	23	10													
M. Buller	243	158	85					10	6								158	85	243													
N. God's Acre	170	110	60							26	120	97					110	60	170													
O. Mandora	133	87	46							17	9	78	42	63	34		87	46	133													
P. Peaked Hill	60	39	21											47	86		39	21	60													
Q. Clayton	298	194	104											32	15	55	31															
S. REME	392	255	137											30	30		255	137	392													
T. Parsons	106	69	37											65	120	113	69	37	106													
TOTAL	3850	2503	1347	175	250	250	300	350	350	350	350	350	350	350	300	300	175	2503	1347	3850												
TOTAL MIX				114	61	162	88	162	88	195	105	227	123	227	123	227	123	228	123	228	123	230	120	193	107	197	103	114	61	2503	1347	3850

Note: The total number of units identified in each development zone above is approximate. In order to provide a degree of flexibility a 5% variance can be applied to each development zone to allow for site specific technical constraints and opportunities. Notwithstanding this variance the site wide number of dwellings delivered at Wellesley is capped at 3,850. Where the actual numbers of units vary the quantum of affordable housing will adjust accordingly.



Wellesley

ALDERSHOT



Investing in homes since 1912
grainger plc