

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**

**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:

**20<sup>th</sup> March, 2023**

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## **STATEMENT OF TRUTH**

- a) I am David Parker, Chairman of Pioneer Property Services Ltd, and have been appointed by the Appellants to address matters in respect of the need for, and the proposed provision of, affordable housing and Self-Build plots on the proposed development.
- b) In that regard I have an Honours degree in Housing, a post-graduate diploma in Management, a Masters degree in Construction Management, and I have been a Fellow of the Chartered Institute of Housing for more than 30 years.
- c) I have worked for local authorities, housing associations, a construction company, a national house builder and a PLC property company before establishing Pioneer in 1999. I therefore have 40 years' experience in the management and development of housing and now manage a team of consultants providing housing and residential development expertise throughout England.
- d) I have acted as an Expert Witness for more than 20 years and have consequently appeared at numerous round table debates and planning inquiries and have submitted evidence in respect of large and small residential development proposals. The evidence which I have prepared and provide for this appeal reference APP/B1930/W/22/3313110 is true and I confirm that the opinions expressed are my true and professional opinions.

## 1 INTRODUCTION

- 1.1 This proof of evidence relates to the proposed residential development by Alban Developments Limited and Alban Peter Pearson, CALA Homes (Chiltern) Ltd and Redington Capital Ltd (the “Appellants”) of Land South of Chiswell Green Lane, Chiswell Green, St Albans (the “Appeal Site”) and considers the very substantial material benefits associated with the contribution of affordable housing from the Appeal Site. The substantial benefit associated with the contribution of Self-Build plots from the Appeal Site is also considered.
- 1.2 The Appeal Site is situated within St Albans district (“SACDC”) and within the St Albans City and District Council administrative area (“the Council”).
- 1.3 To assist the Inspector to formulate a judgement regarding the importance of affordable housing in the district of St Albans this Proof of Evidence examines the appropriate weight that should be attributed to the provision of 40% (c.156) affordable dwellings within the context of policy and guidance on the matter, plus previous determinations by Planning Inspectors alongside consideration of the need for additional affordable housing provision in the district compared to the historic and planned supply. A similar process is applied in respect of Self-Build plots.
- 1.4 The Council in the Appeal Site Planning Application Committee Report (**CD 3.4**) attributes ‘very substantial weight’ to the affordable housing proposals and ‘substantial weight’ to the Self-Build plot proposals.
- 1.5 This Proof of Evidence is structured as follows:
- Section 2 of this report provides a brief review of National Planning Policy, Development Plan and other policy pertinent to Affordable Housing, and summarises the Appeal Site Affordable Housing and Self-Build proposals.
  - Section 3 reviews the available evidence of Affordable Housing need based on secondary data published by the Department for Levelling Up, Housing and Communities (“DLUHC”), and housing needs and strategic housing market assessments.
  - Section 4 examines sources of Affordable Housing supply past and present and considers the implications of this for the level of Affordable Housing need established in Section 3.

- Section 5 reviews affordability indicators for the district, establishing the significant pressures facing households seeking to access market housing options for sale and rent.
- Section 6 considers the situation nationally, which remains in the midst of a housing crisis, and examines the weight that is routinely applied by the Secretary of State and planning inspectors to Affordable Housing - including Planning Appeal decisions in the St Albans district.
- Section 7 focusses on Self-build and Custom Build, providing an overview of the relevant legislative and policy framework, the level of demand for this type of housing versus the supply recorded by the Council, and the weight which should be attached to the proposed provision.
- Section 8 provides a summary and conclusion.

## 2 Policy Context and Affordable Housing / Self-build Proposals

### 2.1 National Policy and Guidance

2.1.1 The provision of affordable housing as a material consideration in the determination of planning applications has remained of central importance within national policy and guidance after being originally identified as such within the Planning Policy Practice Guidance of March 1992.

2.1.2 This approach continued into subsequent national planning policy remains the position within the current National Planning Policy Framework (“NPPF” – as revised in July 2021 – **CD 7.1**) and accompanying online National Planning Practice Guidance (initially published in March 2014 and updated from time to time (“NPPG”).

2.1.3 The NPPF, which is a material consideration, when providing advice in respect of ‘Achieving Sustainable Development’ describes the social role (the second ‘objective’ of sustainable development) as supporting:

*“...strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations;.”<sup>1</sup>*

2.1.4 Development proposals which assist with meeting ‘present’ and ‘future’ housing and affordable housing needs (whilst having regard to the other objectives of national guidance) fulfil this objective.

2.1.5 Paragraph 60 of the NPPF confirms that it remains an objective of national policy to significantly boost housing supply. The needs of different groups in the community ‘should be assessed and reflected in planning policies’ and these groups include:

*“...those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes”<sup>2</sup>*

2.1.6 Affordable housing is referred to specifically within paragraph 63. This makes it clear that where a need for it is identified the type of affordable housing required should be set out within planning policies and met on-site unless certain exceptions apply.

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<sup>1</sup> paragraph 8b, page 5, NPPF

<sup>2</sup> paragraph 62, NPPF

- 2.1.7 Under the current NPPF the main responsibility of providing affordable housing falls to major developments (i.e. sites of 10 or more dwellings / 0.5 hectares or more) on which ‘at least 10%’ of the homes overall should be ‘made available’ for affordable home ownership, subject to a limited number of exceptions.<sup>3</sup>
- 2.1.8 The overarching NPPF Annex 2 affordable housing definition confirms that affordable housing is that for sale or rent ‘for those whose needs are not met by the market’. This includes housing for all those eligible for subsidised routes to home ownership. The NPPF affordable housing definition continues to include Affordable Rent and Shared Ownership as potential affordable housing tenures, alongside other previously existing affordable home ownership and rent options. There is a clear emphasis on increasing the opportunities for households in need of affordable housing to access home ownership.
- 2.1.9 Through standalone national First Homes Guidance (“FHG” – **Appendix DP2**) issued on the 24<sup>th</sup> of May 2021 in conjunction with a Written Ministerial Statement (“WMS” - **Appendix DP3**) the Government seeks 25% of all Affordable Housing as First Homes, subject to transitional provisions. Whilst there is no specific legislative requirement to deliver First Homes and where existing Local Plans have been adopted prior to the transitional arrangement there is no need to update these Plans early to reflect First Homes the FHG / WMS demonstrates the Government’s commitment to this form of Affordable Housing and confirms that provision should be encouraged and supported where proposed.
- 2.1.10 First Homes must be discounted by 30% against market value at minimum (in perpetuity), be sold to eligible purchasers (as defined in the FHG as First Time Buyers and with a combined household income of up to £80k outside Greater London), and have a sale price of no more than £250k (£420k in Greater London). These are the minimum national standards to be applied unless alternative approaches are applied through the Plan Making process and in accordance with the FHG / WMS.
- 2.1.11 The NPPG (**Appendix DP4**) confirms that ‘all households whose needs are not met by the market can be considered in affordable housing need’.<sup>4</sup> It provides guidance on how both current and future affordable housing need can be assessed.<sup>5</sup> The NPPG (**Appendix DP5**)

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<sup>3</sup> Paragraphs 64 to 65, NPPF

<sup>4</sup> Housing and Economic Needs Assessment Paragraph 018

<sup>5</sup> Housing and Economic Needs Assessment, paragraphs 019 - 024

makes it clear that the gross need for Affordable Housing should be informed by past trends and current estimates of a number of things including:

*“the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.”<sup>6</sup>*

2.1.12 This is a much wider eligibility than in previous national policy Affordable Housing definitions, so re-confirming the commitment by Government to widen Affordable Housing choice for all households (seeking to buy or rent) and unable to afford to access such homes on the open market.

2.1.13 Further significant proposed changes to the planning system set out within the ‘White Paper: Planning for the Future, August 2020’ consultation have been responded to by the Government through the proposed approach to planning reform in the Levelling Up and Regeneration Bill (“the Bill”) and accompanying Policy Paper published in May 2022 (the Bill as at January 2023 is undergoing its second reading in the House of Lords). The ‘Planning for the Future’ August 2020 White Paper, the Levelling Up White Paper (February 2022) and the May 2022 ‘Levelling Up and Regeneration: further information’ Policy Paper all make it clear that the delivery of affordable housing within developments remains of significant importance.<sup>7</sup>

2.1.14 The draft NPPF issued for consultation in January 2023 retains the objective, within paragraph 60, of ‘significantly boosting’ overall housing supply, adding that the ‘overall aim should be to meet as much housing need as possible’ and that this should be done by providing an ‘appropriate mix of housing types to meet the needs of communities’. This will include the provision of Affordable Housing, which should continue to be provided where a need for it is identified<sup>8</sup> (as set out in the NPPF currently). There is no downgrading within the draft NPPF of the importance of the provision of Affordable Housing to meet the assessed need for such housing. The accompanying consultation paper ‘Levelling-up and Regeneration Bill: reforms to national planning policy’ places an emphasis on the need to provide both Affordable Housing for owner occupation and for rent.<sup>9</sup>

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<sup>6</sup> Housing Needs of Different Groups, Paragraph 006

<sup>7</sup> Paragraph 4.20, White Paper: Planning for the Future, August 2020 - **Appendix DP6**, page 223 Levelling Up White Paper February 2022 - **Appendix DP7**, and the ‘Delivering infrastructure’ section of the ‘Levelling Up and Regeneration: further information’ May 2022 Policy Paper - **Appendix DP8**

<sup>8</sup> Paragraph 64, draft NPPF

<sup>9</sup> ‘Levelling-up and Regeneration Bill: reforms to national planning policy’, paragraphs 2 – 4, Chapter 5 - **Appendix DP9**



2.1.15 The Standard Method continues to be the assessment by which local authorities will be expected to assess the ‘minimum’ Local Housing Need unless exceptional circumstances justify otherwise. Whilst proposed additional wording confirms it to be an ‘advisory starting point’ for establishing the areas Housing Requirement,<sup>10</sup> paragraph 67 states that the requirement may be higher than the identified housing need in certain circumstances.

2.1.16 Until the emerging NPPF is consulted upon and finalised the July 2021 iteration of the NPPF continues to provide the national planning policy context within which planning proposals should be considered.

## 2.2 Local Policy

### *Adopted Development Plan Policy*

2.2.1 The current adopted Local Plan in SACDC is the District Local Plan Review 1994 (“LP” – **CD 8.1**) which includes policies saved by direction of the Secretary of State in 2007. The saved policies include Policy 7a Affordable Housing in Towns and Specified Settlements and Policy 8 Affordable Housing in the Metropolitan Green Belt.

2.2.2 Policy 7a includes a numerical target to provide 200 new Affordable Homes per annum through new housing delivery and conversions. At a site level an Affordable Housing target percentage is not stated; instead provision is to be negotiated on eligible sites based on ‘marketing conditions’ and ‘local housing need’. Affordable Housing is referred to within Policy wording as including Affordable Housing for rent and sale.

2.2.3 Saved Policy 70 ‘Design and Layout of New Housing’ within the LP is non-tenure specific, and refers to an overall dwelling mix being provided which will ‘cater for a range of needs’ and to ‘a mix of housing types and sizes’ being negotiated on ‘larger schemes’.

