

CONTEXT	Page	
4.1 Scope of Chapter	149	
4.6 Vision for the Future.....	149	
4.10 Objectives	150	
4.11 Strategy.....	150	
4.23 Current Issues.....	151	
 POLICIES AND PROPOSALS		
Policies for Housing		
H1 Housing Provision Target.....	154	
H2 Retention of Residential Accommodation	154	
H3 Housing Above Shops/Offices	154	
H4 Empty Office Buildings	155	
H5 Conversion/Redevelopment From Other Commercial Uses	156	
H6 Affordable Housing	156	
H7 Affordable Housing in New Residential Development.....	156	
H8 Affordable Housing: Achieving Mixed Communities	157	
H9 Affordable Housing: Retention	158	
H10 Mobility Housing.....	158	
H11 Wheelchair User Housing	158	
H12 Accommodation for Travellers	159	
 New Development		
H13 Promoting Quality in Housing.....	159	
H14 Promoting Choice in Housing.....	159	
H15 Housing Mix	160	
H16 Density	161	
H17 Housing Design and Layout	161	
 Use of Existing Housing Stock		
H18 Improving Private Housing.....	162	
H19 Large Family Houses	163	
H20 Conversion to Flats	163	
H21 Bedsits/Non Self-Contained Accommodation	164	
 Schedule of Proposals		165
Appendix H1: Assessment of Affordability	168	
Appendix H2: The Need for Affordable Housing in Newham.....	169	
Appendix H3: Definition of People in Housing Need.....	171	
Appendix H4: Calculation of Developers Contribution Towards Provision of Affordable Housing.....	172	
Map 1: Affordable Housing Activity	173	

SCOPE OF CHAPTER

- 4.1 Housing is the most extensive use of land in the Borough, accommodating Newham's population and dominating the local environment. The match between housing type and the needs of residents, the physical condition of the housing stock and the quality of the residential environment are all fundamental to the well-being of Newham's population. In 1997 Newham Council adopted an ambitious Vision for the future. At its heart was the objective 'to ensure that by the year 2010, Newham will be a major business location and a place where people will choose to live and work.' Housing will play an important role in achieving this objective through providing increased housing variety and choice and through improvement in the quality of the residential environment. The diversification and improvement of the housing stock will increase the quality of life for all Newham's population as well as achieving the Council's aim of attracting and retaining aspiring residents within the Borough.
- 4.2 Changes within the housing stock are considered to be an essential element in the creation of socially and economically sustainable communities - a vital part of the Council's Vision. By sustainable communities the Council means the development of cohesive and self-confident neighbourhoods with the capacity to support vulnerable and disadvantaged people; and neighbourhoods where we would expect to see improvements in educational attainment and increased aspirations, reductions in crime, falling unemployment, rising land and property values, greater capital investment and higher satisfaction ratings from the Council's surveys of residents and visitors, all as compared to the present.
- 4.3 This Chapter sets out planning policies for housing within the context of the Council's holistic regeneration strategy for the area. These reflect the Council's requirements for diversity, quality and innovation as well as identifying locations for new housing.
- 4.4 Over the lifetime of this Plan and beyond, the existing dwelling stock, comprising approximately 92,700 dwellings as at 2000, will continue to dominate the housing market in the Borough. The successful regeneration of the Borough is dependent on improvements to the quality of this stock and its environment; diversification of tenure within some areas; and a closer match between supply and residents needs and wants.
- 4.5 Planning policies for housing have been closely co-ordinated with the Council's 'Housing Strategy 1999-2010' produced by the Housing Department and revised annually. Planning has a major contribution to make to many aspects of that Strategy, in particular the type and location of new housing development, as well as the renewal of existing areas of housing. However, certain aspects of the housing strategy, including management and maintenance are outside the scope of this Plan. For further information on these elements please refer to the Council's current Housing Strategy Statement.

VISION FOR THE FUTURE

- 4.6 For the period June 1992 to the year 2006 there is sufficient land available in Newham to provide more than 8,300 new homes. New homes will be provided in a range of sizes, types and prices. At the start of this period, a significant proportion of these will be at a price local people can afford and will enable those currently homeless, living in overcrowded conditions, as well as newly forming households to gain access to secure accommodation of an acceptable standard. Increasingly however, over the Plan period good affordable housing will be provided by the improvement and better use of the existing housing stock and by the conversion of non-residential property. New housing will progressively be built to meet the needs of Newham's wealthier residents thereby securing a wider choice in the type and quality of housing in the Borough to support the Council's regeneration objectives.
- 4.7 Many of the new homes will be set in a unique waterside environment. They will satisfy residents' relaxation needs, whether it be in the form of gardens, communal green space, play space or water space. Support facilities, such as schools, shops and community meeting places, will be easily accessible. Much of the new housing will form part of mixed development schemes or Major Opportunity Zones giving life and vitality to new leisure, cultural and commercial centres.
- 4.8 A range of housing choice will be maintained in the existing older housing stock from the very large Victorian houses down to flat conversions. Areas of poor quality housing and poor environment will be systematically upgraded so as to improve their overall tone, appearance and desirability. Improvements to private housing will also come as house

values and local incomes rise and residents perceive Newham as a desirable place to live and worthy of long term investment.

- 4.9 In order to realise this vision, the Council has developed a set of objectives and a strategy which are detailed below. These, together with the assessment of current issues, have guided the formulation of policies contained in this Chapter.

OBJECTIVES

- 4.10 The Council's objectives for housing are as follows:

- a) to provide in excess of 8,300 additional housing units up to the year 2006 for local housing needs as well as contributing to London-wide needs;
- b) to seek a balance between the size and type of accommodation available and the needs of households in terms of their size and other specific requirements such as mobility and wheelchair user standard housing;
- c) to increase the range and quality of housing choice in the Borough in order to retain and attract aspiring residents;
- d) to create residential environments that are attractive, safe and healthy and encourage the development of sustainable communities;
- e) to ensure that all new housing is built to a high standard of design and with the provision of parking and garden space appropriate to the location;
- f) to ensure that major new housing developments have all the necessary support facilities, including transport, schools, health care facilities, shops, community meeting places, open space and childrens' play space; and
- g) to improve standards of fitness within the existing housing stock by the identification of opportunities for group repair, enveloping and redevelopment.

STRATEGY

- 4.11 The key to the achievement of these objectives lies in attracting new housing investment into the Borough. Private housebuilders and developers, housing associations, the Council itself, as well as local homeowners will all play their part in this. The Council will promote partnerships between the stakeholders in the Borough so as to achieve a wide range of housing type and price, mixed tenure and, where appropriate, mixed use.
- 4.12 Residential property values are low in Newham as compared to the rest of London. The 1995 Newham House Condition Survey identified 35% of the private sector housing stock as being in unsatisfactory condition. Investment in the private sector stock through a range of grants and group repair has so far failed to resolve this problem. In the Council's view, the key to sustainable investment in the private sector stock lies in achieving large increases in market value.
- 4.13 The Council's Housing Strategy (1999-2010) contains further details of how increased value is to be achieved within the residential communities. Planning policies will play their part through the identification of opportunities for mixed use 'anchor projects'; small-scale sites with redevelopment potential, 'Living Over the Shop' schemes; reusing vacant properties; opportunities for conversion from other uses, including shops, offices and other commercial premises; and the identification of areas for group repair and 'portfolio' enveloping schemes.
- 4.14 Whilst the condition of the Council's own stock of housing is relatively better than that in the private sector, there are issues of high maintenance costs and the need for future major capital investment. In order to secure investment in this stock, a locally focused approach will be adopted, which seeks to add and enhance value through mixed use and mixed tenure investment packages which make the most of available public and private finance.
- 4.15 The Council recognises the need to provide more housing over the Plan period to cater for the needs of Newham residents and the wider needs of London as a whole. Strategic Guidance for London Planning Authorities (RPG3) sets Newham a target of 8,300 additional dwellings to be provided between 1992 and 2006. This part alteration of the Plan updates the target for the period. Sites identified for housing which are likely to become available between 2006 and 2016 have also been included in the Housing Schedule and on the Proposals Map, but have not been incorporated in the target figure. The forthcoming full review of the UDP will contain the Borough's total housing capacity to 2016.

