

# Affordable Housing Proof of Evidence of James Stacey BA (Hons) DipTP MRTPI

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Coventry Stadium, Rugby Road, Brandon

Rugby Borough

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Demolition of existing buildings and outline planning application (with matters of access, layout, scale, and appearance included) for residential development (Use Class C3) including means of access into the site from the Rugby Road, provision of open space and associated infrastructure and provision of sports pitch, erection of pavilion and formation of associated car park

Coventry Stadium, Brandon, Rugby Borough

Brandon Estates Ltd

August 2023

PINS REF: APP/E3715/W/23/3322013

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OUR REF: M23/0310-01.RPT

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## Core Document References

<b>CD 6</b>	<b>Officer's Report (R18/0186) dated 27th October 2022</b>
<b>CD 8</b>	<b>Relevant Planning Policy Documents, Evidence Base and Guidance</b>
CD 8.1	National Planning Policy Framework
CD 8.2	Rugby Local Plan 2019
CD 8.3	Brandon and Bretford Neighbourhood Plan 2019
CD 8.4	Updated Assessment of Housing Need: Coventry-Warwickshire HMA, September 2015
CD 8.5	Housing Land Supply Position Statement 2022 to 2027
CD 8.11	Annual Monitoring Report 2021/22
CD 8.16	Planning Practice Guidance (ongoing updates)
CD 8.17	Coventry and Warwickshire Housing and Economic Development Needs Assessment, November 2022
<b>CD 12</b>	<b>Council's Statement of Case</b>
<b>CD 15.2</b>	<b>Rugby Borough Council Documents</b>
CD 15.2.1	Rugby Housing Strategy 2022 to 2024
CD 15.2.2	Corporate Strategy 2021 to 2024
CD 15.2.3	Housing Needs Supplementary Planning Document 2021
<b>CD 15.5</b>	<b>Other Reference Documents</b>
CD 15.5.17	Mitchell v Secretary of State for the Environment and Another, (1995) 69 P&CR 60;
CD 15.5.18	CC Construction Limited v Secretary for the Environment and Carrick District Council, (1995) 69 P&CR 51
CD 15.5.19	R v Tower of Hamlets London District Council, ex parte Barratt Homes Ltd [2000] JPL 1050.
CD 15.5.20	Laying the Foundations - National Housing Strategy
CD 15.5.21	Fixing our Broken Housing Market - Housing White Paper
CD 15.5.22	House of Commons Debate, October 2013
CD 15.5.23	Building the Homes We Need, KPMG, April 2014

CD 15.5.24	Former Secretary of State for Housing, Communities and Local Government Speech to Local Government Association Conference (July 2017)
CD 15.5.25	Former Prime Minister's Speech (15 November 2017)
CD 15.5.26	Former Secretary of State for Housing, Communities and Local Government Speech on the Housing Market (16 November 2017)
CD 15.5.27	People in Housing Need, NHF, September 2020
CD 15.5.28	Coming Home - Tackling the Housing Crisis Together, Commission of the Archbishops of Canterbury and York on Housing, Church and Community, February 2021
CD 15.5.29	Exposing the Hidden Housing Crisis, The Centre for Social Justice, November 2021
CD 15.5.30	Falling Short: Housing Benefit and the Rising Cost of Renting in England, Crisis and Zoopla, June 2023
CD 15.5.31	Secretary of State for Levelling Up, Housing and Communities' Speech to the Local Government Association Annual Conference (4 July 2023)
CD 15.5.32	<i>"Bleak Houses: Tackling the Crisis of Family Homelessness in England"</i> , Children's Commissioner (August 2019)
CD 15.5.33	<i>"Denied the Right to a Safe Home – Exposing the Housing Emergency"</i> , Shelter (May 2021)
CD 15.5.34	<i>"Unlocking Social Housing: How to fix the rules that are holding back building"</i> , Shelter, April 2022

<b>Appeals</b>	
CD 15.5.35	Appeal Decision: Aviation Lane, Burton upon Trent (July 2016)
CD 15.5.36	Appeal Decision: Langton Road, Norton (October 2020)
CD 15.5.37	Appeal Decision: Roundhouse Farm, Land Off Bullens Green Lane, Colney Heath (June 2021)
CD 15.5.38	Appeal Decision: Land at Maitland Lodge, Southend Road, Billericay (November 2022)
CD 15.5.39	Appeal decision: Land North of Kennel Lane, Billericay (Dec. 2022)
CD 15.5.40	Appeal Decision: Land between Lodge Lane and Burtons Lane, Little Chalfont, Buckinghamshire (March 2023)
CD 15.5.41	Secretary of State Decision: Pulley Lane, Droitwich Spa (July 2014)
CD 15.5.42	Appeal Decision: Land east of Park Lane, Coalpit Heath, South Gloucestershire (September 2018)
CD 15.5.43	Appeal Decision: Oxford Brookes University, Wheatley Campus (April 2020)

# Executive Summary

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## **Introduction**

- i. This Affordable Housing Proof of Evidence is prepared by James Stacey BA (Hons) DipTP MRTPI of Tetlow King Planning on behalf of the Appellant, Brandon Estates Ltd, in respect of their appeal APP/E3715/W/23/3322013 against the refusal of outline planning application R18/0186 for residential development at Coventry Stadium, Rugby Road, Brandon, in Rugby Borough.
- ii. This evidence deals specifically with affordable housing and the weight to be attributed to it in the planning decision in light of the evidence of need in the area. Outline planning permission (including details of access, appearance, layout and scale) is sought for 124 dwellings of which 20% or 25 dwellings will be affordable. Full planning permission is sought for 40 dwellings, all of which are to be affordable. 56% of the proposed affordable homes will be for social rent with the remaining 44% for shared ownership.

## **Affordable Housing as an Important Material Consideration**

- iii. Within national policy (including the National Planning Policy Framework and the Planning Practice Guidance), providing affordable housing has long been established as, and remains, a key national priority; it is a fundamental element in the drive to address and resolve the national housing crisis.

## **The National Housing Crisis**

- iv. There is an ever-increasing wealth of evidence including from figures at the highest levels of Government that unaffordability and inability to get on the housing ladder is a significant problem. What is also clear is that the messages from previous Governments have failed to ensure enough new homes, especially affordable homes, are being built.
- v. The evidence is clear and, in my opinion, demonstrates the pressing requirement to build more homes to meet the significant level of unmet need, particularly for homes that are affordable.

### **The Extent of the National Shortfall in Housing Delivery**

- vi. A range of governmental and industry organisations have sought to identify the annual need for housing across England, ranging from 250,000 dwellings per annum (KPMG/Shelter) to 340,000 dwellings per annum (National Housing Federation). The Government itself has set a target to deliver 300,000 dwellings per annum in England.
- vii. Against any of these need figures, the extent of the shortfall in housing delivery in England is staggering (ranging from -1,082,874 dwellings to -2,702,847 dwellings since 2004/05) and merely serves to further compound the acute affordability problems that the country is facing.

