

Proposed Submission Version Local Plan

PART A - About You

1. Please complete the following:

Please note the email address (if provided below) will be sent a full copy of the submitted response and a unique reference number.

Name of person completing the form: Ziyad Thomas

Email address: [REDACTED]

2. What type of respondent are you? Please select one option only.
If you are an agent please select the type of client you are representing.

A group or organisation

3. Please provide your contact details:

	Contact details
Organisation name (if applicable)	Churchill Retirement Living / McCarthy Stone
Agent name (if applicable)	Planning Issues Ltd.
Address 1	[REDACTED]
Address 2	-
Postal Town	[REDACTED]
Postcode	[REDACTED]
Telephone number	-

PART B - Representation Form 1

1. To which part of the Local Plan does this representation relate?

From the drop down list please select one option.

Plan as a whole

2. What does your comment relate to? Please select one option.

Both of the above

3. Do you consider the Draft Local Plan to be: Please select one option in each row.

	Yes	No
Legally Compliant		X
Sound		X
Compliant with the Duty to Co-operate		

4. If you have answered 'No' to any of the options in the above question then please give details in the box below of why you consider the Draft Local Plan is not legally compliant or is unsound or fails to comply with the duty to co-operate.

Please be as precise as possible.

Please see attached joint letter of representation from Churchill Retirement Living and McCarthy Stone and report entitled 'Review of Local Plan Viability Assessment for Sheltered & Extra Care Housing'.

6. Please set out what modification(s) you consider necessary to make the Draft Local Plan legally compliant or sound, having regard to the test you have identified above where this relates to soundness. (NB please note that any non-compliance with the duty to co-operate is incapable of modification at examination).

You will need to say why this modification will make the Local Plan legally compliant or sound. It would be helpful if you are able to put forward your suggested revised wording of any policy or text.

Please be as precise as possible.

Please see attached joint letter of representation from Churchill Retirement Living and McCarthy Stone and report entitled 'Review of Local Plan Viability Assessment for Sheltered & Extra Care Housing'.

7. If your representation is seeking a modification, do you consider it necessary to participate at the oral part of the examination? Please select one option.

Yes, I wish to participate at the oral examination

If you wish to participate at the oral part of the examination, please outline why you consider this to be necessary:

The evidence base underpinning the Local Plan, specifically the Whole Plan Viability Assessment, is not considered to be robust.

8. If you wish to upload documents to support your representation form then please select 'choose file' below. You can upload a max number of 2 files (up to 25MB each).

If you are submitting more than one representation form please note: If this file upload supports more than one representation form then please do not attempt to upload the same file on subsequent forms. On additional representation forms please use the comments/file description box to type in the 'name of the file', or 'see previous form'.

If the file upload is a different document for additional representation forms then please continue to upload the file as normal.

- File: Warrington Rep McCarthy Stone and Churchill.pdf - [REDACTED]
- File: Warrington Local Plan Viability Review.pdf - [REDACTED]

You have just completed a Representation Form for Plan as a whole.

Please select what you would you like to do now?

Submit response (I am a Developer / Landowner / Group / Organisation)

The Planning Bureau Limited

Bournemouth • Coventry • Hatfield • Manchester • Ringwood • Woking • York

Local Plan,
Planning Policy and Programmes,
Growth Directorate,
Warrington Borough Council,
East annexe,
Town Hall,
Sankey Street,
Warrington
WA1 1HU

5th November 2021

By email: [REDACTED]

Dear Sir/Madam,

McCARTHY STONE RETIREMENT LIFESTYLES LIMITED AND CHURCHILL RETIREMENT LIVING RESPONSE TO THE WARRINGTON LOCAL PLAN: PROPOSED SUBMISSION VERSION

McCarthy Stone and Churchill Retirement Living are independent and competing housebuilders specialising in sheltered housing for older people. Together, we are responsible for delivering approximately 90% of England's specialist owner-occupied retirement housing.

We respond to the questions of the consultation insofar as they impact the delivery of specialist accommodation for older persons. It is our view that the plan has not been positively prepared to meet the needs of the area's older population.

Policy DEV1: Housing Delivery

Policy DEV1 is not considered to be sound as it is not positively prepared, justified or consistent with national policy for the following reasons:

While the plan identifies housing for older person as a need this is not quantified by the plan or differentiated within Policy DEV1. Specialist older person's housing delivery should be monitored by the council and should be measured by both tenure and type to ensure the needs of Warrington's ageing population are both planned for and met over the plan period.