2.2.4 However, the Council acknowledge in the Committee Report for the Appeal Site planning application (**CD 3.4**) that a five year housing land supply cannot be demonstrated rendering the ‘policies which are most important for determining the application’ out of date.<sup>11</sup> This is restated in the Council’s Statement of Case (paragraph 5.17 – **CD 5.2**). Further detail is provided within the Planning Proof of Evidence **CD 3.18a**, but it is relevant to note the St Stephens Neighbourhood Plan (**CD 8.12**) explains that policies within the Neighbourhood

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<sup>10</sup> Paragraph 61, draft NPPF

<sup>11</sup> Paragraph 8.2.11, **CD 3.4**

Plan that are reliant on out-of-date policies within the Local Plan are, therefore, themselves rendered out of date.

#### *Supplementary Planning Guidance*

- 2.2.5 Affordable Housing Supplementary Planning Guidance (“AHSPG” – **Appendix DP10**) was adopted by St Albans City and District Council in 2004. The AHSPG, which precedes the current NPPF and is informed by a 2002 Housing Needs Survey, states that SACDC will seek to negotiate ‘a target level of 35%’ Affordable Housing.<sup>12</sup> In respect of affordable housing tenure the AHSPG does not specify a target tenure split but states that this will be negotiated.<sup>13</sup>

#### *Emerging Local Policy*

- 2.2.6 In the latest review of the Local Plan, a publication Draft (**CD 8.2**) was submitted for examination in March 2019. This sought 40% on-site Affordable Housing but was withdrawn in November 2020. The South-West Hertfordshire Local Housing Needs Assessment (“LHNA” – **CD 8.35**) published in September 2020 forms part of the evidence base of the withdrawn publication draft Local Plan. SACDC has recently proposed the production of a new Local Plan in July – September 2023.
- 2.2.7 The weight to be attributed to emerging policy is considered in the Planning Proof of Evidence **CD 3.18a**. Whilst the LHNA forms part of the evidence base for the withdrawn Local Plan, it provides the most recent detailed data on Affordable Housing requirements in the district and is therefore considered in more detail at Section 4 below.

### **2.3 Affordable Housing & Self-build Plot Proposals**

- 2.3.1 The applicant is proposing that 40% (c.156) of the up to 391 homes on the application site will be provided as Affordable Housing. This exceeds the 35% referred to within the AHSPG within the context of LP Policy 7A (which specifies that an element of Affordable Housing is to be negotiated on sites such as the application site) but accords with the level sought in the emerging plan prior to its withdrawal.

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<sup>12</sup> Paragraph 7.13, AHSPG

<sup>13</sup> Paragraph 9.3, AHSPG

2.3.2 The Affordable Housing will be provided in the following tenure split:

30% Social Rent

19% Affordable Rent

26% Intermediate

25% First Homes (as defined by Government)

2.3.3 In addition 3% Self-Build Plots are proposed – i.e. c.12 plots.

2.3.4 The Appeal Site planning application Committee Report (**CD 3.4**) attaches ‘very substantial weight’ to the Affordable Housing and ‘substantial weight’ to the Self-Build plots proposed.<sup>14</sup>

2.3.5 The above proposals are set out in the Section 106 Agreement (**CD 3.13**) submitted to this Planning Inquiry.

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<sup>14</sup> Paragraphs 8.6.6 and 8.19.5, CD 3.4

### 3 AFFORDABLE HOUSING NEED

#### 3.1 Local Authority Housing Waiting List

- 3.1.1 Live Table 600 (**Appendix DP12**), as compiled and published by the Department for Levelling Up, Housing and Communities (“DLUHC”) suggests there were 559 households on the Housing Waiting List as at 31st March 2022 (the latest available published data<sup>15</sup>) seeking affordable housing in St Albans. However, a local news article dated January 2023 (**Appendix DP13**) states that 628 people are currently on the Housing Waiting List.<sup>16</sup>
- 3.1.2 The data suggests a significant decline from 2,189 households registered in 2012 (LT600) however the probable explanation is that changes were made in 2012 to the way in which the Council operates the Housing Waiting List introducing ‘qualification criteria’ resulting in households becoming defined as ineligible for inclusion in the list.<sup>17</sup>
- 3.1.3 It should also be noted the (cleansed) Housing Waiting List figures will not include households who are able to afford to rent privately but aspire to own their own home and are unable to afford to do so on the open market, despite such households being eligible for Affordable Housing based on the NPPF Affordable Housing definition.
- 3.1.4 The exclusion of these households and, potentially, further households already renting sub-standard housing in the private sector, is confirmed by the Council’s Housing Allocations Policy which states that:

*“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.”*

(page 34, St Albans Housing Allocations Policy, February 2021 – **Appendix DP15**)

Data on households waiting for Affordable Home Ownership is not published by the Government or the Council, but bearing in mind how high property prices are compared to average incomes in St Albans (the ratio<sup>18</sup> of median house price to median gross annual

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<sup>15</sup> As updated in December 2022

<sup>16</sup> ‘St Albans and Harpenden: Over 600 people waiting for homes’, 6<sup>th</sup> January 2023, [www.hertsad.co.uk](http://www.hertsad.co.uk)

<sup>17</sup> ‘More than 1,000 removed from St Albans council housing waiting list, 2<sup>nd</sup> July 2012, [www.hertsad.co.uk](http://www.hertsad.co.uk) – Appendix DP14

<sup>18</sup> Table 5c, House price to workplace-based earnings ratio, ONS

workplace-based earnings suggests there is a median workplace-based affordability ratio of 17.32 as at 2021 for the St Albans district **Appendix DP16**) there are likely to be a significant number of such households.

## 3.2 Local Authority Evidence Base

### SHMA16

- 3.2.1 The South-West Hertfordshire Strategic Housing Market Assessment (“SHMA16” – **CD 8.20**) published in February 2016 concludes a net annual need for 617 Affordable Homes during 2013 to 2036 (over 23 years) across the district.<sup>19</sup> However, this predates the current NPPF Affordable Housing definition (which sees households able to afford to rent privately, but aspiring to own their own home and unable to afford to do so on the open market included as being eligible for Affordable Housing).
- 3.2.2 The SHMA16 also assumes that the current / backlog of unmet Affordable Housing need should be addressed over 23 years. However, the backlog in unmet Affordable Housing need, which has arisen as result of a shortfall in the delivery of Affordable Housing in prior years, should be addressed within a 5 year period as this aligns with the approach set out in the NPPG<sup>20</sup> and at appeal<sup>21</sup> where the Planning Appeal Inspector considered that the Affordable Housing shortfall should be addressed ‘as soon as possible’ and that such households need an affordable home ‘now’.<sup>22</sup>
- 3.2.3 Were the Affordable Housing shortfall identified in the SHMA16 to be addressed over 5 years as opposed to 23 years the net annual need increases to 737 (reducing to 583 per annum thereafter assuming all backlog had been addressed within the first 5 years - which is unlikely).<sup>23</sup>

### LHNA

- 3.2.4 More recently, the South-West Hertfordshire Local Housing Needs Assessment (“LHNA” – **CD 8.35**) published in September 2020 (which formed part of the evidence base for the subsequently withdrawn emerging Local Plan) reports a level of Affordable Housing need in

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<sup>19</sup> Table 39, SHMA16

<sup>20</sup> Paragraph: 031 Reference ID: 68-031-20190722 – Appendix DP17

<sup>21</sup> APP/B3410/W/20/3245077, Land off Aviation Lane, Burton-upon-Trent, Inspector's Report 7<sup>th</sup> October 2020 – Appendix DP19

<sup>22</sup> Paragraphs 8 and 11, APP/B3410/W/20/3245077, Land off Aviation Lane, Burton-upon-Trent, Inspector's Report 7<sup>th</sup> October 2020

<sup>23</sup> Table 39 current need / shortfall in Affordable Housing = 770 – need per annum over 5 years = 154. Addressing the shortfall over 5 years: 154 + 663 + 161 = 805 minus supply at 241 = net annual need for 737 affordable homes

the district (at 828 per annum<sup>24</sup>) that equates to c.93% of the overall Local Housing Need calculated in the LHNA for the district (893 per annum).<sup>25</sup> The LHNA covers the 2020 to 2036 period.

- 3.2.5 However, this net annual Affordable Housing need is based on lower quartile market housing sales having been assumed as a supply source available to meet the needs of households eligible for Affordable Home Ownership in lieu of NPPF defined ‘affordable home ownership’ products.<sup>26</sup>
- 3.2.6 In addition to the need for rented Affordable Housing the LHNA states that: ‘there are just over 2,200 households in the gap between renting and buying’ across South West Hertfordshire and that there are a range of Affordable Home Ownership products which can address this need<sup>27</sup> including discounted market sales housing and shared ownership.<sup>28</sup> The LHNA does not refer to market housing at lower quartile house prices (or below) as an appropriate product and lower quartile market housing does not meet the NPPF definition of ‘Affordable Housing’.
- 3.2.7 Therefore, whilst paragraph 5.135 of the LHNA states that 50% of Land Registry recorded lower quartile market housing sales have been assumed to provide a supply of ‘affordable home ownership’ (totalling 265 such homes in the district) which it then deducts from the need for Affordable Home Ownership, in the context of the NPPF Affordable Housing definition this is not a compliant Affordable Housing supply source.
- 3.2.8 Furthermore, homes within this value sector may be subject to questionable quality standards which lower income households may be unable to afford to address in conjunction with the cost of purchasing.
- 3.2.9 However, in the same manner that a supply of homes in the private rented sector (“PRS”) available to households in receipt of Housing Benefit via the Local Housing Allowance scheme should not be assumed as a supply of Affordable Housing, lower quartile market housing for sale should not be used as an assumed supply to address the need for Affordable Home Ownership.

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<sup>24</sup> Pages 112 – 113, LHNA

<sup>25</sup> Page 4, LHNA

<sup>26</sup> Paragraphs 5.135 to 5.136, page 96, LHNA

<sup>27</sup> Paragraph 5.130, page 95, LHNA

<sup>28</sup> Paragraph 5.131, page 95, LHNA

3.2.10 The issue with the inclusion of PRS as a source of Affordable Housing supply was commented on by the Eastleigh Borough Council Local Plan Inspector<sup>29</sup> (**Appendix DP20**) in their preliminary conclusions who stated that:

*“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.”*

3.2.11 The examining Inspector noted that:

*“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 Capitol).”*

3.2.12 The same can be said for homes at the lower-price end of the owner occupier market. The examining Inspector went on to state that:

*“The Framework requires planning authorities to meet the housing needs of its area including affordable housing needs” and*

*“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.”*

3.2.13 Again, the same can be said for homes at the lower-price end of the owner occupier market compared to NPPF compliant Affordable Housing.