### **The Consequences of Failing to Meet Affordable Housing Needs**

- viii. The consequences of failing to meet affordable housing needs in any local authority are significant; they include a lack of financial security and stability, poor impacts on physical and mental health, decreased social mobility, and negative impacts upon children's education and development.
- ix. These harsh consequences on households, individuals and children unequivocally highlight the importance of meeting affordable housing needs. These are real people in real need. An affordable and secure home is a fundamental human need, yet households on lower incomes are being forced to make unacceptable sacrifices for their housing.

### **The Development Plan and Related Policies**

- x. The relevant Development Plan for Rugby Borough Council is the Rugby Borough Local Plan 2011 to 2031. The Brandon and Bretford Neighbourhood Plan 2019 is also in effect at the appeal site.
- xi. Policy H2 'Affordable Housing Provision' at page 41 of the Local Plan is the principal policy for affordable housing delivery in Rugby. Its key provisions are that on sites over the size threshold of at least 0.36ha in area and 11 dwellings or more, 20% affordable housing will be sought on previously developed sites (such as the appeal site); 30% will be sought on greenfield sites. The proposed development offers 20% affordable housing and complies with policy H2.
- xii. Other documents which constitute material considerations include the Housing Needs Supplementary Planning Document 2021; the Rugby Housing Strategy 2022 to 2024; and the Corporate Strategy 2021 to 2024.



### **Affordable Housing Needs in Rugby Borough**

- xiii. There are two recent assessments of affordable housing needs in Rugby Borough:
- The SHMA Update 2015, which was part of the evidence base for the Local Plan, identifies a need of 171 net affordable dwellings per annum between 2011/12 and 2030/31; and
  - The HEDNA 2022, which is the most recent assessment of affordable housing need, identifies a need of 495 net affordable dwellings per annum between 2022/23 and 2031/32 (comprising 407 affordable rented dwellings per annum and 88 affordable home ownership dwellings per annum).

### **Affordable Housing Delivery in Rugby Borough**

- xiv. On average between 2011/12 and 2021/22, Rugby Borough added 110 affordable dwellings per annum (net of Right to Buy sales), which is the equivalent of 18% of the total number of housing completions. In total, between 2011/12 and 2021/22, 1,212 net affordable homes have been delivered.
- xv. Comparative analysis shows that net affordable housing delivery has fallen short of meeting the need for 171 affordable homes in the SHMA Update 2015; a cumulative shortfall of -669 affordable homes has arisen.
- xvi. If the shortfall is to be recovered in the next five years, the Council will need to deliver a total of 305 affordable dwellings per annum to cover the annually arising need and one fifth of the -669 dwelling backlog each year.

### **The Future Supply of Affordable Housing**

- xvii. The future supply of affordable housing in Rugby is not enough to address existing backlogs of affordable housing.
- xviii. If we were generously to assume that all 3,586 dwellings included in the Council's claimed five year housing land supply will come forward on sites eligible for affordable housing; and that all of these sites would provide the maximum Policy H2 compliant levels of affordable housing (i.e. 30%) as a proportion of overall housing completions, this is likely to deliver only 1,076 affordable dwellings over the period, equating to just 215 new affordable dwellings per annum.
- xix. This figure falls substantially short of the 305 per annum figure required when backlog needs are addressed in the first five years in line with the Sedgefield approach.

- xx. This figure of 215 affordable dwellings per annum falls even further short of the need for 495 affordable dwellings per annum that are identified in the HEDNA 2022, which will be applicable from 2022/23 onwards.

### **Affordability Indicators**

- xxi. A review of affordability indicators shows that there are serious affordability challenges in Rugby Borough:
- a. On 31 March 2022 there were 577 households on the Housing Register in Rugby Borough;
  - b. A significant proportion of these households have expressed a locational preference for the three civil parishes in the vicinity of the appeal site. For example, in Brandon and Bretford Civil Parish where the appeal site lies, some 231 households have expressed a preference for a house in the area (equivalent to 40% of the entire register);
  - c. There are lengthy average waits for successful affordable housing applicants of between 165 and 554 days for an affordable home, depending on the size of the home that is needed;
  - d. Lower quartile house prices in Rugby Borough are 7.61 times lower quartile earnings, making it difficult for prospective purchasers to raise the necessary finance and deposits to purchase;
  - e. In 2022, the lower quartile selling price in Rugby Borough was £195,000; this is 18% more than in the West Midlands and 8% more than in England as a whole.
  - f. In the local area (represented by the Middle Layer Super Output Area 'Rugby 004'), the lower quartile selling price in 2022 was higher still, at £235,000. This is 21% higher than in Rugby Borough, 42% higher than in the West Midlands, and 31% higher than in England as a whole.
  - g. In 2022/23, the lower quartile rent in Rugby Borough was £650, which is £55 (or 9%) more than in the West Midlands and £25 (or 4%) more than in England as a whole.
  - h. In the local area (represented by the Middle Layer Super Output Area 'Rugby 004') the tenure mix is skewed in favour of home ownership and away from both social rented and private rented tenures. 79% of households are owner-occupiers, while just 13% are social renters.

- xxii. These market signals indicate a worsening trend in affordability in Rugby Borough and within the local area. It is my opinion that there is an acute housing crisis in Rugby Borough.

#### **The Benefits of the Proposed Affordable Housing**

- xxiii. The proposed development offers a 20% affordable scheme that meets policy requirements; and I note that affordable housing policies are drafted to generate a benefit, rather than to ward off a harm.
- xxiv. Benefits include the provision of 14 affordable homes for social rent to meet priority needs (typically the cheapest form of affordable housing); 11 shared ownership homes to provide an affordable route to home ownership.

#### **The Weight to be Attributed to the Proposed Affordable Housing**

- xxv. Taking the above factors into account, and when considering the findings of other planning inspectors and the Secretary of State in recent years, I consider that the proposed affordable housing provision should carry substantial weight in the planning balance.

# Introduction

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## Section 1

- 1.1 This Affordable Housing Proof of Evidence is prepared by **James Stacey BA (Hons) DipTP MRTPI of Tetlow King Planning** on behalf of the Appellant, **Brandon Estates Ltd**, in respect of their appeal APP/E3715/W/23/3322013 against the refusal of outline planning application R18/0186 for residential development at Coventry Stadium, Rugby Road, Brandon, in Rugby Borough.
- 1.2 Outline planning permission is sought for 124 dwellings, of which 20% or 25 dwellings will be affordable. The complete description of development is as follows:
- “Demolition of existing buildings and outline planning application (with matters of access, layout, scale, and appearance included) for residential development (Use Class C3) including means of access into the site from the Rugby Road, provision of open space and associated infrastructure and provision of sports pitch, erection of pavilion and formation of associated car park.”*
- 1.3 Whilst the application is submitted in outline, matters of appearance, access, layout and scale are also considered through this application. Only the matter of landscape remains reserved for future determination.
- 1.4 The proposed tenure split will be 56% social rented homes (14 dwellings) and 44% shared ownership homes (11 dwellings). The proposed affordable housing will be secured through a planning obligation.
- 1.5 For administrative purposes, the site lies within Brandon and Bretford Civil Parish but is close to the boundary with Binley Woods Civil Parish to the west. For statistical purposes the site lies within the Rugby 004 Middle Layer Super Output Area (“MSOA”) which includes Brandon, Binley Woods, and the nearby villages of Wolston and Ryton-on-Dunsmore. Reference in this Proof of Evidence to Rugby are in respect of the wider Borough rather than the main town of Rugby. Area maps can be found at **Appendix JS1**.

