

TOWN AND COUNTRY PLANNING ACT
1990 (AS AMENDED) SECTION 78
APPEAL

TOWN AND COUNTRY PLANNING
(INQUIRIES PROCEDURE) (ENGLAND)
RULES 2000

On behalf of:

**Alban Developments Limited
and Alban Peter Pearson,
CALA Homes (Chiltern) Ltd
and Redington Capital Ltd**

In respect of:

**Land South of Chiswell Green
Lane, Chiswell Green,
St Albans**

**APPENDICES DP12 - DP27
TO PROOF OF EVIDENCE IN
RESPECT OF AFFORDABLE
HOUSING PROVISION**

By:

DAVID PARKER MSc BA(Hons) DMS FCIH

PINS reference:

APP/B1930/W/22/3313110

LPA References:

5/2022/0927

Date:

20th March, 2023

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1 Appendix DP12 – Live Table 600 – extract

Live Table 600: Numbers of households on local authorities' housing waiting lists^{1,3,4,7,8}, by district: England, 31 March² 1987-2022⁵

	Current ONS code	Lower and Single Tier Authority Data	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	E07000240	St Albans	2,189	677	930	923	782	372	395	651	444	538	559

2 Appendix DP13 – ‘St Albans and Harpenden: Over 600 people waiting for homes’, 6th January 2023, www.hertsad.co.uk



St Albans and Harpenden: Over 600 people waiting for homes

6th January

HOUSING



By Pearce Bates

Pearce_Bates

Live Reporter



Comments



A total of 628 people are currently on St Albans City and District Council's housing register. (Image: Google Maps)




According to the council, a total of 628 people are currently waiting for homes in the area.

READ MORE

- **Two 'stolen' bikes recovered by police**
- **St Albans council leader calls on county council to buy nursery**

The local authority also confirmed that 49 properties are sitting empty due to tenants moving house, passing away or transferring into care.

St Albans City and District Council have 4,889 houses to let in total, with just over one per cent empty at this current time.

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3 Appendix DP14 – More than 1,000 removed from St Albans council housing waiting list, 2nd July 2012, www.hertsad.co.uk



More than 1,000 removed from St Albans council housing waiting list

2nd July 2012

By Debbie White



MORE than 1,200 people under the age of 60 applying for social housing in St Albans are to be told that they will be removed from the district council's waiting list.



The Truth About Cremations In Hemel Hempstead

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Sweeping changes are being made to the way St Albans district council allocates its limited housing stock, with priority being given to those with both a housing need and local connection.

At last Thursday's cabinet meeting councillors agreed to use greater discretion over who could join its housing register.

St Albans district council (SADC) has over 5,000 properties available for social housing in addition to 1,500 housing association homes it has nomination rights over, to house people on its waiting lists.

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4 Appendix DP15 – St Albans Housing Allocations Policy, February 2021 – extract



Housing Allocations Policy

February 2021

An applicant who has sufficient resources to resolve their own housing need, either through renting or buying a suitable property, (whether on the open market or through one of the low-cost home ownership schemes) or by any other means, will normally not be allowed onto the housing register. In making this decision we will take into account any equity outstanding from the sale of a property, income, investment income and current property value (for homeowners). This list is not exhaustive but gives an indication of what will be taken into account in the financial assessment. Applicants can request a review of this decision. Please note that we will disregard any sum received by a member of the Armed Forces as compensation for an injury or disability sustained on active service.

The Gross Household Income Limits are:

1 Bed Property	£36,295
2 Bed Property	£48,173
3 Bed Property	£56,152
4 Bed Property	£69,608

These income limits have taken into account the average market rent in the St Albans district. The amounts permitted reflect gross household income, including adult children aged 18 and over that are included as part of the application.

These income limits will be reviewed on an annual basis. Household Income Limits are updated in April each year in line with the previous September's RPI figure.

Applicants with savings over £16,000 will not qualify to register for housing except in exceptional circumstances. These decisions will be taken at Principal Officer level or above.

If you apply to the Housing Register and you own, or part own, a property then your application will not be accepted onto the housing register unless there are very exceptional circumstances. The decision to allow a property owner onto the Housing Register will be made by officers at Principal Officer level or above.

13. Medical Grounds

Where an applicant requests priority based on a medical condition, this will only be taken into account where the medical condition is being made worse by the accommodation that the applicant resides in or would be improved by a move to more appropriate accommodation.

Where an applicant or member of their household has a medical condition or disability that is affected by their housing circumstances, they will be asked to submit supporting evidence. Applicants need to state how their medical condition will be improved or alleviated by a move to alternative accommodation. This will usually be considered along with any other medical reports or occupational therapy reports and may be referred to the Council's Medical Adviser. If requested the Medical Adviser will advise on the relative medical priority of the household and any other re-housing needs, such as a need for ground floor accommodation for consideration by the Council. The

5 Appendix DP16 – Table 5c and Table 6b House price to workplace-based earnings ratio, ONS – extract

Tables 1c and 5c - Ratio of median house price to median gross annual (where available) workplace-based earnings 1997 to 2021

Region cod	Region name	Code	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
E12000006	East of England	E07000240	10.53	10.28	10.37	10.52	11.09	11.17	10.05	12.36	12.69	12.47	13.92	13.62	15.01	16.98	16.62	16.75	16.09	16.24	17.32
E92000001		England	5.93	6.60	6.79	6.95	7.15	6.97	6.40	6.85	6.80	6.77	6.76	7.09	7.52	7.72	7.91	8.04	7.88	7.86	9.05

Table 6b - Lower quartile gross annual (where available) workplace-based earnings by local authority district, England and Wales, 1997 to 2021 (£)

Region code	Region name	Code	Name	2018	2019	2020	2021
E12000006	East of England	E07000240	St Albans	22,064	22,884	22,763	24,022

6 Appendix DP17 – Housing supply and delivery NPPG – extract

[Home](#) > [Planning system](#)

Guidance

Housing supply and delivery

Guidance on 5 year housing land supply and Housing Delivery Test.

From:

[Department for Levelling Up, Housing and Communities](#)

[\(/government/organisations/department-for-levelling-up-housing-and-communities\)](#)

and [Ministry of Housing, Communities & Local Government](#)

[\(/government/organisations/ministry-of-housing-communities-and-local-government\)](#)

Published

22 July 2019

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- — [5 year housing land supply](#)
- — [Demonstrating a 5 year housing land supply](#)
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- — [Demonstrating a housing land supply beyond 5 years](#)
- — [Calculating 5 year housing land supply](#)
- — [Counting completions when calculating 5 year housing land supply](#)
- — [Counting other forms of accommodation](#)
- — [Housing Delivery Test](#)
- — [Housing Delivery Test – Action Plans](#)

This guidance includes updated sections that were previously included in the Housing and economic land availability assessment guidance – [see previous](#)

[↑ Contents](#)

Revision date: 22 July 2019

How can past shortfalls in housing completions against planned requirements be addressed?