3.2.14 The Inspector concluded that:

*“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.”*

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<sup>29</sup> Report to Eastleigh Borough Council, 11<sup>th</sup> February 2015

- 3.2.15 This same conclusion can be applied to the LHNA approach which assumes that the significant need for Affordable Home Ownership in the district can be addressed in lower-priced, potentially poor quality, homes for sale on the open market.
- 3.2.16 Using open market housing stock in lieu of an appropriate source of NPPF compliant Affordable Housing to address NPPF defined Affordable Housing need (as suggested in the Affordable Home Ownership need assessment in the LHNA) does not align with the NPPF and, in line with Local Plan Inspector observations elsewhere (Eastleigh Borough), should be ruled out.
- 3.2.17 The total gross annual Affordable Home Ownership need in the district is 649. When the lower quartile market housing sales supply is not deducted from the calculation process, a net annual need for 649 Affordable Home Ownership units across the District is suggested<sup>30</sup> which, in conjunction with the net annual need for 443 rented Affordable Homes, results in a net annual overall need for 1,092 affordable homes per annum across the SACDC local authority area.<sup>31</sup>
- 3.2.18 In addition, the LHNA assumes that the current / backlog of unmet Affordable Housing need should be addressed over 16 years as opposed to 5 years.<sup>32</sup> As set out under the 'SHMA16' heading above the objective for dealing with Affordable Housing shortfalls should be to meet these over a 5 year period at minimum in line with the current NPPG and in any event, as supported at appeal, as quickly as possible.
- 3.2.19 As the calculations summarised at **Appendix DP1** show, when the Affordable Housing shortfall identified in the LHNA is addressed over 5 years as opposed to 16 a net annual need for 1304 affordable homes is suggested across the district (instead of 1092) when adjusted to ensure that lower quartile market housing sales are NOT deducted as a source of Affordable Housing.
- 3.2.20 The district wide Affordable Housing need would reduce to 995 per annum after 5 years assuming that all existing shortfalls have been addressed in the initial 5 years.

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<sup>30</sup> Based on Table 42, SHMA – a supply of 265 lower quartile homes should not be deducted from the 649 gross annual need for Affordable Home Ownership

<sup>31</sup> Table 42, page 97, LHNA

<sup>32</sup> See Table 37 for rented Affordable Housing and Table 42 for Affordable Home Ownership



## 4 AFFORDABLE HOUSING SUPPLY

### 4.1 Past Affordable Housing Supply

4.1.1 Data on Affordable Housing completions over the five years 2017/18 to 2021/22 provided within Live Table 1011c<sup>33</sup> (**Appendix DP21**) suggests that 568 affordable homes have been delivered (114 per annum on average) of which 116 (c.23 per annum on average) have been for Affordable Home Ownership and 452 for rent (c.90 per annum on average).

4.1.2 The SACDC Authority Monitoring Report (**CD 8.7**) suggests the following gross Affordable Housing Completions 2017/18 to 2021/22:

**Figure 4.1.1 – Affordable Housing Completions St Albans**

Year	Rented Affordable Housing	Affordable Home Ownership	Total Affordable Housing
2017/18	101	5	106
2018/19	82	33	115
2019/20	28	3	31
2020/21	170	28	198
2021/22	38	33	71

Source: SACDC Authority Monitoring Report 2017/18 to 2021/22

The above suggests 104 overall gross Affordable Housing completions per annum over the last five years. Data on net completions is not provided.

4.1.3 Table 10 in the SACDC Authority Monitoring Report 2021/22 suggests the following net Affordable Housing completions as a proportion of overall net housing completions – this suggests that over the last 28 years only 18% of all housing completions (net) have been delivered as Affordable Housing and that in the last 5 years 459 net Affordable Housing homes have been delivered in total (c.92 per annum on average):

<sup>33</sup> Affordable housing supply statistics (AHS) 2021-22 published 17<sup>th</sup> November 2022

**Figure 4.1.2 – Net Housing / Affordable Housing Completions St Albans**

Year	Dwelling Completions (Net)				%
	Annual total	Affordable Housing			
		Policy 7A/8	other policy	total	
1994/95	418	26	70	96	23
1995/96	474	125	45	170	36
1996/97	238	8	49	57	24
1997/98	415	35	-41	-6	-1
1998/99	529	58	66	124	23
1999/00	600	32	-7	25	4
2000/01	415	4	26	30	7
2001/02	356	44	20	64	18
2002/03	301	26	19	45	15
2003/04	248	0	7	7	3
2004/05	601	206	37	243	40
2005/06	329	18	10	28	9
2006/07	377	0	10	10	3
2007/08	293	17	19	36	12
2008/09	398	85	7	92	23
2009/10	272	119	10	129	47
2010/11	382	102	13	115	30
2011/12	380	12	8	20	5
2012/13	320	75	30	105	33
2013/14	375	27	-69	-42	-11
2014/15	313	8	62	70	22
2015/16	396	83	14	97	24
2016/17	340	38	21	59	17
2017/18	385	95	11	106	28
2018/19	624	71	11	82	13
2019/20	437	24	7	31	7
2020/21	516	177	-8	169	33
2021/22	314	67	4	71	23
<b>TOTAL</b>	<b>11046</b>	<b>1582</b>	<b>451</b>	<b>2033</b>	<b>18%</b>
<b>Average per year</b>	<b>395</b>	<b>57</b>	<b>16</b>	<b>73</b>	<b>18%</b>

Source: SACDC Authority Monitoring Report 2021/22

4.1.4 Data within the 2022 Statistical Data Return (“SDR”) published by the Regulator of Social Housing suggests as at March 2022 a total of 7,860 local authority and private registered provider owned affordable homes in the district of which 289 (c.3.7%) are ‘low cost home ownership’ homes. This compares to a total stock of 7499 such homes in 2017 (based on SDR and the Local Authority Housing Statistics Data Return data for 2017). **Appendix DP22**

**Figure 4.1.3 – Affordable Housing Stock St Albans**

	2017	2022	Increase
Local Authority Registered Provider	4899	4845	-54
Private Registered Provider	2600	3015	415
<b>TOTAL</b>	<b>7499</b>	<b>7860</b>	<b>361</b>

Source: Statistical Data Return 2017 and 2022 and Local Authority Housing Statistics Data Return 2016/17

4.1.5 This suggests a 4.8% net increase in Affordable Housing stock in the district since 2017 – c.72 per annum over 5 years.

*Current Unmet Affordable Housing Shortfall – District Wide*

4.1.6 When the net annual need for Affordable Housing suggested within the SHMA16 / LHNA is compared to the 459 net Affordable Housing completions in the years 2017/18 to 2021/22<sup>34</sup> an accumulated shortfall of 3,576 Affordable Homes is suggested:

**Figure 4.1.4 – SHMA16 / LHNA Affordable Housing Need Compared to Affordable Housing Delivery Across St Albans**

Year	Net Annual Affordable Housing Need	Net Affordable Housing Completions	Shortfall
2017/18	617	106	511
2018/19	617	82	535
2019/20	617	31	586
2020/21	1092	169	923
2021/22	1092	71	1021
<b>TOTAL</b>	<b>4035</b>	<b>459</b>	<b>3576</b>

Source: SACDC Authority Monitoring Report 2021/22, SHMA16 (617 net annual need 2017/18 to 2020 Table 39) and LHNA (1092 net need 2020/21 to 2021/22 – based on Tables 37 and 42 and adjusted to reflect that 265 open market lower quartile homes sold should not be deducted as a supply of Affordable Housing)

<sup>34</sup> Between the start of the SHMA16 assessment period (2013) and the latest completions data in the Council’s AMR (2022)

- 4.1.7 The above net need assumes that existing unmet shortfalls in Affordable Housing need are addressed over 23 years (in the SHMA16) and over 16 years (in the LHNA).
- 4.1.8 When considering the need for Affordable Housing, particularly in the context of the weight to be applied to Affordable Housing application proposals, the existing unmet current need for Affordable Housing (i.e. shortfall) should be addressed over 5 years.
- 4.1.9 The following table, therefore, compares the SHMA16 / LHNA net annual Affordable Housing need where shortfalls in Affordable Housing need are assumed to be addressed over 5 years, (and would reduce to newly arising Affordable Housing need alone thereafter if all backlog need was met - i.e. 583 per annum for the SHMA16 and 995 per annum for the LHNA albeit this will not occur until year 2025/26):

**Figure 4.1.5 – SHMA16 / LHNA Affordable Housing Need Compared to Affordable Housing Delivery Across St Albans – 5 Year Existing Shortfall Reduction Period**

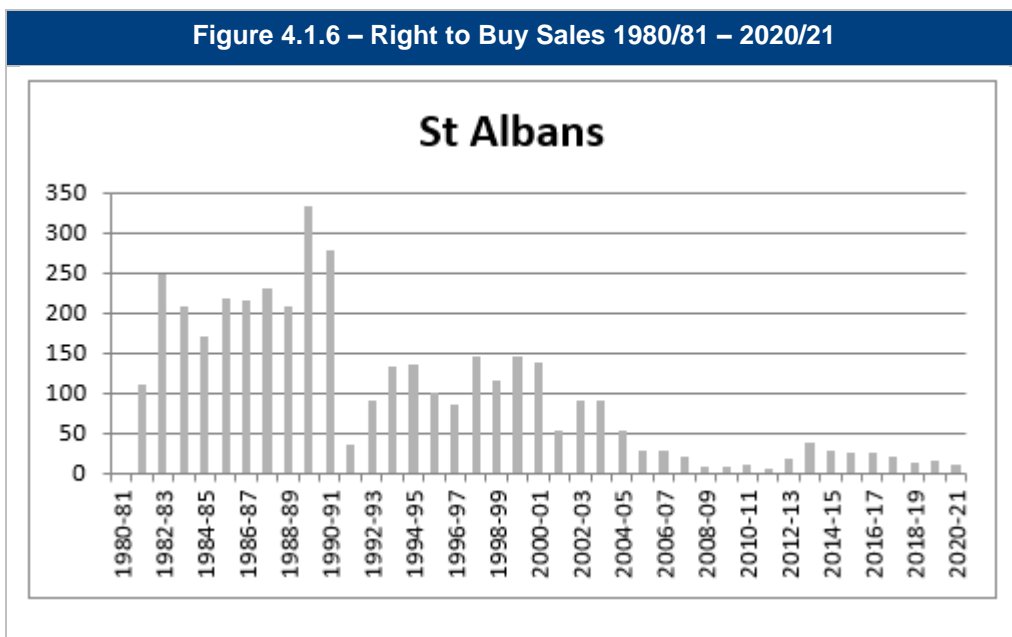
Year	Net Annual Affordable Housing Need	Net Affordable Housing Completions	Shortfall
2017/18	737	106	631
2018/19	737	82	655
2019/20	737	31	706
2020/21	1304	169	1135
2021/22	1304	71	1233
<b>TOTAL</b>	<b>4819</b>	<b>459</b>	<b>4360</b>

Source: SACDC Authority Monitoring Reports, SHMA16 and LHNA Pioneer Analysis of SHMA16 and LHNA assuming existing shortfalls in Affordable Housing are addressed over 5 years (would result in SHMA16 net need for 737 homes over 5yrs falling to 583 net newly arising thereafter and in LHNA a net need for 1304 homes for 5 years falling to 995 net newly arising thereafter)

- 4.1.10 The above 4,819 net Affordable Housing need assumes that existing unmet shortfalls in Affordable Housing need within the SHMA16 and LHNA are addressed over 5 years. When the resulting net annual need for Affordable Housing is compared to the 459 net Affordable Housing completions in the years 2017/18 to 2021/22 an accumulated shortfall of 4,360 Affordable Homes is suggested.