1.6 This Proof of Evidence deals specifically with affordable housing and the weight<sup>1</sup> to be afforded to it in this planning decision considering evidence of need in the area.

1.7 My credentials as an expert witness are summarised as follows:

- I hold a Bachelor of Arts (Hons) degree in Economics and Geography from the University of Portsmouth (1994) and a post-graduate diploma in Town Planning from the University of the West of England (“UWE”) (1997). I am a member of the Royal Town Planning Institute (“RTPI”).
- I have over 28 years’ professional experience in the field of town planning and housing. I was first employed by two Local Authorities in the South West and have been in private practice since 2001.
- During my career, I have presented evidence at more than 110 Section 78 appeal inquiries and hearings. I act for a cross-section of clients and advise upon a diverse range of planning and housing related matters.
- In December 2022 I was appointed as Managing Director of Tetlow King Planning. Prior to this I held the position of Senior Director. I was first employed by Tetlow King Planning in 2009.
- Both Tetlow King generally and I have acted on a wide range of housing issues and projects for landowners, house builders and housing associations throughout the country. Tetlow King Planning has been actively engaged nationally and regionally to comment on emerging development plan documents and supplementary planning documents on affordable housing throughout the UK.

1.8 In accordance with the Planning Inspectorate’s Procedural Guidance, I hereby declare that:

*“The evidence which I have prepared and provide for this appeal APP/E3715/W/23/3322013 in this proof of evidence is true and has been prepared and is given in accordance with the guidance of my professional institution and I confirm that the opinions expressed are my true and professional opinions.”*

1.9 Providing a significant boost in the delivery of housing, and in particular affordable housing, is a key priority for the Government. Having a thriving active housing market that offers choice, flexibility and affordable housing is critical to our economic and

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<sup>1</sup> For the avoidance of doubt, the weightings I apply are as follows: very limited, limited, moderate, significant, very significant, substantial, and very substantial.

social well-being. This is set out in the most up-to-date version of the National Planning Policy Framework (“NPPF”; **CD 8.1**, the Planning Practice Guidance (“PPG”; see relevant extracts at **Appendix JS3**), the National Housing Strategy (**CD 15.5.20**) and the Government’s Housing White Paper (**CD 15.5.21**).

1.10 As part of my evidence, I have sought data, upon which I rely, from the Council through a Freedom of Information (“FOI”) request submitted to Rugby Borough Council on 6 February 2023. A response was received on 6 March 2023; the FOI correspondence is attached at **Appendix JS2**.

1.11 This Proof of Evidence comprises the following eleven sections:

- Section 2 introduces affordable housing as an important material consideration;
- Section 3 discusses the national housing crisis, with reference to an array of governmental and voluntary sector publications;
- Section 4 discusses the extent of the national shortfall in housing delivery;
- Section 5 considers the consequences of failing to meet affordable housing needs;
- Section 6 analyses the development plan and related policy framework including corporate documents;
- Section 7 sets out the identified affordable housing needs in Rugby Borough;
- Section 8 examines past affordable housing delivery against identified needs;
- Section 9 considers the future supply of affordable housing;
- Section 10 covers a range of affordability indicators;
- Section 11 identifies the benefits of the proposed affordable housing at the appeal site; and
- Section 12 considers the weight to be attached to the proposed affordable housing provision.

# Affordable Housing as an Important Material Consideration

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## Section 2

- 2.1 The provision of affordable housing is a key part of the planning system. A community's need for affordable housing was first enshrined as a material consideration in PPG3 in 1992 and has continued to play an important role in subsequent iterations of national planning policy, including the National Planning Policy Framework ("NPPF").
- 2.2 It has been reflected in a number of court cases including *Mitchell v Secretary of State for the Environment and Another*, (1995) 69 P&CR 60 (**CD 15.5.17**); *ECC Construction Limited v Secretary for the Environment and Carrick District Council*, (1995) 69 P&CR 51 (**CD 15.5.18**); *R v Tower of Hamlets London District Council, ex parte Barratt Homes Ltd* [2000] JPL 1050 (**CD 15.5.19**).

### **National Planning Policy Framework (20 July 2021) (CD 8.1)**

- 2.3 The NPPF was last updated on 20 July 2021 and is, of course, a key material planning consideration. It is important in setting out the role of affordable housing in the planning and decision-making process.
- 2.4 The document sets a strong emphasis on the delivery of sustainable development, an element of which is the social objective to *"support 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"* (paragraph 8).
- 2.5 Chapter 5 / paragraph 60 of the NPPF confirms the Government's objective of *"significantly boosting the supply of homes"*.
- 2.6 The NPPF is clear that local authorities should deliver a mix of housing sizes, types and tenures for different groups, which 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"* (paragraph 62).

- 2.7 The national guidance places a “corner-stone” responsibility on all major developments (involving the provision of housing) to provide an element of affordable housing. In particular, paragraph 65 establishes that *“Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership”*.
- 2.8 Affordable housing is defined within the NPPF’s glossary as affordable housing for rent (in accordance with the Government’s rent policy for Social Rent or Affordable Rent or is at least 20% below local market rents), starter homes, discounted market sales housing (at least 20% below local market value) and other affordable routes to home ownership including shared ownership, relevant equity loans, other low-cost homes for sale (at least 20% below local market value) and rent to buy (which includes a period of intermediate rent).

### **Planning Practice Guidance (March 2014, Ongoing Updates) (CD 8.16)**

- 2.9 The Planning Practice Guidance (“PPG”) was first published online on 6 March 2014 and is subject to ongoing updates. It replaced the remainder of the planning guidance documents not already covered by the NPPF and provides further guidance on that document’s application. **Appendix JS3** sets out the paragraphs of the PPG of particular relevance to affordable housing.

### **Summary**

- 2.10 This section clearly demonstrates that, within national policy, providing affordable housing has long been established as, and remains, a key national priority; it is a fundamental element in the drive to address and resolve the national housing crisis.
- 2.11 In accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004, the application should be determined in accordance with the Development Plan unless material considerations indicate otherwise.



# The National Housing Crisis

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## Section 3

- 3.1 There is incontrovertible evidence that there is a national housing crisis in the UK affecting many millions of people, who are unable to access suitable accommodation to meet their housing needs. This section highlights some of this evidence and the Government's response to grappling with this issue.

### **Laying the Foundations – A Housing Strategy for England (November 2011) (CD 15.5.20)**

- 3.2 Laying the Foundations: A Housing Strategy for England was published on 21 November 2011. The foreword by the former Prime Minister and former Deputy Prime Minister set out the former Coalition Government's intention to unblock the housing market and tackle the social and economic consequences of the failure to develop sufficient high-quality homes over recent decades.
- 3.3 The Executive Summary signed off by both the then Secretary of State for Communities and Local Government and the then Minister for Housing and Local Government included the following:
- A thriving active but stable housing market that offers choice, flexibility and affordable housing is stated as being critical to our economic and social wellbeing;
  - *'The problems we face are stark'* and have been compounded by the impact of the credit crunch;
  - *'Urgent action to build new homes'* is necessary as children will grow up without the opportunities to live near their family and older people will not have the choice and support, they need;
  - *'Housing is crucial for our social mobility, health and wellbeing';*
  - *'Housing is inextricably linked to the wider health of the economy';* and
  - Fundamental to the whole approach of the strategy is communities (including prospective owners and tenants), landlords and developers working together.

