

Conversion of an education building to residential apartment

Queensmere House,
49 Queen's Road,
East Grinstead,
West Sussex,
RH19 1BF

AFFORDABLE HOUSING STATEMENT

for

RH19 Estates Ltd

February 2024



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1.0 Introduction

- 1.1 This following report has been prepared on behalf of our client, RH19 Estates Ltd, an application for planning permission for the conversion of an education building into new residential apartments with associated parking.
- 1.2 The application seeks to deliver 24 high-quality residential apartments within Queensmere House, addressing the housing demands of East Grinstead. The client, RH19 Estates Ltd, envisions transforming the currently vacant building into a sustainable, well-designed living environment. The scheme includes a mix of one, two, and three-bedroom units, with enhancements to the building's façade and integration of sustainable features such as landscaping and energy-efficient systems.
- 1.3 The site is currently occupied by a vacant four-storey educational building, spans approximately 1573.5 sq m (0.157 hectares). It is located on Queen's Road, East Grinstead, a prime town-centre location with excellent transport links and proximity to shops and public services. The proposed redevelopment aligns with local planning policies and includes 24 residential apartments, modernising the existing structure while contributing to the town's housing stock.



Aerial photo: site identified in red.

2.0 The Scheme

- 2.1 The proposed scheme, for which a detailed planning application has been submitted, comprises the following:

3no. 1 bed 1 person Studio apartments
14no. 1 bed 2 person apartments
3no. 2 bed 3 person apartments
3no. 2 bed 4 person apartments
1no. 3 bed 5 person apartment

24no. apartments total

The scheme includes provisions for sustainability and accessibility, with a reduced 15no. off-street parking spaces to promote sustainable living in the town centre. Additionally, 24 secure cycle storage spaces will be provided.

3.0 Affordable housing requirements on new developments

- 3.1 Policy DP31 of the Mid Sussex District Plan states:

'The Council will seek:

- *the provision of a minimum of 30% on-site affordable housing for all residential developments providing 11 dwellings or more, or a maximum combined gross floorspace of more than 1,000m²;*
- *for residential developments in the High Weald Area of Outstanding Natural Beauty providing 6 –10 dwellings, a commuted payment towards off-site provision, equivalent to providing 30% on-site affordable housing;*
- *on sites where the most recent use has been affordable housing, as a minimum, the same number of affordable homes should be re-provided, in accordance with current mix and tenure requirements;*
- *a mix of tenure of affordable housing, normally approximately 75% social or affordable rented homes, with the remaining 25% for intermediate homes, unless the best available evidence supports a different mix; and*
- *free serviced land for the affordable housing.*

All affordable housing should be integrated with market housing and meet national technical standards for housing including 'optional requirements' set out in this District Plan (Policies DP27: Dwelling Space Standards; DP28: Accessibility and DP42: Water Infrastructure and the Water Environment); or any other such standard which supersedes these.

Proposals that do not meet these requirements will be refused unless significant clear evidence demonstrates to the Council's satisfaction that the site cannot support the required affordable housing from a viability and deliverability perspective. Viability should be set out in an independent viability assessment on terms agreed by the relevant parties, including the Council, and funded by the developer. This will involve an open book approach. The Council's approach to financial viability, alongside details on tenure mix and the provision of affordable housing will be set out in a Supplementary Planning Document.

The policy will be monitored and kept under review having regard to the Council's Housing Strategy and any changes to evidence of housing needs.'

3.2 Comments received during Pre-application meeting from the Council's Housing Enabling Team Manager, Helen Blackith.

'The applicant is proposing a development of 25 x 1 and 2 bed flats, which gives rise to a minimum on-site affordable housing requirement of 30% in accordance with District Plan Policy DP31. This equates to 8 affordable housing units since the resultant number of affordable housing units, if not a whole number, is rounded up to the next whole number as stated in the Affordable Housing SPD.

If provided on-site, the affordable housing would need to comprise 2 x 1B/2P Flats (approximately 30%) and 6 x 2B/4P Flats (approximately 70%) and would need to be split 25% First Homes (2 units) with a price cap after a minimum 30% discount of £250K and 75% Social Rent or Affordable Rent (6 units).

On site provision is always preferred but in this instance, due to the nature, design and proposed mix of the development, we would be prepared to accept a commuted sum of £488,000 towards the provision of off-site affordable housing units rather than on site affordable housing.

This sum has been calculated in accordance with the West Sussex Commuted Sum Review letter dated 11th March 2011, ie 2 x 1B/2P flats @ £55,000 per flat plus 6 x 2B/4P flats @ £63,000 per flat = £ 488,000. This sum would be secured via the section 106 agreement and would be payable prior to Commencement of the Development.

4.0 Viability Assessment

4.1 The client has employed Savils and Calford Seaden to provide a Viability Assessment and Cost Plan for the development. The conclusion of the Viability Assessment is stated below.

4.2 Savils appraised the proposed scheme to fully understand the economics of the development and to establish the maximum level of planning obligations, including affordable housing that the scheme can reasonably support.

A summary of Savils appraisal results for a scheme providing 100% Private Housing, is set out below. As the table shows, the proposals generate a viability deficit, without any BLV being included, based on the information as included.

Scheme providing 100% Private Housing

Target Profit on GDV	Site Value Benchmark	Residual Value
17.50%	£0	-£400,982

The results show that no further contribution to affordable housing on site or Payment in Lieu can be provided, Section 106 contributions of £125,000 have been included with the calculations, even though in doing so, the scheme is further underwater.

4.3 The client is happy to engage with the councils viability assessor and will fund the costs for them to check the report produced by Savils.