Paragraph 1 of the PPG Housing for Older and Disabled people states:

"The need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing. Offering older people, a better choice

of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. Therefore, an understanding of how the ageing population affects housing needs is something to be considered from the early stages of plan-making through to decision-taking”.

Paragraph: 001 Reference ID: 63-001-20190626

It is clear from the documentation including there is a critical need for specialist accommodation in the area that needs to be addressed through the Local Plan and, unless properly planned for, there is likely to be a serious shortfall in specialist accommodation for the older population, which will have a knock-on effect in meeting the housing needs of the whole Warrington area and wider policy objectives.

We would encourage a standalone policy that encourages the provision of specialist older persons’ housing and acknowledges the already identified need for such accommodation. While we appreciate that no one planning approach will be appropriate for all areas, an example policy is provided that, we hope, will provide a useful reference for the Council:

“The Council will encourage the provision of specialist housing for older people across all tenures in sustainable locations.

The Council aims to ensure that older people are able to secure and sustain independence in a home appropriate to their circumstances by providing appropriate housing choice, particularly retirement housing and Extra Care Housing/Housing with Care. The Council will, through the identification of sites, allowing for windfall developments, and / or granting of planning consents in sustainable locations, provide for the development of retirement accommodation, residential care homes, close care, Extra Care and assisted care housing and Continuing Care Retirement Communities.”

Policy DEV2: Meeting Housing Needs

Policy DEV2 is not considered to be sound as it is not justified or consistent with national policy for the following reasons:

The *Warrington Local Plan 2021 – 2038 (Regulation 19 Consultation)* is one of an alarmingly limited number of emerging Local Plans that is proposing differential affordable housing rate. This is, of itself, highly commendable and suggests a greater focus on viability at the Plan making stage.

The affordable housing targets set out in *Policy DEV2* are informed by the *Warrington Local Plan Viability Assessment (LPVA)* undertaken by BNP Paribas.

In assessing the LPVA we note that no viability appraisals were undertaken for specialist older persons’ housing typologies – namely Sheltered Housing and Extra Care accommodation. This is contrary to

both best practice and the typology approach detailed in Paragraph: 004 (Reference ID: 10-004-20190509) of the PPG which states that. *“A typology approach is a process plan-makers can follow to ensure that they are creating realistic, deliverable policies based on the type of sites that are likely to come forward for development over the plan period.”*

Mindful of the guidance in the PPG that is the responsibility of site owners and developers to engage in the Plan making process, McCarthy Stone and Churchill Retirement Living have undertaken financial viability appraisals for sheltered and extra care older persons’ housing typologies in this report to encourage dialogue with the Council. This report is entitled *‘Review of Local Plan Viability Assessment for Sheltered & Extra Care Housing’*.

All the scenarios tested result in substantial negative residual land value. The extent of the deficit is such that the existing framework of planning obligations places an unacceptable burden on specialist older persons’ housing in the area.

This is an inappropriate method for setting policy and creates unrealistic expectations for Council Officers and Council Members. It is wholly contrary to Paragraph 57 of the NPPF. The Local Plan is considered to be unsound on the grounds the affordable housing targets are not justified, positively prepared or effective.

The PPG however advises that *‘Different (affordable housing) requirements may be set for different types or location of site or types of development’* (Paragraph: 001 Reference ID: 10-001-20190509). We are strongly of the view that it would be more appropriate to set a nil affordable housing target for sheltered and extra care development, at the very least in urban areas.

To that end, we would like to draw the Council’s attention to Paragraph 5.3 of *Policy HP5: Provision of Affordable Housing* in the emerging Fareham Borough Local Plan which advises that:

5.33 ... The Viability Study concludes that affordable housing is not viable for older persons and specialist housing. Therefore, Policy HP5 does not apply to specialist housing or older persons housing.

A nil affordable housing rate could facilitate a step-change in the delivery of older person’s housing in the Borough, helping to meet the diverse housing needs of the elderly. The benefits of specialist older persons’ housing extend beyond the delivery of planning obligations as these forms of development contribute to the regeneration of town centres and assist Council’s by making savings on health and social care.

Policy ENV7 - Renewable and Low Carbon Energy Development

Policy ENV7 is not considered to be sound as it is not justified or consistent with national policy for the following reasons:

We would broadly agree with the requirements relating to fabric efficiency renewable energy and heating and cooling which are consistent with national policy.