### **House of Commons Debate (October 2013) (CD 15.5.22)**

3.4 A debate took place in the House of Commons on 24 October 2013 concerning the issue of planning and housing supply; despite the debate taking place almost ten years ago the issues remain, and the commentary is sadly still highly pertinent to the issues surrounding affordable housing in Rugby Borough.

3.5 The former Planning Minister, Nick Boles, provided a comprehensive and robust response to the diverse concerns raised, emphasising the pressing need for more housing, and in particular affordable housing across the country. He opened by stating:

*"I need not start by underlining the scale of the housing crisis faced by this country, the extent of the need for housing or the grief and hardship that the crisis is visiting on millions of our fellow citizens."*

3.6 When asked to clarify the word "crisis" by the Member for Tewkesbury, Nick Boles commented that in the past year the percentage of first time buyers in England who were able to buy a home without their parents' help had fallen to the lowest level ever, under one third. He also commented that the first-time buyer age had crept up and up and was now nudging 40 in many parts of the country. He stated that the crisis "is intense within the south-east and the south, but there are also pockets in parts of Yorkshire".

3.7 In response to questions, Nick Boles reaffirmed that:

*"Housing need is intense. I accept that my hon. Friend the Member for Tewkesbury (Mr Robertson) does not share my view, but many hon. Members do, and there are a lot of statistics to prove it".*

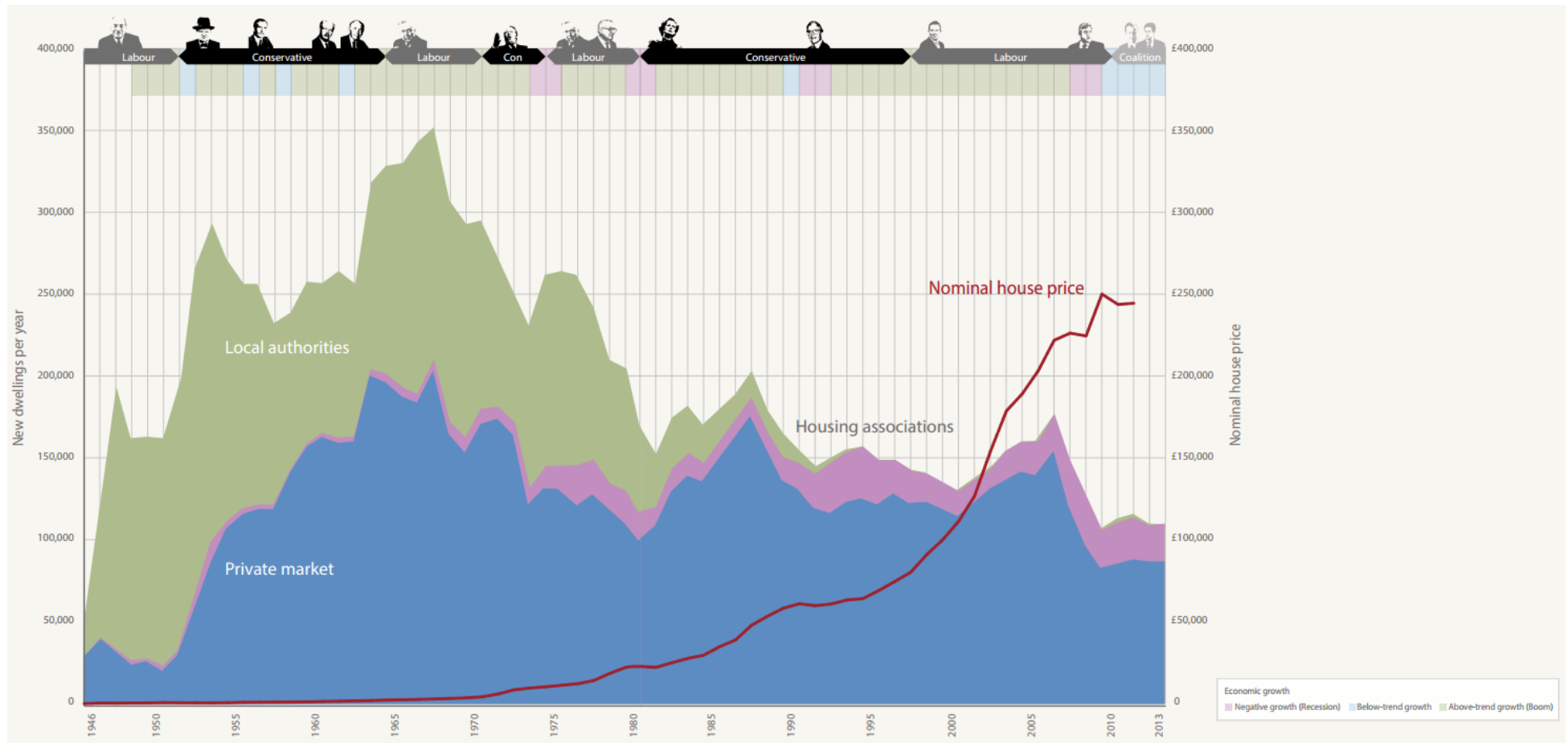
3.8 He went on to say: "It is not unreasonable, however, for the Government to tell an authority, which is representing the people and has a duty to serve them, "Work out what's needed, and make plans to provide it". That is what we do with schools. We do not tell local authorities, "You can provide as many school places as you feel like"; we say, "Provide as many school places as are needed". We do not tell the NHS, "Provide as many GPs as you feel you can afford right now"; we say, "Work out how many GPs are needed." The same is true of housing sites: we tell local authorities, "Work out how many houses will be needed in your area over the next 15 years, and then make plans to provide them."

- 3.9 Mr Boles' full response highlighted the Government's recognition of the depth of the housing crisis and continued commitment to addressing, in particular, affordable, housing needs. The final quote above also emphasised the importance of properly assessing and understanding the needs; and planning to provide for them.

**Building the Homes We Need (April 2014) (CD 15.5.23)**

- 3.10 This report was the result of a year-long project by KPMG and Shelter to understand the housing shortage and was intended to provide advice to the incoming 2015 Government.
- 3.11 The report started by setting out that *"everyone now accepts that we have a desperate housing shortage in England."* It further explained that:
- "each year we build 100,000 fewer homes than we need, adding to a shortage that has been growing for decades. What's more, our current house building system seems incapable of delivering growth on the scale required. Growing demand means that without a step change in supply we will be locked into a spiral of increasing house prices and rents – making the current housing crisis worse".*
- 3.12 The report highlighted that if we do not take firm action to build more homes there will be very worrying consequences for our economy and society; including rising homelessness, stalled social mobility, declining pension saving and an ever-rising benefit bill.
- 3.13 The report set out the graph illustrated in Figure 3.1 showing the levels of house building in England since 1946.