Right to Buy Sales

4.1.11 Whilst considering past Affordable Housing supply it is relevant to consider the number of Affordable Homes in the district that have been lost to the sector through Right to Buy. Department for Levelling Up, Housing and Communities (“DLUHC”) Live Table 691b (Appendix DP23) suggests the following:



Source: DLUHC Live Table 691b – Right to Buy Sales

4.1.12 Whilst, since 2005/06, sales have reduced significantly there is still an ongoing loss of Affordable Housing from the sector through Right to Buy sales, amounting to a loss of 202 homes over a decade (2010/11 to 2020/21).

**4.2 Proposed Affordable Housing Supply**

4.2.1 The SACDC Authority Monitoring Report 2021/22 (CD 8.7) Table 13 states that as at April 2022 there are a total of 395 Affordable Housing commitments outstanding for the district as a whole, of which 88 are for Affordable Home Ownership and 307 are rented Affordable Housing. This suggests a planned supply of 79 Affordable Homes per annum on average over the five year monitoring period.

*Future Unmet Affordable Housing Shortfall – District Wide*

4.2.2 When the 1092 net annual need for Affordable Housing suggested within the LHNA (when 265 non-Affordable Housing supply from lower quartile market housing sales is excluded) is

compared to the 395 committed supply of Affordable Housing during 2022/23 to 2026/27 suggested in the SACDC Authority Monitoring Report 2021/22 an accumulated shortfall of 5065 Affordable Homes is suggested:

**Figure 4.2.1 – LHNA Affordable Housing Need Compared to Committed Affordable Housing Supply Across St Albans**

Year	Net Annual Affordable Housing Need	Affordable Housing Committed Supply	Shortfall
2022/23	1092	79	1013
2023/24	1092	79	1013
2024/25	1092	79	1013
2025/26	1092	79	1013
2026/27	1092	79	1013
<b>TOTAL</b>	<b>5460</b>	<b>395</b>	<b>5065</b>

Source: SACDC Authority Monitoring Report 2021/22 and LHNA

4.2.3 The above 5,065 net need assumes that existing unmet shortfalls in Affordable Housing need are addressed over 16 years.

4.2.4 The following table compares the LHNA net annual Affordable Housing need where current shortfalls in Affordable Housing need are assumed to addressed over 5 years (resulting in an overall 1304 per annum net need), reducing to newly arising Affordable Housing need alone thereafter (i.e. 995 per annum for the LHNA from year 2025/26):

**Figure 4.2.2 – LHNA Affordable Housing Need Compared to committed Affordable Housing Supply Across St Albans – 5 Year Existing Shortfall Reduction Period**

Year	Net Annual Affordable Housing Need	Affordable Housing Committed Supply	Shortfall
2022/23	1304	79	1225
2023/24	1304	79	1225
2024/25	1304	79	1225
2025/26	995	79	916
2026/27	995	79	916
<b>TOTAL</b>	<b>5902</b>	<b>395</b>	<b>5507</b>

Source: SACDC Authority Monitoring Report 2021/22 and LHNA, Pioneer Analysis of LHNA assuming existing shortfalls in Affordable Housing are addressed over 5 years and adjusted to ensure 265 non-Affordable Housing supply from lower quartile market housing sales is excluded

- 4.2.5 The above 5,902 net Affordable Housing need assumes that existing unmet shortfalls in Affordable Housing need within the LHNA are addressed over 5 years. When the resulting net annual need for Affordable Housing is compared to the committed supply of 395 Affordable Homes during 2022/23 to 2026/27 in the SACDC Authority Monitoring Report 2021/22 an accumulated shortfall of 5,507 Affordable Homes is suggested.
- 4.2.6 As noted above in Section 3.2 the backlog in unmet Affordable Housing need, which has arisen as result of a persistent shortfall in the delivery of Affordable Housing in prior years to meet the need for such housing, should be addressed within a 5 year period at minimum – this aligns with the approach set out in the NPPG<sup>35</sup> and at appeal<sup>36</sup> where the Planning Appeal Inspector considered that the Affordable Housing shortfall should be addressed ‘as soon as possible’ and that such households need an affordable home ‘now’.<sup>37</sup> This is particularly the case in St Albans district given the chronic and persistent level of Affordable Housing undersupply; it is imperative that the Council seek to address the shortfall in provision as quickly as possible.

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<sup>35</sup> Paragraph: 031 Reference ID: 68-031-20190722 – Appendix DP17

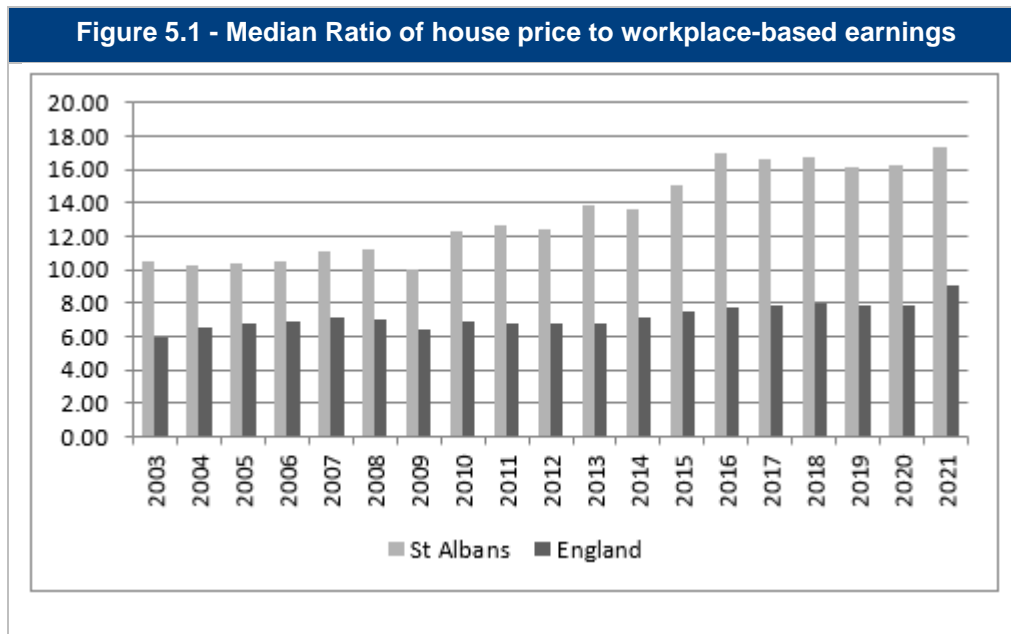
<sup>36</sup> APP/B3410/W/20/3245077, Land off Aviation Lane, Burton-upon-Trent, Inspector's Report 7<sup>th</sup> October 2020 – Appendix DP19

<sup>37</sup> Paragraphs 8 and 11, APP/B3410/W/20/3245077, Land off Aviation Lane, Burton-upon-Trent, Inspector's Report 7<sup>th</sup> October 2020

## 5 AFFORDABILITY INDICATORS

### House Prices

- 5.1 Median house price to workplace earnings ratios are identified by national guidance as a measure of affordability:



- 5.2 Data published by the Office for National Statistics (“ONS”) suggests that the ratio of median house price to workplace based earnings across the district has increased from 10.05 in 2009 to 17.32 in 2021<sup>38</sup> (an increase of c.72%) – **Appendix DP16**. Affordability is suggested to be worse than ever recorded (between 2003 and 2021) and significantly worse than it is across England as a whole (the latter has a ratio of 9.05 as at 2021).
- 5.3 Trends in house price to income ratios provide a significant indicator of housing affordability pressures over time. The increasing affordability pressures in the district since the early 2000’s suggests that affordable housing need (and the backlog of unmet need) is very unlikely to have diminished in the local authority area. The data suggests that households unable to access the market are increasingly likely to remain unable to afford to resolve their housing needs in the private sector.

<sup>38</sup> Most recent period available as at March 2023



5.4 It is currently unclear how house prices will fare over the medium term, but even if prices do fall in the future any increases in unemployment and a decrease in the availability of credit for many households<sup>39</sup> (particularly First Time Buyers) could mean that affordability is unlikely to improve in real terms and that schemes that help households access Affordable Housing for sale and rent will have an increasingly important role.

Private Rent

5.5 The ONS Statistical Bulletin ‘Private rental affordability , England, Wales and Northern Ireland: 2021’ deems private rents to be “affordable” “ if a household would spend the equivalent of 30% or less of their income on rent’ and states that:

*“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.”*

(page 3, ONS Statistical Bulletin ‘Private rental affordability , England, Wales and Northern Ireland: 2021’ – **Appendix DP25**)

5.6 Private Rental Market Statistics data is published by the ONS provides a ‘Summary of monthly rents recorded between 1 October 2021 to 30 September 2022 by administrative area for England’:

**Figure 5.2 - Private Rental Market Statistics – St Albans 2021-2022**

LA Code <sup>1</sup>		Area Code <sup>1</sup> Area		All categories				
				Count of rents	Mean	Lower quartile	Median	Upper quartile
NA	E92000001	ENGLAND		509,390	946	610	800	1,100
1930	E07000240	St Albans		1,700	1,417	1,000	1,260	1,600

Source: Private Rental Market Statistics Table 2.7, ‘Summary of monthly rents recorded between 1 October 2021 to 30 September 2022 by administrative area for England’, ONS

<sup>39</sup> ‘COVID-19 and housing: while prices may fall, homes will remain unaffordable’, LSE, Paul Cheshire and Christian Hilber, 6<sup>th</sup> May 2020 – Appendix DP24

- 5.7 The above data suggests that, assuming households costs equate to 30% of the household income, an annual household income of c.£40k per annum would be required to afford a lower quartile rent in St Albans.
- 5.8 Household income data in Figure 12 of the LHNA suggests that c.45% of households in the district (almost half) would be unable to afford to access lower quartile private rented housing based on 2021/22 recorded rents. This is a significant proportion of households which, should they need to move, will be unable to afford even entry level private rented homes.
- 5.9 The ONS Private Rental Market Statistics data is only available on the ONS website back to the 1 October 2018 to 30 September 2019 period, but suggests that, even since then, lower quartile private rents have already increased by 5.3% from £950 per month to £1000 per month.