- 4.16 The current estimate for total housing provision between 1992 and 2006 is now 10,619. Of this 6,999 were completed as of December 2000. The total is broken down as follows:

Table 1

	Jan 1992 to June 1997	July 1997 to June 1998	July 1998 to December 1999	January 2000 to December 2000	January 2001 to December 2006	Totals
Large sites	3708	564	775	976	3167	9190
Small sites	300	55	64	52	342	813
Windfall sites	-	-	-	0	0	0
1. Conversions: Net gain (dwellings)	170	34	40	57	218	519
2. Conversions: Retail to Residential	-	6	9	11	51	77
3. Conversions: Office to Residential	-	-	24	154	513	691
4. Conversions: Live-work Units	-	-	-	-	296	296
TOTAL	4178	659	912	1250	4587	11,586
Demolition Net Loss	240	12	264	64	387	967
Total dwellings for period	3938	647	648	1186	4200	10,619

- 4.17 The 1997 Plan housing capacity figures have been revised to take account of changed circumstances. For example, housing proposals on the Stratford Rail Lands, East Ham Industrial Estate and Royal Victoria Dock (North side) have been omitted from the current estimate because development is unlikely to take place before the year 2006 or not at all. These three sites alone accounted for almost 2,000 units in the 1997 Plan's estimates. The omission of these sites from current estimates up to the year 2006 has been compensated for by the increase in the number of dwellings on previously identified sites, a number of new sites identified by a recent search for housing land and projected higher net gains from dwelling conversions. Further new sites for housing have been identified in the Plan but have not been included in the current capacity estimates, as they are unlikely to be developed before 2006. Experience shows that the housing capacity figures are susceptible to change and are heavily dependent upon the level of activity in the development industry, the release of allocated land by the private sector and the implementation of major infrastructure projects (most notably the International Passenger Station at Stratford). It is, therefore, necessary to regularly monitor and appropriately adjust these estimates.
- 4.18 The Council was successful between 1993 and 2000 in attracting significant housing association developments in the Borough. During this period some 3,001 new affordable homes were constructed, representing 51.6 per cent of all new homes provided. Whilst the Council intends to build on this success with a continued and widening involvement for housing associations, the future focus will be on providing new affordable housing through conversions and bringing back into use vacant or underused accommodation, thus contributing to the improvement of the existing residential neighbourhoods. Housing associations will be encouraged to redirect their resources to the type of activities referred to in paragraph 4.13 including acquisition and refurbishment of unfit properties and bringing vacant properties back into use - these may include shops, offices and other commercial premises. Housing associations will also continue to provide new build housing in the Borough, in appropriate locations as identified in Map 1, to meet housing need and to provide affordable social housing.
- 4.19 It is important that new dwellings are the right size to meet the needs of Newham's population and to contribute to the future flexibility of the housing stock. Whilst it is recognised that there will be an increasing demand for housing from small households, Newham is also home to significant numbers of large and extended families. Dwelling mix has

therefore been defined in the policies so as to ensure that families, particularly the larger ones, have access to housing of sufficient size, and that levels of overcrowding, which are of particular concern in Newham, can be reduced.

- 4.20 This requires that the best use is made of the existing housing stock. The shortage of houses with four bedrooms or more in the Borough requires that the Council restricts the subdivision of these and encourages refurbishment and/or re-conversion of poorly converted properties and substandard HMOs for the use of families. The demand for smaller units can more appropriately be met through conversion of appropriate redundant commercial space, especially above shops, and through new build.
- 4.21 Efforts will be made to reduce the level of vacancy. The Council has taken management measures to reduce vacancy levels to the lowest practicable in its own housing (2.7%), but vacancy rates in the housing association sector (5.7%) and the private sector (4.5%) are higher (Housing Strategy Statement, LBN 1997/8).
- 4.22 The Council is largely dependent on central government grant contributions and special funding achieved through targeted bidding to upgrade the local authority housing stock and will continue to pursue these opportunities whilst exploring the possibilities of raising private finances. Additionally, the Council will continue to work with private developers and housing associations to achieve improvements in the housing stock.

CURRENT ISSUES

- 4.23 The objectives and strategy outlined above will address the current land use implications of housing issues facing the Borough. These are detailed below.
- 4.24 The people of Newham face a range of housing problems including an overall shortage of affordable housing, an ageing housing stock, a privately owned sector where 35% of dwellings are in unsatisfactory condition and the under-funding of the Council's own stock of dwellings. Furthermore, the quality of Newham's living environment has largely failed to keep pace with its population's growing expectations and there are few opportunities for 'moving up' in the housing market for residents who have bettered themselves. They settle outside the area, with the consequential social and economic impoverishment of the Borough. These issues can only be effectively tackled through a holistic regeneration strategy for the Borough, where increased employment opportunities and economic prosperity play their role in improving housing conditions.

Housing Needs

- 4.25 The most acute demand for housing is expressed through homelessness. During 1998/99, the Council accepted 1,105 households as 'priority' homeless (as defined by the 1985 Housing Act). A further 1,182 'priority' households were living in temporary accommodation. The total numbers of households living in temporary accommodation in that year were 1639 (Housing Strategy Statement, LBN, 1997/8).

Affordability

- 4.26 A household's ability to obtain housing that is adequate for its needs does not only depend on there being a sufficient amount of housing, but also on whether there is housing suitable for their needs in terms of price.
- 4.27 In Newham the majority of households in housing need cannot afford to buy properties nor pay rents at market prices. This is despite the fact that Newham is one of the cheapest of all the London boroughs in which to buy a home. The London House Prices Bulletin supplied by LRC shows that in 2000 the average house price in Newham was £93,900 as compared to £191,300 for London as a whole. Even amongst those who have bought their home, the capacity for financing ongoing maintenance is very limited. The 1995 House Condition Survey indicated that two thirds of Newham's owner-occupiers had household incomes of less than £20,000 and a third had household incomes of less than £10,000.
- 4.28 Within the private rented sector, good quality self-contained accommodation is more expensive than owner-occupation. Renting is cheaper in a poor quality house in multiple occupation, but nevertheless still represents a significant proportion of the income of the (mainly young) people who occupy it. Most private rented housing has rents well above those of housing associations and the Council; and housing standards which are much poorer. The Borough's Housing Strategy is seeking to replace poor quality private renting with high quality housing association homes at affordable rents.

Overcrowding

- 4.29 According to the 1991 Census, almost 8% of Newham households live in overcrowded conditions, that is, those in accommodation having less than one habitable room per person. This figure conceals significant variations according to area, ethnicity and household size. The greatest concentrations of overcrowding occur in the central part of the Borough where, in Kensington and Monega Wards, almost 15% of households live in overcrowded conditions. Overcrowding is most prevalent amongst the Asian community, with 52% of Bangladeshi, 32% of Pakistani, and 19% of Indian households experiencing overcrowding. Households with six or more persons account for 62% of overcrowded households. The Borough's Housing Strategy is seeking to increase the supply of larger houses by deconverting poor quality flatted housing and HMOs in pre-1919 housing within the areas where overcrowding is most prevalent and where Newham's ethnic minority communities are most concentrated.

Special Housing Needs

- 4.30 Other specific housing requirements include wheelchair user housing. According to the 1991 Census figures, 28,200 Newham residents (13.3%) have a limiting long-term illness. The Newham Housing Survey (1995) estimated that 27% of Newham households (21,600) contain a household member who is disabled or chronically sick and about 1,900 Newham households (over 2%) contain a person who uses a wheelchair. Other special housing needs requirements are included in the Community Services Chapter.

Housing Stock

- 4.31 In 2000, Newham had a total of 92,700 dwellings. According to Newham House Condition Survey, 1995, these are provided as follows:

Council Rented	Housing Association	Private Rented	Owner Occupier
29%	9%	17%	45%

- 4.32 Newham's private sector consists largely of terraces of 2 and 3 bedroom houses built in the period 1880-1920. About 8000 dwellings are ex-Council and about 5000 are part of new large-scale housing developments, primarily in Beckton built in the 1980s and 1990s. According to a consultant's survey (Searchcast Consultancy Services) in Newham, in 1999, the proportion of unfit dwellings in owner occupied stock was 23% compared to the national average at 6%, whereas in the private or rented sector it was 34% compared to the national average at 19%. According to the Council's House Condition Survey (1995), 35% of the private stock was classified as unsatisfactory. The figure for unsatisfactory dwellings, although high, is a very significant improvement over the 57% found in the 1985 survey. The Council clearly contributed to this improvement through its Grants Programme, Renewal Areas and its focus on private sector improvement. According to the 1995 Survey the worst areas of unfitness were Kensington, Monega, Little Ilford and Manor Park wards. In the south of the Borough, where new developments predominate, levels of unfitness were generally lower.
- 4.33 Of the Council housing stock 86% was built after the war, 73% is in the form of flats, with high rise blocks accounting for over a fifth of the stock. Only 38% of family dwellings are houses, 17% of family dwellings are in tower blocks which are unsuitable for young children. There is a mismatch between current dwelling stock and the housing needs in the Borough. According to the 1995 Newham House Condition Survey just over half of this housing stock is in need of capital investment. The issues which need to be tackled are not only the physical deterioration of the stock but also security, community safety, noise and general improvement in appearance and desirability.

POLICIES FOR HOUSING

GENERAL POLICIES

Housing Provision Target

- 4.34 In accordance with Government advice to assess the capacity for additional dwelling provision over the Plan period, the Council estimates that approximately 10,619 additional dwellings will become available in the Borough between

1992 and 2006 (see Table 1). Details of residential development sites of over ten units are identified on the Proposals Map and in the Schedule of Proposals. A list of sites for under ten units which are suitable for residential development and windfall sites, which become available during the course of the Plan will be identified in Supplementary Planning Guidance which will be regularly reviewed.

POLICY H1: THE COUNCIL WILL AIM TO EXCEED THE TARGET OF 8,300 ADDITIONAL DWELLINGS BETWEEN 1992-2006.

Retention of Residential Accommodation

- 4.35 As the Council is seeking to meet the growing demand for new homes it is important that any loss of existing residential accommodation is minimised. Loss of homes should only be considered where the alternative can provide overriding benefit to the community. Such alternatives may include the development of a more balanced and sustainable community, healthcare premises and buildings for childcare (please also refer to policies CS9 and CS14).

POLICY H2: THE COUNCIL WILL RESIST THE LOSS OF RESIDENTIAL ACCOMMODATION. EXCEPTIONS WILL BE CONSIDERED WHERE THE ALTERNATIVE WILL PROVIDE AN OVERRIDING BENEFIT TO THE COMMUNITY, OR SERVE A SPECIFIC NEED AND PROVIDING IT DOES NOT HAVE ANY ADVERSE IMPACT ON THE SURROUNDING RESIDENTIAL ENVIRONMENT.

