

2 March 2018

Mayor of London
Greater London Authority

Via Email Only:

londonplan@london.gov.uk

Dear Sir / Madam

**DRAFT NEW LONDON PLAN - POLICY H15
REPRESENTATIONS ON BEHALF WESTBOURNE CAPITAL PARTNERS AND AURIENS**

We have been instructed by our client, Westbourne Capital Partners and Auriens, to make representations on the draft London Plan and in particular draft **Policy H15 Specialist older persons housing**. Westbourne Capital Partners have also made representations on Policy H18 Large-scale purpose-built shared living. Please accept this letter as a formal response to the consultation of the draft London Plan and keep us informed on the progress of the consultation process.

Westbourne Capital Partners and Auriens

Westbourne Capital Partners and Auriens were set up to be providers of older persons accommodation in London. They recognise the challenges that older people are facing in the current housing market - the worry of maintaining dwellings that may no longer be fit for purpose or suitable for their advancing years and/or failing health - the pressure of securing suitable care to meet their individual requirements - and the genuine lack of fit for purpose accommodation where their care and wider needs can be suitably accommodated. It is Westbourne Capital Partners and Auriens vision to provide communities of the highest quality, which are thoughtfully designed for older people, and where the ultimate in care and services can be provided at any time and for any length of time.

Westbourne Capital Partners and Auriens primarily align themselves with 'extra care,' but place great weight on the provision of on-site care, services, communal facilities and community. Westbourne Capital Partners and Auriens have invested in the provision of care within their developments by acquiring a London based care agency, Draycott Nursing and Care, as well as on-site services and facilities by partnering with London based resident management companies such as Rhodium Residence Management. Their 'extra care' developments comprise self-contained accommodation, are intended for older persons who are in need of care, provide 24

hour on-site nursing care, provide a wide range of on-site communal and wellbeing facilities, provide an extensive on-site service offering and will require a full team of on-site employees. The intention is not for their developments to feel 'institutional,' rather to provide a community for older people which is underpinned by on-site care, services, communal and wellbeing facilities.

Strategic need for older persons accommodation

As set out above, Westbourne Capital Partners/Auriens recognise the pressing need to provide specialist older persons accommodation in London. This need is widely acknowledged in national, regional and local planning policy and guidance.

The pressure of delivering sufficient amounts of new housing, including purpose built accommodation for older people, across the UK is well documented. The national need for older persons' accommodation is documented in reports such as:

- Housing our Ageing Population: Plan for Implementation, prepared by an All Party Parliamentary Group on Housing and Care for Older People (published November 2012);
- The Top of the Ladder, prepared by Demos (published 2013);
- Housing Our Ageing Population: Panel for Innovation ("HAPPI"), prepared by a Cross Party Panel for Communities and Local Government, the Department of Health and the Homes and Communities Agency (published 2009).

These reports find that there is a chronic undersupply of fit for purpose housing for older people in the UK. Despite the over 60 years old population making up approximately 22% of the UK's overall population, retirement properties in the UK equate to just 2% of the UK's housing stock.

The demand for accommodation for older people housing is only set to increase. For example:

- The population aged 85 and over is projected to rise more than fivefold from 1.57 million in 2016 (2.4% of the population) to 5.75 million (7.1% of the population) in 2066.
- By 2038, the 65-69 age group is projected to grow by 15%, the 70-74 age group by 44%, the 75-79% age group by 63%, the 85-89 age group by 89%, the 90-94 age group by 162% and the 95- 99 age group by 216%.

The growing demand is leading to a shortage of care home beds in the UK. For example:

- Research by Which? shows that there will be 42,000 fewer care home beds than are needed across the country, and that 87 per cent of areas will be short.
- The total shortfall is expected to rise from 9,807 next year to 18,832 in 2019 and 32,593 by 2021
- Around 20 local authorities will experience an increase in beds of 10% or more, and around the same number will lose 10 per cent or more, the analysis suggests. Of the 14 areas which are expected to be short by 25% or more, half are in London.
- The care shortages are biggest for the most vulnerable older people with only 32% of local authorities reporting having enough nursing homes with specialist dementia support.