**Figure 5.3 - Private Rental Market Statistics – St Albans 2018-2019**

<b>Private Rental Market Statistics</b>					
Table 2.7: Summary of monthly rents recorded between 1 October 2018 to 30 September 2019 by administrative area for England					
<a href="#">Table notes and footnotes</a>			<a href="#">Back to Contents</a>		
Area	All categories				
	Count of rents	Mean	Lower quartile	Median	Upper quartile
<b>ENGLAND</b>	<b>513,900</b>	<b>852</b>	<b>550</b>	<b>700</b>	<b>950</b>
St Albans	950	1,298	950	1,200	1,475

Source: Private Rental Market Statistics Table 2.7, 'Summary of monthly rents recorded between 1 October 2018 to 30 September 2019 by administrative area for England', ONS

- 5.10 Whilst lower quartile earnings have also increased since 2018 (and 2021) by c.9% in the district based on ONS 'House price to workplace-based earnings ratio' data<sup>40</sup> this does not mean that lower quartile private rented housing is available in sufficient quantities to address the need from households on lower quartile incomes, or that it will be of a decent standard. Furthermore, at £24,022 lower quartile earnings per annum are significantly less than the £40k a year required to rent such a property (and not all households will contain the two full time workers with earnings of £24k each).
- 5.11 With regards to supply across South West Hertfordshire the LHNA states that:

<sup>40</sup> Table 6b – Appendix DP16

*“Once advertised, 76% of properties were fully let within one month of being advertised, with the remainder taking over one month to become fully let.”*

(paragraph 4.109, LHNA)

and:

*“When asked about gaps in supply, 65% of landlords indicated that there is a lack of one- and two-bedroom properties. Perhaps reflecting this, 52% of landlords indicated that there is a demand for build-to-rent properties in the area.”*

(paragraph 4.112, LHNA)

This suggests that some of the lowest income households, despite not being prioritised for Affordable Housing, may struggle to source suitable homes that they can afford in the private rented sector across the region.

- 5.12 Therefore, affordability pressures will remain high across the district on the basis that demand for private rented housing will be likely to continue to outstrip supply thus preventing households unlikely to meet ‘waiting list qualifying criteria’ and unable to afford open market housing for sale from accessing the homes they need.

## 6 THE WEIGHT TO BE ATTACHED TO AFFORDABLE HOUSING

### *National Housing Crisis*

- 6.1 Nationally, we remain in the midst of a national housing crisis. The Government target for the provision of 300,000 new homes per annum (of all tenures) in England has been in place for several years<sup>41</sup> and is reconfirmed within the ‘Levelling-up and Regeneration Bill: reforms to national planning policy’ accompanying a draft NPPF consultation which states that:

*“The government remains committed to delivering 300,000 homes a year by the mid-2020s...”*

(paragraph 6, Levelling-up and Regeneration Bill: reforms to national planning policy Consultation, December 2022 – **Appendix DP9**)

The same paper also places an emphasis on the need to provide both Affordable Housing for owner occupation and for rent.<sup>42</sup>

- 6.2 Since the 300,000 annual target was announced by the Chancellor in the 2017 Autumn Budget, significantly less than 300,000 net additional homes have been built. Live Table 120<sup>43</sup> (**Appendix DP26**) sets out that 1,151,550 net additional dwellings have been provided between 2017/18 and 2021/22, which against a 300,000 annual target results in a 48,450 shortfall in homes over this period.
- 6.3 Research commissioned by Crisis and the National Housing Federation published in November 2018 includes the following key finding:

*“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 homelessness<sup>1</sup> 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.”*

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<sup>41</sup> 2017 Autumn Budget – 300,000 target set by Chancellor

<sup>42</sup> ‘Levelling-up and Regeneration Bill: reforms to national planning policy’, paragraphs 2 – 4, Chapter 5

<sup>43</sup> Department for Levelling Up, Housing and Communities, last updated 24 November 2022

(Page 8, Housing supply requirements across Great Britain: for low-income households and homeless people, Professor Glen Bramley, November 2018 – emphasis added – **Appendix DP27**)

The research states that ‘Britain is in the grip of a housing crisis’<sup>44</sup> and concludes that c.340,000 homes (of all tenures) need to be built annually in England to meet housing need stating that much greater adjustments to housing delivery are needed (i.e. than identified previously by in the Barker Review in 2004) if a ‘meaningful levelling of affordability differences’ is to be achieved.<sup>45</sup>

*Secretary of State and Appeal Decisions of Relevance*

- 6.4 There are numerous appeal decisions which have continued to highlight the accepted importance of overall housing delivery, affordable housing delivery and the need to widen housing choice and improve affordability across the housing market. The decisions emphasise the very significant / substantial weight which the Secretary of State and Planning Appeal Inspectors have, on numerous occasions, attached to proposals for the provision of affordable housing when determining planning applications.

**Site To The West Of The A1237 And South Of North Lane, Huntingdon, York - Appeal References APP/C2741/W/21/3282969, Inspector’s Report 17<sup>th</sup> March 2022, Secretary of State Letter 14<sup>th</sup> December 2022 (Appendix DP28)**

- 6.5 Recently, the Secretary of State allowed an appeal for the provision of 970 dwellings in the Green Belt in Huntingdon, York and in so doing agreed with the Planning Inspector:

*“...that delivery of 30% affordable housing would be a further social and economic benefit to which significant weight should be attached.”*

(paragraph 29, Secretary of State Letter)

In this case the level of Affordable Housing proposed was in accordance with policy.

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<sup>44</sup> Page 13, Housing supply requirements across Great Britain: for low-income households and homeless people, Professor Glen Bramley, November 2018

<sup>45</sup> Pages 9 and 10, Housing supply requirements across Great Britain: for low-income households and homeless people, Professor Glen Bramley, November 2018

**Land At Sandlesford Park, Newtown Road, Newbury - Appeal References APP/W0340/W/20/3265460, Inspector's Report 29<sup>th</sup> November 2021, Secretary of State Letter 6<sup>th</sup> May 2022 (Appendix DP29)**

6.6 In May 2022 the Secretary of State allowed a planning appeal for the provision of up to 1000 new homes in Newbury, West Berkshire. The Secretary of State agrees with the Planning Inspector that:

*"...the delivery of up to 1,000 units, including affordable and 80 extra care units, is a significant benefit and significant weight is afforded to the totality of housing delivery."*

(paragraph 27, Secretary of State Letter)

The Planning Inspector reports that whilst there is not a 5 year housing land supply shortfall and the extent of the Affordable Housing need in the district is not agreed between the Council and the appellant 'it is acknowledged by the Council to be high' and thus gives 'significant weight' to the Affordable Housing (including extra care) that the site would deliver.<sup>46</sup>

**Roundhouse Farm, Land Off Bullens Green Lane, Colney Heath - Appeal References APP/B1930/W/20/3265925 and APP/C1950/W/20/3265926, Inspector's Report 14<sup>th</sup> June 2021 – CD 9.2**

6.7 The reporting Inspector in this recent St Albans District Planning Appeal states that:

*"The persistent under delivery of affordable housing in both local authority areas presents a critical situation. Taking into account the extremely acute affordable housing position in both SADC and WHBC, I attach very substantial weight to the delivery of up to 45 affordable homes in this location in favour of the proposals."*

(paragraph 54, Inspector's Report)

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<sup>46</sup> Paragraph 16.235, Inspector's report 29<sup>th</sup> November 2021, APP/W0340/W/20/3265460

**Land At Citroen Site, Capital Interchange Way, Brentford, Secretary of State Letter 10<sup>th</sup> September 2020 and Inspector’s Report 11<sup>th</sup> June 2020, Appeal Reference: APP/G6100/V/19/3226914 (Appendix DP30)**

- 6.8 Despite a five year housing land supply being applicable to the London Borough of Hounslow, taking into account the ‘acute housing shortage across London’ and ‘the Inspector’s conclusions on Affordable Housing’

*“...the Secretary of State considers that overall, the benefits of housing should be given substantial weight.”*

(paragraph 21, Secretary of State Letter)

The same sentiment is repeated at paragraph 30 of the Secretary of State’s letter and on the basis that the Inspector’s report states that the Affordable Housing ‘is no more than would be policy compliant’.<sup>47</sup>

**Land at Hatchfield Farm, Fordham Road, Newmarket, Inspector’s Report 1<sup>st</sup> August 2019, Secretary of State Letter 12<sup>th</sup> March 2020, Appeal reference: APP/H3510/V/14/2222871 (Appendix DP31)**

- 6.9 Even though a five year housing land supply is demonstrated the Hatchfield Farm appeal decision confirms that affordable housing provision can be of ‘substantial weight’, with the Secretary of State letter stating that:

*“The Inspector confirmed that it is common ground between the parties that West Suffolk Council can demonstrate a five-year supply of deliverable housing sites (IR502). This scheme would deliver a substantial number of new dwellings, 30% of which would be affordable. For the reasons given at IR528 the Secretary of State agrees with the Inspector that there is no reason to depart from the position in the 2016 decision that the delivery of this housing would carry substantial weight in favour of the proposal.”*

(paragraph 14, Secretary of State Letter)

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<sup>47</sup> Paragraph 15.60, page 114

The proposed 30% affordable housing aligns with adopted Plan policy.

**Land at Site Of Former North Worcestershire Golf Club Ltd, Hanging Lane, Birmingham B31 5lp, Inspector's Report: 24th July 2019, Secretary of State Letter 24<sup>th</sup> July 2019, Appeal ref: APP/P4605/W/18/3192918 (Appendix DP32)**

- 6.10 In July 2019 the Secretary of State for HCLG on allowing an appeal for an 800 dwelling unallocated greenfield site despite an up to date development plan and a five year housing land supply, comments that:

*"Weighing in favour the Secretary of State considers that the 800 family homes, including up to 280 affordable homes is a benefit of significant weight."*

(paragraph 33, Secretary of State Letter)

The 35% affordable housing contribution aligns with the adopted Plan policy target.

**Land to the rear of the former Dylon International Premises, Station Approach, Lower Sydenham, London SE26 5BQ, Inspector's Report 26<sup>th</sup> June 2019, Appeal Ref. APP/G5180/W/18/3206569 (Appendix DP33)**

- 6.11 The Inspector in the Lower Sydenham appeal of proposals to redevelop the site for 151 dwellings (including 36% affordable housing), having had regard to the evidence suggesting a 'bleak' outlook for housing and affordable housing supply, concludes that:

*"...very substantial weight attaches to the contribution of this scheme to the provision of market housing and particularly the pressing need for affordable housing"*

(Paragraph 35, Inspector's report)

And goes on to state that:

*"Bearing in mind, Ministerial Statements in 2013, 2014 and 2015 indicate that the single issue of unmet demand for housing is unlikely to outweigh harm/other harm to constitute very special circumstances, I conclude that, taken together, the other considerations in this scheme clearly outweigh the harm identified and amount to the very special circumstances necessary to justify the development."*

(Paragraph 38, Inspector's report)



The proportion of affordable housing aligns with the 35% sought through adopted Plan policy.

