

**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**

**SUMMARY PROOF OF
EVIDENCE IN RESPECT
OF AFFORDABLE
HOUSING PROVISION**

By:

DAVID PARKER MSc BA(Hons) DMS FCIH

PINS reference:

APP/B1930/W/22/3313110

LPA References:

5/2022/0927

Date:

20th March, 2023

1 SUMMARY AND CONCLUSION

Policy Context

- 1.1 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.
- 1.2 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.
- 1.3 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.
- 1.4 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

- 1.5 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.
- 1.6 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.
- 1.7 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.
- 1.8 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.
- 1.9 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.

- 1.10 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

- 1.11 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.
- 1.12 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.
- 1.13 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.
- 1.14 Over the last 28 years only 18% of all housing completions (net) have been delivered as Affordable Housing in St Albans.
- 1.15 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).
- 1.16 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.

1.17 The calculations behind these accumulated shortfalls are summarised below:

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

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

*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)

1.18 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

1.19 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%).

- 1.20 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.
- 1.21 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

- 1.22 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.
- 1.23 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.
- 1.24 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.
- 1.25 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".

- 1.26 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.
- 1.27 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

- 1.28 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**.