The Council's commitment to meeting both its target of reducing carbon is commendable. Encouraging measures to reduce the energy usage in new development to be a pragmatic approach.

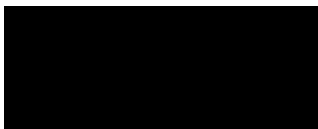
We would respectfully remind the Council that the PPG states that:

"The role for viability assessment is primarily at the plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan"

(Paragraph: 002 Reference ID: 10-002-20190509).

While we support measures to move development towards 'net zero' carbon emissions, the costs of energy saving measures will need to be robustly and proportionately accounted for in the Local Plan Viability Assessment and balanced against the planning obligations regime accordingly. Our buildings incorporate a 'fabric first' approach and are highly efficient in their construction techniques, which achieve significant reductions in energy output, often without the requirement for 'bolt on' solutions.

Yours sincerely,



Carla Fulgoni
Group Planning Manager



Registered Office: 

Registered in England. Registered No. 2207050. VAT No. 927579181.

REVIEW OF LOCAL PLAN VIABILITY ASSESSMENT

FOR SHELTERED & EXTRA CARE HOUSING

WARRINGTON BOROUGH COUNCIL
LOCAL PLAN 2021-2038 (REGULATION 19 CONSULTATION)

NOVEMBER 2021

Contents

1.	Introduction.....	1
1.2	Older Persons’ Housing Typologies	1
2.	Viability Appraisal Inputs	2
2.1	Introduction	2
2.2	Unit Sizes	2
2.3	Sales Values.....	2
2.4	Unit Mix	3
2.5	Base Build Cost.....	3
2.6	Sales Rate.....	3
2.7	Gross to Net.....	4
2.8	Benchmark Land Value	4
2.9	Profit.....	4
2.10	Empty Property Costs	4
2.11	Sales & Marketing Costs	5
2.12	CIL & s106 costs	5
	Comparison of Viability Input.....	6
3.	Results.....	7
3.1	Older Persons’ Housing Typologies	7
4.	Conclusion	7

1. Introduction

- 1.1.1 This supporting statement has been prepared on behalf of McCarthy Stone and Churchill Retirement Living, two independent and competing housebuilders specialising in housing for older people. Together, they are responsible for delivering approximately 90% of England’s specialist owner-occupied retirement housing.
- 1.1.2 In this statement we critically appraise the evidence underpinning the affordable housing targets detailed in *Policy DEV2: Meeting Housing Needs of the Warrington Local Plan 2021-2038 (Regulation 19 Consultation)* – namely the *Warrington Local Plan Viability Assessment (LPVA)* undertaken by BNP Paribas.
- 1.1.3 This Statement is a focused document underpinning our representations to *Warrington Local Plan 2021-2038 (Regulation 19 Consultation)* the consultation on *Policy DEV2*. In the interest of brevity, it does not comprehensively cover Government policy on viability in Plan preparation or detail the residual land appraisal methodology at length. These matters are comprehensively covered in the LPVA.

1.2 Older Persons’ Housing Typologies

- 1.2.1 The affordable housing targets set out in *Policy DEV2* are informed by the *Warrington Local Plan Viability Assessment (LPVA)* undertaken by BNP Paribas.
- 1.2.2 In assessing the LPVA we note that no viability appraisals were undertaken for specialist older persons’ housing typologies – namely Sheltered Housing and Extra Care accommodation. This is contrary to both best practice and the typology approach detailed in Paragraph: 004 (Reference ID: 10-004-20190509) of the PPG which states that. “A typology approach is a process plan-makers can follow to ensure that they are creating realistic, deliverable policies based on the type of sites that are likely to come forward for development over the plan period.”
- 1.2.3 As there is no evidence underpinning the affordable housing requirement for older persons’ housing in *Policy DEV2* the approach is clearly unsound.
- 1.2.4 Mindful of the guidance in the PPG that is the responsibility of site owners and developers to engage in the Plan making process, McCarthy Stone and Churchill Retirement Living have undertaken financial viability appraisals for sheltered and extra care older persons’ housing typologies in this report to encourage dialogue with the Council.