**Money Hill, Ashby-de-la-Zouch Appeal reference APP/G2435/A/14/2228806, Inspector's report 21<sup>st</sup> October 2015, Secretary of State Letter 15<sup>th</sup> February 2016 (Appendix DP34)**

- 6.12 In the Money Hill Appeal the Secretary of State granted permission for 605 residential dwellings giving:

*"...significant weight to the fact that the proposed development would provide for 605 new homes of which up to 182 would be affordable."*

(paragraph 14)

The 30% affordable housing is accorded this weight despite of the existence of a five year land supply and having regard to the fact that the proposal accords with the proportion of affordable housing sought within adopted policy.<sup>48</sup>

**Greetham Garden Centre, Oakham Road, Greetham Appeal reference APP/A2470/A/14/2222210, Inspector's report 26<sup>th</sup> May 2015 (Appendix DP35)**

- 6.13 In the Greetham Garden Centre Appeal the Inspector sets out at paragraph 13 of his report that:

*"there is a five year supply of housing land in Rutland and therefore policies for the supply of housing remain up- to-date."*

At paragraph 17 the Inspector goes on to state that:

*"...paragraph 14 of the Framework makes it clear that there is a presumption in favour of sustainable development, which has three dimensions: economic, social and environmental. In my judgement the proposal would fulfil the economic role of sustainable development and would contribute to building a strong, responsive and competitive economy, by helping to ensure that there is housing land available to support growth. In terms of the social dimension the scheme would contribute to boosting housing supply by providing a range of sizes and types of housing for the community, including a number of much- needed affordable housing units. The site is*

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<sup>48</sup> Paragraph 21 Inspector's report

*available and in the absence of any significant constraints could be developed in the near future.” (emphasis added)*

6.14 In commenting on the overall planning balance the Inspector concludes that:

*“... the appeal proposal constitutes sustainable development and would generate various economic and social benefits, including a number of much-needed affordable housing units. I consider that these other material considerations should be accorded very significant weight and, when added together, outweigh the identified conflict with local planning policy. These findings constitute compelling grounds for allowing the appeal subject to conditions”.*

(Paragraph 23, emphasis added)

This appeal demonstrates that affordable housing provision at the minimum proportion required within Plan policy (a 35% ‘minimum target is set out in Policy CS11 of the Rutland Core Strategy) and in the context of a local authority with a five year housing land supply is a benefit of ‘very significant weight’.

**Land North of Pulley Lane, Droitwich Spa Appeal References APP/H1840/A/13/2199085 and APP/H1840/A/13/2199426, Inspector’s Report 6<sup>th</sup> June 2014, Secretary of State Letter 2<sup>nd</sup> July 2014 (Appendix DP36)**

6.15 This Secretary of State decision; in which the importance of addressing affordable housing need where affordability generally, a lack of affordable family housing, and a restricted affordable housing stock and annual supply are a concern, remains of relevance.

6.16 The Inspector, as ratified by the Secretary of State, describes the need for affordable housing as ‘critical’ and ‘overriding’ with the most recent SHMA analysis presenting a ‘desperate picture’ including of ‘families in crisis’, and goes on to state that ‘Without adequate provision of affordable housing, these acute housing needs will be incapable of being met.’<sup>49</sup> The Inspector summarises that:

*“These bleak and desperate conclusions are thrown into even sharper focus by an examination of the current circumstances in Wychavon itself. Over the whole of the District’s area there is presently a need for 268 homes per annum. These are real*

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<sup>49</sup> paragraph 8.123, Inspector’s Report

*people in real need now. Unfortunately, there appears to be no early prospect of any resolution to this problem. Firstly, the 2009 AMR recognizes that between 2005 and 2009, only 229 affordable homes were delivered, an average of some 55 per annum. Over the following 8 year period, between 2009 and 2013, some 501 were delivered, or an average of 62 per annum over a whole economic cycle. Given the continuing shortfall in affordable housing within the District, I consider the provision of affordable housing as part of the proposed development is a clear material consideration of significant weight that mitigates in favour of the site being granted planning permission.*

(paragraph 8.124, Inspector's Report – emphasis added)

- 6.17 Crucially, specifically in respect of St Albans as set out in this section, the 2021 Roundhouse Farm Planning Appeal (**CD 9.2**)<sup>50</sup> reports a 'persistent under delivery of Affordable Housing' in St Albans and the Inspector attaches '**very substantial weight**' to the provision of Affordable Housing in the district. In another 2021 Planning Appeal<sup>51</sup> St Albans City and District Council acknowledges the district to be an area of "affordable housing stress".
- 6.18 The Council has also acknowledged 'a clear and pressing need for Affordable Housing within the district' within the Sewell Park Committee Report (**CD 9.3**) and in the Appeal Site planning application Committee Report (**CD 3.4**) in Section 8.6 states that:

*"There is no material reason for officers to apply a different weighting to the proposals subject of this officer's report. The housing situation and the emerging plan situation are materially the same. There is no reason to think that the site cannot come forward immediately following the submission of reserved matters application(s) after the grant of outline planning permission and significantly boost local housing supply. Accordingly, very substantial weight is attached to the delivery of market and affordable housing, and substantial weight to the delivery of self-build plots. "*

(paragraph 8.6.6, **CD 3.4**)

The same point, attaching '**very substantial weight**' to Affordable Housing and market housing is stated in paragraph 8.19.5 of the Appeal Site planning application Committee Report.

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<sup>50</sup> APP/B1930/W/20/3265925 and APP/C1950/W/20/3265926, paragraph 54

<sup>51</sup> APP/B1930/W/20/3265949, paragraph 23 – Appendix DP37

## 7 SELF-BUILD / CUSTOM BUILD HOUSING

- 7.1 The above sections within this Proof of evidence consider the Affordable Housing proposals in respect of the appeal site and the weight of the benefit that should be attached to these.
- 7.2 However, the proposals will also deliver 3% self-build plots (up to 12 plots) to assist the Council with meeting the need for this type of housing in accordance with its statutory duty and the following section considers the weight of the benefit that should be attached to these.

### Legislative / Policy Context

- 7.3 Under Section 1 of the Self-build and Custom Housebuilding Act 2015, a register of those seeking to acquire serviced plots in the area for their own self-build and custom house building must be kept by the Council. Sections 2 and 2A of the Act subjects them to a duty to give enough suitable development permissions to meet the identified demand.
- 7.4 The NPPF (**CD 7.1**) Annex 2 defines Self-build and Custom Build homes as:

*“Housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual. Such housing can be either market or affordable housing. A legal definition, for the purpose of applying the Self-build and Custom Housebuilding Act 2015 (as amended), is contained in section 1(A1) and (A2) of that Act”*

The NPPF confirms that the size, type and tenure for different groups in the community for self-build and custom build plots needed should be assessed and reflected in planning policies.<sup>52</sup> Beyond this the NPPF does not include any additional national policy on the matter.

- 7.5 However, the NPPG includes a whole section (**Appendix DP38**) on Self-build and, whilst this mainly explains the technicalities of the register in terms of what local authorities should or should not do, it also notes that:

*“Self-build or custom build helps to diversify the housing market and increase consumer choice.”*

(NPPG, Paragraph: 16a Reference ID: 57-016a-20210208)

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<sup>52</sup> paragraph 62, NPPF

7.6 In terms of how the future need for such housing should be assessed the NPPG advises that:

*“Local planning authorities should use the demand data from the registers in their area, supported as necessary by additional data from secondary sources (as outlined in the housing and economic development needs guidance), to understand and consider future need for this type of housing in their area. Secondary sources can include data from building plot search websites, enquiries for building plots recorded by local estate agents and surveys of local residents. Demand assessment tools can also be utilised.”*

(NPPG, paragraph: 011 Reference ID: 57-011-20210208)

7.7 The NPPG specifies that:

*“Relevant authorities must give suitable development permission to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area. The level of demand is established by reference to the number of entries added to an authority’s register during a base period.*

*The first base period begins on the day on which the register (which meets the requirement of the 2015 Act) is established and ends on 30 October 2016. Each subsequent base period is the period of 12 months beginning immediately after the end of the previous base period. Subsequent base periods will therefore run from 31 October to 30 October each year.*

*At the end of each base period, relevant authorities have 3 years in which to permission an equivalent number of plots of land, which are suitable for self-build and custom housebuilding, as there are entries for that base period.”*

(NPPG, paragraph: 023 Reference ID: 57-023-201760728)

7.8 The NPPG makes it clear that a Council’s Self-build register is ‘likely to be a material consideration in decisions involving proposals for self and custom housebuilding’.<sup>53</sup>

7.9 Given the age of the District Local Plan Review 1994 (“LP”) there are no Development Plan policies in St Albans district in respect of the provision of self-build.

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<sup>53</sup> NPPG, Paragraph: 014 Reference ID: 57-014-20210508

7.10 However, nationally there is a clear commitment from Government to significantly increase the supply of such housing; this is evident from the requirement to understand the need for the type of such housing within the NPPF, the imposition through legislation of a duty upon local authorities to keep a register of demand and give enough permissions to meet demand for such housing and from the detailed guidance in the NPPG on how the register should be operated and confirming that future need should be assessed.

*The Need for Additional Self-build / Custom Build Plots*

7.11 The SHMA16<sup>54</sup> (CD 8.20) notes the legal requirement for local authorities to maintain a register of the demand for Self-build / Custom Build plots, but does not provide a detailed assessment of the need for Self-build / Custom Build plots in St Albans district or across the region as a whole.

7.12 More recently the LHNA (CD 8.35) refers to the Government’s white paper ‘Fixing Our Broken Housing Market’ (2016) and states that:

*“The Housing White Paper makes it clear that custom and self-build is an important part of the Government’s strategy to solve the housing crisis...”*

(paragraph 8.7, LHNA)

7.13 The LHNA notes that there were a total of 450 individuals registered on the Self-Build and Custom Build register in St Albans as at January 1<sup>st</sup> 2020.<sup>55</sup> The LHNA reports a total of 4 plots advertised specifically for Self-Build as at May 2019 in St Albans district.

