



SUMMARY HOUSING STUDY

EARLS COURT REGENERATION AREA - LAND IN RBKC

CORE STRATEGY EVIDENCE BASE

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KEY POINT SUMMARY

- This document has been prepared by RPS and First Base for Capital & Counties on behalf of Earls Court & Olympia Group (EC&O)
- The Earls Court Regeneration Area land within Royal Borough of Kensington and Chelsea (“RBKC”) is designated as a strategic site.
- Comprehensive redevelopment of the Regeneration Area could deliver a considerable number of good quality homes.
- Application of the density guidance within the London Plan suggests the part of the Earls Court Regeneration Area land which lies within RBKC can accommodate a minimum of around 1500 residential dwellings.
- The capacity of the part of the Earls Court Regeneration Area within RBKC and the scale of demand for housing – both affordable and market – mean the site can make an important contribution to meeting RBKC’s housing requirements.
- Detailed scheme proposals, including an appropriate mix of affordable and market accommodation, would be considered in light of evidence, master planning, cross border working and development viability.

SECTION 1: INTRODUCTION

- 1.1 This document has been prepared by RPS and First Base for Capital & Counties on behalf of Earls Court & Olympia Group (EC&O).
- 1.2 This document relates to the Earls Court Regeneration Area land, part of which lies within RBKC. It supports the proposed strategic site allocation of the Earls Court Regeneration Area as a high density mixed use scheme which will offer both regeneration benefits and wider housing choice for residents in RBKC and West London. Whilst the existing and emerging policy framework for the London Borough of Hammersmith and Fulham (“LBHF”) will apply to the Regeneration Area which falls in LBHF, this document only considers the policy proposals of RBKC. It is understood that each Borough intend to work together with the promoters to ensure a complementary joined up policy framework in respect of this overall strategic allocation across Borough boundaries.
- 1.3 The comprehensive redevelopment of the Regeneration Area for a high quality, sustainable, mixed use scheme provides real opportunity to provide the area with a new sense of place, new homes, jobs, open space and community facilities. The proposed regeneration project has the ability to deliver a considerable number of good quality new homes in a central location within West London. The potential scale of the project allows for a very significant contribution to housing supply both affordable and market for RBKC & LBHF with delivery in accordance with national, regional and local planning objectives.
- 1.4 This document supports the strategic site allocation and highlights the importance of delivering a mixed income community on a scheme of this scale and identifies the wider regenerative benefits that new homes will bring to the area. Such a strategic site allocation will assist both RBKC and the adjoining LBHF in meeting the challenge of housing delivery whilst addressing identified needs both market and affordable.
- 1.5 The level of demand for accommodation in a range of tenures warrants a new residential provision within the Regeneration Area of some 9000 – 10000 new homes, with a minimum of around 1500 of these properties being accommodated on the area of the site lying within RBKC, subject to master planning and further assessment. This will make a substantial and valuable contribution to the housing numbers required within the Borough and wider sub region.
- 1.6 The conclusions are that the significant scale of this redevelopment proposal, coupled with the estate renewal opportunities in LBHF, place the scheme in an excellent position to both meet the need for market and affordable accommodation, and provide an opportunity to deliver considerable regenerative benefits to RBKC, LBHF and the wider West London sub region.

SECTION 2: PLANNING POLICY ASSESSMENT OVERVIEW

a) National Policy

2.1 National planning policy on housing has been the subject of extensive review and consultation over recent years, culminating in the publication of Planning Policy Statement 3: Housing (PPS3) in November 2006. PPS3 provides the national planning policy framework for the delivery of Central Government's housing policy objectives; it sets out the Government's key housing policy goal as being to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live (paragraph 9).

2.2 To achieve this overriding goal, four key objectives are sought and can be summarised as:

- Increasing the supply of housing;
- Delivering quality and choice for all;
- Widening opportunities for home ownership; and
- Creating sustainable, inclusive and mixed communities.