To support the ageing population, there is a growing recognition of a need to provide improved community services, which combine NHS clinical services and Local Authority social care at home. Westbourne Capital Partners and Auriens in partnership with Draycott Nursing and Care would like to provide this solution. The

NHS produced a five year strategy which was published at the end of 2014, this report acknowledges the need for an 'integrated care' solution. Integrated care combines NHS, GP and social care services to provide improved services for patients. The strategy refers to the success of 'integrated care pioneers' in Greenwich that have saved nearly £1m for the local authority and over 5% of community health expenditure. The integration of care services at this level could lead to a reduction in emergency admissions at local hospitals and stress on the NHS.

Westbourne Capital Partners and Auriens with Draycott Nursing and Care aim to provide accommodation which can reduce hospital visits and dependence on the NHS. The provision of on-site care will enable extra care residents to be treated on-site, rather than requiring visits or admission to health clinics and hospitals. Care on-site can be adapted and increased as required, and will allow for all health conditions to be cared for onsite, including end of life care. The on-site care team will be made up of trained healthcare professionals (matrons, nurses and carers) with considerable experience treating a range of care needs. This team will be able to deliver care to extra care residents as required, with care able to be adapted and increased as care needs evolve. Westbourne Capital Partners and Auriens intend to provide a full range of care provision, ultimately including end of life care. The wide range of care available at the extra care facilities allow this to be carried out discreetly and with dignity, to respect the wishes and privacy of the individual residents. This is considered to be fundamental to the design of the extra care facilities.

The National Planning Practice Guidance ("NPPG") addresses the need for older people's accommodation as part of the 'Housing and economic development needs assessment' guidance. There are several references to the need for housing for older persons including: Housing for older people – "The need to provide housing for older people is critical given the projected increase in the number of households aged 65 and over accounts for over half of the new households (Department for Communities and Local Government Household Projections 2013). The age profile of the population can be drawn from Census data. Projection of population and households by age group should also be used.

Plan makers will need to consider the size, location and quality of dwellings needed in the future for older people in order to allow them to live independently and safely in their own home for as long as possible, or to move to more suitable accommodation if they so wish. The future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered, enhanced sheltered, extra care, registered care) should be assessed and can be obtained from a number of online tool kits provided by the sector. The assessment should set out the level of need for residential institutions (Use Class C2). Many older people may not want or need specialist accommodation or care and may wish to stay or move to general housing that is already suitable, such as bungalows, or homes which can be adapted to meet a change in their needs. Local authorities should therefore identify particular types of general housing as part of their assessment."

The current London Plan recognises the need for this type of accommodating stating "*the Mayor has identified the growing and changing requirements for housing older people in London as one of the most important emerging planning issues for London. It is anticipated that between 2011 and 2036 'over 65s' could increase by 64% and 'over 90s' could grow in number by 89,000.*" The current London Plan sets out annual strategic targets for additional specialist housing for older people in every London Borough. The Further Alterations to the London Plan ("FALP") at Policy 3.8(e) supports increasing the provision of accommodation that meets the needs of older Londoners and in particular seeks an increase in private market provision. The FALP sets out Borough-level benchmarks for specialist accommodation for older people between 2015 and 2025 (Annexe 5), setting a benchmark of 100 units per annum for the RBKC, of which 60 units should be for private sale.