Where shortfalls in housing completions have been identified against planned requirements, strategic policy-making authorities may consider what factors might have led to this and whether there are any measures that the authority can take, either alone or jointly with other authorities, which may counter the trend. Where the standard method for assessing local housing need is used as the starting point in forming the planned requirement for housing, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure. Under-delivery may need to be considered where the plan being prepared is part way through its proposed plan period, and delivery falls below the housing requirement level set out in the emerging relevant strategic policies for housing.

Where relevant, strategic policy-makers will need to consider the recommendations from the local authority's action plan prepared as a result of past under-delivery, as confirmed by the Housing Delivery Test.

The level of deficit or shortfall will need to be calculated from the base date of the adopted plan and should be added to the plan requirements for the next 5 year period (the Sedgefield approach), then the appropriate buffer should be applied. If a strategic policy-making authority wishes to deal with past under delivery over a longer period, then a case may be made as part of the plan-making and examination process rather than on a case by case basis on appeal.

Where strategic policy-making authorities are unable to address past shortfalls over a 5 year period due to their scale, they may need to reconsider their approach to bringing land forward and the assumptions which they make. For example, by considering developers' past performance on delivery; reducing the length of time a permission is valid; re-prioritising reserve sites which are 'ready to go'; delivering development directly or through arms' length organisations; or sub-dividing major sites where appropriate, and where it can be demonstrated that this would not be detrimental to the quality or deliverability of a scheme.

Paragraph: 031 Reference ID: 68-031-20190722

Revision date: 22 July 2019

How can past over-supply of housing completions against planned requirements be addressed?

Where areas deliver more completions than required, the additional supply can be used to offset any shortfalls against requirements from previous years.

7 Appendix DP18 – South-West Hertfordshire Strategic Housing Needs Assessment (“SHMA16”) February 2016 – extract



GL Hearn

Part of Capita Real Estate

South West Hertfordshire Strategic Housing Market Assessment

Final Report

January 2016

Prepared by

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Table 39: Estimated level of Affordable Housing Need per annum – by location

Area	Current need	Newly forming households	Existing households falling into need	Total Need	Supply	Net Need
Dacorum	30	609	308	947	581	366
Hertsmere	34	519	181	735	301	434
St. Albans	33	663	161	858	241	617
Three Rivers	17	419	110	546	189	357
Watford	52	549	254	855	237	617
South West Herts	167	2,760	1,014	3,941	1,550	2,391

Source: 2011 Census/CoRe/Projection Modelling and affordability analysis

Sensitivity to Income Thresholds

- 7.60 Whilst a 25% is the threshold in respect of the proportion of gross income spent on housing costs is suggested by 2007 SHMA Guidance, it is recognised that what is considered affordable can vary and that local circumstances may justify an alternative figure. Given the socio-economic profile of the South West Herts population, particularly with respect to earnings and the cost of housing, in practice, many households locally will choose (and be reasonably able) to spend a greater proportion of their income on housing.
- 7.61 A 30% threshold has been used in the main modelling for consistency with general practice nationally although it is worthwhile considering the implications of alternative thresholds. To understand the implications of the income threshold, we sensitivity tested affordable housing need assuming variant levels of income spent on housing costs. Table 40 below summarises the findings. In particular, we can see that with an assumption of households spending 40% gross income on housing costs then need falls to 1,449 households per annum (down from 2,391 using a 30% threshold).

Custom / Self Build

- 9.85 SHMAs need to investigate the contribution that self-build makes toward the local supply. *Laying the Foundations – a Housing Strategy for England 2010* sets out that only one in 10 new homes in Britain were custom built – a lower level than in other parts of Europe. It identifies barriers to self or custom-build development²⁶ as including:
- A lack of land;
 - Limited finance and mortgage products;
 - Restrictive regulation; and
 - A lack of impartial information for potential custom home builders.
- 9.86 Government aspires to make self-build a ‘mainstream housing option’ by making funding available to support self- and custom-builders and by asking local authorities to champion the sector. Up to £30m of funding has been made available via the Custom Build programme administered by the HCA to provide short-term project finance to help unlock group custom build or self-build schemes. The fund can be used to cover eligible costs such as land acquisition, site preparation, infrastructure, S106 planning obligations etc.
- 9.87 Local authorities are now required to establish and maintain a register of those interested in building or commissioning their own home. This was introduced by the Self- and Custom Homebuilding Act 2015. This is however a new requirement on local authorities, and Registers – where they have been established – do not yet provide comprehensive information on demand.
- 9.88 Quantitative information regarding levels of demand for self-build is thus hard to come by, and there is currently no real centrally held source of demand data. Some data on the availability of plots is held on the Buildstore website, which maintains a register of those wishing to build a custom or self build property as well as a register of plots available for this type of development. As of November 2015 there were 19 plots available in South West Herts with capacity for 31 plots.

²⁶ Self-build is generally considered to refer to situations where a household individually organises and designs the construction of their own home. With custom-build development, a households would work with a specialist developer to design their home.

Table 72: Availability of Custom/Self Build Plots (October 2015)

Location	Locations	Plots
Hemel Hempstead	4	10
Tring	4	6
Dacorum	8	16
Bushey	2	2
Potters Bar	2	2
Radlett	4	4
Watford Heath	1	1
Hertsmere	9	9
Watford	2	6
Watford	2	6
St. Albans	0	0
Three Rivers	0	0
South West Herts	19	31

Source: Buildstore, 2015

- 9.89 From a development point of view, key issues with this market are associated with skills and risk: whilst there may be a notable number of people with an ‘interest’ in self-build, there is in some circumstances a significant financial outlay, risk and time-cost associated with self-build.
- 9.90 We would expect most new delivery to be on small windfall sites; although there is some potential through policy to encourage developers of larger schemes to designate parts of these as plots available for custom build.

Key Findings: Specific Groups of the Population

- This section of the report has studied the housing circumstances of various different groups of the population. These are:
 - Older people
 - People with disabilities
 - The Black and Minority Ethnic population
 - Households with children (family households)
 - Young households
- Older persons – the key challenge here will be to meet the needs of an ageing population with the number of people aged 65 and above expected to increase by 60,200 (65%) over the 23-years from 2013 to 2036. Demographic change is likely to see a requirement for additional levels of care/support along with provision of some specialist accommodation (particularly in the market sector).
- People with disabilities – the number of people with disabilities is closely related to the age of the population and many of the conclusions related to older persons are relevant for this group.

Demographic projections suggest a 136% increase in the population aged over 85 from 2013 to 2036 with Census data suggesting that 80% of this age group have some level of disability.

- BME groups – the BME population of the HMA is somewhat larger in size than the regional average (and slightly higher than national levels). The BME population has grown significantly over the past decade. Characteristics of BME groups (including tenure profiles and occupancy patterns) suggest that such households may be disadvantaged in the housing market. Where possible the Councils should provide advice to BME groups and in particular ensure that accommodation quality (particularly in the private rented sector) can meet the needs of such households which are disproportionately likely to contain children.
- Family households – data about family households suggests that lone parents are particularly disadvantaged with a high reliance on rented housing. Projections suggest an increase in the number of children in the HMA over the next few years and if past trends are repeated this will also see a notable increase in the number of lone parents. Again advice about housing options and maintaining a good quality of accommodation will be critical to ensure that such households' needs are best met and that children are provided with a full range of opportunities (e.g. education) as they grow up.
- Young person households – young people (aged under 35) are important for any area due to the long-term economic potential they can bring. As with other groups there are some indications of this group being disadvantaged with a reliance on rented accommodation and higher levels of unemployment. Given that the housing options for young people may be more limited than for other groups it will be important to monitor the accommodation quality – this will need to focus on HMOs given general trends of an increase in house sharing over time.
- Self and Custom Build – this is a small sector within the housing market, but one which has the potential to grow. Barriers to growth include information, development skills, land availability and finance. Councils are now required to maintain a register of those interested in self- and custom build. There is potential for plots to be set aside for custom-build development as part of larger development schemes.

