



Job Number:	21.1622
Project:	Former Oakland Care Home, 130 Kenyon Lane, Manchester, M40 9HD
Client:	Tang and Associates Ltd on behalf of Risbridger Scott & Sons Ltd
Date:	27th September 2021

1. Introduction

Purpose of this Statement

- 1.1 This Affordable Housing Statement has been prepared by Paul Butler Associates Ltd on behalf of the applicant, Risbridger Scott & Sons Ltd. The statement is submitted in support of a planning application on land at the former Oakland Care Home, 130 Kenyon Lane, Manchester, M40 9HD (hereafter referred to as the site or the application site).
- 1.2 The application proposes the change of use of the existing care home to 20 x 2 bedroom and 4 x 1 bedroom residential apartments (Class C3). Overall 24 new residential units will be created.
- 1.3 The purpose of this statement is to consider the planning policies pertaining to affordable housing in the context of the proposed scheme, and to assess the ability of this development to support such contributions in addition to the significant social, economic and environmental benefits already associated with the proposed development.
- 1.4 The applicant's Project Team have carefully considered the deliverability of the project and implication of providing affordable housing contributions either on site or as part of a commuted sum payment.
- 1.5 It is evident within planning policy guidance that there are exceptions to the provision of affordable housing as part of a redevelopment scheme. This statement examines the local and national requirements for affordable housing contributions in the context of this proposed development.

Structure of this Statement

1.6 The remainder of this statement is structured as follows:

- Section 2 examines the national and local planning policy context relating to affordable housing.
- Section 3 provides an assessment of the potential requirement for affordable housing in the context of the significant benefits associated with the scheme and relevant viability considerations.
- Section 4 provides a summary and conclusions of the key considerations and the social, economic and environmental benefits associated with the scheme.



Above: Former Oakland Care Home, 130 Kenyon Lane, Manchester, M40 9HD is presently vacant and awaiting reuse.

2. Planning Policy Context

Introduction

- 2.1 Section 38 (6) of the Town and Country Planning Act 2004 states that applications for development should be determined in accordance with the adopted development plan unless material considerations indicate otherwise. In the case of Manchester City Council the adopted development plan consists of the Core Strategy (2012) and the saved policies of the Unitary Development Plan (1995). Due consideration in the determination of the application will also need to be afforded to national policies in the National Planning Policy Framework (NPPF) which represents a significant material consideration.
- 2.2 The local and national policy context relating to the delivery of affordable housing is set out in the following documents:
- Manchester City Council Core Strategy (2012).
 - Saved Policies of the Unitary Development Plan (1995).
 - Supplementary Planning Guidance: 'Providing for Housing Choice Supplementary Planning Document and Planning Guidance', adopted 2 September 2008.
 - National Planning Policy Framework (2021).
 - National Planning Practice Guidance.

MCC Core Strategy (2012)

- 2.3 Spatial Objective S03 'Housing' aims to *'Provide for a significant increase in high quality housing provision at sustainable locations throughout the City, to both address demographic needs and to support economic growth. The emphasis will be on providing a good range of high quality housing, (in terms of size, type, tenure, accessibility and price) including affordable housing across the City; to create sustainable lifetime neighbourhoods*

with high quality environments, good local facilities and with easy access to employment opportunities’.

2.4 Policy H8 ‘Affordable Housing’ states ‘*The following requirements for affordable housing or an equivalent financial contribution, as set out in Providing For Housing Choice, or any future published SPD and Planning Guidance, currently apply to all residential developments on sites of 0.3 hectares and above or where 15 or more units are proposed. These thresholds will be subject to amendment over the lifetime of the Core Strategy to reflect changing economic circumstances. The targets and thresholds will form part of supporting SPD and/or Planning Guidance:*

1. New development will contribute to the City-wide target for 20% of new housing provision to be affordable. Developers are expected to use the 20% target as a starting point for calculating affordable housing provision. It is envisaged that 5% of new housing provision will be social or affordable rented and 15% will be intermediate housing, delivering affordable home ownership options.