As such, it is agreed that there should be a specific policy relating to accommodation for elderly people and that this type of accommodation should be encouraged. It is noted that the draft policy states *“by 2029 the number of older person households (aged 65 and over) will have increased by 37 per cent, with households aged 75 and over (who are most likely to move into specialist older persons housing) increasing by 42 per cent. Appropriate accommodation is needed to meet the needs of older Londoners.”*

Extra care

There are a various published definitions for extra care including:

- Royal Town Planning Institute Good Practice Note 8: Extra Care Housing – *“Purpose-built accommodation in which varying amounts of care and support can be offered and where some services are shared.”*
- CQC – *“Purpose-built (or purpose adapted) single household accommodation that is owned or occupied under an occupancy agreement. The accommodation is in a building or campus of similar households specifically designed to facilitate the delivery of care to people, either now or when they need it in the future. These schemes are also known under other labels; for example ‘sheltered housing’ or ‘assisted living’, or ‘retirement homes.’”*
- OPHDG – *“Self-contained accommodation designated for older people in a setting where care and support can be provided as required from an on-site care provider.”*

Extra care as defined in the LaingBuisson’s Extra Care and Retirement Communities: UK Market Report (2016, 14th Edition) sets out the following characteristics.

- Extra care housing is self-contained – *“it has its own kitchen, bathroom and enough space to live in, behind its own front door. This is very important because living in self-contained accommodation helps to generate the attitude of independence that is a major aim and benefit of extra care housing. The goal is to avoid the dependency or institutionalisation that can arise when there is always someone available to do tasks for an older person. The principle behind providing care in extra care is that people should be helped only in those tasks that they cannot perform for themselves”.*
- Personal care is delivered flexibly by an on-site care team – *“Older people’s needs vary, generally increasing as they become older but fluctuating on a day-to-day basis as their health changes”.* Care should be flexible in line with each individual/household’s needs and care may range from minimal support to full nursing and personal care. Nursing and personal care should be provided by one on site care team.
- The cost of care depends on the time provided to the individual – Individual/household’s should only pay for the care and services that they need.
- Support is available on the premises 24 hours a day.
- Domestic care is available as required.
- A combination of communal facilities should be provided as part of the development.
- Up to three meals a day are available – Dining facilities are important for individuals/households who are unable to prepare meals for themselves and are also important for social interaction. However, some individuals/households may choose to eat within their own units.
- Extra care is a home for life and enables people to age in place – *“Extra care housing should be designed to be able to accommodate people who become very frail, and the aim is that personal care can be provided at very high levels of need and dependency. People should be able to remain*

in extra care housing ('age in place') well beyond the point where they would have had to leave dispersed homecare and been admitted to a care home or hospital".

- Extra care is owner occupied and offers security of tenure – In order to be a home for life, extra care housing residents must have security of tenure.

The delivery of extra care accommodation for older people can deliver a range of benefits. The benefits of extra care accommodation are widely recognised as set out in the LaingBuisson's Extra Care and Retirement Communities: UK Market Report (2016, 14th Edition):

- Care is delivered at a lower cost than retirement homes – as required rather than a set amount.
- The intensity of care can be adjusted – provides flexibility, care changes as per the individual/household's needs change.
- Individuals/households can remain in their homes – extra care can accommodate a wide range of needs including end of life care.
- Individuals/households moving to extra care housing can free up larger dwellings for use by families.
- Older people can live independently but as part of a community.
- Couples do not need to be separated.
- Care provided within an extra care development can provide reductions in hospital visits and dependency on the National Health Service.

To further elaborate a key point above, a greater provision of specialist extra care accommodation will free up family sized dwellings within the Borough – There are many residents in the London living in homes (including large family homes) that are not fit for purpose, accessible or able to support their care needs. The proposed extra care facility will offer these residents a new type of accommodation, which is high quality, fit for purpose and able to accommodate their care needs. The relocation of these residents into the proposed extra care facility would release housing, including family sized dwellings, back into the market.

It is considered that extra care can play a significant role in the provision of accommodation for elderly people in London and that the self-contained nature of this accommodation can have substantial benefits for the occupants and wider population. On this basis, it is considered that this form of older persons accommodation should be actively encouraged by the draft London Plan and in particular draft Policy H15.

Use classification

Draft Policy H15 classifies extra care as Class C3 and identifies criteria for both Class C2 and C3 older persons accommodation.