Vacant Properties

- 4.36 To make better use of the Borough's housing stock, it is essential that the Council uses all the powers available to it to return vacant dwellings to residential use. It is estimated that about 4.5% of privately owned dwellings are vacant ('Housing Strategy Statement', LBN, 1997/8). The corresponding figure in a consultant's survey (Searchcast Consultancy Services, 1999) is 3%. The Council's Empty Property Strategy was introduced in June 1997 to deal with the problem (For further information please refer to the current Housing Strategy Statement and Topic Documents).
- 4.37 The principal roads running through the Borough contain much unused accommodation on the upper floors. PPG3 recognises that there is considerable scope to bring such properties back into use. Newham Council will, through its 'Living Over the Shop' (LOTS) Programme, encourage the repair and upgrading of such properties to bring them into residential use. The Programme will initially be targeted on the main thoroughfares in the Borough. Complementary LOTS initiatives will be developed to support East Ham, Forest Gate, Green Street and Stratford town centres.
- 4.38 Where vacant accommodation above commercial premises is proposed for residential use, the Council will require that the accommodation is of a satisfactory standard; is self-contained; has an acceptable environment; and has a safe and secure access which is separate from the commercial use.

POLICY H3: THE USE OF VACANT UPPER FLOORS OF COMMERCIAL PROPERTIES FOR RESIDENTIAL ACCOMMODATION WILL BE ENCOURAGED THROUGH THE COUNCIL'S 'LIVING OVER THE SHOP' PROGRAMME. EFFORTS WILL BE CONCENTRATED ON THE MAJOR THOROUGHFARES AND TOWN CENTRES. PROPOSALS FOR RESIDENTIAL ACCOMMODATION ON UPPER FLOORS OF COMMERCIAL PROPERTIES SHOULD PROVIDE A SATISFACTORY LEVEL OF ACCOMMODATION BE SELF-CONTAINED AND INCLUDE SUITABLE SEPARATE ACCESS. PLANNING APPLICATIONS RELATING TO THE DEVELOPMENT OF SHOPS ON THE GROUND FLOOR WILL BE REQUIRED TO INCLUDE SELF-CONTAINMENT OF EXISTING RESIDENTIAL ACCOMMODATION WITHIN THE SAME PROPERTY.

Empty Office Buildings

- 4.39 Several office buildings in the Borough have remained vacant over a number of years. The take-up of this space in the future for office use is likely to be limited. In accordance with RPG3 and LPAC's guidance, the Council will encourage the reuse of appropriate redundant office buildings for housing, or for a mix of uses including housing. Such conversions can potentially not only make a contribution to housing demand, but also contribute to the regeneration of an area through an upgrading of the quality of the building; building in value to the premises; increasing spending power within the local economy; creating a diverse mix of uses in the neighbourhood; and making a positive contribution to community safety.

POLICY H4: THE COUNCIL WILL ENCOURAGE THE REUSE OF REDUNDANT OFFICE SPACE FOR HOUSING, OR FOR A MIX OF USES INCLUDING HOUSING WHERE:

- A) IT CAN BE SHOWN THAT THERE IS NO DEMAND FOR THE OFFICE SPACE;
- B) THE BUILDING CAN PROVIDE A SATISFACTORY LIVING ENVIRONMENT AND STANDARD OF ACCOMMODATION (SEE POLICY H17);
- C) PROPOSALS INCLUDE SATISFACTORY SERVICING AND PARKING PROVISION, APPROPRIATE TO THE TYPE OF ACCOMMODATION BEING OFFERED AND ITS LOCATION; AND
- D) THE PROPOSALS WILL CONTRIBUTE TO THE REGENERATION OF THE AREA THROUGH HIGH QUALITY REFURBISHMENT OF THE BUILDING AND IMPROVEMENTS TO ITS APPEARANCE.

- 4.40 The demand for office space will be judged on evidence of appropriate marketing of the premises, the level of office vacancy in the area and its suitability for modern office requirements.

Conversion/Redevelopment from Other Commercial Uses

- 4.41 There is further scope for reusing/redeveloping buildings which have been in a use for which there is no further demand. Within Newham this would apply in particular to shops and pubs outside the designated shopping centres and factories/warehouses outside the designated employment areas. The Council will encourage the conversion of such uses to residential where they can provide an acceptable standard of housing and where they do not conflict with other policies in this Plan, in particular relating to the retention of shopping and employment uses (see Policy H5).
- 4.42 Reuse of redundant buildings can make a contribution to improving the environmental quality of an area and to the Council's broader regeneration objectives. Where buildings have been vacant or in a marginal use for some time they will often be neglected and give the area a run-down appearance. The Council will actively seek to uplift the quality of an area by identifying groupings of buildings which have high levels of vacancy and/or suffer from neglect. Priorities for action will be on the main thoroughfares in the Borough, in particular Romford Road, Barking Road, Green Street and Katherine Road. Through Supplementary Planning Guidance, the Council will issue guidelines on the most appropriate form of action for each of the identified groupings. This could include conversion and refurbishment; group repair schemes; small-scale redevelopment; or larger mixed use 'anchor projects' which serve as a focus for an area.
- 4.43 In accordance with guidance given in RPG3, such conversions/redevelopments are particularly suitable to meet the needs of the growing number of small households. The Council will favourably consider proposals for innovative forms of living such as live/work units (further guidance is given in the Council's SPG Note on Live/Work) and loft apartments which cater for non-family households. Where these can demonstrate a high standard of design and a contribution to regeneration objectives, the Council will apply flexibly its standards on parking and amenity standards and dwelling mix.

POLICY H5: THE COUNCIL WILL ENCOURAGE THE CONVERSION OF OTHER REDUNDANT COMMERCIAL PREMISES SUCH AS SHOPS, PUBS, FACTORIES AND WAREHOUSES TO HOUSING WHERE:

- A) THIS DOES NOT CONFLICT WITH POLICIES SH1,8,9 AND 10 AND EMP1 AND 2 REGARDING LOSS OF THESE USES; AND
- B) A SATISFACTORY LIVING ENVIRONMENT AND STANDARD OF ACCOMMODATION IS PROVIDED.

THE COUNCIL MAY IDENTIFY GROUPS OF BUILDINGS ON THE BOROUGH'S MAJOR THOROUGHFARES WHICH ARE CONSIDERED SUITABLE FOR GROUP CONVERSION OR REDEVELOPMENT. IN THESE CASES SUPPLEMENTARY PLANNING GUIDANCE/ DEVELOPMENT BRIEFS WILL BE PRODUCED TO GIVE ADVICE ON THE MOST APPROPRIATE FORM OF DEVELOPMENT.

PROPOSALS WHICH CATER FOR THE NEEDS OF SMALL HOUSEHOLDS WILL BE ENCOURAGED, PARTICULARLY WHERE THESE ARE OF AN INNOVATIVE FORM, SUCH AS LIVE/WORK UNITS AND LOFT APARTMENTS. THE COUNCIL WILL FLEXIBLY APPLY ITS STANDARDS OF PARKING AND AMENITY SPACE AND ITS POLICY ON DWELLING MIX (POLICY H15) WHERE THE REGENERATION BENEFITS OF THESE PROPOSALS CAN BE DEMONSTRATED.

Affordable Housing

- 4.44 The provision of new housing is not in itself sufficient to deal with need because it is clear that there is a major problem for lower income sectors of the population in being able to afford to buy or rent acceptable accommodation. Access to local new build private developments is restricted by low or irregular incomes.
- 4.45 The Council has worked closely with housing associations and the Housing Corporation in recent years to increase the supply of affordable housing. Between April 1993 and 2000, 3,001 affordable new dwellings were built by housing associations. This accounted for 51.6% of all new housing development in the period. The Council is set to exceed its affordable housing target of 3,000 dwellings by 2001, having met this figure one year early.
- 4.46 In considering a target for affordable housing the Council has taken into account advice in PPG3 which states that 'A community's need for a mix of housing types, including affordable housing, is a material consideration which should be taken into account in formulating development plan policies... where there is a demonstrable lack of affordable housing to meet local needs... local plans and UDPs should include a policy for seeking affordable housing in suitable housing developments.' Appendix H2 gives an assessment of the need for affordable housing within Newham.
- 4.47 A revised boroughwide target for affordable housing in the period post 2001 has not been identified, as the conversion of properties and reuse of vacant and derelict properties will play an increasingly important role in meeting future local needs for affordable homes. This activity will be highly dependent on the level of Housing Corporation grant and funding achieved through private sector contributions and is not possible to assess at this stage. The Council will monitor these trends and update the target if necessary within the life of the Plan.
- 4.48 In the context of the housing market in Newham and given characteristics which determine housing need in the Borough, the Council defines affordable housing as 'housing which is available to people whose incomes are insufficient to enable them to afford adequate housing locally on the open market and where the rent or price is permanently reduced, directly or indirectly, by means of subsidy from the public, private or voluntary sector and which is provided or managed by a housing association, local authority or other organisation, including shared ownership'.
- 4.49 An assessment of affordability is provided in Appendix H1.

POLICY H6: THE COUNCIL WILL WORK WITH HOUSING ASSOCIATIONS AND PRIVATE DEVELOPERS FOR THE PURPOSE OF PROVIDING 3,000 AFFORDABLE HOUSING UNITS DURING THE PART OF THE PLAN PERIOD FROM APRIL 1993-MARCH 2001. IN THE PERIOD POST 2001, THE COUNCIL WILL CONTINUE TO WORK WITH ITS PARTNERS TO ACHIEVE AFFORDABLE HOUSING TO MEET THE BOROUGH'S NEEDS.