8 Appendix DP19 – APP/B3410/W/20/3245077, Land off Aviation Lane, Burton-upon-Trent, Inspector’s Report 7th October 2020 – extract



Appeal Decision

Hearing held on 7 September 2020

Site visit made on 2 September 2020

by Zoe Raygen Dip URP MRTPI

an Inspector appointed by the Secretary of State

Decision date: 7th October 2020

Appeal Ref: APP/B3410/W/20/3245077 Land off Aviation Lane, Burton-upon-Trent

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant planning permission.
 - The appeal is made by Partner Construction Ltd, Midland Heart, Inside Land (Burton) Ltd against the decision of East Staffordshire Borough Council.
 - The application Ref P/2018/01291, dated 5 October 2018, was refused by notice dated 18 July 2019.
 - The development proposed is 128 no. affordable dwellings off Aviation Lane.
-

Decision

1. The appeal is allowed, and planning permission is granted for 128 no. affordable dwellings on land off Aviation Lane, Burton-upon-Trent in accordance with the terms of the application Ref P/2018/01291, dated 5 October 2018 subject to the conditions set out below.

Procedural Matter

2. The development is described as the erection of 131 No affordable dwellings on the planning application form. However, during the course of the Council's consideration of the planning application the subject of this appeal, the number of units was reduced. Both parties confirmed at the hearing that the development proposed is for 128 affordable dwellings and it is on that basis that the Council determined the planning application. I have proceeded on that basis.
3. With agreement, after the Hearing, a legal agreement under S106 of the Town and Country Planning Act 1990 was submitted (the S106). This secures contributions towards education, health services, open space provision, refuse containers and the monitoring and review of a Travel Plan and the monitoring of the agreement by the County Council. It also includes for the provision of 100% affordable housing, the provision and management of open space and the submission and implementation of a Travel Plan. The S106 is a material consideration to which I return later in the decision.

Main Issues

4. The main issues relate to:
 - the weight to be given to the provision of affordable housing at this time; and

- whether the proposal would provide an appropriate site for development having regard to local and national planning policies that seek to manage the location of new development.

Reasons

Affordable housing

5. The annual requirement for new affordable housing contained within the East Staffordshire Borough Council Local Plan 2015 (Local Plan) is 112 units. This is based on the findings of the Strategic Housing Market Assessment 2013, updated 2014 (SHMA). It is agreed within the Affordable Housing Statement of Common Ground (AHSOCG) that since the start of the plan period, 638 affordable dwellings have been completed, equating to 80 dwellings per annum, leaving a shortfall of 258 dwellings.
6. As well as the current shortfall, I understand that there are some 2,166 households on the Council's Housing Register. While the Council advised that not all are in priority need, which would relate to those with medical conditions, or homeless persons, all meet the relevant qualification criteria.
7. The Council states that the number of affordable houses that currently have permission and are anticipated to come forward (using the permissions as at March 2020) is around 1,076 units, some 884 of which would come forward over the next five years on sites that either have planning permission, or from planning applications that are awaiting determination. The appellant is of the view that only 625 would be likely to come forward within the next five years.
8. The appellant suggests that the Council should recoup the existing shortfall over the next five years, in line with the approach set out in the Planning Practice Guidance (PPG) for overall housing shortfalls.¹ That would result in the need to secure delivery of some 164 dwellings per year over the next five years. The Council, on the other hand, considers that the total amount of required affordable housing, constituting some 1,484 dwellings, would be provided over the whole plan period (2012-2031). In my view, the extent of the shortfall and the number of households on the Council's Housing Register combine to demonstrate a significant pressing need for affordable housing now. As such, I consider that, the aim should be to meet the shortfall as soon as possible.
9. Of the seven disputed sites within the five year affordable housing land supply figures, two do not have planning permission, with planning applications from 2017 still awaiting determination². Furthermore, on both there is no agreement to the exact level of affordable housing. Therefore, I am not convinced, in accordance with the guidance in the PPG and the Framework³, that there is clear evidence that the 108 dwellings relied on by the Council from these two sites would be deliverable within five years. There is nothing within the Framework or the PPG to suggest that this definition should not apply to affordable housing as well as market housing.

¹ Paragraph: 031 Reference ID: 68-031-20190722

² Nos 44 and 45 on Appendix 1 to the Affordable Housing Statement of Common Ground.

³ Paragraph: 007 Reference ID: 68-007-20190722 and Annex 2 Glossary to the Framework

10. One of the seven sites has outline planning permission only⁴. While the Council suggest that it is in advanced discussions with a developer, I have seen nothing conclusive to demonstrate an agreed timescale for the submission of a reserved matters, with no clear evidence that there is a reasonable prospect of the associated eight affordable houses coming forward within the next five years.
11. My concern, given the nature of the development proposed, is whether the affordable housing needs of the Borough are being met. These are households in need of a home now. While the Council is of the view that there is not an overwhelming need for affordable housing which cannot be met within the settlement boundary, on allocated sites or through current planning permissions, just by excluding these three sites from its five year housing supply, the Councils expectation of 884 houses coming forward within five years is reduced to 768 which would be below the five year requirement of 818 dwellings including the existing shortfall.
12. The Council suggested that the delivery of affordable housing through the local plan is not the only route to its provision, but it could only point to delivery through the private rented sector as an alternative. Whether this would be genuinely affordable in accordance with the National Planning Policy Framework (the Framework) definition is not guaranteed. The Council also stated that there would be turnover within the existing affordable housing stock, but I have no figures for this, and there has been no substantiated evidence to demonstrate that any reliance on turnover has worked to deliver a satisfactory supply to date.
13. The appellant suggested that the actual number of affordable units provided is likely to be less than the submitted totals due to the effect of Right to Buy legislation. However, no figures were presented in support of this argument.
14. There is no dispute that, in general, the delivery of market housing within the Borough has met the required rate in the Local Plan, following the proposed trajectory in increased delivery over the plan period. In fact, the Council has surpassed the expected levels of delivery in the last two years and there is agreement that the Council can demonstrate a five year housing land supply. However, this has not translated into the expected levels of affordable housing delivery. It is not clear why affordable housing delivery was not stepped to match that of overall housing and the Council was unable to advise me on this.
15. Even in the last two years where housing delivery has been high, the annual requirement for affordable housing has not been met and has only comprised, at most, some 13% of the overall housing provided. Indeed, over the plan period to date affordable housing has only been provided at an average of 16% of overall housing delivery or, on average, 80 dwellings per annum. I note that over the plan period, the average delivery of affordable housing is at 17% of total housing delivery. Even if I were to use this figure, for the Council to meet its annual affordable housing requirement it would need to deliver over 950 units per year, which has not been achieved to date and is not envisaged in the Council's trajectory contained in Policy SP3 of the Local Plan, which requires 682 dwellings per annum from 2018/19 onwards.