2.3 Specifically in relation to affordable housing, the Government sets out its commitment to providing a range of housing to meet the needs of people with varying incomes.

“The Government is committed to providing high quality housing for people who are unable to access or afford market housing, for example vulnerable people and key workers as well as helping people make the step from social-rented housing to home ownership” (paragraph 27).

2.4 In planning at site level, PPS3 also requires that the amount and type of housing sought should be established through the creation of a robust evidence base including the completion of a Strategic Housing Market Assessment. A further key principle (paragraph 29) is that the deliverability of targets set in local policy frameworks should also be tested to verify that such targets are balanced against risks to delivery and the creation of mixed and sustainable communities.

2.5 Providing opportunities for home ownership is a consistent theme of government policy and the planning system is identified as having an important role in delivering intermediate tenure housing. The benefits of intermediate housing are recognised:

“a sufficient supply of intermediate affordable housing can address the needs of `key workers and those seeking to gain a first step on the housing ladder, reduce the call on social-rented housing, free up social-rented homes, provide wider choice for households and ensure that sites have a mix of tenures” (paragraph 29)

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- 2.6 PPS3 also seeks to ensure that Local Planning Authorities ensure that they possess a rolling 5 year supply of housing sites (paragraph 54).
- 2.7 Delivering Affordable Housing, the sister guidance document to PPS3, provides guidance on the role of local authorities in the delivery of affordable housing. It states that Local Authorities are required to ensure that existing housing provision be balanced carefully with future housing demand. Delivering Affordable Housing also requires that new housing developments contain a good mix of tenures (paragraph 12).
- 2.8 The thrust of PPS3 is therefore to ensure that policies facilitate the delivery of sufficient high quality housing which meets needs, encourages home ownership and delivers on the Governments sustainable community agenda.

b) London Plan

- 2.9 The regional planning position is provided by the London plan (“LP”) which seeks to provide for significant new housing provision (350 pa in RBKC) to be secured in order that the expected population growth for the sub region can be accommodated. Further additional supply is vital to reduce affordability pressure which has arisen where imbalance between demand and supply exists. This is a particular issue for parts of the RBKC where house price pressure is exacerbated by a shortage of supply.
- 2.10 The LP seeks to secure the provision of mixed and balanced communities (policy 3A.9) and provide improved housing choice in terms of mix and types of new provision (policy 3A.5) and promotes intensification of housing provision through higher density development where sustainability is secured (policy 3A.2).
- 2.11 Policy 3A.10 requires Boroughs to seek the maximum reasonable amount of affordable housing when negotiating individual private residential and mixed-use schemes, having regard to the London wide target that 50% of all new homes should be affordable to achieve a London wide tenure split of 35% social rented units and 15% intermediate of the overall total. The mayor has stated his intentions to amend this policy approach with a move to individually agreed Borough targets and a revised direction in respect of intermediate and social rented provision.
- 2.12 The LP requires Boroughs to encourage rather than restrain overall residential development and to reflect individual site circumstances thus requiring targets to be applied flexibly, taking into account individual site costs, the availability of public subsidy and other scheme requirements.

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- 2.13 LP housing policy is supplemented by a Housing SPG which was published in November 2005 which confirms that whilst affordable housing should normally be provided as an integral element of a residential development, off site provision of affordable housing may be acceptable where there are demonstrable benefits to be gained by providing new units in a different location (Paragraph 18.17). An alternative site or sites should be identified which would enable more appropriate provision of affordable housing provision and up-front delivery.
- 2.14 The mayor has recently issued for consultation a draft housing strategy. This strategy sets out an approach to secure the provision of high quality homes which offer a better mix of types including innovations in tenure choice in order that the aspirations and housing needs of Londoners are met. This is an important document for housing provision in London and will provide added to the policy framework of the LP and SPG.
- c) **RBKC**
- 2.15 The RBKC Unitary Development Plan 2002 (as amended 28 September 2007) (the “UDP”) promotes residential uses (policy H2) encourages higher densities (policy H9) and seeks appropriate dwelling mix within new developments (policy H19). These aims have been developed within the emerging core strategy documentation with the strategic sites paper re-stating the strategic objectives which are proposed to supplement the Council’s Core Strategy vision. ‘Diversity of Housing’ is considered a key theme and this encompasses the need to secure housing which caters for a variety of housing needs and to ensure that it is adaptable and of a high quality. These themes broadly reflect the tenet of regional and national policy in terms of the London plan and PPS3.
- 2.16 The national and regional policy frameworks therefore promote housing development with an emphasis on high quality provision which meets needs and assists in the creation of mixed and sustainable communities. The UDP encourages higher densities and an appropriate dwelling mix with the emphasis within the emerging strategic objectives of the CS on delivery of diverse housing which meets needs.