It is not considered that it is the role of planning policy to dictate how uses are classified into use classes, rather, the classification of uses is a matter of law. On this basis, there is an objection to draft policy H15 classifying types of older persons accommodation into use classes.

Notwithstanding the above, Westbourne Capital Partners and Auriens object to draft policy H15 rigidly classifying older persons accommodation into use classes and in particular, extra care accommodation as Class C3. It is not considered that all extra care falls within Class C3 and each proposal for extra care should be classified in its own right in relation to the planning use classes order. In addition, this approach was endorsed in a very recent appeal decision (ref: APP/U1105/W/17/3177340) at the Knowle, Sidmouth, Devon. A copy of the Appeal is attached. In this case, the Inspector found given the level of care and extent of

communal facilities, that the scheme which provided 113 self-contained units, fell within use class c2. The criteria outlined in paragraph 4.15.3 does not reflect the use classes order and does not consider the varying nature of extra care products. For example, Westbourne Capital Partners and Auriens' extra care product, goes far beyond the Class C3 criteria identified in paragraph 4.15.3, and meets the majority of the Class C2 criteria. This is set out below.

The extra care product being brought forward by Westbourne Capital Partners and Auriens aligns itself with the C2 use criteria, rather than C3.

- Occupants with a range of care needs can be accommodated including low (2.5 hours per week), medium (2.5 to 15 hours per week) and high (15 hours per week) care categories. High care needs can include end of life care.
- Occupants are contracted in a care package equating to at least a low level of care following a health assessment with a trained healthcare professional. The trained healthcare professionals are required to determine that the occupants contracted into the care package are in need of care and would benefit from living within the extra care facility as a result of their age and health. Each occupant is required to pay a care charge which is in addition to a service charge.
- While the accommodation is self-contained, it also provides communal facilities and services which provide wider services for residents and allow them to socialise with other residents.
- All meals (breakfast, lunch and dinner) are available on site.
- A range of communal facilities are provided including reception, concierge, treatment rooms, gym/rehabilitation room, cinema, restaurant, accessible and vitality pools, sauna and steam room, communal and assisted WC facilities, mobility scooter storage, cycle storage and general storage. In addition to communal facilities a range of service areas are provided kitchen and service areas, nurse's stations, matron's offices, nursing staff welfare areas, medical and linen storage areas.
- Nursing and personal care is provided by an on-site care provider, and the extra care is managed by an estates team. Both care and services are provided on site 24 hours a day, 7 days a week.
- On-site staff areas including staff lounges and dining, changing rooms and WCs.
- All occupants are contracted into a care package following an initial needs test carried out by a trained healthcare professional.
- Nursing and personal care is provided 24 hours a day, 7 days a week. Further support services such as facilities management, domestic services, porter, security and valet services, and maintenance and gardening are also provided 24 hours a day, 7 days a week.
- There are registered matrons and/or nurses on duty within the proposed development 24 hours a day, 7 days a week.

The purpose built extra care homes are able to cater for a range of needs within the home as care needs evolve. The design of extra care facilities needs to move on from simple staying in inappropriate general housing to moving to an institutional care home for the last years of life. This is not considered to offer an element of choice for those who are no longer able to live in non-purpose built C3 accommodation.

Extra care homes can be specifically laid out and designed to accommodate the needs of older people including reduce mobility needs, cognitive, visual and hearing impairments. The aim is to provide accommodation that incorporates technology to promote wellbeing and to prevent and detect health conditions and falls – The latest care technology will be available to extra care residents for installation within each extra care unit. This includes pinpoint alarms, fall prevention and detection systems, call systems and thermal control and lighting systems.

It is a key priority of the Applicant to bring forward an extra care facility which does not feel institutional.