⁴ No 37 on Appendix 1 to the Affordable Housing Statement of Common Ground

9 Appendix DP20 – Eastleigh Borough Council Local Plan Inspector Preliminary Report, 11th February 2015 – extract



Report to Eastleigh Borough Council

by Simon Emerson BSc DipTP MRTPI

an Inspector appointed by the Secretary of State for Communities and Local Government

Date: 11th February 2015

PLANNING AND COMPULSORY PURCHASE ACT 2004 (AS AMENDED)

SECTION 20

REPORT ON THE EXAMINATION INTO EASTLEIGH BOROUGH COUNCIL'S EASTLEIGH BOROUGH LOCAL PLAN 2011 - 2029

Document submitted for examination on 15 July 2014

Examination hearings held between 10 and 13 November 2014

File Ref: PINS/W1715/429/4

accommodation in the private rented sector (PRS), where households are in receipt of the local housing allowance (LHA, also termed *housing benefit*), is not a recognised form of affordable housing. It suggests that the extent to which Councils wish to see the PRS being used to make up for shortages of affordable housing is ultimately a local policy decision. Nevertheless, the SHMA goes on to assume that the current role of the PRS continues. On that basis, the SHMA reduces the need for affordable housing by discounting from assessed need an estimate for future lettings in the PRS to households in receipt of the LHA (SHMA, Appendices, Table 36, p81). Accordingly, it substantially reduces overall affordable housing needs in the Southampton HMA to 400 dwellings, of which the need in Eastleigh Borough is 310.

31. On the basis of these reduced figures, it concludes that there is no PUSH-wide need to increase housing provision to meet affordable housing needs (paragraph 11.9), but for Eastleigh Borough it comments (8.79): *even assuming the current role of the private rented sector continues we identify a need to deliver around 310 affordable homes pa which would require overall housing provision in the region of 1,000 to 1,100 dpa*. The Council, however, does not consider that any increase in housing provision to meet affordable needs is justified in this Plan. I consider below the three key assumptions leading to these conclusions.
32. Firstly, the PUSH SHMA assumes (EBC/H4A, 8.6) 30% of gross income spent on housing is the threshold for households in need of affordable housing. Many developer interests consider that this is too high and highlight the reference to a 25% threshold in the 2007 DCLG SHMA Guidance. But that document has been cancelled. National Policy Guidance (the *Guidance*) does not specify a threshold. I note that 30% of the estimated income required to access market housing in Eastleigh would be (just) insufficient to rent an entry level two bedroom property. Three bedrooms would be out of reach. Thus a proportion of families would not be able to secure accommodation of adequate size when spending 30% of income on housing (SHMA Appendices, Table 23, p73 and Figure 18, p70). A 30% threshold should thus be seen as the upper end of a possible range.
33. Using the SHMA methodology, a 25% income threshold would increase the identified need for affordable housing to about 624 dpa for Eastleigh (prior to any role assigned to the PRS). This highlights the sensitivity of the threshold used. Accordingly, the figure in the SHMA of 509 dpa should be seen as a baseline, with actual needs recognised as potentially greater. In this context, I see no justification for the Council assuming that more than 30% of income could reasonably be spent on housing. Some households may be forced to do so, but that does not make it a justified approach to assessing need.
34. Secondly, there is no justification in the Framework or Guidance for reducing the identified need for affordable housing by the assumed continued role of the PRS with LHA. This category of housing does not come within the definition of affordable housing in the Framework. There is not the same security of tenure as with affordable housing and at the lower-priced end of the PRS the standard of accommodation may well be poor (see for example: *Can't complain: why poor conditions prevail in the private rented sector*, Shelter March 2014, provided by Tetlow King on behalf of Landhold Capital).

35. The Framework requires planning authorities to meet the housing needs of their area including affordable housing needs. The availability of accommodation within the PRS where households are in receipt of the LHA is outside the control of the Council, being determined by the willingness of private landlords to let to tenants in receipt of the LHA. The operation of the LHA is determined by the government. I have no doubt that households in need of affordable housing readily perceive a substantial difference between these two types of housing for the reasons already given. Accordingly, affordable housing needs in Eastleigh Borough are at least 509 dpa and would be higher if a more cautious approach were to be taken to the proportion of income which it is assumed is reasonable to spend on housing.
36. Most of this need for 509 dpa is not additional to the 550 - 615 dpa arising from the demographic projections. It is a requirement for a distinct type of housing. I recognise that much of the need may be households in accommodation which is inadequate for their needs, but which may be adequate for other households. The SHMA's assessment takes account of the release of affordable units for those needing to move who are already in affordable housing (EBC/H4A, 8.32). Similarly, a move of a household from an unsuitable private rented unit to a suitable affordable unit would free-up that private rented unit, but such moves cannot happen unless affordable homes are available.
37. In relation to affordable housing provision over the plan period, the Council notes that 323 affordable units had been delivered between 2011-2014; existing planning permissions have secured a further 686 units; and on the basis of the percentages in policy DM28, a further 2,000 could be secured from future permissions, resulting in about 3,000 new affordable housing units over the plan period. This is the maximum likely to be delivered. Actual delivery might be less as it depends on the viability of specific sites to deliver at 35%. The Council's estimate equates to an average of 167 pa, substantially below the need for affordable housing and below even the SHMA's figure of 310 pa where the role of the PRS with LHA was assumed to be meeting part of the need.
38. The failure of the Council to recognise the true scale of need for affordable housing and therefore the consequential failure to consider how it might be addressed is a serious shortcoming.

Market signals

39. The Framework and Guidance indicate that household projections should be adjusted to take into account market signals. The Guidance refers to appropriate comparison of indicators both in absolute levels and rates of change. The SHMA (EBC/H4A, 6.90-6.97) highlights Eastleigh and Fareham among the core PUSH authorities as experiencing the highest median prices for most property types and where affordability issues are more acute. Overall, it concludes that market signals are not significant for most of the core authorities, but identifies modest market pressure in Eastleigh and Fareham.
40. Developer interests highlight a range of market signals (see, for example, Table 5.3 in Nathaniel Lichfield and Partners work for Gladman