2. The proportion of affordable housing units will reflect the type and size of the development as a whole; and where appropriate provision will be made within Section 106 agreements to amend the proportion of affordable housing in light of changed economic conditions, subject to a financial viability assessment.

3. Affordable housing units will be inclusively designed to reflect the character of development on the site.

4. Either an exemption from providing affordable housing, or a lower proportion of affordable housing, a variation in the proportions of socially rented and intermediate housing, or a lower commuted sum, may be permitted where either a financial viability assessment is conducted and demonstrates that it is viable to deliver only a proportion of the affordable housing target of 20%; or where material considerations indicate that intermediate or social rented housing would be inappropriate. In the latter case, such circumstances could include:

- There is a very high level of affordable housing in the immediate area;*

- *There is either a high proportion of social rented (35%), or low house prices in the immediate area compared to average incomes;*
- *Affordable housing would be prejudicial to the diversification of the existing housing mix.*
- *The inclusion of affordable housing would prejudice the achievement of other important planning or regeneration objectives which are included within existing Strategic Regeneration Frameworks, planning frameworks or other Council approved programmes;*
- *It would financially undermine significant development proposals critical to economic growth within the City;*
- *The financial impact of the provision of affordable housing, combined with other planning obligations would affect scheme viability;*
- *There is a need for additional housing provision for older people or disabled people either as affordable or market housing dependent on the results of a financial viability assessment of the scheme.*

5. The Council will also consider the provision of affordable housing which is delivered by taking advantage of other equity based products in addition to those options identified in PPS 3.

The Glossary to the plan advises '*Affordable Housing - Includes housing for social and affordable rent and also intermediate housing (e.g. shared ownership). Households eligible for affordable housing are those who cannot afford open market housing*'. '*Affordable Rent*' is defined by the Glossary as – '*a rent set at 80% of the market rent in the local area*'.

2.5 In line with other land use policies within the plan, the focus will be on providing new housing through the effective and efficient use of previously developed land within accessible urban areas. Where there is less than a five years deliverable supply of land for housing, planning applications for new housing will be considered more favourably.

Supplementary Planning Guidance

- 2.6 'Providing for Housing Choice Supplementary Planning Document and Planning Guidance' Adopted 2nd September 2008. Elements of the guidance are superseded by Core Strategy policy and National Policy however the document remains a guide for developers. The document also provides guidance on viability. This sets out that where affordable housing contributions would affect the economic viability of the scheme to such an extent that it would be undeliverable, then a development appraisal / viability assessment will need to be submitted including sufficient evidence to justify a reduced level or no affordable housing contribution.

National Planning Policy Framework

- 2.7 NPPF Chapter 5 of the National Planning Policy Framework (NPPF) 'Delivering a sufficient supply of homes' sets out that planning policies should specify the type of affordable housing required and expect it to be met on-site unless: off-site provision or an appropriate financial contribution in lieu can be robustly justified; and the agreed approach contributes to the objective of creating mixed and balanced communities (paragraph 63).
- 2.8 Paragraph 64 of the NPPF states that affordable housing should only be sought on major developments, except in designated rural areas where a lower threshold may be applicable. Paragraph 64 goes on to introduce the vacant building credit with the intention of encouraging the re-use of brownfield land. The policy states: *'To support the reuse of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount'*. This reduction is the equivalent to the existing gross floorspace of the existing buildings. The credit does not apply to vacant buildings which have been abandoned.
- 2.9 In respect of planning obligations the national planning policy framework (NPPF) identifies that local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of planning conditions or planning obligations. It highlights that planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition (paragraph

55). The NPPF also restates the three statutory tests for planning obligations which are defined in the CIL Regulations (paragraph 57).

- 2.10 The NPPF sets out that where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment as part of the application. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case (paragraph 58).