7.14 The LHNA suggests that any advertised single dwelling plot can be considered a contender as a supply source. However, the NPPG clarifies that:

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<sup>54</sup> Pages 173 – 175, SHMA16

<sup>55</sup> Paragraph 8.9, LHNA

*“In considering whether a home is a self-build or custom build home, relevant authorities must be satisfied that the initial owner of the home will have primary input into its final design and layout.*

*Off-plan housing, homes purchased at the plan stage prior to construction and without input into the design and layout from the buyer, are not considered to meet the definition of self-build and custom housing.”*

(NPPG, Paragraph: 016 Reference ID: 57-016-20210208)

- 7.15 Whilst no clear need assessment is undertaken the LHNA recommends in any event that the local authorities in the region should adopt a policy to encourage provision on sites of 10+ homes and implement further policy for strategic sites ‘where justified’.<sup>56</sup>
- 7.16 The Council’s Committee Report (**CD 3.4**) sets out that by October 2021 registrations had increased to 658.<sup>57</sup>
- 7.17 The SACDC Authority Monitoring Report 2021/22 (**CD 8.7**) sets out the number of Self-build / Custom Build plots that have been permissioned for each ‘base period’ (as explained in the NPPG) since April 2016:

**Table 7.1 – Self-build / Custom Build Relevant Permissions 2016 – 2022**

<b>Base Period</b>	<b>Dates</b>	<b>Number of Permissions Granted</b>
1	01 April – 30 October 2016	N/A
2	31 October 2016 – 30 October 2017	17
3	31 October 2017 – 30 October 2018	14
4	31 October 2018 – 30 October 2019	23
5	31 October 2019 – 30 October 2020	23
6	31 October 2020 – 30 October 2021	15
7	31 October 2021 – 30 October 2022	60
<b>Total relevant permissions granted</b>		<b>152</b>

Source: SACDC Authority Monitoring Report 2021/22

<sup>56</sup> Paragraph 8.34, LHNA

<sup>57</sup> Page 83, CD 3.4

7.18 The SACDC Authority Monitoring Report 2021/22 also provides information on individual entries to the Self-build / Custom Build Register 2016 – 2022 as follows and suggests that by October 2022 registrations have increased to 732:

**Table 7.2 – Self-build / Custom Build Individual Registrations 2016 - 2022**

Period	Number of Registrations		
	Individuals	Associations	Persons in Association
1 April – 30 October 2016	108	0	0
31 October 2016 – 30 October 2017	140	1	4
31 October 2017 – 30 October 2018	104	0	0
31 October 2018 – 30 October 2019	87	0	0
31 October 2019 – 30 October 2020	76	0	0
31 October 2020 – 30 October 2021	130	2	9
31 October 2021 – 30 October 2022	87	0	0
<b>Total</b>	<b>732</b>	<b>3</b>	<b>13</b>

Source: SACDC Authority Monitoring Report 2021/22

7.19 Based on the approach in the NPPG, which states that Council's have three years from the end of each base period within which to secure sufficient permissions to meet the demand within the base period in question, the following shortfalls / surplus can be calculated:

**Figure 7.3 – Self-build / Custom Build Shortfall / Surplus 2016 - 2022**

Base Period	Dates	Total Registrations	Number of Permissions	Permissions 3yrs from end of Base Period	Shortfall / Surplus
1	1 April – 30 October 2016	108	n/a	54	-54
2	31 October 2016 – 30 October 2017	145	17	60	-85
3	31 October 2017 – 30 October 2018	104	14	61	-43
4	31 October 2018 – 30 October 2019	87	23	98	11
5	31 October 2019 – 30 October 2020	76	23	75 to date (2yrs)	TBC
6	31 October 2020 – 30 October 2021	141	15	60 to date (1yr)	TBC
7	31 October 2021 – 30 October 2022	87	60	TBC	TBC
<b>TOTAL</b>		<b>748</b>	<b>152</b>		

Source: SACDC Authority Monitoring Report 2021/22 and Pioneer Analysis March 2023

7.20 Based on the above, for the periods which can so far be considered (due to the rolling nature of the three year permission period) the Council are suggested to have met the demand for plots only once in response to the 2018 – 19 base period (no. 4) (NB: period 5 also looks on track to be met).

7.21 However, overall for the base periods 1 to 4 for which 3 year permission periods can be compared, an overall shortfall compared to demand in the relevant base periods in the order of 171 permissions has occurred. Indeed, whilst not in line with the NPPG 3 year approach,



taking a more simplistic overview and comparing overall permissions 2016 to 2022 and overall registrations in this period it is apparent that there have been 596 less permissions than registrations and an overall delivery rate of only 20%.

7.22 It also seems likely that the Council's Self-build / Custom Build Register may underestimate the level of demand for such plots significantly. Data obtained from Buildstore<sup>58</sup> and referred to within evidence prepared in support of the recent Roundhouse Farm Planning Appeal in St Albans<sup>59</sup> (**Appendix DP39**) suggests a total of 314 Custom Build registrations and 984 Plot-Search registrations (the latter reflecting those seeking a serviced plot to build out themselves or by someone else on their behalf) as at August 2020.

7.23 By any measure it is apparent that the demand recorded by the Council is far outstripping the supply of Self-build / Custom Build permissions in St Albans.

*Weight to be Attached to the Provision of Self-build / Custom Build Plots*

7.24 The Council's planning committee report in respect of the Sewell Park application (**CD 9.3**) states that:

*"...the Council is currently failing to meet its statutory duty for the provision of plots for self-build housing"*

(paragraph 8.7.1, Sewell Park Committee Report ).

7.25 The weight to be attached to the provision of Self-Build plots in the district has recently been considered in the Roundhouse Farm, Green Lane Planning Appeal (APP/B1930/W/20/3265925 – **CD 9.2**). The Planning Appeal Inspector sets out in their conclusions:

*"In common with both market housing and affordable housing, the situation in the context of provision of sites and past completions is a particularly poor one. To conclude, I am of the view that the provision of 10 self-build service plots at the appeal site will make a positive contribution to the supply of self-build plots in both local planning authority areas. I am attaching substantial weight to this element of housing supply."*

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<sup>58</sup> the largest national database of demand for self-build and custom build plots

<sup>59</sup> Land off Bullens Green Lane, Colney Heath APP/B1930/W/20/3265925 and 3265926, Self-Build and Custom Housebuilding Proof of Evidence of Andrew Moger BA (Hons) MA MRTPI Statement, Appendix AM10, March 2021

(paragraph 52, Inspector's Report 14<sup>th</sup> June 2021, APP/B1930/W/20/3265925 – emphasis added)

The Roundhouse Farm Planning Appeal Inspector, having considered the evidence provided which references numerous appeal decisions demonstrating the benefit associated with the provision of Self-build and Custom Build plots,<sup>60</sup> attached 'substantial weight' to the provision of self-build plots in the context of poor past performance in terms of the levels of supply of such housing.

7.26 Similarly, the Planning Appeal Inspector in respect of the Little Chalfont Planning Appeal (**CD 9.11**)<sup>61</sup> (in the Buckinghamshire Council local authority area and in respect of a Greenbelt site) states in their 8<sup>th</sup> March 2023 report that:

*“Evidence demonstrates that cumulatively across the Base Periods, the Council has continually failed to meet the demand for self-build homes identified in the Register. These figures were not contested by the Council. In these circumstances, the provision of 15 units would be a significant benefit, given the Government's commitment to this sector and the continued shortfall across the Council's area.”*

(Paragraph 141, Inspector's Report 8<sup>th</sup> March 2023, APP/X0415/W/22/3303868 – emphasis added)

7.27 The Inspector, as in the St Albans district Roundhouse Farm Planning Appeal, concludes that 'substantial weight' should be given to the proposed Self-Build / Custom Build plots proposed given the ongoing failure by Buckinghamshire Council to address the demand for this type of housing.<sup>62</sup>

7.28 The Council attach 'substantial weight' to the delivery of Self-build plots in the Committee Report (**CD 3.4**) in respect of the Appeal Site planning application.<sup>63</sup> Paragraph 6.16 of the Council's Statement of Case (“SOC” – **CD 5.2**) restates this position.

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<sup>60</sup> As set out in Land off Bullens Green Lane, Colney Heath APP/B1930/W/20/3265925 and 3265926, Self-Build and Custom Housebuilding Proof of Evidence of Andrew Moger BA (Hons) MA MRTPI Statement, Appendix AM10, March 2021

<sup>61</sup> Appeal Ref: APP/X0415/W/22/3303868 Land between Lodge Lane and Burtons Lane, Little Chalfont, Amersham, HP4 4AJ, Inspector's Report 8<sup>th</sup> March 2023

<sup>62</sup> Paragraph 142, Appeal Ref: APP/X0415/W/22/3303868 Land between Lodge Lane and Burtons Lane, Little Chalfont, Amersham, HP4 4AJ, Inspector's Report 8<sup>th</sup> March 2023

<sup>63</sup> CD 3.4, page 83, paragraph 8.6.6 and paragraph 8.19.5

Summary

- 7.29 The Council's 2022 Authority Monitoring Report data suggests that for the 'base periods' 1 to 4 (defined as set out in the NPPG) for which 3 year permission periods can be compared in St Albans district, an overall shortfall compared to demand in the order of 171 Self-Build / Custom Build permissions has occurred. Furthermore, in simple terms, comparing overall permissions and overall registrations in the 2016 to 2022 period it is apparent that there have been 596 less Self-build / Custom Build permissions than registrations; i.e. an overall delivery rate of only c.20%.
- 7.30 Secondary (Buildstore August 2022) data suggests that the St Albans register is likely to underestimate the extent of demand for Self Build / Custom Build in the district. By any measure it is apparent that the demand recorded by the Council is far outstripping the supply of Self Build / Custom Build permissions in St Albans. Furthermore, as with the backlog in unmet need for Affordable Housing, the unmet demand for Self Build / Custom Build homes in the district should be met as quickly as possible, over a five year period at minimum, given the significant shortfall in the supply of permissions to address demand.
- 7.31 The provision of Self-build plots on the Roundhouse Farm site (x10) and on the Sewell Park site (x5) will not be sufficient to address the levels of demand recorded in the Council's 2022 Authority Monitoring Report.
- 7.32 Nationally there is a clear commitment from Government to significantly increase the supply of such housing. The c.12 plots (3%) proposed on the Appeal Site will assist the Council with meeting the need for this type of housing in accordance with its statutory duty; in line with recent Planning Appeal decisions, and as per the Sewell Park planning application Committee Report, the Appeal Site planning application Committee Report, and the Council's SOC paragraph 6.16, the benefits associated within the proposals should be accorded **substantial weight**.

## **8 SUMMARY AND CONCLUSION**

### Policy Context

- 8.1 That Affordable Housing is an important material consideration is evident from the fact that, for many years, its delivery has been prioritised within National Planning Policy. Paragraph 60 of the NPPF includes the clear objective of ‘significantly boosting the supply of homes’ and paragraph 61 confirms that the ‘minimum number of homes needed’ should be informed by a local housing need assessment. Paragraph 62 sets out that the need for different types, sizes and tenures of housing should be assessed and policy should reflect this, specifically in respect of Affordable Housing where a need for it is established.
- 8.2 This remains the position proposed within emerging national planning policy, which will be underpinned by the Levelling Up and Regeneration Bill once enacted and is expected by Government to deliver just as much if not more Affordable Housing as the current planning system.
- 8.3 The adopted St Albans City and District Local Plan Review 1994 (“LP”) includes saved policies in respect of affordable housing provision. Saved Policy 7a Affordable Housing does not include target affordable housing proportions in terms of either quantum or tenure for application at a site level and saved Policy 70 ‘Design and Layout of New Housing’ refers to a mix of housing types and sizes being negotiated on large schemes. A 2004 Affordable Housing SPG (“AHSPG”) seeks a negotiated ‘35%’ affordable housing. The proposed provision of 40% Affordable Housing on the application site exceeds the 35% referred to within the AHSPG within the context of LP Policy 7A.
- 8.4 First Homes have been introduced through the First Homes Planning Guidance (“FHG”) and an accompanying Written Ministerial Statement (“WMS”). Whilst there is no specific legislative requirement to deliver First Homes and where existing Local Plans have been adopted prior to the transitional arrangement the FHG / WMS demonstrates the Government’s commitment to this form of Affordable Housing and confirms that provision should be encouraged and supported where proposed.