10 Appendix DP21 – Live Table 1011c – extract

Region name	(All)	▼																			
District name	(All)	▼																			Please select the geography you require from the drop down menu.
Metropolitan name	(All)	▼																			- LA name = local authority borders at the time data was reported
LA name	St Albans	▼																			- LA name 202021 = 2020-21 local authority borders
LA name 202122	(All)	▼																			
Type	(All)	▼																			Please select whether you want NB, Acquisition or Unknown.
Sum of Units		Column Labels																			
Row Labels	▼	2017-18	2018-19	2019-20		2020-21	2021-22	Grand Total													
▣ Social Rent		4	66	54		56	2	182													
Private Registered Provider other funding		4		28				32													
Local Authority HE/GLA funded						18	2	20													
Local Authority other funding			66	26		14		106													
Right to Buy recycled receipts						24		24													
▣ Affordable Rent		38	22	67		67	76	270													
Private Registered Provider HE/GLA funded		34	4	35		3		76													
s106 nil grant		4	18	32		64	76	194													
▣ Shared Ownership		11	10	30		38	27	116													
Private Registered Provider HE/GLA funded		3		12				15													
Affordable Homes Guarantees							3	3													
s106 nil grant		8	10	18		38	24	98													
Grand Total		53	98	151		161	105	568													

11 Appendix DP22 – Statistical Data Return 2017 and 2022 and Local Authority Housing Statistics Data Return 2016/17 – extracts

RP social housing by local authority area 2022

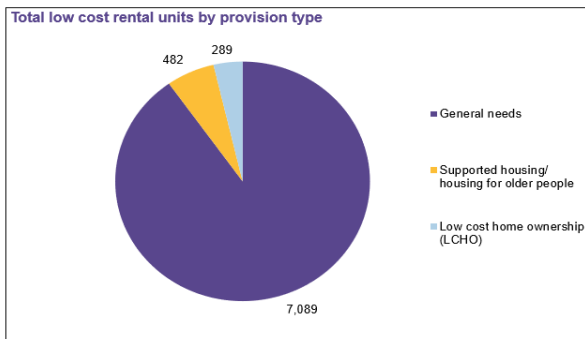


Select an LA area: **St Albans**
 PRPs operating in area: 27
 LARPs operating in area: Yes

Region: East of England
 PRPs operating in region: 205
 LARPs operating in region: 30
[Click for help on the search function](#)
[View LARP and/or PRPs in area](#)

1 Total social units by provision type in St Albans				
		LARP Units	PRP Units	(in pie chart) All Units
Low cost rental	General needs	4,845	2,244	7,089
	General needs self-contained	4,845	2,244	7,089
	General needs non-self-contained	-	-	-
	Supported housing/ housing for older people	-	482	482
Low cost home ownership (LCHO)	-	289	289	
Total St Albans	4,845	3,015	7,860	
East of England	155,320	293,439	448,759	
England	1,569,984	2,842,600	4,412,584	

See notes in Table 2 below.
Source: SDR/LADR 2022



PRP local authority trend tool (SDR data) 2015-2022

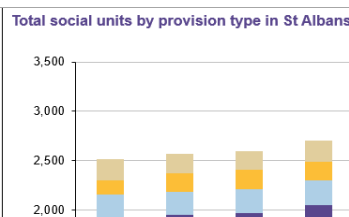


Select Local Authority area: **St Albans**
 Region: East of England
[Click for help on the search function](#)

	2015	2022	Change
PRPs operating in the LA area:	23	27	4
PRPs operating in the region:	210	205	-5

Small
Large

1 Total social units by provision type in St Albans									
Provision Type (including Affordable Rent units in GN, SH and HOP)									
<i>highlighted figures are included in the chart</i>									
	2015	2016	2017	2018	2019	2020	2021	2022	
Low cost rental	General needs	1,917	1,952	1,969	2,048	2,072	2,120	2,187	2,244
	General needs self contained	1,909	1,944	1,886	1,957	1,991	2,120	2,187	2,244
	General needs non self contained	8	8	83	91	81	-	-	-
	Supported housing	239	228	242	249	284	271	276	276
Housing for older people	143	192	193	192	178	206	206	206	
Low cost home ownership (LCHO)	214	200	196	217	218	233	254	289	
Total	2,513	2,572	2,600	2,706	2,752	2,830	2,923	3,015	
East of England	264,883	266,807	268,584	273,474	278,100	283,853	288,491	293,439	
England	2,608,767	2,655,501	2,672,026	2,708,355	2,741,601	2,777,878	2,804,350	2,842,600	



Local Authority Housing Statistics dataset (including imputed data), England 2016-17: Section A - Dwelling Stock

This table is no longer being updated. Please refer to the LAHS Open Data for the latest version of this dataset.

				Total number of dwellings	Total
				Local Authority Owned (including those owned by other Local Authorities)	All
				Other public sector (e.g. over government departments, agencies)	All
DCLG code	Area code	Met and Shire County Totals	Lower and Single Tier Authority Data	a1a ¹	a1b ^{1,2}
B1930	E07000240		St Albans	4,899	0



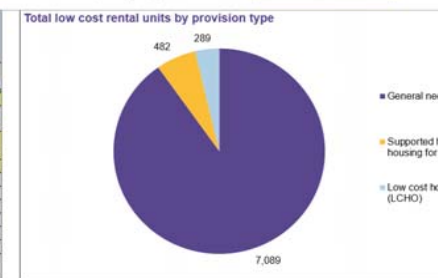
RP social housing by local authority area 2022

Select an LA area: **St Albans**
 PRPs operating in area: 27
 LARPs operating in area: Yes

Region: East of England
 PRPs operating in region: 205
 LARPs operating in region: 30
[Click for help on the search function](#)
[View LARP and/or PRPs in area](#)

1 Total social units by provision type in St Albans				
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Low cost home ownership (LCHO)	-	289	289	
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East of England	155,320	293,439	448,759	
England	1,569,984	2,842,600	4,412,584	

See notes in Table 2 below.
Source: SDR/LADR 2022



12 Appendix DP23 – Live Table 691b – extract

[Contents](#)

Table 691b: Annual Right to Buy Sales: Sales by Local Authority, England: 1980-81 to 2020-21 ¹²³⁴

Region	N.ONS Code	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02
	E07000241 St Albans	0	110	247	209	170	218	215	230	207	333	279	35	91	132	136	101	86	145	116	146	139	53
2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21					
89	91	52	28	27	19	7	7	9	6	18	37	27	24	24	20	12	15	10					

- 13 Appendix DP24 – COVID-19 and housing: while prices may fall, homes will remain unaffordable’, LSE, Paul Cheshire and Christian Hilber, 6th May 2020**

LSE BPP

May 6th, 2020

COVID-19 and housing: while prices may fall, homes will remain unaffordable

5 comments | 10 shares

Estimated reading time: 5 minutes



*Discussing the potential effects of COVID-19 on housing, **Paul Cheshire** and **Christian Hilber** write that real house prices and rents may initially fall. Yet housing will remain*

unaffordable for the young and those on lower incomes, especially in London and the South East, as this fall will be driven by a fall in earnings.

To speculate usefully about the effects of COVID-19 on UK housing one needs a clear analytical understanding of how our housing markets work and what forces cause them to change. Given the extreme

uncertainty about the impact and evolution of the pandemic, anything in this blog is in some sense speculation, but we hope informed speculation.