National Planning Practice Guidance (NPPG)

- 2.11 The NPPG sets out 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.
- 2.12 The NPPG goes on to advise that it is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. (Paragraph: 002 Reference ID: 10-002-20190509)
- 2.13 The NPPG is clear that it is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.
- 2.14 Such circumstances could include for example, where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force (Paragraph: 007 Reference ID: 10-007-20190509).

Vacant Building Credit

- 2.15 The NPPG also provides specific guidance on the application of the vacant building credit, which is paraphrased below:

What is the process for determining the vacant building credit?

- 2.16 Where there is an overall increase in floorspace in the proposed development, the local planning authority should calculate the amount of affordable housing contributions required from the development as set out in their Local Plan. A 'credit' should then be applied which is the equivalent of the gross floorspace of any relevant vacant buildings being brought back into use or demolished as part of the scheme and deducted from the overall affordable housing contribution calculation. This will apply in calculating either the number of affordable housing units to be provided within the development or where an equivalent financial contribution is being provided.

Paragraph: 027 Reference ID: 23b-027-20190315

Does the vacant building credit apply to any vacant building being brought back into use?

- 2.17 The vacant building credit applies where the building has not been abandoned. The courts have held that, in deciding whether a use has been abandoned, account should be taken of all relevant circumstances, such as:
- the condition of the property;
 - the period of non-use;
 - whether there is an intervening use; and
 - any evidence regarding the owner's intention.
- 2.18 The NPPG is clear that the policy is intended to incentivise brownfield development, including the reuse or redevelopment of empty and redundant buildings. In considering how the vacant building credit should apply to a particular development, local planning authorities should have regard to the intention of national policy.

- 2.19 In doing so, it may be appropriate for authorities to consider: whether the building has been made vacant for the sole purposes of re-development; whether the building is covered by an extant or recently expired planning permission for the same or substantially the same development.

Paragraph: 028 Reference ID: 23b-028-20190315

3. Assessment

Introduction

- 3.1 It is a requirement of section 38(6) of the Town and Country Planning Act 2004 that where a development plan contains policies relevant to an application, the decision must be made in accordance with the development plan, unless material considerations indicate otherwise.
- 3.2 The statutory development plan therefore relating to the application site consists of the Manchester City Council Core Strategy and any relevant saved policies of the Unitary Development Plan. Material considerations relating to this application include the National Planning Policy Framework and Planning Practice Guidance and Supplementary Planning Document prepared by Manchester City Council.

The Development Proposals

- 3.3 The proposed mix of dwellings is as follows:

Conversion of Existing Building

20 x 2 bedroom residential apartments (Class C3)

4 x 1 bedroom residential apartments (Class C3)

Total Dwellings: 24

Applying the Vacant Building Credit

- 3.4 National Planning Policy and Practice Guidance provides an incentive for brownfield development on sites containing vacant buildings. Where a vacant building is brought back into any lawful use, or is to be demolished and replaced by a new building, the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought.

3.5 This credit is applied by taking the existing floorspace of a vacant building and crediting this against the floorspace of the new development.

3.6 The formula to calculate site affordable housing requirement is as follows:

*(Difference between proposed and existing floorspace / proposed floorspace) * policy requirement*

3.7 In this instance:

The gross existing floor space is 2029.2sqm

The proposed gross floor space is 2029.2sqm

The affordable housing requirement is 20% (equivalent to 5 dwellings).

Applying the vacant building credit the site wide affordable housing requirement for this scheme would be 0% (equivalent to 0 dwellings).

3.8 Having regard to the intention of national policy in promoting the development of brownfield land, it is not considered that there is any evidence of abandonment. Planning permission was granted for the erection of a two storey nursing home with new vehicular access to Kenyon Lane on 24 Feb 1994 (044541/FO/NORTH2/93) and the building is fairly recent in this regard.

