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| Response to LBTH Statement of Case in relation to Panda House (section 6.15) | |
| Date | 16 September 2020 |
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| SOC reference 6.15(a) | The Council indicates that the Demand Assessment & Market Analysis (DAMA) report fails to satisfy criteria 1.a. of policy D.H7 because it does not “fully address the borough’s housing needs for all types of housing, in particular, affordable housing”. The Council suggests that the report does not “justify how the proposed development will addresses the borough’s overall housing need”.  Policy D.H7: ‘Housing with shared facilities (houses in multiple occupation)’ states that new houses in multiple occupation will be supported where they meet an identified need. The DAMA demonstrates a need for shared HMO accommodation within the borough. The policy makes does not reference an assessment of need for houses in multiple occupation that requires this need to be placed in the context of ‘need’ for other types of housing or for a justification of this need to be made against the need for other types of housing.  Knight Frank was instructed to provide a bespoke analysis of the need for shared HMO accommodation within the borough and the report presents that analysis. It does not present a full assessment of housing need across the borough. In our view this is not required to demonstrate need against policy D.H7. |
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| SOC reference 6.15(b) | The Council indicates that the DAMA fails to take account of the recently approved shared living scheme at 765-785 Commercial Road (LBTH reference: PA/16/03657) for 134 number of rooms. At the time of writing the omitted scheme was not identified within Knight Frank’s own data as being a ‘shared living scheme’. The application of the scheme fell under a generic planning use category and was not captured as a specific ‘co-living’ scheme.  The Council is therefore right to point out this omission, however, its inclusion does not alter the demand/supply imbalance of shared living accommodation across the borough, as follows:  As of September 2020, there are 17 PRS schemes within Tower Hamlets that are currently under construction representing 8,119 units. An additional 19 PRS schemes have been granted detailed permission representing 2,592 units, a potential pipeline totalling 10,711 units. Of the total schemes identified within the pipeline only one is considered to be a co-living scheme – The Sailmakers at 765-785 Commercial Road (LBTH reference: PA/16/03657) for 134 units.  This updated position reduces the future shortfall of HMO and co-living bed spaces to 18,947 down from 19,081, representing a marginal reduction of less than 1%. As such, the conclusions made in the DAMA remain unchanged by the inclusion of the omitted pipeline scheme at 765-785 Commercial Road (LBTH reference: PA/16/03657). |
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| SOC reference 6.15(b) | The Council indicates that the DAMA fails to satisfy criteria 1.a. of policy D.H7 by failing to specify a need for shared living accommodation “in this location”.  The DAMA provides an assessment of the profile or both renters and the supply of rental accommodation at a local area catchment comprising a walk-time around the proposed scheme of 20 minutes. The analysis contained in the report is provided at the local catchment area where it is possible to do so. However, to make an assessment of how the profile of renters is likely to change in the future and therefore any future requirement of shared living accommodation, does require the use of data (from the GLA and English Housing Survey for example) that is not available at the ‘local’ catchment area level. Household projections data, for example, is only available at the Local Authority level for Tower Hamlets. It is therefore not practicable to make an assessment of future demand and or need for rental accommodation at the local area level. It is only possible to do this at the local authority level. It is important to acknowledge that the Greater London Authority (GLA) household projections also suggest that there is an increasing demand for HMO-style accommodation in the borough and that this analysis is presented at the borough level and not at specific, smaller geographic areas.  Furthermore, it is also likely that demand for the proposed scheme would come from a significantly wider area than just from those living within the local catchment area. It is therefore more appropriate to consider demand for the scheme at the local authority level. |
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| SOC reference 6.15(d) | The Council claims that the DAMA only assesses the need for rental accommodation required for up to 6 months only. This is not the case. The shortfall of shared living accommodation identified in the report does not depend on the distinction between short-term and long-term accommodation. The Council’s allegation that need has not been assessed for long term HMO use is erroneous.  The DAMA refers to the motivations of ‘Renters’ in deciding which accommodation to live in by drawing on the findings of Knight Frank’s latest Tenant Survey undertaken in 2019. The report indicates that renters are motivated by affordability, access to transport and employment opportunities, and that young renters increasingly require flexibility, which can be served by short-term rental accommodation. However, the DAMA assesses the need for rental accommodation for renters requiring accommodation at all tenancy periods.  Furthermore, there is no way to disaggregate the data used within the DAMA report to assess the demand for and/or shortfall of rental accommodation at different tenancy lengths and no attempt is made to do so. The Council has misinterpreted the assessment in this regard. |
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