A recent [academic paper](#) analysing the impacts on house prices and rents of historic epidemics in Amsterdam and Paris found only relatively short-lived and localised reductions in house prices and smaller effects on rents than on prices. While useful, we are cautious about trying to draw direct lessons from such historic examples: not least because the extent of lockdown and disruption now is an order of magnitude greater. COVID-19 is a true pandemic, affecting the whole interdependent world economy at the same time. Moreover, beyond its intrinsically lower fatality rate, modern medical understanding about the spread of disease together with greater societal emphasis on saving lives, are likely to mean much lower death rates from COVID-19 than from the Black Death or the cholera epidemic in 19th century Paris, but disproportionately greater economic impact.

Apart from applying basic analytical tools it is also probably useful to look at the impacts in terms of three time horizons: the short term (over the next six to nine months); the medium term (up to about 2024); and the long term (over the next ten-plus years). And, a warning, the further ahead one looks the more uncertainty attaches to one's predictions. But we will do our best.

The short term

Britons have become conditioned to expect rising house prices in real terms. After all they have increased fivefold since the 1950s, faster than in any other OECD country. This rise has been driven mainly by rising real incomes and an increasingly fixed supply of housing in large parts of the country. The supply of new houses is so inflexible because our planning system is dysfunctional and our system of local government finance provides virtually no incentives for local authorities to permit

development (see [here](#), [here](#) or [here](#)). It is rising real incomes that fuel the demand for 'housing services' ([reflected in rents](#)) but part of what fuels the demand for housing as an asset is rising house prices relative to the price of other assets. And this, in turn, given the nearly fixed supply of houses, may fuel further price rises.

So this is the first pointer to what the COVID-19 crisis will do to the housing market. In the very short term, it will produce stasis: buying and selling will all but stop. Indeed, they already have – even in early April Zoopla reported a 40% drop in enquiries. Even when the lockdown is over and the market 'unfreezes', the transaction volume is likely to fall substantially. In part this will be because households are loss averse and not likely to want to realise a loss; but also because of the probable ongoing economic disruption discussed below. As WHO spokesman David Nabarro claimed [on April 12](#), the 'virus will stalk us for years to come, changing behaviour for the foreseeable future'. So prices will tend to fall, especially as incomes disappear for large numbers of people, triggering, in some cases, real financial distress and near forced sales.

While construction of new houses will be severely restricted, because new homes are such a small fraction of the total stock, this will make little difference to total supply, so will do little to offset the fall in house prices. Moreover, the vast majority of COVID-19-induced deaths over the next few years will be of elderly people, freeing up some existing stock and thus reinforcing, slightly, the temporary downward trend in house prices. Overall, the supply side effect on house prices may be rather muted as the two effects (on construction and freed stock) may largely offset each other.

Thus, in the short term, three things mainly matter:

1. How far will lenders be willing – even be able – to flex to minimise the number of forced sales? Forced sales quickly translate into falling

house prices as we saw in 1991;

2. How catastrophically will borrowers' incomes be hit and for how long?

3. How much and for how long will real incomes fall?

We can offer no professional forecast as to how long the epidemic or the lockdown will last. Maybe the UK lockdown will continue till early June, two months after the start of the easing in China. But even then, the easing will be gradual and the resumption of normal economic activity will take probably many months. Moreover, if the Spanish flu-pandemic that lasted from January 1918 to December 1920 is any indication (see [here](#) and [here](#)), it is likely there will be a second and possibly even third wave, depending on how quickly a vaccine can be developed and made available.

The longer the lockdown lasts, the slower the recovery will be. The economy appears to be in freefall. Official data was hardly yet available but there was an ingenious review of current indicators in the Financial Times [on 8 April](#): car sales down 44% in March; restaurant bookings on Open Table – a sort of forward indicator – dropped to zero two days before the official lockdown. Nothing since the OBR [14 April](#) report has been less gloomy. It is clear that recovery from the initial near catastrophic hit is dependent on businesses being able to re-set. But it looks increasingly likely that many businesses will not survive. The physical fabric will survive, but the government's initiative to provide emergency finance seems plagued by delay and, while loans do not come, more and more businesses will go under. Recovery will be much slower if the businesses themselves have to be re-invented and established anew. Demand may be there and so may the workers but there have to be businesses to organise the process of production and employment.

The medium term

Turning to the medium term, we first note that the longer the lockdown and the more businesses go under, the slower the bounce-back is likely to be. The slower the bounce-back, the slower the recovery in the demand for housing – driven by earnings – will be. And even when earnings start to recover, the savings of many will have been depleted. Would-be buyers will find much of what they had set aside for deposits, whether for first purchase or to trade-up, will have gone on essential supplies to keep the household afloat while incomes were down. Moreover, existing owners' capital gains from their current homes will have fallen, reducing their ability to make a sizeable deposit on their typically larger and more expensive trade-up homes.

Buying a home will have to be postponed again, even if prices appear to be more affordable. It took till 1945 for real house prices to get back to their 1931 levels: it took till late 2001 to get back to 1989 real prices. House prices may have increased nearly fivefold since 1955 but there have been booms, busts and prolonged troughs along the way. We would not be surprised to find real house prices in 2024 well below present-day levels. The economic downturn triggered by COVID-19 may even equal that of the Great Depression of the 1930s. However, construction of social housing may have a bit of a revival.

Lower house prices will not improve affordability in the medium term, however, since the cause would be lower incomes and depleted savings.

The long term

So what of the long term? To 2030 and beyond. Here we get even more speculative but we will assume that the pandemic dies away and the economy eventually recovers. The pandemic could even trigger an innovation boost e.g. in communication technology (which might

damage the recovery of airlines and ground transport) or medicine. And, although we have long argued for radical reforms to those policies impeding building more houses where people want to live (such as releasing Green Belt land around commuter stations or reforming the tax system to incentivise local authorities to permit development), we will reluctantly assume there are none, at least no meaningful ones. One of the downsides of our expected prolonged depression in real house prices is that it may take the pressure off politicians to reform our dysfunctional housing supply.

If this is true, construction will stay well below the level needed to satisfy demand, so prices will take off when incomes finally recover. However, the structure of demand may change. Already there is talk of how we will not go back to what we were doing before COVID-19 struck. People may adjust to more home-working, including commuting to a central office far less frequently. This would have two implications (apart from those it would have for the demand for office space): the first would be that people would demand more space in their houses; the second is that commuting costs might become less important as an influence on where people choose to live. These would suggest a movement outwards to find cheaper land and space, and accept the longer commute that implied. In fact before COVID-19 struck there was already evidence of people **jumping the Green Belt** so this would be a continuation of an existing trend.

Although not strictly following, a further related trend might be for higher-paid jobs to concentrate even more strongly in the first-order cities, notably London, Manchester, Edinburgh, even Leeds, at the expense of second-tier cities like Stoke-on-Trent, Derby or Coventry; and demand for housing to relatively increase in smaller but well-connected high-amenity cities like Cambridge, Canterbury, Exeter, Harrogate, Hexham, Norwich or Oxford, further increasing house price pressures in these locations.