Affordable Housing in New Residential Development

- 4.50 Given the substantial direct public subsidy, in the form of Housing Corporation grants, towards the provision of affordable housing, the Council also expects private developers to make a contribution towards provision of affordable housing in Newham. The Council will seek to achieve this through negotiation with developers on housing schemes in excess of 15 dwellings or residential sites of 0.5 hectares or more, and by entering into and attaching conditions to planning permissions. As a guide for negotiations, the provision of one affordable housing unit for every three units will be sought, resulting in 25% of units if provided on site, or 33% or its equivalent if provided off-site (Please see Appendix 4 for further details). The precise scale of the contribution will vary from site to site, depending on site conditions, market conditions and other material considerations. In order to determine a fair contribution, the Council will seek that housing developers operate an open book policy. A contribution to affordable housing will be sought in the case of conversion of buildings from another use to housing, as well as for new build housing developments.

POLICY H7: TAKING INTO ACCOUNT LOCATION, MARKETING AND SITE CONDITIONS, PLANNING APPLICATIONS FOR RESIDENTIAL DEVELOPMENT WILL BE ASSESSED IN TERMS OF THEIR ABILITY TO PROVIDE AFFORDABLE HOUSING WITH THE COUNCIL COMMITTED TO NEGOTIATION FOR AN ELEMENT OF AFFORDABLE HOUSING IN THE CASE OF ANY PRIVATE HOUSING DEVELOPMENT PROPOSING THE CONSTRUCTION OF 15 OR MORE DWELLINGS OR ON SITES OF 0.5 HECTARES OR MORE.

Affordable Housing: Achieving Mixed and Balanced Communities

- 4.51 Reference to Appendix H2 shows that there is an overwhelming local need within the Borough for new affordable housing units. This is despite the existing large stock of social rented housing in the Borough (38% of the total housing stock) and the predominance of housing association activity in the housing market over recent years (almost 52% of new housing development in the Borough between 1993 and 2000). There are some parts of Newham which now contain very high concentrations of social rented housing. This has produced its own problems of concentrations of deprivation and an unwillingness on the part of the private sector to invest in such areas, since aggregate incomes are low.
- 4.52 The Council's Vision has, as an essential element, the creation of socially and economically sustainable communities. Government guidance, as stated in PPG3, is that 'Local planning authorities should encourage the development of mixed and balanced communities; they should ensure that new housing developments help to secure a better social mix by avoiding the creation of large areas of housing of similar characteristics.' Equally, it is the Council's view that where there are existing problems of an overconcentration of housing of a specific type or tenure, new housing developments can help to counter-balance this effect by the introduction of housing of different types and tenures and by the avoidance of further of the same.
- 4.53 Map 1 identifies those areas where the proportion of social rented housing is above the Borough average of 38%. In these areas, the Council will seek agreement with developers on the most appropriate way of providing affordable housing. This should reconcile the two objectives of a continuing supply of affordable housing Boroughwide, with the need to avoid further concentrations of social rented housing. In determining applications for housing on sites within these areas, the Council will be mindful of locally high concentrations of social rented housing, and where these are high will consider equity shared housing, discount sales or other types of arrangement, as considered appropriate, for the delivery of affordable housing. This is in accordance with para. 15 of Circular 06/98 which states 'Decisions about what affordable housing types to build should reflect local housing need and individual site suitability and be a matter for discussion and agreement between the parties involved.'
- 4.54 Where on particular sites the Council, in agreement with developers, considers that it would be preferable for the required element of affordable housing to be provided off-site, it will seek that the resulting affordable housing is directed to the borough's town centres, thoroughfares and central and north east Newham, as shown on Map 1. The types of schemes which are considered appropriate in these areas are also identified on Map 1.
- 4.55 In circumstances where an off-site contribution has been agreed between the Council and a developer, the contribution will be used to provide additional affordable housing units through conversion and through bringing back into use vacant and underused accommodation, in accordance with Circular 6/98 and PPG3. As for on-site provision, the cash equivalent of one affordable housing unit for every three units provided by the private sector will be used as a guide when negotiating off-site contributions with developers. It will be calculated by means of the formula in Appendix 4. However, the precise contribution will be determined in the context of housing developers operating an open book policy.

POLICY H8: WHERE THE PROVISION OF AN ELEMENT OF AFFORDABLE HOUSING ON A HOUSING DEVELOPMENT SITE IS CONSIDERED APPROPRIATE, WITHIN THE TERMS OF POLICY H7, BUT WHERE THE SITE FALLS WITHIN AN AREA WHICH HAS EXISTING HIGH CONCENTRATIONS OF SOCIAL RENTED HOUSING, AS IDENTIFIED ON MAP 1, THE COUNCIL WILL SEEK, IN AGREEMENT WITH DEVELOPERS, FOR THE AFFORDABLE HOUSING CONTRIBUTION TO BE PROVIDED IN A WAY WHICH ASSISTS IN SECURING A BETTER SOCIAL MIX WITHIN THAT LOCALITY. THIS MAY TAKE THE FORM OF EQUITY SHARING, DISCOUNT SALES OR OTHER TYPE OF ARRANGEMENT, AS CONSIDERED APPROPRIATE.

Affordable Housing: Retention

- 4.56 The Council needs to ensure that the benefits of affordable housing are passed on to future generations. This may be done through the involvement of an agency such as a housing association, a housing co-operative, or other social agencies in providing housing for rent or shared ownership. The agency's continuing interest in property will ensure control over subsequent changes in occupation. Where a private developer is involved, planning conditions and obligations may be used to ensure that the housing is used only by those in need of affordable housing. This approach is endorsed by PPG3 and the DETR's Circular 6/98 'Planning and Affordable Housing'.

POLICY H9: THE COUNCIL, WHERE APPROPRIATE, WILL SEEK TO ENSURE THROUGH PLANNING CONDITIONS AND LEGAL AGREEMENTS WITH DEVELOPERS THAT AFFORDABLE HOUSING IS ENJOYED BY SUCCESSIVE AS WELL AS INITIAL OCCUPIERS OF THE PROPERTY. THE COUNCIL WILL SEEK TO RESTRICT THE OCCUPATION OF AFFORDABLE HOUSING TO PEOPLE FALLING WITHIN CATEGORIES OF NEED AS DEFINED IN APPENDIX H3.

Mobility Housing

- 4.57 Disability, temporary or permanent, potentially affects everyone at some stage in their lives. The provision of mobility standard accommodation will help ensure that new housing contributes to meeting these needs and enables disabled people to live as independently as possible within the community. If an increasing proportion of the general housing stock is designed to a standard which makes this possible, it will allow disabled people more choice of housing and will make it increasingly unnecessary for people to move or restrict their visits to neighbours as they become less mobile, and will reduce public expenditure on costly adaptations if people become disabled.
- 4.58 Mobility housing is ordinary housing built to a basic standard so that it can be adapted to be lived in by most disabled people. Its cost of construction need not be greatly different to ordinary housing. Although the internal layout of a building is not a matter controlled by the Town and Country Planning Acts, particular design features of housing designed to mobility standards may be desirable and convenient for any potential occupier and will assist disabled visitors, and people with push-chairs, prams and trolleys. Part M of the Building Regulations is applied to residential developments which are for the benefit of disabled people, who are visitors to the building, or who work in it. This however does not fully cover the mobility standards which are considered desirable for potential occupiers. For information on the criteria for mobility housing, please refer to SPG Note on 'Residential Planning Guidelines' or any SPG on housing that might supercede it.

POLICY H10: THE COUNCIL WILL NEGOTIATE WITH THE INTENTION OF SECURING THAT NEW HOUSES, GROUND FLOOR FLATS AND FLATS WITH LIFT ACCESS ARE BUILT AS FAR AS PRACTICAL TO MOBILITY HOUSING STANDARDS.

Wheelchair User Housing

- 4.59 The Newham Housing Survey (1995) estimated that 27% of Newham households (21,600) contain a member who is disabled or chronically sick. The survey also estimates that 1,900 Newham households contain a wheelchair user although only 300 households have a member who is permanently confined to a wheelchair. The criteria for mobility housing will meet the needs of many wheelchair users, but there will continue to be a requirement to build to full wheelchair standard. Further new build wheelchair user standard development by housing associations will take place over the Plan period, but this will not be sufficient to meet demand. As a significant proportion of new housing is private sector built, this sector must share responsibility for the provision of wheelchair user housing.
- 4.60 In view of the additional cost in providing wheelchair user standard accommodation, it is appropriate that the provision of such accommodation should only be considered on larger sites, for example, development of 25 or more dwellings, and only for a proportion of dwellings. However, smaller sites which are near to the shops and community services may be particularly suitable for such housing, and provision on such sites will be encouraged.
- 4.61 The policy will be applied flexibly and certain sites may be considered unsuitable because of gradient or isolation. Existing provision in an area will also be taken into account.
- 4.62 For criteria for wheelchair user standard accommodation please refer to SPG Note 'Residential Planning Guidelines', or any SPG on housing that might supercede it.

POLICY H11: WHERE THE COUNCIL CONSIDERS RESIDENTIAL LAND TO BE SUITED TO ACCOMMODATE DWELLINGS TO WHEELCHAIR USER HOUSING STANDARDS, IT WILL NEGOTIATE WITH THE INTENTION OF SECURING AN ELEMENT OF THE DEVELOPMENT TO THOSE STANDARDS.