SECTION 3: STRATEGIC STATUS OF THE DEVELOPMENT PROPOSALS

- 3.1 The wider Earls Court Regeneration area comprises an area extending to some 27 hectares and includes a wide range of existing uses including two existing council estates. The part of the Earls Court Regeneration Area land lying within RBKC totals 7.06 hectares.
- 3.2 The overall regeneration scheme for the whole of the Earls Court Regeneration Area which is being promoted has significant potential to facilitate proposed estate renewal on a large scale, provide approximately 9,000 to 10,000 new homes including an appropriate mix of affordable and market accommodation, whilst delivering a range of wider business uses and provide regenerative benefits both locally and sub regionally. Overall, the scheme is of London-wide significance and will deliver real housing benefits for the RBKC, as well as the LBHF. In the RBKC Core Strategy, the strategic site status should be enhanced to reflect that this scheme can represent a strategic allocation for housing within the RBKC CS for delivery of a minimum of around 1500 homes on the land within RBKC as part of a wider potential allocation across both RBKC and LBHF of approximately 9,000 to 10,000 new homes.

SECTION 4: HOUSING NEED AND DEMAND

- 4.1 The delivery of a comprehensive scheme will require a detailed master planning approach to confirm the appropriateness and viability of such a comprehensive approach. This process will inform the final location, density and types of affordable and market housing proposed. In this context, it is important that the framework for the Earls Court Regeneration Area land incorporates sufficient flexibility to allow an appropriate range of proposals to be developed within it.
- 4.2 As identified above, the London Plan has identified a strategic target for the RBKC in terms of housing numbers of 350 dwelling per year. This flows from the scale of population growth, employment opportunity and the need to balance supply of housing with demand to avoid affordability pressures. The LP expects Boroughs to seek to exceed these figures (3A.2). It is apparent from the Annual Monitoring reports from the last three years that provision of new homes has fallen behind this strategic target, with figures of 152, 273 and 216 for completed units. Furthermore the net number of consented dwellings for 2007/08 lies 89 dwellings short of the 350 target and whilst this will in part be due to the difficult development economics of the past 18 months, this ongoing shortfall of provision will be creating a degree of 'backlog' pressure for new accommodation. This backlog must be addressed as part of the trajectory and strategic allocations process to ensure that demand and supply pressures can be appropriately met over the life of the CS.
- 4.3 The GLA engaged Experian to analyse retail floor space requirements as part of the ongoing London Plan evidence base. This work completed in March 2009 included an up to date assessment of population growth figures for London and the Boroughs. These suggest that the population of RBKC will increase by some 13,700 residents to 2026 which compares to the existing LP prediction of 16,000 over the same period. This coupled with evidence that household sizes continue to fall across London (Greater London Strategic Housing Market Assessment 2008 paragraph 3.3) ("London SHMA") indicates the headline drivers for additional housing provision remain. Against this it is not surprising that the London SHMA concludes that some 366,800 new homes (market and affordable) need to be provided over the next 10 years to resolve existing and emerging housing needs.
- 4.4 This is a considerable requirement which should be properly reflected in strategic site allocations with the implication that a failure to deliver will result (particularly in the context of RBKC) in a widening gap between supply and demand with the price pressure which results. In order to secure the principles of mixed income communities advocated clearly within PPS3 and in the LP, it is important to secure a consistent and significant delivery of both market and affordable new homes.