Conclusion

While there is huge uncertainty surrounding the COVID-19 crisis, one thing is clear: it is likely to have lasting effects on both Britain's housing markets and housing policies. Real house prices (and rents) may fall in the short and medium term without making housing less unaffordable. It will remain particularly unaffordable for the young and those on lower incomes, especially in London and the South East, and for other people and sectors hardest-hit by COVID-19. When it comes to housing policies, policymakers (of all colours) would be well-advised not to jump on the populist band-wagon. There needs to be a policy reaction reflecting the true causes rather than the symptoms of the affordability crisis and the longer-term reforms that are the only way of truly resolving our housing problems. We need to learn from Germany, not just in terms of **effective testing** for COVID-19, but also from their **housing and planning policies**.

About the Authors



Paul Cheshire is Emeritus Professor of Economic Geography and associate of LSE's Centre for Economic Performance.



Christian Hilber is Professor of Economic Geography at the LSE and Research Associate at LSE's Centre for Economic Performance.

14 Appendix DP25 – ONS Statistical Bulletin ‘Private rental affordability , England, Wales and Northern Ireland: 2021’ – extract

Statistical bulletin

Private rental affordability, England, Wales and Northern Ireland: 2021

Private rent prices by country and English region, expressed as a percentage of gross monthly income of private renting households. Part of our additional measures of housing affordability series.

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Richardson
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+44 20 3741 1789

Release date:
5 January 2023

Next release:
To be announced

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3. [Private rents and household incomes in 2021](#)
4. [Affordability: comparing average rent to income](#)
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6. [Sensitivity of private rental affordability](#)
7. [Private rental affordability data](#)
8. [Measuring the data](#)
9. [Strengths and limitations](#)
10. [Related links](#)
11. [Cite this bulletin](#)

1 . Main points

- Private renters on a median household income could expect to spend 26% of their income on a median-priced rented home in England, compared with 23% in both Wales and Northern Ireland, in the financial year ending March 2021.
- London was the least affordable region with a median rent of £1,430 being equivalent to 40% of median income.
- The West Midlands and East Midlands were the most affordable regions with median rents being equivalent to 21% and 22%, respectively, of median income.
- Despite having very different levels of median income and rents, Yorkshire and the Humber and the South East had similar ratios of private rental affordability (31%).
- The West Midlands is the only English region where a lower quartile rent is equivalent to less than 30% of a lower quartile household income.

2 . Rent prices as a percentage of income

We give an indicator of private rental affordability by expressing rent prices as a percentage of gross income for private renting households. For this bulletin, we deem a property "affordable" if a household would spend the equivalent of 30% or less of their income on rent. Data are for financial years, so 2021 refers to 1 April 2020 to 31 March 2021.

This bulletin uses the median when it refers to "average" incomes or rental prices. This is because the distributions of both income and rental prices are skewed with some extreme high values.

Private rents data are supplied by [Rent Officers Wales](#), the [Northern Ireland Housing Executive](#) and published data from the [Private Rental Market Summary Statistics in England](#). For England and Wales, we use administrative data on actual rents being paid by both existing and new tenants. Data for Northern Ireland are based on advertised rents for new tenants only.

The monthly rent estimates are then compared with the gross monthly incomes of private renting households for the same country or region, estimated through the [Family Resources Survey](#) (FRS). The coronavirus (COVID-19) pandemic affected the response rate to the FRS in 2021, with [roughly half the usual number of households responding](#) and even fewer private rental households. We use statistical techniques such as weighting to partially compensate for this, however there is more uncertainty around the 2021 income values than in previous years.

Further details are in [Section 8: Measuring the Data](#) and our [Private rental affordability quality and methodology information \(QMI\)](#) report.

This analysis is part of a series of [additional measures of housing affordability](#) (alongside [Housing Purchase Affordability, Great Britain](#)), designed to complement the Office for National Statistics' (ONS's) [annual housing affordability statistics](#). This range of statistics provides evidence about the affordability of buying a home, the cost of living, and feeds into local authority housing policies.

3 . Private rents and household incomes in 2021

The affordability of the private rental sector is important for many people. [Dwelling stock data](#) from the Department for Levelling Up, Housing and Communities estimate that the number of privately rented dwellings has doubled in England since 2001, to 4.9 million, or 20% of all dwellings, in 2021. A similar pattern has occurred in [Wales](#), where an estimated 14% of dwellings were privately rented in 2020. In [Northern Ireland](#), 14% of households were privately rented in 2020.

As shown in Figure 1, in the financial year 2021, the median rents and median gross income of private renting households were:

15 Appendix DP26 – Live Table 120 – extract

Table 120 Components of net housing supply, England 2006-07 to 2021-22 ^{1,2}

					Number
	2017-18	2018-19	2019-20	2020-21 ^R	2021-22
Components of net housing supply					
New build completions	195,390	214,410	219,120	191,820	210,070
<i>Of which under permitted development right - Building upwards to create dwelling houses on detached blocks of flats (Class A of Part 20 of Schedule 2 to GPDO 2015)</i>	..	..	..	0	0
<i>Of which under permitted development right - Building upwards to create dwelling houses on detached commercial or mixed-use buildings (Class AA of Part 20 of Schedule 2 to GPDO 2015)</i>	..	..	..	0	0
<i>Of which under permitted development right - Building upwards to create dwelling houses on commercial or mixed-use buildings in a terrace (Class AB of Part 20 of Schedule 2 to GPDO 2015)</i>	..	..	..	0	0
<i>Of which under permitted development right - Building upwards to create dwelling houses on dwelling houses in a terrace (Class AC of Part 20 of Schedule 2 to GPDO 2015)</i>	..	..	..	0	0
<i>Of which under permitted development right - Building upwards to create dwelling houses on detached dwelling houses (Class AD of Part 20 of Schedule 2 to GPDO 2015)</i>	..	..	..	0	0
<i>Of which under permitted development right - Demolition of buildings and construction of dwelling houses (Class ZA of Part 20 of Schedule 2 to GPDO 2015)</i>	..	..	..	0	0
<i>Of which under permitted development right - Unspecified</i>	..	..	..	697	131
<i>Of which under permitted development right - Total</i>	..	..	..	697	131
	<i>plus</i>				
Net conversions	4,550	5,160	4,340	3,410	4,870
	<i>plus</i>				
Net change of use	29,730	29,300	26,710	21,470	22,770
<i>Of which under permitted development right - Agricultural to residential</i>	738	1,062	745	853	591
<i>Of which under permitted development right - Office to residential</i>	11,559	12,075	10,598	8,116	8,359
<i>Of which under permitted development right - Storage to residential</i>	218	199	149	142	138
<i>Of which under permitted development right - Light industrial use to residential</i>	110	69	47	62	271
<i>Of which under permitted development right - Any other</i>	872	779	680	655	858
<i>Of which under permitted development right - Unspecified</i>	39	147	156	162	86
<i>Of which under permitted development right - Total</i>	13,536	14,331	12,375	9,990	10,303
	<i>plus</i>				
Net other gains	680	970	860	640	780
	<i>less</i>				
Demolitions	8,060	7,960	8,330	5,480	5,680
<i>Of which under permitted development right - Demolitions</i>	..	..	..	25	32
	<i>plus</i>				
Adjustment to Census 2011	0	0	0	0	0
	<i>gives</i>				
Net additional dwellings	222,280	241,880	242,700	211,870	232,820

16 Appendix DP27 – Housing supply requirements across Great Britain: for low-income households and homeless people, Professor Glen Bramley, November 2018 – extract



Together
we will end
homelessness

Housing supply requirements across Great Britain:

for low-income households and homeless people

Professor Glen Bramley

November 2018

**NATIONAL
HOUSING
FEDERATION**

Executive Summary

There is an urgent need for more housing that provides people on low incomes with security, decent living conditions and affordable rents. Across Great Britain the need and demand for low-rent housing outstrips supply. This report presents the findings of a study, carried out by Professor Glen Bramley of Heriot-Watt University for Crisis and the National Housing Federation, to estimate the scale of current and future housing need and associated housing requirements. Unlike previous studies there is a specific focus on low-income households and people experiencing homelessness.