Accommodation for Travellers

- 4.63 The Council currently operates one travellers' site within the Borough, at Clays Lane, E15. As part of the redevelopment of the Stratford Rail Lands, it will be necessary to relocate this site.

- 4.64 In order to assess proposals for an alternative site or for additional proposals put forward by other parties, such as travelling showpeople, the Council will take into consideration the criteria identified by Policy H12 below. This is in accordance with guidance in DoE Circular 1/94, 'Gypsy Sites and Planning', which states that local authorities make suitable locational and/or criteria-based policies against which to decide planning applications.

POLICY H12: PROPOSALS FOR TRAVELLERS' SITES WILL BE ASSESSED HAVING REGARD TO THE FOLLOWING MATTERS:

- A) PROXIMITY TO SHOPS, SCHOOLS AND OTHER FACILITIES;
- B) VISUAL IMPACT OF THE SCHEME AND ANY PROPOSALS TO MITIGATE IT;
- C) EFFECTS ON THE AMENITY OF LOCAL RESIDENTS, PARTICULARLY IN RELATION TO NOISE;
- D) TRAFFIC IMPLICATIONS, PARTICULARLY IN RELATION TO PROPOSALS FOR ACCOMMODATION FOR TRAVELLING SHOWPEOPLE; AND
- E) IMPLICATIONS FOR THE REGENERATION OF THE LOCAL AREA, BEARING IN MIND ANY REDEVELOPMENT PROPOSALS.

NEW DEVELOPMENT

Promoting Quality and Choice in Housing

- 4.65 At the core of the Council's Vision is the aim of making Newham a more attractive place with a good quality built environment and a place where people will choose to live, work, visit and invest in. New housing development can make a vital contribution to these objectives by raising the standard of building design in the Borough. The Council will work with developers to achieve a higher standard of design in all new housing developments in the Borough. In accordance with advice given in 'Housing Layouts - Lifting the Quality' (DETR, POS, HBF, 1998) the Council will seek to produce 'concept statements' for larger sites prior to development proposals coming forward, so as to establish design objectives at an early stage. The Council will encourage innovative design and, where proposals can be shown to provide overriding benefits, will apply its normal standards flexibly.

POLICY H13: ALL PROPOSALS FOR NEW HOUSING DEVELOPMENT WILL BE ASSESSED IN TERMS OF THE QUALITY OF THEIR DESIGN, TAKING INTO ACCOUNT THEIR CONTEXT FORM, FUNCTION AND MATERIALS.

FOR LARGE NEW HOUSING DEVELOPMENTS (40 UNITS AND OVER), THE COUNCIL WILL ENCOURAGE INNOVATIVE DESIGN FORMS AND CONCEPTS. DESIGN COMPETITIONS AND DEMONSTRATION PROJECTS MAY BE INTRODUCED TO ASSIST IN THE ATTAINMENT OF THIS OBJECTIVE.

IN CASES WHERE A HOUSING PROPOSAL DEMONSTRATES OUTSTANDING BENEFITS IN TERMS OF ITS CONCEPT DESIGN AND CONTRIBUTION TO THE COUNCIL'S REGENERATION OBJECTIVES, THE COUNCIL WILL, WHERE POSSIBLE, ACCEPT SOME RELAXATION IN ITS NORMAL STANDARDS OF DENSITY, PARKING AND AMENITY SPACE.

- 4.66 New housing development can also make a contribution to the Council's Vision by extending the range of housing choice in the Borough. The Council aims to create the conditions and opportunities to retain those residents who have become prosperous and under present circumstances move out of the Borough, as well as attracting aspiring residents from outside the Borough. Currently, Newham lacks the range to enable residents to move up the housing ladder.
- 4.67 The Plan identifies a number of very attractive locations for housing development, including several overlooking water. Combined with Newham's excellent existing and proposed transport network, Newham has the potential to appeal to a much broader range of income bands than is currently the case. Where the location merits it, the Council will encourage developers to provide housing at the upper ranges of the scale in terms of size, quality and price, so as to extend the range currently available.

POLICY H14: THE COUNCIL WILL ENCOURAGE PROPOSALS FOR NEW HOUSING DEVELOPMENT THAT EXTEND THE RANGE OF HOUSING CHOICE IN THE BOROUGH. IN PARTICULAR, ON SITES WHICH HAVE THE POTENTIAL TO PROVIDE AN ATTRACTIVE ENVIRONMENT, THE COUNCIL WILL ENCOURAGE HOUSING AT

THE UPPER RANGES OF THE SCALE IN TERMS OF SIZE, QUALITY AND PRICE, TO REFLECT THE POTENTIAL OF THE SITE.

Housing Mix

- 4.68 PPG3 states that 'development plans should show how future housing requirements can best be met' and should take account of demographic developments.' Given the particular demographic profile of the Borough, the Council believes there is justification to operate a specific housing mix policy within Newham.
- 4.69 A mix of unit sizes is needed in the Borough to help ensure flexibility and movement within the housing stock and to meet existing and future household needs. The main objective of the Council's housing mix policy is to ensure that housing schemes of 40 units or more include an element of large family houses with four bedrooms or more. The demographic structure of the Borough continues to change. In common with regional trends, the proportion of small households is increasing. The proportion of single households under pension age at 16% in 1991 is, nevertheless, significantly lower than the 1991 Inner London average of 25% (1991 Census).
- 4.70 Small studio flats (below 45 sq m) are one means of providing entry-level housing for newly formed households. (This does not include open-plan loft-style flats). However, the Council considers the provision of these should be limited. They are associated with relatively short periods of occupation and therefore do not contribute to building stable and secure communities. The role in the housing stock is limited to that of first step on the housing ladder.
- 4.71 Newham has a particular demand for large family houses. According to the ONS Newham's birth rate was the highest in the country throughout the 1980s and this trend has continued into the 1990s. Based on the results of the 1991 Census, Newham has the second highest level of households in Great Britain (8.1%) with at least three children under the age of sixteen. The 1991 Census also revealed that 13% of the Borough's households comprised more than five people, almost double that of Inner London (7.1%). According to LRC projections (1997), whereas the average household size in Greater London was 2.35 in 1995, and 2.22 in Inner London, Newham's average household size was the highest in Greater London at 2.63. Large families and households are particularly common among Newham's ethnic minority communities, especially the Borough's Asian communities. Using the number of households containing three or more adults and one or more dependent child as a proxy, Newham has the second highest proportion of extended families (7.7%) in London. The high incidence of overcrowding amongst large households within the Borough, and the shortage of large houses within the existing housing stock require that additional provision is made. Large houses will also provide greater choice for people within the Borough who want to move up the housing ladder.
- 4.72 Despite the large existing stock of two and three bedroom housing units within the Borough (approximately 75% of the total), there will be a continuing need for the provision of this size of housing. Much of the existing stock is occupied by single person households and couples without children (82% of single person and 75% of two person households under-occupy) since people will generally buy as big as they can afford and housing is comparatively cheap in Newham (House Condition Survey (1995)). Demand will also continue to come from families.
- 4.73 Although the number of single person households within Newham has consistently been below the London average, the number of these households will continue to grow. By 2006 it is projected there will be 32,000 such households, accounting for 1 in 3 of the population (LRC Projection 1, 1998). The Council will encourage development of housing to meet the needs of this group in town centres, main thoroughfares, waterside developments and commercial conversions. An element of small units will also be encouraged in other developments of 40 or more units.
- 4.74 In addition to the above considerations, the Council considers it is desirable that larger residential developments in excess of 40 or more dwellings consist of a mix of family and non-family housing in order to encourage stable and balanced communities. Family housing is defined as dwellings comprising two or more bedrooms and normally including private garden space. No more than 10% of units should be provided as small studio flats. A wide variety of size and types of housing will be encouraged. At least 15% of units should be houses of four or more bedrooms.

POLICY H15: SUBJECT TO OTHER POLICIES IN THE PLAN, THE COUNCIL WILL PERMIT DEVELOPMENTS OF 40 OR MORE DWELLINGS WHICH PROVIDE A MIX OF DWELLING SIZES APPROPRIATE TO A SPECIFIC SITE, AS DETERMINED BY NEGOTIATION WITH A DEVELOPER, HAVING REGARD TO THE CHARACTERISTICS OF THE SITE, ITS RELATIONSHIP TO THE SURROUNDING AREA, THE NATURE OF THE DEVELOPMENT PROPOSED, AND MARKETING CONSIDERATIONS.

- 4.75 The local planning authority may consider exceptions to Policy H15 for development by housing associations and charitable housing trusts providing it can be demonstrated that they are meeting identified housing needs. Exceptions may also be considered for locations which are not considered suitable or appropriate for family housing. These may include town centres, main thoroughfares, waterside developments, commercial conversions, highly contaminated sites and sites with an external environment which is noisy and dirty and where the use of a garden might be unpleasant.

Density

- 4.76 In order to meet the Borough's need for more housing, it is important to make the best use of available land. However, this should not be at the expense of residential amenity and design quality. The densities set out in Policy H16 reflect a balance between these objectives and requirements for an acceptable living environment. Density will be only one of the considerations to be taken into account in providing an overall acceptable environment.
- 4.77 For some sites the size, setting or location of development may allow for design approaches at higher densities. Nonetheless there will still be a requirement to meet other criteria set out in the UDP and provide an overall acceptable environment (please refer to Policy H17). This may apply to Major Opportunity Zones, waterside locations, in or close to town centres and on major thoroughfares. In such cases the Council will take into account the quality of design, public transport accessibility and the range of facilities available locally.