2. Viability Appraisal Inputs

2.1 Introduction

- 2.1.1 McCarthy Stone and Churchill Retirement Living have considered the inputs and assumptions used in the financial viability appraisals for older persons' housing in the *Warrington Local Plan Viability Assessment* (LPVA) undertaken by BNP Paribas. A summary table has been provided in the table entitled: *Comparison of Appraisal Inputs* on page 6 this report.
- 2.1.2 Many of the inputs used in our appraisal of Sheltered and Extra Care housing typologies align with the methodology detailed in the *Briefing Note on Viability Prepared for the Retirement Housing Group* (hereafter referred to as the RHG Briefing Note) by Three Dragons. Where they differ is clearly stated in this report.

2.2 Unit Sizes

- 2.2.1 Apartments for specialist older persons' housing tend to be larger than 'general needs' open market housing. The unit sizes used in our assessment are those recommended in the RHG Briefing Note.

RHG Briefing Note Recommended Unit Sizes

	1 bed	2 bed
Sheltered	50 m ²	75 m ²
Extra Care	65 m ²	80 m ²

2.3 Sales Values

- 2.3.1 There are no specialist older persons' housing developments in Warrington to use as a comparable. We have applied the RHG methodology for determining the sales values of older persons' housing which states:

'In medium and low value areas the price of a 1 bed sheltered property = approx. 75% of price of existing 3 bed semi-detached house. A 2-bed sheltered property = approx. 100% of price of existing 3 bed semi detached... Extra Care housing is 25% more expensive than sheltered'

- 2.3.2 Home.co.uk provides an overview of current house prices in Warrington. This advises that the median price for 3-bedroom properties is £232,500 and the median price for semi-detached properties is £227,500, with a mid-point of £230,000
- 2.3.3 Our sales values are detailed in the table below:

Older Persons' Housing Sales Values

	Unit size	Unit price	£psm
Sheltered 1bed	50	£172,500	£3,450
Sheltered 2 bed	75	£230,000	£3,066
Extra Care 1 bed	65	£230,000	£3,538
Extra Care 2 bed	80	£287,500	£3,593

2.4 Unit Mix

2.4.1 The RHG briefing note recommends a 60:40 split for 1bed:2 beds. We have used the recommended mix.

2.5 Base Build Cost


2.5.1 As per the guidance in the RHG Briefing Note we have applied the BCIS build costs for ‘supported housing’ in our financial viability appraisals for older persons’ housing. The LPVS advocates the use of the BCIS ‘Lower Quartile Build Costs. - the justification for this being that volume housebuilders are likely to be able to achieve significant savings on the BCIS rates due to economies of scale.

2.5.2 The respondents reject this premise as the purpose of Local Plan viability testing is not to deliver a planning obligations regime tailored to volume housebuilders. Furthermore, the LPVS was completed in late 2019 there has been a rapid increase in both material and labour costs for construction because of Brexit and the recovery of the economy after the pandemic since. BCIS costs have not kept up with the increase in build costs and in some instances the respondents are working to build costs higher than those of the BCIS Upper Quartile.

2.5.3 The respondents have based their appraisal on the October 2021 Median ‘generally’ BCIS rates for supported housing, re-based for Warrington which are £1,595 per m².

Excerpt from BCIS

£/m² study

Description: Rate per m² gross internal floor area for the building Cost including prelims. 

Last updated: 06-Nov-2021 00:44

At 4Q2021 prices (based on a Tender Price Index of 350) and UK mean location (Location index 100).

Maximum age of results:

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
843. Supported housing							
Generally (15)	1,710	872	1,443	1,595	1,846	3,480	132
Single storey (15)	1,980	1,225	1,581	1,707	2,095	3,480	17
2-storey (15)	1,717	872	1,447	1,577	1,916	3,064	40
3-storey (15)	1,568	874	1,421	1,509	1,727	2,331	47
4-storey or above (15)	1,764	1,074	1,419	1,629	1,806	3,375	25
843.1 Supported housing with shops, restaurants or the like (15)	1,633	1,052	1,386	1,561	1,714	2,753	31

2.6 Sales Rate

2.6.1 A rate of sale of one unit per month, as per the RHG’s best practice methodology, is considered by McCarthy Stone and Churchill Retirement Living to be, broadly speaking, an appropriate reflection of their sales rate nationally, albeit the rate of sale is lower presently.