Rather, it is the intention of the operator to ensure the extra care facility provides a community for older people, which is underpinned by on-site care, services and communal and wellbeing facilities. Westbourne Capital Partners and Auriens incorporate the following design features into their facilities:

Designing for elderly people	
General	Handrails and dado rail shelves to at least one side of circulation routes.
	Easy to use ironmongery.
	Electrical sockets and switches located at an appropriate height.
	Colour schemes which use contrasting tones to highlight locations and features within the building.
Well considered bathrooms	Walk-in shower which can accommodate a wheelchair.
	Easily adaptable bathroom which can include a bath lift or shower seat.
	Anti-slip flooring.
	Bathroom sink unit at 800 – 850 mm high, with the ability to accommodate a wheelchair and safe to lean on.
	Mixer taps with lever or cross handles.
	Shower head rail which can double as a grab rail.
	Safety plugs for the sink and bath to avoid flooding.
	Automatic bath filling which will fill to the correct level and temperature.
	Sensory shower experience.
	Automatic washlet WCs.
Well considered kitchens	Corner base units with pull out carousel fittings.
	Glazed or open shelves for item identification.
	Drawer and cupboard pulls that are easy to grab.
	Tall fridge freezer rather than under counter.
	Smaller high level dishwasher with drawers.
	Top loading washer / dryer.
	Oven, hob and fridge freezer with sensors so avoid being left on or open.
	Sensor taps.
Comfort and security	Considered lighting plan e.g. colour options to replicate daylight, uplift mood or promote rest; low level sensor lighting which can be turned on by carers when entering at night; mix of overhead and wall lighting; all lighting to be dimmable.
	KNX system to allow for adaptable rooms e.g. moving sockets, switches etc.
	Entry phone system, lights, curtains, heating etc. that can be operated from where the resident is sitting e.g. from an iPad or via voice control.
	Panic alarms.

Research is continuing into detailed design features which will cater for specific user group needs. Examples of specific user group requirements are set out below:

Designing for residents with particular care needs	
Design for Loss of Mobility or Cognitive Abilities	Grab rails potentially concealed behind panels or as part of a dado rail.
	Easy to install hoist system which could be run from the bedroom to the bathroom.
	Higher level tables and seating at least 43 cm high with armrests.
	Stable furniture that isn't easily knocked over.
	Accessible doors that can be easily operated with one hand.
	Plug sockets at varying heights.
	Interactive artwork and visual stimulation.
	Easy, uncomplicated way finding.
Design for the Visually Impaired	A colour scheme with good contrast between the floors, walls and ceilings.
	Avoid glossy or shiny surfaces, particularly on floor coverings.
	Avoid highly patterned floors and worktops since it is harder to pick out objects against them.
	Ensure a contrast between doors and their handles.
Design for the Hard of Hearing	Ensure large spaces have a high acoustic absorbency to reduce echo.
	Install an induction loop system in all communal area.
	Ensure door bells, smoke alarms, carbon monoxide alarms etc. flash or vibrate.

As well as design features, the Client is currently testing a range of technologies which will aid the promotion of wellbeing and care for older people. The following care technology is currently being investigated and tested:

- Leak detection – Centrally monitored by nurses and Estate Management Team;
- Energy Metering of individual appliance– Centrally monitored by nurses to assess changes in behaviour e.g. making tea, use of fridge, oven left on, etc;
- Heat detectors – centrally monitored nurses to test for spikes in heat. E.g. pans being left on hob or kitchen fires;
- Access control for all apartments to allow nurses / doctors 24/7 access to apartments;
- Voice control for all appliances and systems;
- Motion / fall detection centrally monitored by nurses;
- Drowning detection for swimming pool;
- Bespoke nurse call systems

It is not considered that an extra care facility, with the level of care and additional services outlined above, can be prescriptively considered as a Class C3 use.

On this basis, it is considered that draft policy H15 should be amended to remove the classification of types of older persons accommodation into use classes. The classification of uses should be done on a case by case basis, in accordance with the use classes order. The economics of 'C2' extra care which provides significant

levels of care as well as a wide range of communal facilities, is very different from C3 development. We therefore do not consider it appropriate to require an affordable housing requirement as currently suggested in Policy H15.