Figure 3.1: House building since 1946



Source: *Building the Homes We Need, Shelter and KPMG (2014)*

3.14 Figure 3.1 graph shows four interrelated trends:

- An overall decline in house building since 1946, including a steep decline from 1980 and a marked further decline since 2007;
- Relatively high levels of social housing provision by local authorities up until the mid-1970s;
- The growing relative contribution to affordable housing provision by housing associations since the late 1980s; they are providing most of the new affordable housing stock but not matching anything like the previous local authority contribution; and
- The gradual increase in the nominal house price through until about 1985 then grows exponential over the subsequent 30 years. There appears to be a correlation with the decline in new housing provision, although there are clearly other interrelated factors.

3.15 An updated version of Figure 3.1 is provided at Figure 4.2 of this evidence.

#### **Fixing our Broken Housing Market (February 2017) (CD 15.5.21)**

3.16 The Housing White Paper: Fixing our Broken Housing Market, was published in February 2017. The foreword by the then Prime Minister, Theresa May, was very clear that the housing crisis is one of the biggest barriers to progress facing the country.

3.17 The then Prime Minister's foreword stated that:

*"Our broken housing market is one of the greatest barriers to progress in Britain today. Whether buying or renting, the fact is that housing is increasingly unaffordable – particularly for ordinary working-class people who are struggling to get by.*

*Today the average house costs almost eight times average earnings – an all-time record. As a result, it is difficult to get on to the housing ladder, and the proportion of people living in the private rented sector has doubled since 2000.*

*These high housing costs hurt ordinary working people the most. In total more than 2.2 million working households with below-average incomes spend a third or more of their disposable income on housing.*

*This means they have less money to spend on other things every month, and are unable to put anything aside to get together the sums needed for a deposit...*

*...I want to fix this broken market so that housing is more affordable, and people have the security they need to plan for the future.*

*The starting point is to build more homes. This will slow the rise in housing costs so that more ordinary working families can afford to buy a home and it will also bring the costs of renting down...*

*...By building the homes Britain needs and giving those renting a fairer deal, we will give those growing up in society today more chance of enjoying the same opportunities as their parents and grandparents. It will ensure that the housing market is as fair for those who don't own their own homes as it is for those that do. This is a vital part of our Plan for Britain and a critical step along the way towards fulfilling the mission I have set out to make Britain a country that works for everyone."*

- 3.18 The former Secretary of State for Communities and Local Government, Sajid Javid, also commented on the housing crisis in his foreword to the White Paper where he stated that:

*"This country doesn't have enough homes. That's not a personal opinion or a political calculation. It's a simple statement of fact.*

*For decades, the pace of house building has been sluggish at best. As a result, the number of new homes has not kept pace with our growing population. And that, in turn, has created a market that fails to work for far too many people.*

*Soaring prices and rising rents caused by a shortage of the right homes in the right places has slammed the door of the housing market in the face of a whole generation...*

*...The housing market has taken decades to reach the state it's now in. Turning it around won't be quick or easy. But it can be done. It must be done".*

- 3.19 The introduction to the White Paper was clear:

*"The housing market in this country is broken, and the cause is very simple: for too long, we haven't built enough homes".*

- 3.20 It goes onto explain that since the 1970s, there have been on average, 160,000 new homes each year in England and that the consensus is that we need from 225,000 to 275,000 or more homes per year to keep up with population growth and start to tackle years of under-supply. The laws of supply and demand mean the result is simple. Since 1998, the ratio of average house prices to average earnings has more than doubled. That means the most basic of human needs – a safe, secure home to call your own – isn't just a distant dream for millions of people. It's a dream that's moving further and further away.
- 3.21 Furthermore, as recently as the 1990s, a first-time buyer couple on a low-to-middle income saving 5% of their wages each month would have enough for an average sized deposit after just three years. Today it would take them 24 years. It's no surprise that home ownership among 25- to 34-year olds has fallen from 59% just over a decade ago to just 37% today.
- 3.22 The White Paper also reported that Britain's broken housing market hurts all of us. Sky high property prices stop people moving to where the jobs are. That's bad news for people who can't find work, and bad news for successful companies that can't attract the skilled workforce they need to grow which is bad news for the whole economy.
- 3.23 Section four of the White Paper identified at paragraph 4.1 that England has some of the highest house price inflation and worst affordability in the OECD. An average home now costs almost eight times average earnings, and nearly 30% of local authorities have house prices over 10 times average earnings.
- 3.24 Paragraph 4.3 revealed that rising prices are particularly tough on younger people trying to get onto the housing ladder or wanting to move into their first family home. Some young people have no choice but to continue to live with their parents, friends or strangers to make ends meet. Renters are seeing their rents rise; some are only just managing to cover their costs. For the average couple in the private rented sector, rent now takes up roughly half of their gross income.
- 3.25 At paragraph 4.4 the White Paper reported that in areas where the housing shortage is most acute, high demand and low supply is creating opportunities for exploitation and abuse: unreasonable letting agent's fees, unfair terms in leases, landlords letting out dangerous, overcrowded properties. In short, it's becoming harder to rent a safe, secure property. And more and more people can't find a place to rent at all, added to which the loss of a private rented sector tenancy is now the most common cause of homelessness.

**Former Secretary of State for Housing, Communities and Local Government  
Speech to Local Government Association Conference (July 2017) (CD 15.5.24)**

- 3.26 At the beginning of July 2017 the then Secretary of State for Housing, Communities and Local Government, Sajid Javid, addressed the conference reflecting on *“what has gone wrong in local government”* and outlining what the national and local governments need to do to address the nationwide housing crisis.
- 3.27 On housing, Mr Javid stated that *“there’s a serious shortage of decent, affordable housing in this country”*. He added *“since the 1970s – under Wilson, Callaghan, Thatcher, Major, Blair, Brown, Cameron and now May – we’ve supplied an average of 160,000 new homes each year. That’s far below what’s needed, and that failure of supply to keep up with demand has led to predictable results”*.
- 3.28 Mr Javid summarised the issue, by outlining that *“the simple fact is that to put this right we need to build more homes that people want to live in, in places people want to live”*.

**Former Prime Minister’s Speech (15 November 2017) (CD 15.5.25)**

- 3.29 In November 2017, former Prime Minister Theresa May delivered a speech in which she made it her ‘mission’ to speed up the delivery of more homes.
- 3.30 Mrs May announced that *“for decades we simply have not been building enough homes, nor have we been building them quickly enough, and we have seen prices rise”*. Whilst *“the number of new homes being delivered each year has been increasing since 2010”* and acknowledged that *“there is more we can do”*.
- 3.31 She stated that *“we must get back into the business of building the good quality new homes for people who need them most”* and *“that is why I have made it my mission to build the homes the country needs and take personal charge of the Government’s response”*.
- 3.32 The former Prime Minister added that *“today I am seeing the work now underway to put this right and, in coming weeks and months, my Government will be going further to ensure that we build more homes, more quickly”*.
- 3.33 In concluding, Theresa May stated that *“this will be a long journey and it will take time for us to fix the broken housing market - but I am determined to build a Britain fit for the future”*.