POLICY H16: THE COUNCIL WILL REQUIRE DENSITIES FOR NEW RESIDENTIAL DEVELOPMENTS TO BE IN THE RANGE OF 175-250 HABITABLE ROOMS PER HECTARE. SCHEMES PREDOMINANTLY FOR FAMILY HOUSING SHOULD NOT EXCEED 212 HABITABLE ROOMS PER HECTARE. HIGHER DENSITIES WILL BE CONSIDERED IN A RANGE OF LOCATIONS WHERE A HIGH LEVEL OF PUBLIC TRANSPORT ACCESSIBILITY PERMITS REDUCED CAR PARKING PROVISION, WHERE LOCAL SHOPS AND SERVICES ARE ACCESSIBLE, AND WHERE AN EXCEPTIONALLY HIGH QUALITY ENVIRONMENT IS CREATED THROUGH GOOD DESIGN.

Housing Design and Layout

- 4.78 It is important that all forms of residential development, including extensions, provide a high quality of environment and design that is well related to the character of the area and neighbouring properties. Whilst the level of natural light received by a new development is principally a function of the Building Regulations, it is important to ensure that new development does not adversely affect the amenity enjoyed by existing residential properties by unacceptably reducing the level of natural light received or creating an unsightly outlook.
- 4.79 The residential environment may be one where women and other vulnerable groups are in fear of attack. Good design can help to reduce fear and incidence of crime. PPG1 recognises that standards for the design and layout of new development may be incorporated in plans so as to design out crime. (Further guidance is given in the Council's SPG Note 'Planning for Community Safety'). Design and layout can also create more opportunities for people to make contact with each other and thus contribute to the development of cohesive communities.
- 4.80 Housing development can also contribute to energy efficiency. PPG12 advises that plans should have particular regard to conservation of energy as an issue. It states that they may have an impact '..... through their influence on factors such as housing type, orientation and location'.
- 4.81 The design of new residential development should have regard to SPG Note 'Residential Planning Guidelines', or any SPG on housing that may supercede it, and SPG Note 'Altering and Extending Your Home'.

POLICY H17: PLANNING APPLICATIONS FOR NEW RESIDENTIAL DEVELOPMENT INCLUDING ALTERATIONS AND EXTENSIONS TO EXISTING DWELLINGS WILL BE ASSESSED WHERE APPROPRIATE IN TERMS OF:

- A) THE DESIGN AND RELATIONSHIP OF THE DEVELOPMENT TO THE CHARACTER OF THE SURROUNDING AREA;
- B) A SATISFACTORY LEVEL OF PRIVACY, OUTLOOK, AND NATURAL LIGHTING, APPROPRIATE PROVISION OF PRIVATE AMENITY SPACE AND THE PROVISION OF OFF-STREET PARKING AS AN INTEGRAL PART OF THE DEVELOPMENT;

- C) THE DESIGN AND LAYOUT OF THE SCHEME WITH REGARD TO COMMUNITY SAFETY AND COMMUNITY COHESIVENESS;
- D) THE DESIGN AND LAYOUT OF THE SCHEME WITH REGARD TO ENERGY EFFICIENCY; AND
- E) THE EXTERNAL LAYOUT OF THE SCHEME WITH REGARD TO ENSURING PHYSICAL ACCESSIBILITY FOR ALL MEMBERS OF THE COMMUNITY.

4.82 New housing development of a significant size will generate additional demand for public open space and children's play facilities. In Newham, where the amount and distribution of these facilities is inadequate, additional provision may need to be made. Paragraphs 9.41-9.43 and 9.51-9.54 and Policies OS8 and OS12 in the Open Space and Outdoor Recreation Chapter cover these issues.

USE OF EXISTING HOUSING STOCK

Improving Private Housing

4.83 The 1989 Local Government and Housing Act introduced measures promoting extensive rehabilitation of the private sector housing stock. Under this legislation the condition of small pockets of substandard housing, and larger areas can be improved through 'group schemes' and within 'Renewal Areas'. Such areas will also provide a focus for housing association investment.

4.84 These programmes can concentrate public resources and encourage private investment in areas where high concentrations of unsatisfactory housing occur. The Council has carried out Neighbourhood Renewal Assessments and declared three Renewal Areas: Monega (ceased in December 2000); Plashet; and Chesterton/Helena (Proposal Nos. h8 and h9). In carrying out such initiatives, the Council will have regard to the condition of properties, their layout, the houseowner's ability or willingness to improve their property, and the need and scope for local environmental improvement.

POLICY H18: THE COUNCIL WILL ENCOURAGE IMPROVEMENTS TO PRIVATE SECTOR HOUSING AND THE SURROUNDING ENVIRONMENT USING MECHANISMS SUCH AS THE RENEWAL AREA PROGRAMME AND THE GROUP REPAIR SCHEME. INITIATIVES WILL BE DETERMINED IN CONSULTATION WITH LOCAL RESIDENTS, SUBJECT TO PHYSICAL, SOCIAL, ENVIRONMENTAL AND ECONOMIC CONSIDERATIONS.

Large Family Houses

4.85 Newham has a small number of large houses. The 1991 Census showed that there were less than 5,000 with seven or more rooms (four or more bedrooms) in the Borough. This represented about 6% of the housing stock. The greatest concentrations of these are found in the north east and north central parts of the Borough, with very few in the south and west.

4.86 There are a number of competing demands on these houses. They include use as single dwelling houses by the high proportion of large and extended families in the Borough; multiple-occupation in the form of bedsits or for special needs housing; meeting places for smaller community groups; use for playgroups or day nurseries; and conversion into flats.

4.87 Equally, there are many large families in the owner-occupied sector who live in overcrowded conditions. The majority of these are Asian households, but also include African households (1991 Census). These households often want to stay within the locality near family, friends and community facilities, but reports from local estate agents show there are shortages of four and five bedroomed properties on the market, especially in the area where need is highest, that is in the north central and north eastern part of the Borough.

4.88 A high proportion of large houses are under-occupied, indicating that some people choose to have more space than their immediate needs require (67% of houses with seven or more rooms are occupied by households of four persons or less - 1991 Census). Under-occupation is likely to increase as some elements of society take the choice of having no children or a smaller number of children with a corresponding increase of disposable income.

4.89 The Council wishes Newham to be a place where local people and their children choose to live and stay. To achieve this objective, there must be the opportunity for people to improve their accommodation within the Borough. This

requires that the Borough maintains a stock of large and good quality housing to ensure local choice. The areas of older large family houses are, therefore, a scarce resource within the Borough which need protecting.

- 4.90 New development of houses with four or more bedrooms is unlikely to satisfy demand both from the large and extended families and the smaller households who choose to under-occupy. Moreover, many people have a preference for Victorian/Edwardian housing over modern housing. In order to ensure choice in size and age/style of housing, the Council considers it important to safeguard a significant proportion of the small number of existing older large houses in the Borough for use as single family dwellings.
- 4.91 It is acknowledged that the older large detached and semi-detached houses are particularly suitable for uses such as special needs housing and the provision of certain community facilities. However, due to the scarcity of large houses and their concentration in certain parts of the Borough, the high number of competing demands on them can, if unchecked, lead to an imbalance in the community and loss of the character of the area. An over-concentration of non single family uses has already occurred in certain parts of the Borough. The Council, therefore, considers it important to limit further changes of use from single family dwellings in houses with four or more bedrooms in these areas.
- 4.92 From the 1991 Census, the Council identified four wards which had a concentration of large households, including many of Asian origin - Forest Gate, Park, Plashet and Upton. Within these wards, the Council has identified streets where more than 25% of single family dwellings of four bedrooms or more have changed use or have an unexpired consent for change of use. These streets are referred to as 'saturated', and further change of use from a single dwelling house is restricted in order to retain large single family dwellings and avoid loss of amenity and damage to the character of the areas. The list of 'saturated' streets is included as an Appendix in SPG Note 'Flat Conversions', and SPG note on Houses in Multiple Occupation. The list will be reviewed as necessary.

POLICY H19: THE COUNCIL MAY FAVOURABLY CONSIDER A CHANGE OF USE FROM A SINGLE FAMILY DWELLING WITH FOUR OR MORE BEDROOMS WHERE THE PROPOSAL WOULD RESULT IN NO MORE THAN 25% OF SUCH PROPERTIES IN ANY ONE STREET HAVING A CHANGE OF USE OR AN UNEXPIRED CONSENT FOR A CHANGE OF USE, WITHIN THE IDENTIFIED WARDS (SEE PARA 4.92). SEE ALSO POLICIES H20 (FLAT CONVERSIONS), H21 (BEDSITS), CS2 (COMMUNITY MEETING PLACES), CS9 (DOCTORS' SURGERIES) AND CS14 (CHILDREN'S DAY CARE FACILITIES).

Conversion to Flats

- 4.93 Strategic Guidance for London Planning Authorities states that 'Planning authorities should take into account the fact that conversions provide an important contribution to the increase in London's housing stock [and] a valuable source of lower cost housing well suited to the growing number of small households'. LPAC's Advice on Strategic Planning Guidance for London (1994) notes these same advantages, but also recognises that conversions can lead to '... the loss of larger family housing and lower cost rented accommodation', along with damage to the character and environmental quality of the residential area.
- 4.94 The Council accepts the need for an increase in small dwellings (one and two bedroom units) at both the local and regional level. However, there are alternative ways of meeting this demand, such as living accommodation above shops, conversion of offices or other commercial premises to housing, freeing up access to the Council's high-rise blocks by enabling families with children to move into houses on the ground, as well as through new build. All these options will be vigorously pursued. The Council does not consider that the conversion of its limited supply of large dwellings, considering the need for them, is a good use of its housing stock.
- 4.95 In the case of Conservation Areas, it is considered that conversions to flats may have an adverse impact on the character and appearance of the area. Of particular concern is the impact of alterations to the external appearance of these areas, for example, by alterations to windows and doors, the need for car parking in front gardens, additional bin stores and the potential lack of maintenance of communal areas in the future.
- 4.96 Further guidance is given in the Council's SPG Note 'Flat Conversions'.