Target

It is not considered that the target of 85 accurately reflects the need for specialist accommodation for older people in the Royal Borough of Kensington and Chelsea. The current London Plan identifies a need of 100 and there is no evidence that the demand for this type of accommodation has decreased.

Conclusion

Our clients would be grateful if the matters raised in this letter could be taken into account when completing the next stage of the London Plan and would welcome the opportunity to represent these views at the Examination in Public.

Yours sincerely

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2 March 2018

Mayor of London
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Dear Sir / Madam

DRAFT NEW LONDON PLAN - POLICY H18 REPRESENTATIONS ON BEHALF WESTBOURNE CAPITAL PARTNERS

These representation have been prepared by Savills, on behalf of our client Westbourne Capital Partner, with specific regard to **Policy H18 Large-scale purpose-built shared living**. Westbourne Capital Partners have also made representations on Policy H15 Specialist older persons housing. Please accept this letter as a formal response to the consultation of the draft London Plan and keep us informed on the progress of the consultation process.

General Support and Strategic Need

Westbourne Capital Partners strongly support the inclusion of Policy H18 'large scale purpose built shared living accommodation' (often known as co-living), which represents the first strategic policy targeting this form of accommodation. While Westbourne Capital Partners are generally supportive of Policy H18, the following comments and suggestions are made to assist with the formulation of an appropriate policy that is prepared to meet the objectives, principles of the NPPF. We are mindful that the NPPF is currently under review and reserve our position to modify these representations in light of any changes to the NPPF.

"Co-living" is a relatively new product in the UK, there is no formal planning definition, but is a concept focused on a sense of community and a lifestyle change. We believe this form of living should be actively encouraged across London. It should be viewed positively as an initiative form of accommodation, which offers an alternative to conventional residential C3 housing. The emergence of this form of accommodation can be largely attributed to the national housing crisis and the mind-set of millennials.

The housing crisis has resulted in a lack of affordable, high quality homes, affecting people across the UK but most notably in London. Rising house prices, soaring rent and a shortage of homes means that home ownership in the UK has become out of reach for the majority of millennials. This is demonstrated by the fact the proportion of households in the private rented sector in the UK is set to grow by 24% by 2021, which means that one in four will be renting rather than owner occupiers.

The growth in the private rented sector coupled with the growing housing crisis in the UK, is set to encourage the millennials to turn to alternative forms of living accommodation. Over the last decade, there has been identified growing number of people falling into the widening gap between social housing (ineligible) and home ownership (unaffordable). This gap largely comprises of first time buyers, with this group being nicknamed 'generation rent' or the squeezed middle. This form of accommodation specifically targets the demographic of circa 20-35, offering an alternative to shared C3 housing which currently forms the only realistic option for the majority in this increasing demographic group, who wish to live and work in London.

The co-living form of accommodation therefore has a two-fold approach in tackling the well-documented London housing crisis. It provides a suitable and desirable alternative form of accommodation which appeals to its target demographic, who have changing needs and who value home ownership less. It also has the effect of freeing up conventional, family housing. London has a clear need for family housing and a significant proportion of the current stock of family sized homes are being occupied by shared residents or on an informal basis.

The demographic co-living accommodation targets (circa 20-35) forms a key component of London's workforce. Westbourne Capital Partners consider housing this demographic to be vital to ensuring they continue to live and work in London, which in turn will enabling London's economy to continue to prosper and to remain competitive. If this issue is not addressed, London could be facing a workforce crisis as this group seek more viable alternatives, which could, and is likely to, involve moving out of London to Manchester, Birmingham etc. or in the worst case, out of the UK altogether. As such, housing this demographic should form a key aim of London's overall housing strategy. The inclusion of Policy H18 is welcomed as acknowledgement of this and is therefore strongly supported by Westbourne Capital Partners.