**Former Secretary of State for Housing, Communities and Local Government**  
**Speech on the Housing Market (16 November 2017) (CD 15.5.26)**

- 3.34 The day after the former Prime Minister pledged her commitment to providing more homes, former Communities Secretary Sajid Javid delivered a speech setting out his blueprint for boosting housing provision.
- 3.35 Mr Javid announced that following the publication of official figures, there was an additional 217,000 new homes (net) which were delivered during the 2016/17 financial year. He added that this was the *“first time in almost a decade that the 200,000 milestone had been reached”*.
- 3.36 However, Mr Javid acknowledged that *“it is painfully obvious that there remains much, much more to be done”*, and that *“fixing the broken housing market will require a much larger effort”*.
- 3.37 He set out that *“even today, I still hear from those who say that there isn’t a problem with housing in this country. That we don’t need to build more. That affordability is only a problem for Millennials that spend too much on nights out and smashed avocados. It’s nonsense...where once it would have taken an average couple 3 years to save for a deposit – it will now take a quarter of a century. Assuming of course they could save at all”*.
- 3.38 Mr Javid compared the position of a first-time buyer in London saying a deposit of more than £90,000 was needed and lamented *“that’s a lot of avocados”*.
- 3.39 The former Communities Secretary stated that *“without affordable, secure, safe housing we risk creating a rootless generation, drifting from one short-term tenancy to the next, never staying long enough to play a real role in their community”*.

**NHF – People in Housing Need (September 2020) (CD 15.5.27)**

- 3.40 In September 2020, the National Housing Federation (“NHF”) published an analysis of the scale and shape of housing need in England.
- 3.41 On page 4, the report shows that *‘nearly 8 million people in England have some form of housing need’*. Nearly 1.9 million households are hosting a ‘concealed’ household while 3.4 million people found to be living in overcrowded accommodation.
- 3.42 It finds (page 2) that *‘Long-term investment in social housing is needed to tackle this problem and provide people with suitable homes they can afford’*.

- 3.43 The report describes how the number of people in need of social housing in England has now hit 3.8 million people. This equates to 1.6 million households – 500,000 more than the 1.16 million households recorded on official waiting lists.
- 3.44 The report provides a clear measurement of housing need, necessary because local housing registers (or waiting lists) have become inadequate following the introduction of the Localism Act in 2011.
- 3.45 It states (page 3) that *‘There is now no consistent set of criteria for allowing households to join a register’* and the data on these registers is not necessarily reviewed for accuracy on a regular basis. While local registers serve an important function, *‘they do not give the full picture of how many people are in need of a home’*, hence the reason for the NHF analysis.
- 3.46 The report identifies how *‘the housing crisis is not one crisis, but a series of interrelated and overlapping crises’* (page 3). These include affordability, the suitability, size and condition of homes, and the ability of people to find accommodation in the first place. Some people will experience one of these problems – others will experience many at once. The complicated picture of interrelated housing crises means there is a need for new, accurate and comprehensive research on housing need, the report finds.
- 3.47 It reveals that the number of people for whom social rent is the most appropriate tenure has increased since the previous iteration of the analysis. It states that *‘This suggests an intensifying of need at the ‘sharp end’ – things are getting worse for the worst off’* (page 5). This is reflected both in the growth in the numbers of people affected by affordability issues and in the growth in overcrowding.
- 3.48 The report continues that more than 3.4 million people were found to be living in overcrowded households, a 5% increase on the previous figures, and 2.7 million were found to have an affordability issue – up nearly 10%.
- 3.49 As might be expected, a significant proportion of these people are to be found within the social sector already. Overcrowding is a known issue in this sector, the report establishes. A shortage of larger homes can make finding a suitably sized home more difficult for families as a result of the sale of council housing and a decrease in government funding for building new social homes since 2010.
- 3.50 This is because larger, family homes are more expensive to build and more difficult to build with less government funding. The ‘spare bedroom subsidy’ has also acted as an incentive for developers to build smaller homes. Given the freeze on working-age

benefits (introduced in 2016 following the 2015 Budget), benefits sometimes *'no longer cover even the cheapest forms of social housing rent'*, the report finds (page 6).

- 3.51 Meanwhile the analysis finds that nearly 1.9 million households are hosting a 'concealed' household, and that concealed households make up the third largest group of people affected, including nearly 1.8 million single people concealed within a total of nearly 1.5 million host households.
- 3.52 Across different tenures, when examining the proportions relative to the size of each tenure, the report finds that problems are more prevalent in the rented sectors, particularly the private rented sector, *'where more than a quarter of households have some form of housing need'* (page 6).
- 3.53 In addition, when the report looks at those households with needs for whom social rent is the most appropriate tenure, 18.8% of private renting households are in this position compared to 11.6% of social renters and just 1.3% of homeowner households.
- 3.54 Within the private rented sector, affordability, unsuitability and overcrowding are the most frequent issues. In particular, the wider measure of affordability (using an additional higher threshold) shows up highly, as does the measure of unsuitability for the age and health of the occupant.

**Coming Home – Tackling the Housing Crisis Together (February 2021) (CD 15.5.28)**

- 3.55 The report by the independent Commission on Housing, Church and Community lays out a positive vision for housing. The vision is centred on five core values, which are rooted in the Christian story but resonate with us all: good housing should be sustainable, safe, stable, sociable and satisfying.
- 3.56 At the heart of the report is the idea that simply building more houses, whilst important, is not sufficient to address the prolonged housing issues this country continues to face. The report suggests that we need more truly affordable homes and stronger communities that people can be proud of and where they can feel safe and welcome, put down roots and flourish.
- 3.57 Chapter 8 focuses on what Government can do, it recommends six actions for the Government to consider, these include, that the Government should develop a coherent, long-term housing strategy, focusing particularly on those in the greatest need. It recommends a review of the social security system to ensure it provide adequate housing support for low- income households and that all public land should

maximise its long term social, environmental and economic value, not simply be sold for the highest achievable price.

- 3.58 It is this Commission's contention that we all need to start to think differently, and act differently, if the next 20 years are not simply to be a re-run of the last 20. It states that:

*"The housing problems in our society, which have been consistently documented for many years, must not continue to be borne solely by those living in unaffordable or inadequate housing, while nearly everyone else – the Church included – continues to act largely in their own interests, and effectively perpetuates this injustice".*

**Falling Short: Housing Benefit and the Rising Cost of Renting in England, Crisis and Zoopla, June 2023 (CD 15.5.29)**

- 3.59 This report by leading charity Crisis and the property website Zoopla identifies the growing gap since 2018/19 between housing benefits and private sector rents. This affects households who are unable to afford to cover their housing costs without financial support through benefits, but are forced to seek housing in the private rented sector.
- 3.60 Figure 1 at page 3 of the report illustrates increasing rents since the Covid-19 pandemic in 2020; it shows that private rents across the UK remained stable over the course of the pandemic to June 2021 (December 2021 in the case of London) but increased by 12% in the single year between June 2021 and June 2022 (8% in London). Meanwhile, the Local Housing Allowance ("LHA"; the maximum amount of housing benefit that can be claimed) is based upon 2018/19 housing costs and has remained unchanged since then.
- 3.61 Pages 4 and 5 go on to assess the impact upon the availability of private lettings which are affordable to those in receipt of housing benefits. Figure 2 at page 5 reveals that across England just 12% of new rental listings would be affordable on housing benefits (i.e. within the cheapest 30% of rents, which LHA is intended to cover). Regional variations show an even more challenging picture, with just 8% of new listings in the West Midlands being affordable to housing benefit recipients.
- 3.62 The first paragraph at page 7 of the report discusses the impacts of rising rents upon households' budgets, explaining that:

*"As rents rise and LHA remains frozen, many more households are being forced to rent properties that they cannot afford to cover using their housing*

*benefit. These households typically don't have any additional savings or disposable income, meaning that in order to cover these shortfalls they are forced to forgo other necessities such as food or energy". The final paragraph of page 7 further notes that "When people have shortfalls in their rent, they don't have other ways to make up the difference."*

### **Secretary of State for Levelling Up, Housing and Communities' Speech to the Local Government Association Annual Conference (4 July 2023) (CD 15.5.30)**

- 3.63 In one of his first major speeches since the 2023 local elections, the Secretary of State, Michael Gove, discussed the Government's approach to housing in the context of the Government's proposed reforms to the wider planning system. The Secretary of State confirmed that the Government remains committed to its target of delivering 300,000 dwellings per annum across England, and its target of delivering 1,000,000 dwellings across the lifetime of the current parliament:

*"The government remains committed absolutely to achieving 300,000 homes a year by the mid-2020s and delivering one million homes over this Parliament – we set it out in our manifesto and we are absolutely committed."*

- 3.64 The Secretary of State went on to recognise the need to deliver homes of all tenures, including affordable tenures and with a specific focus on social rent, stating that:

*"We need to build more homes of every tenure. We need more social and affordable homes. And councils of course have a critical role to play. I want to see all of us – central government, Homes England, housing associations and councils – working together to build more homes for social rent."*

### **Conclusions on the National Housing Crisis**

- 3.65 There is an ever-increasing wealth of evidence including from figures at the highest levels of Government that unaffordability and inability to get on the housing ladder is a significant problem.
- 3.66 What is also clear is that the messages from previous Governments have failed to ensure enough new homes, especially affordable homes, are being built.
- 3.67 The evidence is clear and, in my opinion, demonstrates the pressing requirement to build more homes to meet the significant level of unmet need, particularly for homes that are affordable.

- 3.68 Evidence suggests that failure to do so will present a risk to the future economic and social stability of the United Kingdom. In accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004, the application should be determined in accordance with the Development Plan unless material considerations indicate otherwise.

# The Extent of the National Shortfall in Housing Delivery

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## Section 4

- 4.1 The extent of the need for housing and the scale of the crisis as a result of the persistent under delivery of both market and affordable housing in the UK is explored further in this section of my evidence, starting over twenty years ago with Dame Kate Barker's Review of Housing Supply in March 2004.

### **The Barker Review of Housing Supply (17 March 2004)**

- 4.2 In her 2004 review into issues underlying the lack of supply and responsiveness of the housing in the UK, Barker reported that housing is a basic human need, fundamental to our economic and social well-being. She found that:

- A weak supply of housing contributes to macroeconomic instability and hinders labour market flexibility;
- Housing has become increasingly unaffordable over time, noting that the aspiration for home ownership is as strong as ever, yet the reality is that for many this aspiration will remain unfulfilled unless the trend in real house prices is reduced;
- This brings potential for an ever widening social and economic divide between those able to access market housing and those kept out; and
- Homes are more than shelter. They provide access to a range of services and to communities. Housing also plays a major role as an asset in household's balance sheets and in household planning for their financial futures.

- 4.3 Barker considered that continuing at the current rate of housebuilding was not a realistic option:

*"Unless we are prepared to accept increasing problems of homelessness, affordability and social division, decline in standards of public service delivery and increasing costs of doing business in the UK – hampering our economic success".*

- 4.4 She found that whilst demand for housing is increasing over time, driven by demographic trends and rising incomes, in 2001 the construction of new houses in the UK fell to its lowest level since the Second World War.
- 4.5 A weak response of housing supply to demand changes has been one of the factors underlying the instability of the UK housing market with Barker reporting that *“there is growing evidence of a persistent inadequate supply”* noting that in the UK the trend rate of real house price growth over the past 30 years had been 2.4% compared to the European average of 1.1%
- 4.6 She found that affordability has worsened and that in 2002 only 37% of new households could afford to buy a property compared to 46% in the late 1980s. The overall objective of the Barker Review included:
- To achieve improvements in housing affordability in the market sector;
  - A more stable housing market; and
  - An adequate supply of publicly funded housing for those who need it.
- 4.7 Taking the baseline level of private sector housing built in 2002/03 of 140,000 gross starts and 125,000 gross completions, Barker estimated that:
- Reducing the trend in real house prices to 1.8% would require an additional 70,000 private sector homes per annum; and
  - More ambitiously, to reduce the trend in real house prices to 1.1% an additional 120,000 private sector homes per annum would be required.
- 4.8 Even in the case of the less ambitious price trend, Barker found that this would include pricing an additional 5,000 new households into the market each year and improving the access for the backlog of those currently priced out.
- 4.9 She found that an increase in supply of 17,000 affordable homes per annum would be required to meet the needs among the flow of new households, noting that there is also a case for the provision of up to 9,000 affordable homes per annum above this rate in order to make inroads into the backlog of need, a total of 26,000 per annum



- 4.10 Barker presented three scenarios for real house price trends ranging from slowing the rate at which households were being priced out to a long-term reduction of house price inflation:
- 2.4% per annum – which represented the Government’s target aimed at slowing the rate at which households were being priced out of the market, would have required an increase in housebuilding to 160,000 per annum;
  - 1.8% per annum – to reduce the long-term trend would have required an increase in housebuilding to 200,000 per annum; and
  - 1.1% per annum – which represented the EU average at the time, and which was considered would ‘improve the housing market’ would have required an increase in housebuilding to 260,000 per annum.
- 4.11 Meeting Barker’s most optimistic objective of improving the housing market and pricing many more households back into the marketplace would have required an estimated 260,000 homes per annum.

#### **The Barker Review: A Decade On (24 March 2014)**

- 4.12 In March 2014, the Home Builders’ Federation (“HBF”) undertook a review of housing delivery against the findings of the Barker Review and the impacts of this upon the market and affordability. They found that by 2004 the housing crisis was already building and in the ten years since then, even against the most modest of the housing targets identified by Barker (which was met only once in 2005/06), the average annual shortfall has been 45,000 homes.
- 4.13 Measured against the objective of improving the housing market, housebuilding had been an average of 145,000 per annum down on the target of 260,000 per annum over the period between 2004 and 2014.
- 4.14 The HBF found that when measured against the middle of Barker’s three price inflation targets for 200,000 per annum, the shortfall of homes over the decade stood at 953,000 homes in 2014. This was on top of a backlog that had already been identified as being large (estimated at between 93,000 and 146,000) and growing in 2004.
- 4.15 They reported that in 2014 even if housebuilding rose to 210,000 per annum overnight, assessed against the middle objective of reducing the long-term rate of inflation, the country would be four and a half years behind where it was in 2004.