- 4.5 The provision of high density development on accessible sites is promoted by policy H9 of the UDP and within LP policy 3A.2. Boroughs are expected to investigate additional sources of housing capacity and identify further sites, applying higher densities where appropriate (para 3A.10). The LP density provisions of policy 3A.3 and guidance figures of table 3A.2 suggest that on land in a Central area density levels of between 140 – 405 units/ha would be appropriate depending upon the average dwelling size. The part of the Earls Court Regeneration Area land which lies within RBKC has a PTAL rating of 5 and is a highly accessible location. Therefore, taking the upper range density assumptions outlined in the London Plan table there is the potential to accommodate between 1,500 to 2,850 homes on the land within RBKC subject to further design, master planning and assessment. Across the whole Earls Court Regeneration Area, there is capacity and scope to accommodate the provision of between 9,000 and 10,000 new dwellings.
- 4.6 The residential provision in the proposed development area provides the opportunity to resolve a range of housing needs both market and affordable. Whilst the particular quantities, types and locations can, and should be, considered at the appropriate time, the relevance of a strong intermediate offer is of particular importance in a generally high value market where the gap between social rents and market provision in its various forms is wide. The potential to improve existing affordable housing as part of estate regeneration proposals on the Earls Court Regeneration Area offers the opportunity to broaden the overall affordable offer for the wider community and seek to provide a balance of accommodation types. This approach will allow an opportunity to introduce innovation in affordable tenures and secure an important supply of new affordable accommodation in line with the Mayor's recently released draft housing strategy.
- 4.7 On this basis, and given the scale of the proposed redevelopment of the Earls Court Regeneration Area, it is ideally placed to deliver a very significant residential provision in a range of different tenures. Such a proposal can offer the ability to rebalance the existing market by offering increased choice of accommodation across the different housing sectors market.
- 4.8 As stated above, it would be premature to identify type, tenure, mix and locations of accommodation within the wider site at this stage, these are matters which should be considered in light of master planning considerations and cross Borough working as part of the redevelopment of Earls Court Regeneration Area.
- 4.9 The breakdown of accommodation types their locations and tenure would be subsequently considered in light of the following considerations:
- Preparation of applicable Local Development Documents including joint Supplementary Planning Documents.
 - Master planning for the Regeneration Area and consideration of other policy objectives

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- Implications associated with the Estate Renewal proposals and associated consultations
 - Due regard for development viability and phasing
 - New provision which assists in redressing existing housing imbalances within the community.
 - Aspirations to secure a truly mixed income and sustainable community.

4.10 In this respect, the scheme will be well placed to meet evidenced needs in accordance with the policy framework. Further this will secure a diverse range of housing to a high standard that will harmonize with the local and wider regeneration benefits of the scheme aligning with the CS Strategic Objectives.

SECTION 5: CONCLUSIONS

- 5.1 It is appropriate that the Regeneration Area is afforded status as a strategic site within the allocated sites of RBKC. This reflects its scale, regeneration benefits and its significant role in meeting the evidenced demand for housing. The Regeneration Area has the ability to deliver a significant provision of high quality residential accommodation considerably in excess of that currently identified. The high demand and need for residential accommodation in both the sub region and Borough supports the potential for the overall scheme to deliver up to 10,000 new homes, with a minimum of around 1500 of these located within the area of RBKC.
- 5.2 The scale of the Earls Court Regeneration Area and the range of land uses which are incorporated require flexibility within the policy framework to ensure that an appropriate range of proposals can be subsequently considered. In respect of housing, the type, tenure, mix and location of properties should therefore be afforded a degree of flexibility to allow the scheme to remain responsive to needs, demand, viability and master planning considerations to secure a mixed income and tenure development to provide a sustainable overall new community.