The draft London Plan states that this form of accommodation does contribute to London's housing targets. It is acknowledged that this forms of accommodation is not conventional C3 and the contribution ratio of 3:1 is considered appropriate. This is not set out within Policy H18, or supporting text to this policy. It is only acknowledged within the evidence base documents that support the draft plan and could / should from part of the policy text or supporting text, for emphasis or clarity. The contribution to housing targets, which have risen significantly by 53%, as set out within Policy H1, is likely to play a role in bring co-living schemes forward, and ascertaining support at borough level.

Policy examination

Section A of the policy, states:

*'Large-scale purpose-built shared living Sui Generis use developments, where of good quality and design, **may** have a role in meeting housing need in London if, at the neighbourhood level, the development contributes to a mixed and inclusive neighbourhood, and it meets all the following criteria:'*

The wording of this section of the policy, specifically the word '**may**', is not considered to accord with the NPPFs requirements surrounding plan making. The NPPF requires plan makers to plan positively and provide clarity on what decision makers must do. The effect of the inclusion of the work '**may**' has the effect of reducing certainty and is not considered to be a positive approach. It is requested that the working be changes to '**has**', to reflect these comments.

It is acknowledged that this form of accommodation is a relatively new product in the UK, and Westbourne Capital Partners welcome the definition and parameters being set within planning policy, for clarity and to promote this form of accommodation in a positive way as the NPPF requires. The policy criteria within Section A, Part 1 to 8 is seeking to do this. The following section provides comments on each criteria in turn.

1) *It meets an identified need*

It is considered that this criteria is unnecessary. The well documented and indisputable housing need across London, as set out within Policy H1's housing target figures, is considered to demonstrate a significant need

for increased housing provision, of all forms, including but not limited to co-living accommodation. It is considered that demonstrating need should not be the onus of the developer, it should be the function of the local plan, its evidence base and supporting documents to assess specific needs within each borough. Notwithstanding this, on an application by application basis demonstrating this need to a sufficient level which will be viewed as acceptable at the Borough level, could not only impose an unnecessary burden on the developer, but could also prevent proposals being brought forward.

- 2) *it is located in an area well-connected to local services and employment by walking, cycling and public transport, and its design does not contribute to car dependency*

Agree and support this criterion. However, policy provision should be made available for the inclusion of on-site vehicle parking, on large scale proposals of this kind for disabled residents.

- 3) *It is under single management*

Agree and support the criterion.

- 4) *its units are all for rent with minimum tenancy lengths of no less than three months*

Agree and support the criterion. The rental model is fundamental to the reasoning behind the growth of this form of accommodation and the issues it is seeking to address.

- 5) *communal facilities and services are provided that are sufficient to meet the requirements of the intended number of residents and include at least:*
- a) *convenient access to a communal kitchen*
 - b) *outside communal amenity space (roof terrace and/or garden)*
 - c) *internal communal amenity space (dining rooms, lounges)*
 - d) *laundry and drying facilities*
 - e) *a concierge*
 - f) *community management*
 - g) *bedding and linen changing and/or room cleaning services.*

The communal facilities and services are central to the co-living model and as a result this criteria is supported in principle. However, criteria g) is not considered to be in keeping with the other criteria, which are more general in nature. The requirement to provide bed linen changing and room cleaning services is not considered appropriate for a strategic planning policy. Notwithstanding this, it should be at the discretion of residents to want and accept such a service. It is requested that this criterion be removed from the policy, but if this criteria is considered essential, it is then requested that it be moved to the supporting text as guidance rather than policy text.

- 6) *the private units provide adequate functional living space and layout, and are demonstrably not C3 Use Class accommodation*

The provision of adequate functional living space and layout is strongly supported criteria and is welcomed.

The need for the accommodation to be demonstrably not C3 is objected to in principle, but is considered unnecessary because the use class of this kind of accommodation is established as Sui Generis as set out within Section A of this policy. Furthermore, it is considered that it is the role of planning policy to dictate how uses are classified into use classes, rather, the classification of uses is a matter of law.