*Affordable Housing Need*

- 8.5 Whilst the March 2022 St Albans rented Affordable Housing Waiting List, at 559 households and the 628 households reported to be on the list as at January 2023 is significantly reduced compared to 2012 this is as a result of changes by the Council during 2012 to the ‘qualification criteria’ for inclusion in the list. The cleansed Housing Waiting List figures will not include households able to afford to rent privately, but aspiring to own their own home and unable to afford to do so on the open market, or, potentially, households already renting sub-standard housing in the private sector and unable to afford decent quality housing in the private rented sector. As such the Housing Waiting List does not fully reflect Affordable Housing need based on eligibility as defined in the NPPF.
- 8.6 The South-West Hertfordshire Strategic Housing Needs Assessment (“SHMA16”) published in February 2016 and the South-West Hertfordshire Local Housing Needs Assessment (“LHNA”) published in September 2020 (“LHNA”) seek to meet existing shortfalls in Affordable Housing over 23 and 18 years respectively.
- 8.7 The SHMA16 pre-dates the current NPPF Affordable Housing need definition (which includes private renter households aspiring to own but unable to afford to do so as eligible for Affordable Housing). Whilst the LHNA forms part of the evidence base for the withdrawn Local Plan, it provides the most recent detailed data on Affordable Housing requirements in the district.
- 8.8 Whilst providing an updated approach, the LHNA suggestion that a supply of market housing for sale can be assumed to address the need for Affordable Home Ownership in the district should be disregarded. Using open market housing stock in lieu of an appropriate source of NPPF compliant Affordable Housing to address NPPF defined Affordable Housing need (as suggested in the Affordable Home Ownership need assessment in the LHNA) does not align with the NPPF and, in line with Local Plan Inspector observations elsewhere (Eastleigh Borough), should be ruled out.
- 8.9 When adjusted to meet existing shortfalls in Affordable Housing over a shorter 5 year period (in line with the NPPF and as supported at appeal) **the SHMA16 suggests a net annual need for 737 affordable homes across the district** (instead of 617) and **the LHNA suggests a net annual need for 1304 affordable homes across the district** (instead of 1092 – NB: when adjusted to ensure non-Affordable Housing lower quartile market housing sales are not deducted as a source of Affordable Home Ownership). The LHNA district wide Affordable

Housing need would reduce to 995 per annum after 5 years assuming that all existing shortfalls have been addressed in the initial 5 years.

- 8.10 The backlog in unmet Affordable Housing need, which has arisen as result of a persistent shortfall in the delivery of Affordable Housing in prior years to meet the need for such housing, should be addressed within a 5 year period at minimum in line with the approach in national guidance to overall housing shortfalls and as has been confirmed to be appropriate in planning appeals elsewhere. This is particularly the case in St Albans district given the chronic and persistent level of Affordable Housing undersupply; it is imperative that the Council seek to address the shortfall in provision as quickly as possible.

*Affordable Housing Supply and Shortfalls in Provision*

- 8.11 Whilst the Housing Waiting List for the district could be taken to indicate that the Council are making headway in addressing Affordable Housing need in the district, the reduction in numbers on the list are more reflective of the Council's restrictive 'qualification eligibility' criteria for inclusion within the list than the actual shortfalls in unmet Affordable Housing need accruing in the district.
- 8.12 That the Council is failing to deliver enough affordable homes to meet the needs of households across the district is evidenced by the shortfalls in Affordable Housing which have accumulated against the SHMA16 / LHNA assessed need for such Housing when compared to the Council's own Affordable Housing delivery data.
- 8.13 These shortfalls have resulted in between 3,576 to 4,360 households not having their affordable housing needs met in the district during 2017/18 to 2021/22.
- 8.14 Over the last 28 years only 18% of all housing completions (net) have been delivered as Affordable Housing in St Albans.
- 8.15 Since 2005/06 Right to Buy sales have reduced significantly there is still an ongoing loss of Affordable Housing from the sector through Right to Buy sales, amounting to a loss of 202 homes over a decade (2010/11 to 2020/21).
- 8.16 Looking ahead the situation is suggested to remain bleak; when compared with committed Affordable Housing supply the assessed Affordable Housing need is estimated to result in further shortfalls of between 5,065 to 5,507 Affordable Homes in the district during 2022/23 to 2026/27.

8.17 The calculations behind these accumulated shortfalls are summarised below:

**Figure 8.1 – Cumulative Unmet Affordable Housing Need – 2017/18 to 2026/27**

<b>St Albans</b>		
2017/18 to 2021/22	Net Affordable Housing Need	4,035 to 4,819*
	Net Affordable Housing Completions	459**
	<b>Accumulated Existing Shortfall</b>	<b>3,576 to 4,360</b>
2022/23 to 2026/27	Net Affordable Housing Need	5,460 to 5,902*
	Net Affordable Housing Committed Supply	395**
	<b>Accumulated Future Shortfall</b>	<b>5,065 to 5,507</b>
<b>Total Accumulated Shortfall</b>		<b>8,641 to 10,254</b>

\*SHMA16 and LHNA and Pioneer Analysis of SHMA16 and LHNA assuming existing shortfalls in Affordable Housing are addressed over 5 years

\*\* SADC Authority Monitoring Reports 2021/22

NB: all scenarios ensure that lower quartile market housing is NOT deducted as a source of Affordable Housing supply. Lower net need ranges are based on current need annualised over 23 years (SHMA16) and 16 years (LHNA)

8.18 The above summary suggests that unless significant additional Affordable Housing supply sources are identified in the 2022/23 to 2026/27 five year period a shortfall of 8,641 affordable homes will accrue in the district. This increases further to 10,254 across the district if existing shortfalls in unmet Affordable Housing need are assumed to be addressed over a 5 year period as opposed to over 16 to 23 years (as in the LHNA and SHMA16 respectively).

#### *Affordability*

8.19 The accumulated shortfalls in unmet Affordable Housing need are unsurprising when it is considered that ONS data reports that the ratio of median house price to workplace based earnings across the district has increased from 10.05 in 2009 to 17.32 in 2021 (an increase of c.72%).

- 8.20 Household income data in the LHNA suggests that over half of households, should they need to move, would be unable to afford even entry level private rented homes in the district whilst at the same time reporting a limited supply of entry level private rented homes.
- 8.21 Demand for private rented housing will be likely to continue to outstrip supply thus preventing households unlikely to meet local 'qualifying criteria' and unable to afford open market housing for sale from accessing the homes they need. Affordability pressures will remain high across the district.

*The Weight to be Attached to the Affordable Housing Proposals*

- 8.22 Nationally, we remain in the middle of a national housing crisis. A total of 1,151,550 net additional dwellings are reported by Government data to have been provided between 2017/18 and 2021/22, which against the Government's own 300,000 target for this period results in a c.49k shortfall in homes.
- 8.23 Research commissioned by Crisis and the National Housing Federation states that there is 'a backlog of housing need of 4.75 million households across Great Britain (4 million in England)' and concludes nearer c.340,000 homes (of all tenures) need to be built annually in England if a 'meaningful levelling of affordability differences' is to be achieved.
- 8.24 Secretary of State and appeal decisions confirm that affordable housing is an important material consideration, that the need to address affordable housing requirements is acute and urgent, and that the Secretary of State has routinely attached 'significant weight' and 'substantial weight' to the provision of affordable housing. Even when a five-year housing land supply exists, when Plans are up to date, when affordable housing proposals do not exceed or are below policy requirements and when on Greenbelt land, the material benefits of affordable housing proposals have still been concluded within the current planning framework to be able to weigh substantially in favour of development proposals.
- 8.25 Crucially, in addition to the above, specifically in respect of St Albans a recent 2021 Planning Appeal (APP/B1930/W/20/3265925 and APP/C1950/W/20/3265926, paragraph 54) reports a 'persistent under delivery of Affordable Housing' in St Albans and the Inspector attaches 'very substantial weight' to the provision of Affordable Housing in the district. In another 2021 Planning Appeal (APP/B1930/W/20/3265949, paragraph 23) St Albans City and District Council refers to the district as an area of "affordable housing stress".



8.26 The prioritisation of the provision of additional Affordable Housing in the district is a primary objective within both Development Plan and supplementary adopted planning policy in St Albans.

8.27 In the context of the Council's consistent failure to deliver sufficient Affordable Housing to meet housing need, combined with the significant shortfalls that will continue to accumulate against the planned Affordable Housing supply, given the overall housing land supply shortfall (at just 2 years according to the Council), in line recent Planning Appeal decisions, and as per the Sewell Park planning application Committee Report and the Appeal Site planning application Committee Report, the benefits associated with the Affordable Housing proposed on the application site should be given **very substantial weight**.

*Self-Build / Custom Build*

8.28 Nationally there is a clear commitment from Government to significantly increase the supply of such housing. The c.12 plots (3%) proposed on the Appeal Site will assist the Council with meeting the need for this type of housing in accordance with its statutory duty (which it has consistently failed to do 2016 to 2022 with permissions running at only c.20% of registrations); it is crucial that the unmet need for Self Build / Custom Build plots is addressed as quickly as possible. In line with recent Planning Appeal decisions, and as per the Sewell Park planning application Committee Report, the Appeal Site planning application Committee Report, and the Council's SOC paragraph 6.16, the benefits associated within the proposals should be accorded **substantial weight**.

## 9 APPENDIX DP1

Net Rented Affordable Housing Need (Annual)							
Location	Current Need	Annual Current Need (Met over 5yrs)	Newly Forming Households	Existing Households	Total Gross Need	Relet Supply	Net Need
District	1003	201	486	197	884	303	581
Net Affordable Home Ownership Need (Annual)							
Location	Current Need	Annual Current Need (Met over 5yrs)	Newly Forming Households	Existing Households	Total Gross Need	Relet Supply	Net Need
District	544	109	512	103	724	0	724
Net All Affordable Housing Need (Annual)							
Location	Current Need	Annual Current Need (Met over 5yrs)	Newly Forming Households	Existing Households	Total Gross Need	Relet Supply	Net Need
District	1547	309	998	300	1607	303	1304

Net Rented Affordable Housing Need (Annual)							
Location	Current Need	Annual Current Need (Met over 16yrs)	Newly Forming Households	Existing Households	Total Gross Need	Relet Supply	Net Need
District	1003	63	486	197	746	303	443
Net Affordable Home Ownership Need (Annual)							
Location	Current Need	Annual Current Need (Met over 16yrs)	Newly Forming Households	Existing Households	Total Gross Need	Relet Supply	Net Need
District	544	34	512	103	649	0	649
Net All Affordable Housing Need (Annual)							
Location	Current Need	Annual Current Need (Met over 16yrs)	Newly Forming Households	Existing Households	Total Gross Need	Relet Supply	Net Need
District	1547	97	998	300	1395	303	1092

Source: Based on Table 37 for rented Affordable Housing Table 42 for Affordable Home Ownership, South-West Hertfordshire Local Housing Needs Assessment ("LHNA") September 2020 showing current Affordable Housing need annualised over 5 years compared to 16.