POLICY H20: THE COUNCIL WILL PERMIT CONVERSION OF HOUSES TO FLATS:

- A) WHERE THE DWELLING HAS AN ORIGINAL GROSS FLOOR AREA OF 120 SQUARE METRES OR MORE;

- B) WHERE THERE IS SUFFICIENT OFF-STREET CAPACITY FOR ONE PARKING SPACE FOR EACH ADDITIONAL UNIT CREATED; OR IN CASES WHERE THERE IS NO OFF-STREET CAPACITY, SUFFICIENT ON-STREET CAPACITY EXISTS; AND
- C) PROVIDED THAT:
 - 1) THE PROPERTY IS NOT ALLOCATED WITHIN AN IDENTIFIED WARD; OR
 - 2) IF LOCATED WITHIN AN IDENTIFIED WARD (PLEASE REFER TO PARAGRAPH 4.92) THE PROPOSAL WOULD RESULT IN NO MORE THAN 25% OF SINGLE FAMILY DWELLINGS WITH FOUR OR MORE BEDROOMS IN ANY ONE STREET HAVING A CHANGE OF USE OR AN UNEXPIRED PLANNING PERMISSION FOR SUCH A CHANGE OF USE.

Bedsits/Non Self-Contained Accommodation

- 4.97 The Council recognises that bedsits and other shared non self-contained accommodation can provide a relatively low-cost and easily accessible form of housing. However, this type of accommodation is often of a poor quality. The Council has identified over 3,000 Houses in Multiple Occupation (HMOs) concentrated in the north of the Borough. In Forest Gate there is a registration scheme for HMOs. The Council welcomes licensing proposals for HMOs. In order to ensure that bedsits and other shared non self-contained accommodation are of satisfactory quality, standards will be set to ensure basic amenity and safety provision. For the purposes of planning legislation, an HMO is defined as a single family dwelling house or self-contained flat in a house organised in such a way that it becomes occupied by a number of separate households that share certain facilities in common.
- 4.98 The Council is also concerned that non self-contained accommodation does not become over-concentrated, so as to avoid creating imbalanced, transient enclaves within the community and damaging the local environment. Particular concerns are noise nuisance experienced by adjoining occupiers; poor upkeep of properties and front gardens; and higher densities of population with the potential to increase stress on local amenities and services. High concentrations and poor quality HMOs undermine Newham's Regeneration Strategy and do not help to build sustainable communities. In order to avoid cumulative impact the Council will only favour in principle proposals for new conversions to non self-contained flats or smaller units which would not result in more than 10% of this use in any one street. (For more information please refer to SPG Note 'Houses in Multiple Occupation').

POLICY H21: SUBJECT TO THERE BEING NO UNDUE IMPACT ON THE AMENITIES OF NEARBY PROPERTIES, THE COUNCIL WILL ALLOW CONVERSION OF SINGLE FAMILY DWELLINGS TO NON-SELF CONTAINED FLATS OR SMALLER DWELLINGS WHERE:

- A) THE DWELLING HAS AN ORIGINAL GROSS FLOOR AREA OF 120 SQUARE METRES OR MORE;
 - B) THERE IS SUFFICIENT OFF-STREET CAPACITY FOR ONE CAR PARKING SPACE FOR EVERY THREE DWELLINGS PROPOSED, OR IN CASES WHERE THERE IS NO OFF-STREET CAR PARKING CAPACITY, SUFFICIENT ON-STREET CAR PARKING CAPACITY EXISTS;
 - C) ANY PROPOSAL FOR A NEW CONVERSION TO NON SELF-CONTAINED FLATS OR SMALLER UNITS WOULD RESULT IN NOT MORE THAN 10% OF PROPERTIES IN ANY ONE STREET AND NO MORE THAN TWO PROPERTIES ADJACENT TO EACH OTHER BEING IN SUCH USE OR HAVING AN UNEXPIRED CONSENT FOR SUCH USE; AND
 - D) NON SELF-CONTAINED ACCOMMODATION THAT CONSTITUTES A HOSTEL WILL ADDITIONALLY BE SUBJECTED TO POLICY CS11.
- 4.99 The Council wishes to ensure that an adequate amount of larger family houses (those with four or more bedrooms) are retained to meet the Borough's needs (see Policy H19), particularly in the northern part of the Borough where there has already been a significant loss of such dwellings. Consequently Policy H19 seeks to restrict further conversions of larger family houses into smaller units in the identified wards (see SPG Note 'Houses in Multiple Occupation'). Policy H19 applies to all potential conversions in those wards including HMOs. Please refer to paragraph 4.92 above for an explanation of identified wards and 'saturated' streets.

SCHEDULE OF PROPOSALS: HOUSING

Please note that in the case of housing sites where the exact capacity is not yet known, estimates have been made by the Council for the purposes of calculating its housing targets. These estimates are based on an average of 55 dwellings per hectare, which is in turn based on the Council's density standard (please refer to Policy H16). The eventual capacity of these sites may therefore differ from the figure shown.

Proposal No.	Location	Policy Ref. No.	Proposal	Comment
h1	Maryland Road, E15	H1	27 dwellings	Vacant factory warehouse. Considered appropriate for housing. However part of the site is currently occupied
h2	Land at the south of Windmill Lane, E15	H1	25 dwellings	Considered appropriate for housing. May be affected by contamination and noise. No current permission
h3	Land to the rear of Windmill Lane, E15	H1	39 dwellings	Considered appropriate for housing. May be affected by contamination and noise. Any development proposal may involve relocating BR social club. No current permission
h4	211-213 Romford Road, E7	H1	16 dwellings	Considered suitable for housing. No current permission
h5	Woodgrange Cemetery site, E12	H1	100 dwellings	Development underway for 150 dwellings
h6	Blaker Road, E15	H1	70 dwellings	Planning permission for 124 flats under consideration subject to S106 agreement
h7	Upton Park Bus Garage, Redclyffe Road, E6	H1	30 dwellings	Garage still in use
h8	Plashet Area	H18	Renewal Area	
h9	Chesterton Road/Helena Road Area	H18	Renewal Area	
h10	Dulcia Mills site Herbert Street, E13	H1	18 dwellings	No current permission
h11	Site of Park Garage, Hermit Road, E16	H1	21 dwellings	Planning approval for 32 units under consideration subject to S106 agreement.
h12	Luton House Croydon Road, E13	H1	27 dwellings	Part of the site developed for 11 units for people with learning difficulties in May 1998. Remaining site for 26 units likely to be developed subject to S106 agreement
h13	Jenkins Lane Depot, E6	H1	150 dwellings	In principle housing considered appropriate. Possible contamination. No current permission
h14	25 Folkestone Road, E6	H1	15 dwellings	Planning permission given in 1997

Proposal No.	Location	Policy Ref. No.	Proposal	Comment
h15	East Ham Industrial Estate, 1000 Newham Way, E6	H1	75 dwellings	No current approval. Existing warehouse and industrial use will continue until it is no longer required. Unlikely to be developed by 2006, therefore excluded from current estimate
h16	Cundy House, 110-124 Garvary Road, E16	H1	18 dwellings	Planning permission for 33 units under consideration subject to S106 agreement
h17	Baxter Road/Alnwick Road, E16	H1	11 dwellings	Former Social Services building. Considered appropriate for housing. No current permission
h18	Site 4B, Cyprus, E6	H1	60 dwellings	No extant permission
h19	Camel Road / Connaught Road, Site of Camel Works, E16	H1	24 dwellings	Planning permission given in 1997. Southern part currently being developed
h20	Site to the rear of North Woolwich Museum, Pier Road, E16	H1	50 dwellings	Considered appropriate for housing. No current permission
h21	Pumping Station, Woolwich Manor Way and adjoining site, E16	H1	25 dwellings	26 new units and 19 converted units under consideration for approval subject to S106 agreement

HOUSING PROVISION IN MAJOR OPPORTUNITY ZONES (MOZS) AND MIXED USE SITES

Proposal No.	Location	Policy Ref. No.	Proposal	Comment
MOZ1	Stratford Rail and associated Lands, E15	H1	1,850 Dwellings	Latest estimates suggest between 2000-3000 dwellings can be developed on sites. Construction on sites likely to commence in 2003/04, but residential development is not expected before 2006
MOZ4	British Gas and Bidder Street sites including RTZ river frontage site and Parcel Force sites, E15	H1	400 Dwellings	Housing considered appropriate for RTZ river frontage and Parcel Force sites. Sites may be affected by contamination. Development expected before 2006. No current permission.
MOZ7	Thames Wharf/Limmo, E16	H1	170 dwellings	Housing development 2006 onwards. Not included in current estimate
MOZ8	Royal Victoria Dock (North Side) E16	H1	300 dwellings	Current development proposals do not include housing. Excluded from housing estimates, however residential development is currently under consideration