- 7) *a management plan is provided with the application*

Agree and support the criterion.

- 8) *it delivers a cash in lieu contribution towards conventional C3 affordable housing. Boroughs should seek this contribution for the provision of new C3 off-site affordable housing as either an:*
- a) *upfront cash in lieu payment to the local authority, or*
 - b) *in perpetuity annual payment to the local authority*

“B In both cases developments are expected to provide a contribution that is equivalent to 35 per cent of the residential units to be provided at a discount of 50 per cent of the market rent. If a lower contribution is proposed the scheme will be subject to the Viability Tested Route set out in part E of Policy H6 Threshold approach to applications.”

Section A, Criterion 8 and Section B (stated above) of Policy H18 relate to affordable housing, which is dealt with separately below.

Affordable housing

Criteria 8 and Section B of Policy H18 require such schemes to provide cash in lieu contributions towards affordable housing, equivalent to 35% of the units at 50% of the market rate. Contributions can be made upfront or in annual payments in perpetuity.

Westbourne Capital Partners have strong reservations on this part of the policy, and the content within Paragraph 4.18.8, which as drafted would curtail the bringing forward of co-living products. Paragraph 4.18.8 states:

*“A borough can decide whether it would prefer the financial contribution as a single upfront payment for affordable housing (part A8a of Policy H18 Large-scale purpose-built shared living), which will be based on a 50 per cent discount to market value of 35 per cent of the units, or an ongoing in perpetuity payment linked to actual rental income (part A8b of Policy H18 Large-scale purpose-built shared living). The ongoing payment should be based on 50 per cent of rental income for 35 per cent of units for as long as the development is used for this form of accommodation. If these **affordable housing contribution requirements** are not met, the scheme will be considered under the Viability Tested Route in line with part E of Policy H6 Threshold approach to applications and the Mayor’s Affordable Housing and Viability SPG.”*

Westbourne Capital Partners do not dispute the need for affordable housing contribution in principle or the rate at which it is drafted, being based on equivalent to 35% of the units at 50% of the market rate for payments upfront. However, the method by which the perpetuity payment is calculated does not take into account void periods. The rate should be set at a discounted rate based on the capital sum of the annual income, to take into account of any void periods. Furthermore, the request for perpetuity payments, is not considered to be acceptable or akin to positive plan making. It is considered to be reasonable to impose a stop date, as is the current situation with PRS contributions which have a 15 year end date.

Notwithstanding the above, it should not be of the discretion of the borough to decide whether it would prefer the contribution upfront, or perpetuity payments. This should be at the developers discretion because such a clause, which is out of the control of developers adds risk and is likely to prevent proposals of the nature from coming forward as a result. It is requested that this be removed from the supporting text and developers be given discretion of the contribution method. The current wording of the policy is not considered to be positive plan making and does not therefore meet the NPPFs requirements for plan making.

The Plan also needs to provide for the possibility of discounted market rents on site as a mean of addressing the affordable contribution. An example would be to provide key worker accommodation on site at a discounted market rent. This has been a method previously done on existing co-living scheme in London. The Collective, Old Oak provided 82 bedspaces, 55 of which are to be let at no more than 90% of the market rent and 27 of which are to be let an no more than 80% of the market rent. The Discounted Market Rate Units (DMRU) are to be let to people who meet geographical and financial criteria. Market rent is defined as the average market rent for bedspaces (excluding DMRU) calculated over the preceding 12 month period on 1 January each year.



Welcome mayoral guidance

Paragraph 4.18.6 states that: *If deemed necessary, the Mayor will produce planning guidance, including space standards, for this form of accommodation.* Westbourne capital partners welcome further guidance on this form of product, and welcome the opportunity to take part in the formulation of this.

Conclusion

Our clients would be grateful if the matters raised in this letter could be taken into account when completing the next stage of the London Plan and would welcome the opportunity to represent these views at the Examination in Public.

Yours faithfully,



Harrison Thomas and Nick de Lotbiniere
Savills