2.7 Gross to Net

- 2.7.1 The RHG note stipulates a range of communal floor space between 20-30% of GIA for Sheltered and 35-40% of GIA for Extra Care.
- 2.7.2 McCarthy Stone & Churchill Retirement Living have however frequently disputed the range suggested by the RHG on this matter, contesting that a communal floorspace provision of under 25% is not representative of the sector. Our experience is that this percentage should be more than 25% of the proposed total area to cater for communal lounges, lodge manager office and guest rooms.
- 2.7.3 For Extra Care accommodation we would suggest that a minimum of 35% of GIA is allowed for non-saleable communal floorspace.

2.8 Benchmark Land Value

- 2.8.1 These types of development do not typically come forward on greenfield land and we have limited our viability appraisal to previously developed sites accordingly. The value attributed to brownfield land within a range of £370,000 to £865,000 per Gross Hectare, with a mid-point of £617,000 per Gross ha.
- 2.8.2 The corresponding BLV for a 0.5ha previously developed town centre site in Warrington is £308,750. This is a highly unlikely land value for a 0.5hectare site within 1 mile of a town or local centre based on the premise of existing use value plus 20%.
- 2.8.3 We note that this BLV for previously developed land is based on the *DCLG's 'Land Value Estimates for Policy' for office* and the LPVA does not reference any comparable transactional evidence. The respondents do not consider this to be a robust methodology for determining a BLV for previously developed sites.
- 2.8.4 We have however adopted BLV based on the guidance in the LPVS to facilitate better comparison with the other residential housing typologies tested. This does not however mean that we support the approach to land value taken the LPVTR and we may submit additional information on this matter in due course.

2.9 Profit

- 2.9.1 The *Local Plan Viability Study* allows for a 17% profit margin. This does not conform with the recommendations of the RHG Briefing note, but the Planning Inspectorate has also consistently concluded that an acceptable return for risk in respect of retirement living proposals is not less than 20% of gross development value. Examples include:
- McCarthy and Stone proposal at Redditch (Appeal Ref: 3166677)
 - Churchill Retirement Living proposal at Cheam (Appeal Ref: 3159137)
 - Churchill Retirement Living scheme at West Bridgford (Appeal Ref: 3229412)

2.10 Empty Property Costs

- 2.10.1 Empty property costs are a function of council tax payable on finished unsold and empty property as well as the service charge which must be paid owing to longer than average sales periods for this type of proposal.
- 2.10.2 The *Warrington Borough Council* website details how the Council has applied the Council Tax Empty Property Premium. This advises that properties that are unoccupied are not entitled to any discount. If a property should remain unoccupied for between 2 and 5 years, an additional premium of 100% will be payable until such a time as the property is reoccupied. For properties empty between 5 – 10 years an additional premium of 200% will be payable and for properties empty for over 10 years a premium of 300% will be applied.

2.10.3 Residents of specialist older persons' housing are also required to pay a service charge to pay for the upkeep of communal facilities and for staff costs. Service charges are higher for Extra Care accommodation because of the enhanced level of communal facilities and the increased staffing associated with on-site care. Staff and facilities need to be on-site and functional from when the first resident arrives and accordingly the companies subsidise the service charges of empty apartments while they are being sold. McCarthy Stone list their typical services charges on their website as follow:

McCarthy Stone – Typical Service Charge

	1 bed per week	2 bed per week
Sheltered	£48.93	£138.27
Extra Care	£73,36	£184.31

2.10.4 Empty property costs as a result of Council Tax and Service Charge payments are therefore a substantial cost for older persons' housing. We have applied Empty Property Costs of £3k per unit of sheltered housing unit and £5k per unit of Extra Care accommodation.

2.11 Sales & Marketing Costs

2.11.1 Sales and marketing allowances for specialist housing proposals for older people are widely acknowledged to differ substantially from mainstream housing. This is due to the restricted occupancy and longer than average sales periods often extending over several years.

2.11.2 Sales and marketing activities in respect of this type of proposal are considerably more intensive and long running than mainstream housing and necessitate a sustained campaign with permanent sales staff on site over the course of typically years rather than months for mainstream housing.

2.11.3 The RHG Briefing Note advises that "*Marketing costs are typically 6% of revenue compared with 3% of revenue for general needs houses and flats.*" This has been supported by an appeal decision in Redditch Appeal Ref: 3166677.

2.12 CIL & s106 costs

2.12.1 Warrington Borough Council does not have an adopted CIL Charging Schedule. S106 Contributions have been considered following a review of the Planning Obligations (January 2017) and the examples given in 4.2.10 of the LPVS. On that basis we have applied an allowance of £5,000 per unit for s106 contributions.