3.9 The building history has been researched and it is clear it has not been abandoned. BestCareHome.co.uk list the building in 15/11/2009 as 'Oakland Care Centre (Moston)' and it is described as '*a large purpose built provision set in its own grounds and located in the North of the City. The home is owned by Southern Cross Health Care and is registered to offer accommodation to 54 older people. There are carparking facilities to the front and rear of the building and well maintained gardens with a seating area for residents and their visitors. There is a ramp to the homes main entrance and a passenger lift that enables access to all levels of the home. The home offers lounges and dining rooms on both floors. All bedrooms are for single use and have en-suite facilities. The home is equipped to meet the needs of those with mobility difficulties and who may require additional space*'. In October 2011 the home was listed by Quality Care Commission as Oakland Care Centre (Moston)

and run by Southern Cross Home Properties Limited. Oakland was subsequently listed in a release by MEN as being 'Inadequate' (17/02/2017). The care home is understood to have closed after a series of poor reports and since has likely remained closed without alternative use in the intervening period. The applicant has secured the building and boarded the windows whilst looking for an alternative use and has decided to pursue an application to convert the building for residential use. The property remains in a reasonable condition which would also prove that issues of abandonment are not relevant here.

Residual Planning Requirement and Viability

- 3.10 After the vacant building credit is taken into consideration, the residual affordable housing requirement for this site would be 0%.

- 3.11 Paragraph 006 and 007 of the NPPG Guidance on Viability states:

006 "Where up-to-date policies have set out the contributions expected from development, planning applications that fully comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage..."

007 "Such circumstances could include for, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example building to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force..."

- 3.12 The adopted Local Plan currently comprises the Manchester Core Strategy DPD (2012) and any relevant Saved Policies of the Manchester Unitary Development Plan Review (2009). The economic viability work which informed the Core Strategy policy likely predates 2012. This cannot be considered up to date and as such viability is a matter which needs to be considered on a case-by-case basis at the decision-making stage.

3.13 The planning application is accompanied by a viability appraisal prepared by Inn8vds. The report identifies that the expected level of profit associated with the scheme is approximately 10%. This represents a relatively low level of profit and demonstrates the marginal level of viability associated with the scheme. On this basis, the scheme is unable to support any affordable housing contributions due to the effect that this would have on the already marginal level of viability associated with the scheme.

Benefits of the Scheme

3.14 The delivery of 24 units on site will provide a number of benefits to the locality. The considered design process has resulted in a scheme where no significant impacts are identified. The proposals amount to the delivery of a well-designed attractive and successfully planned development. The benefits associated with the scheme are identified as follows:

- The bringing back into use of a presently vacant building which through its current vacancy detracts from the local environment.
- The redevelopment of a previously developed brownfield site with a scheme of good design quality.
- The retention and appropriate conversion of an existing local building, ensuring its continued use as part of the local housing stock.
- The delivery of a mix of good quality housing (4 apartment types) that will meet local needs and contribute to a mixed and sustainable community.
- Securing direct investment into the local community through the provision of jobs during the construction period and spending by future residents within the local area.
- Ensuring no adverse impact on the amenity of existing neighbouring residents, whilst the design will enable a good standard of living for future occupants.

4. Summary and Conclusions

- 4.1 This statement has considered national and local planning policy guidance on the provision of affordable housing as part of the proposed scheme.
- 4.2 It is evident within the guidance that there are various exceptions for a non / reduced provision of affordable housing and planning obligations, not least the impact that they can have on the viability and deliverability of a scheme.
- 4.3 The statement demonstrates that after the vacant building credit is applied to this site, the residual affordable housing requirement amounts to 0% (0 dwellings).
- 4.4 In accordance with national policy, it is necessary to consider the viability constraints associated with the site and this is contained within the appraisal prepared by Inn8vds. This identifies that the anticipated level of profit associated with the scheme is approximately 10%. This represents a relatively low level of profit and demonstrates the marginal level of viability associated with the scheme. On this basis it is not considered that the scheme can support the provision of planning contributions such as affordable housing and remain viable.
- 4.5 In considering the acceptability of the scheme there are a number of identified planning benefits which weigh heavily in favour of supporting the scheme. It is considered that the scheme constitutes 'sustainable development' and should therefore be approved without delay.