Proposal No.	Location	Policy Ref. No.	Proposal	Comment
MOZ10	Royal Victoria Dock (South Side) E16, including Fort Street, Thames Barrier and associated lands	H1	1,820 dwellings	Housing development at Fort Street (81 dwellings) completed. Work on Urban Village Phase 1 (about 980 dwellings) is underway. About 760 units completed by 2000. The rest, about 220 units, are likely to be completed by 2002. Phase 2 (about 2300 dwellings) sites have been marketed but not included in the current estimate although development may start in 2002. Thames Barrier and associated land – 750 units, altogether – 180 units at Barrier Point completed by 2000. 72 units to be completed by 2001. The rest (498 units) affected by access road and DLR extension proposal, may be completed by 2006.
MOZ11	King George V Dock (South Side) including Milk Street site and Harland and Wolff site	H1	886 dwellings	Housing development at Milk Street (24 dwellings) was completed in 1997. Development at Harland & Wolff site (712 units) underway. 77 units completed in 2000. The rest (635 units) to be completed by 2004. Additional 150 dwellings currently affected by DLR extension proposal may be developed by 2006 to the west of Woolwich Manor Way between dock wall and proposed DLR station site and including Woodman Street. No current permission
MOZ13	Albert Dock Basin, E16 (Northside)	H1	400 dwellings	Housing development on southern part of site as part of a mixed use development is under consideration. May commence in 2001. No current permission
m4	Former ACE Cinema, 1-26 Carlton Terrace, Green St, E7	H1	30 dwellings	Current permission given in 1996. Please refer to Urban Regeneration chapter, Schedule of Proposals
m7	Hallsville Road, E16	H1	35 dwellings	Planning permission given for 50 flats, 41 live/work units in 2001. Please refer to Urban Regeneration Chapter, Schedule of Proposals.

APPENDIX H1

ASSESSMENT OF AFFORDABILITY

ASSESSMENT OF AFFORDABILITY

The National Federation of Housing Associations annually publishes tables of indicator rents based on its affordability policy. Its current policy assesses the affordability of rents on the basis that the majority of working households taking up new tenancies are not caught in the poverty trap (because of dependency on housing benefit) or paying more than 25% of their net income on rent. The indicator rents can be adjusted quarterly, by applying inflation factors provided by the Federation. For Newham (TC1 Group B), weekly indicator rents in April 1997 would have been:

Bedsit	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
£42.00	£45.00	£49.80	£53.40	£61.30

The Council considers the above as an acceptable yardstick for affordable housing.

APPENDIX H2

THE NEED FOR AFFORDABLE HOUSING IN NEWHAM

There is undoubtedly an enormous demand for affordable housing in Newham, largely as a result of the low income of residents. It is difficult to arrive at an accurate assessment, particularly when projecting into the future. Two varying assessments are outlined below, ranging between 5,000-15,000. The assessment of 5,000 is almost certainly an underestimate since it covers only the statutory homeless and largely excludes homeless households including single people and childless couples. The assessment of 15,000 is probably an over-estimate, since it might include some who are not necessarily in need of new affordable housing. The true figure is likely to lie somewhere between the two.

Assessment A

This measure of need is derived from the Council's projections of the gap between demand from those in housing need and the supply of affordable housing.

As of April 1993, there were 1,677 households accepted as homeless by the Council and awaiting an offer of permanent accommodation.

Taking into account all the Council's measures to reduce the demand for such accommodation (e.g. eviction of households in temporary accommodation with serious rent arrears, rejecting applications from the 'intentionally homeless' and discounting self-discharges) and its effort to increase the supply of available lettings (e.g. evictions of unauthorised occupiers reducing void rates in the public stock, shared ownership and Cash Incentive Schemes), it is estimated that between 1993 and 1994 the gap between the supply of permanent accommodation and new family households being accepted as homeless will increase by 1,540 before taking into account any affordable housing new build. Assuming an average gap of 400 per year between 1996-2001, this gives a further 2,000. The total projected gap between supply and demand is therefore as follows:

Homeless as at 1993	1,677
Projected homeless 1993-1996	1,540
Projected homeless 1996-2001	2,000
Total:	5,217

This figure largely excludes the 'single homeless' (i.e. single person and childless couple households), since the majority of these are non-priority homeless as defined by the 1985 Housing Act (Part III). In 1991/92 an estimated 2,000 new non-priority homeless households approached the Council for assistance, although this is considered to be less than the total number of such homeless.

Source: 'Housing Strategy Statement 1994/95', London Borough of Newham

Assessment B

This measure of need is based on a survey of over 1,000 Newham households in 1992, carried out by the London Research Centre. 'Housing Needs in Newham' identified 15,200 households in housing need in the Borough. This accounted for 19% of all households, compared to a Greater London average of 12%. On the figures available, housing need in Newham is substantially greater even than elsewhere in Inner London. The estimate of housing needs was derived using a set of indicators:

- sharing accommodation;
- sharing basic amenities;
- lacking basic amenities;
- living in seriously overcrowded conditions, where a household is deficient by two or more bedrooms; and
- living in dwellings where there is a serious problem with damp (this indicator being used as a general proxy for disrepair/unfitness).

Households registering on one or more of these indicators were considered to be in need. It is accepted that some of these needs may be addressed through means other than the new provision of affordable housing, for example, through improvement of conditions within the owner-occupied sector. Nevertheless, it is likely that in the majority of cases, the problem relates to that of affordability. In the owner-occupied sector, lack of money may prevent improvements to living conditions or trading up to accommodation of suitable size. For those in the private rented sector, affordability may prevent access to the owner-occupied sector or to a better quality rented accommodation.

It should also be noted that the estimate may largely exclude those households who were in temporary accommodation provided by the Council and awaiting rehousing to permanent accommodation. These households totalled 1,677 as at April 1993.

Source: 'Housing Needs in Newham' 1992, LRC

The Need for Affordable Housing 1999-2002

In 1999 Newham Council commissioned MSL Searchcast and Martin Hamblin (Consultants) to carry out a House Condition and Housing Need Survey to look at the nature and extent of problems in the private sector housing stock and to assess the full range of housing need in the Borough.

The survey took place between April and July 1999 and used a random sample of 3,080 dwellings from the Newham Council Tax list and compiled a survey of 1,828 dwellings representing some 2% of dwellings in Newham.

The consultants considered it would be unrealistic to project affordable housing need beyond a 3 year period because of potential economic and socio-demographic changes. The Housing Need Survey estimated that between 1999-2002 the demand for affordable housing arising from all sources which include homeless households, emerging households and households living in overcrowded conditions or stress, will be 13,400, calculated as follows:

	1 bed	2 bed	3 bed	4 bed	All
Total need	3,590	6,820	2,300	665	13,400
Total supply	2,621	2,695	900	204	6,420
Balance	-969	-4,125	-1,400	-461	-6,955

Taking into account various sources of future supply of affordable housing for the above period (but excluding new provision), it is predicted that there will be a shortage of 7,000 units. However, about 5,000 existing households in need are tenants in social housing. Rehousing these tenants would mean that their properties could be reused and these figures should be added to the supply side. Of these 5,000 dwellings, 2,500 are one-bedroom properties, 1,500 are two bedroom homes, 950 have three bedrooms and 50 have four bedrooms. Adding these figures back onto the supply side gives the following balance:

- One bedroom – over supply of 1,600 properties
- Two bedrooms – under supply of 2,625 properties
- Three bedrooms – under supply of 450 properties
- Four or more bedrooms – under supply of 411 properties

APPENDIX H3

DEFINITION OF PEOPLE IN HOUSING NEED

In order that successive as well as initial occupiers of affordable housing enjoy the benefits of such accommodation it is necessary for the Council to define categories of housing need. Such a categorisation will determine qualification for affordable accommodation. In line with the Housing Act 1996 and Statutory Regulation; November 1997, the Council has defined the following categories of housing need:

- a) People occupying insanitary or overcrowded housing, or otherwise living in unsatisfactory housing conditions;
- b) People occupying housing accommodation which is temporary or occupied on insecure terms;
- c) Families with dependent children;
- d) Households consisting of or including someone who is expecting a child;
- e) Households consisting or including someone with a particular need for settled accommodation on medical or welfare grounds;
- f) Households whose social and economic circumstances are such that they have difficulty in securing settled accommodation;
- g) Households accepted as homeless and in priority need under Part VII of 1996 Act.

APPENDIX H4

CALCULATION OF DEVELOPER'S CONTRIBUTION TOWARDS PROVISION OF AFFORDABLE HOUSING

Provision of on-site contribution:

$$\text{Total} = \text{units}/4 \times (\text{TCI} \times \text{SHG rate})$$

Where:

'Units' is the total number of housing units being developed on the site.

'TCI' is the current Total Cost Indicator for Newham (Housing Corporation data).

'SHG rate' is the ratio of Social Housing Grant to total cost per home, as an average for Newham for the previous year (Housing Corporation data).

Where off-site provision or commuted payments are offered, a similar ratio of market to affordable housing units should be achieved as if they were provided on-site. For example, in a development of 100 new units, where affordable housing is provided on-site, the approximate mix of market to affordable housing units will be 75 to 25, or 3:1 (assuming 25% affordable housing is sought). When the affordable housing contribution is off-site or cash-in-lieu, the same site would sustain 100 market units on-site. To achieve the same 3:1 ratio would require the provision of 33 affordable housing units off-site. In the case of commuted payments, an equivalent sum of money will be sought.

Provision of off-site contribution:

$$\text{Total} = \text{units}/3 \times (\text{TCI} \times \text{SHG rate})$$

The above formula is based on LPAC Advice (Report 75/97)