Comparison of Viability Input

	Sheltered Housing	Extra Care Accommodation
Sales Values	1bed - £3,450m ² 2 bed - £3,066m ²	1bed £3,538m ² 2bed £3,593m ²
Unit Size	1bed – 50 2 bed – 75	1bed – 65m ² 2 bed – 80m ²
Benchmark Land Values	Brownfield -£308,750	Brownfield -£308,750
Dwellings per hectare	120dph Brownfield	120dph Brownfield
Dwelling Mix	60% 1-bed 40% 2-beds	60% 1-bed 40% 2-beds
No. of units	60	60
Site size	0.5ha Brownfield	0.5ha Brownfield
Build Period	12 Months	12 Months
Sales Period	50 Months	50 Months
Base Build Costs	£1,590 per m ² .	£1,590 per m ² .
External Works	6%	6%
Contingency	5%	5%
Gross to Net saleable	30%	35%
Professional Fees	10% of base BCIS build costs	10% of base BCIS build costs
Finance Costs	6%	6%
Profit	20%	20%
Sales & Marketing	6%	6%
Empty Property Costs	£3k per unit	£5k per unit
S106	£5k per unit	£5k per unit
Part M4(2)	£924	£924
Part M4(3)	£7,908	£7,908
Energy Requirement	6%	6%

3. Results

3.1 Older Persons' Housing Typologies

- 3.1.1 The outputs of the viability appraisals for older persons' housing typologies are summarised below for ease of reference. This FVA does not include any affordable housing as part of the appraisal and is therefore undertaken on the basis of a 100% private proposal.
- 3.1.2 We have assessed both Sheltered and Extra Care typologies against the Benchmark Land Values for Brownfield sites (See Chapter 3.8 of this report). We have also assessed the impact of the three CIL charging zones for specialist older persons' housing in the Bracknell Charging Schedule on the appraisal.

Typology	Residual Land Value
Sheltered Brownfield	-£3,473,000
Extra Care Brownfield	-£4,054,751

- 3.1.3 All the scenarios tested result in substantial negative residual land value. The extent of the deficit is such that the existing framework of planning obligations places an unacceptable burden on specialist older persons' housing in the area.
- 3.1.4 Providers are already heavily reliant on factors that reduce the cost of development in order to bring specialist older persons' housing coming forward such as achieving efficiencies in the build cost or accepting a lower level of profit.
- 3.1.5 Both McCarthy Stone and Churchill Retirement Living have struggled to bring forward specialist older persons' housing within Warrington historically as we have been unable to make development viable. The Borough is however of interest to both companies and we would appreciate the opportunity to work with Council Officers to help facilitate the delivery of specialist older persons' housing

4. Conclusion

- 4.1.1 Specialist older persons' housing typologies were not tested at all in the LPTVR, which is atypical of viability evidence supporting emerging Local Plans in our experience and directly contrary to best practice. The affordable housing requirement for older persons' housing in *Policy DEV2: Meeting Housing Needs* is not evidence based. To that end McCarthy Stone & Churchill have provided viability appraisals for sheltered and extra care housing typologies which demonstrates that these forms of housing cannot support the planning obligations being mooted in the emerging Local Plan.
- 4.1.2 This is an inappropriate method for setting policy and creates unrealistic expectations for Council Officers and Council Members. It is wholly contrary to Paragraph 57 of the NPPF. The Local Plan is considered to be unsound on the grounds the affordable housing targets are not justified, positively prepared or effective.
- 4.1.3 The PPG however advises that '*Different (affordable housing) requirements may be set for different types or location of site or types of development*' (Paragraph: 001 Reference ID: 10-001-20190509). We are strongly of the view that it would be more appropriate to set a nil affordable housing target for sheltered and extra care development, at the very least in urban areas.
- 4.1.4 To that end, we would like to draw the Council's attention to Paragraph 5.33 of *Policy HP5: Provision of Affordable Housing* in the emerging Fareham Borough Local Plan which advises that:
- 5.33 ... *The Viability Study concludes that affordable housing is not viable for older persons and specialist housing. Therefore, Policy HP5 does not apply to specialist housing or older persons housing.*
- 4.1.5 A nil affordable housing rate could facilitate a step-change in the delivery of older person's housing in the Borough, helping to meet the diverse housing needs of the elderly. The benefits of specialist older persons' housing extend beyond the delivery of planning obligations as these forms of development contribute to the regeneration of town centres and assist Council's by making savings on health and social care.