The research adds to the existing evidence base on housing need by making an assessment of the existing backlog of unmet housing need and by providing a new methodology for the assessment of housing requirements. It presents unique analysis of housing requirements shaped by the housing outcomes we want to achieve as well as producing estimates driven by the Government's household projections as previous studies have done.

Key findings

- There is currently a backlog of housing need of 4.75 million households across Great Britain (4 million in England). Around 3.66 million households are in housing need and are currently concealed and overcrowded household, those with serious affordability or physical health problems and people living in unsuitable accommodation. In addition, around 333,000 households experiencing core and wider homelessness¹ are in housing need. Another 250,000 older households with suitability needs are part of the backlog and finally 510,000 households are included because they live in poverty after paying their housing costs. (see Table 1.1).

1 Core and wider homelessness definition has been developed by Heriot-Watt and Crisis. Core homelessness refers to people rough sleeping, sleeping in cars, tents, public transport, squatting, hostel residents, people placed in unsuitable temporary accommodation (including bed and breakfast and nightly paid hotels), night and winter shelters, sofa surfers. Wider homelessness extends to people staying with friends and relatives on a longer term basis, people under eviction or notice to quit who can't afford to access the PRS, in other forms of temporary accommodation and those discharged from prisons, hospitals and other state institutions without permanent housing. For more information, see Crisis (2018) *Everybody In: How to end homelessness in Great Britain*, Chapter 5: Homelessness projections.

Table 1.1 Backlog of housing need in Great Britain

Type of housing need/requirement	Number of households in GB (million)	Number of households in England (million)
Housing need including: <ul style="list-style-type: none"> • Concealed family or concealed single (including nondependent children) wanting to move, • Overcrowding (bedroom standard) • Serious affordability problems based on combination of ratio measures and subjective payment difficulties • Serious self-reported physical condition problems • Accommodation unsuitable for families (e.g. high-rise, no garden/yard) 	3.66	3.15
Core and wider homelessness	0.33	0.24
Older households with suitability needs	0.25	0.20
Households whose housing costs are unaffordable	0.51	0.41
Total	4.75	4.00

Source: UKHLS; Crisis

- The analysis works on the assumption that the large backlog of need cannot be met instantaneously and it will take time to build up a really effective housebuilding programme to address these existing needs plus expected future needs and demands. There the projected levels of supply have been calculated on a 15 year time frame.
- Over 15 years the research has estimated the total level of new housebuilding required is around 340,000 per year for England, 26,000 per year for Scotland, and 14,000 per year for Wales (380,000 for GB). These figures include new social housebuilding per year of 90,000 for England, 5,500 for Scotland and 4,000 for Wales (100,000 across GB), with additional provision per year of 25,000 shared ownership (or equivalent LCHO) for England, 2,500 in Scotland and 30,000 for intermediate affordable rent (30,000 and 33,000 across GB). (see table 1.2)

Table 1.2 New housebuilding requirements in Great Britain based on need

	Total	Social Rent	Shared Ownership	Intermediate rent
England	340,000	90,000	25,000	30,000
Scotland	26,000	5,500	2,500	2,000
Wales	14,000	4,000	1,500	1,500
Great Britain	380,000	100,000	29,000	33,500

- These estimates are derived from employing three partially distinct methodologies: two based on a traditional demographic framework enhanced to reflect affordability, and the other based on a dynamic sub-regional housing market model and consideration of a wide range of key outcome measures, relating to affordability, poverty, housing need and homelessness. Figure 1.1 sets this out in more detail.
- The analysis does not take into account the impact of any rebalancing of the economy in accordance with the ambitions of the industrial strategy.
- Following the work of Barker (2004)² and NHPAU (2009)³, affordability is seen as a key criterion for adapting housing numerical targets away from numbers inherited from previous plans or from demographic projections. However, the modelling shows that much greater adjustments are needed to achieve a meaningful levelling of affordability differences than those proposed by MHCLG in its 2017 planning guidance⁴. If the goal is to make a significant and proportional response to housing need, particularly the most acute needs such as those experiencing core homelessness, quite strongly differentiated housing targets are appropriate.
- Building on previous research, it is recognised that, to reduce core homelessness substantially, additional measures both within housing policy (e.g. full application of homelessness prevention measures and housing led responses) and beyond housing policy (limiting or reversing some welfare reforms/cuts, particularly in relation to the Local Housing Allowance (LHA) freeze) are needed in addition to increasing overall housing supply.

2 Barker, K. (2004) *Review of Housing Supply: Delivering Stability: Securing our Future Housing Needs. Final Report & Recommendations*. London: TSO/H M Treasury

3 National Housing and Planning Advice Unit (NHPAU) (2009) *Affordability Still Matters*. Titchfield: NHPAU.

4 DCLG (Department of Communities and Local Government) (2014) *National Planning Practice Guidance: Assessment of Housing and Economic development Needs*

Introduction

Chapter 1: Introduction

Britain is in the grip of a housing crisis. One of the key drivers of this crisis is a lack of genuinely affordable housing being provided in places where people want and need to live. There is cross-party consensus that Britain needs to build a lot more housing, including affordable housing, to tackle its crises of housing affordability and homelessness. While it is generally accepted that not enough new affordable housing is being built, the extent to which there is clear evidence at national level of the scale of need varies across Great Britain.

In England there is a lack of clarity over exactly how much and what type of affordable housing is needed.

At national level, there are a number of sets of figures already in circulation, but each has shortcomings.

The framework for Objectively Assessed Need laid out by DCLG in September 2017 is widely held to be too blunt an instrument, both in terms of the inputs used and in terms of the outputs. No allowance is made for assessing the level of need for affordable housing beyond an acknowledgement in the overall guidance that such an assessment should be made.

The most widely respected existing set of national figures are those produced by the late Alan Holmans for the Town and Country Planning Association (TCPA) in 2013, and updated by Neil

McDonald and Christine Whitehead in 2015. However even these have their own issues; they do not break down below regional level, the second iteration of them does not include an assessment of the need for affordable housing, they are in need of updating, and do not explicitly take account of levels of homelessness in calculating housing need.

At the local level, many local authorities and city regions/sub-regions have carried out – or paid consultants to carry out – Strategic Housing Market Assessments (SHMAs) or Housing Needs Assessments. The methodology which sits behind these varies from area to area, so that meaningful aggregation of these figures is not possible.

In addition to addressing the gap in housing needs evidence for England, the study set out to provide Great