- 4.16 In 2014, the HBF found that a decade on from the Barker Review, the UK was 1.45 million homes short of where Kate Barker projected would have brought about an improved housing market.
- 4.17 The HBF reported that a basic estimate would suggest that in order to achieve the very modest objective of slowing the increase in the affordability gap so that fewer new households are priced out of the market, in 2014 some 200,000 private household starts would be required, a figure last achieved in 1972/73.
- 4.18 It goes further to detail that the objective of improving the housing market would, in 2014, have required **320,000 private housing starts per annum**, a figure achieved in England only four times since World War II.

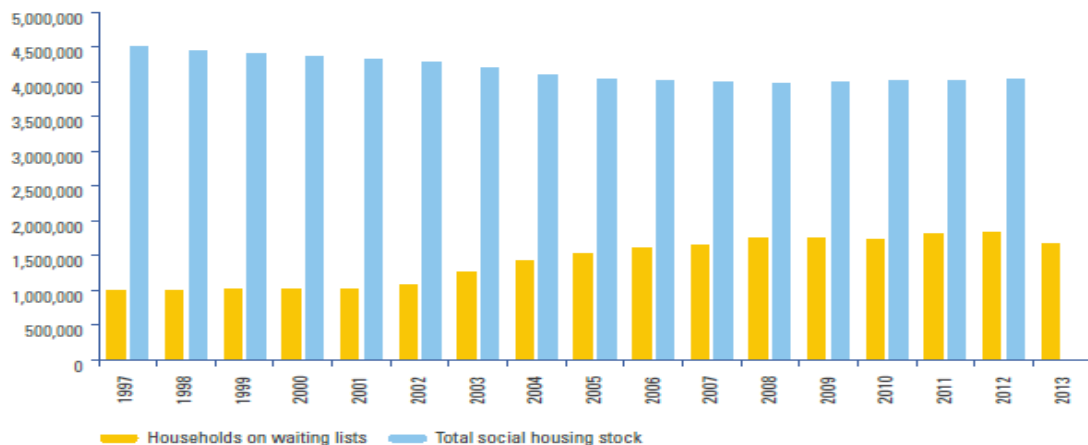
#### **Building the Homes We Need (April 2014) (CD 15.5.23)**

- 4.19 The KPMG and Shelter research was intended to provide a package of new housing policies to inform the new 2015 Government.
- 4.20 It reported that each year an average of 100,000 fewer homes are built that are needed which adds to a shortfall which has been growing for decades, noting that growing demand means that without a step-change in supply we will be locked into a spiral of increasing house prices and rents, making the housing crisis worse.
- 4.21 Because of private housing becoming less affordable, the number of people in need of affordable housing has grown and with the failure of successive governments to deliver new social housing whilst existing stock continues to be depleted through the Right to Buy, waiting lists have grown whilst social housing stock has shrunk as illustrated by Figure 4.1<sup>2</sup>.

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<sup>2</sup> Reduction in total numbers on housing waiting lists in 2013 as a result of local authorities utilising the freedoms afforded to set their own housing allocation criteria through the Localism Act.

Figure 4.1: Social Housing Waiting Lists and Stock



Source: *Building the Homes We Need* (2014)

- 4.22 KPMG and Shelter found that changing demographics meant that we need to build a minimum of 250,000 new homes per annum in England to meet rising demand. In 2013 (the most recent monitoring period available at the time of publication of the report) just 109,660 new homes were built, the lowest annual level since 1946, the year of recovery after the Second World War.
- 4.23 In addition to which the report found that estimates suggest that the backlog of housing need may be as large as two million households and that to clear this England would need to build well **over 250,000 homes each year**, which would require doubling current output at the time of publication of the report.

#### **The House of Lords Select Committee on Economic Affairs: Building More Homes (15 July 2016)**

- 4.24 The Select Committee found that a growing population, rising immigration and rising incomes have increased demand for housing in England in recent decades but that too few homes have been built over this period. As a result, house prices and rents have risen sharply and there has been a decline in home ownership over the past decade.
- 4.25 They considered that we must build enough homes to make housing more affordable for everyone, noting that aspirant home owners who are unable to afford a deposit pay substantial proportions of their income on rent, families on waiting lists of social housing contend with insecure tenancies and rogue landlords, and at the same time housing benefit spending has doubled in the past two decades.

- 4.26 The Lords reported that as former Housing and Planning Minister Brandon Lewis had explained to them, the Government aimed to address the problems by building one million homes by the end of Parliament. However, it was noted that since the Brexit vote the Minister had effectively abandoned this target and prior to the vote had warned that it would be difficult to achieve if the UK voted to leave the European Union.
- 4.27 In addition to this the Committee found that whilst the Government's ambition was welcomed, it must be matched by appropriate action on a much larger scale than currently envisaged and across all tenure. They considered that the Government was focused on building for home ownership and conversely, neglecting housing for affordable and social rent.
- 4.28 It was reported that it had been 10 years since 200,000 homes (the implied annual rate from the Government's target) were added to the housing stock in a single year, but the evidence suggested that this will not be enough to meet future demand and the backlog from previous years of undersupply.
- 4.29 The Select Committee found that in order to meet demand and have a moderating effect on house prices, at least 300,000 homes a year need to be built for the foreseeable future otherwise the age of a first-time buyer will continue to rise. The main conclusions of the Select Committee included that:

*"The Government's target of one million new homes by 2020 is not based on a robust analysis. To address the housing crisis at least 300,000 new homes are needed annually for the foreseeable future. One million homes by 2020 will not be enough". (my emphasis).*

**National Housing Federation Press Release: 'England Short of Four Million Homes' (18 May 2018)**

- 4.30 The National Housing Federation ("NHF") press release reported that new figures reveal the true scale of the housing crisis in England and that the research (conducted by Heriot-Watt University) shows that England's total housing backlog has reached four million homes.
- 4.31 They report that in order to both meet this backlog and provide for future demand, the country needs to build 340,000 homes per year until 2031, noting that this is significantly higher than current estimates which have never before taken into account the true scale of housing need created by both homelessness and high house prices.

- 4.32 However, the NHF is clear that these need to be the right type of houses with a need for 145,000 of these new homes per year to be affordable homes, compared to previous estimates of annual affordable housing need of around 78,000 homes. It reports that this means around two fifths (or 40%) of all new homes built every year must be affordable homes, yet in 2016/17 only around 23% of the total built were affordable homes.
- 4.33 The research breaks down exactly what type of affordable homes are needed:
- 90,000 per annum should be for social rent;
  - 30,000 per annum should be for intermediate affordable rent; and
  - 25,000 per annum should be for shared ownership.
- 4.34 Reference was drawn to the September 2017 announcement by the former Prime Minister Theresa May that £2 billion will be invested in affordable housing and indicating that this could deliver around 25,000 new homes for social rent over three years, however the NHF report that even when this funding is made available, the research shows that it would deliver less than 10% of the social rented homes needed each year.
- 4.35 Government funding for social housing has been steadily declining for decades. In 1975/76 investment in social housing stood at more than £18 billion a year but had declined to just £1.1 billion in 2015/16. Over the same period, the housing benefit bill grew from £4 billion to £24.2 billion each year.
- 4.36 The NHF set out that homeownership rates have plummeted among young people, rough sleeping has risen by 169% since 2010 and that unless the Government takes steps to deliver more private, intermediate and social housing, the number of households in temporary accommodation is on track to reach 100,000 by 2020.
- 4.37 A series of quotes accompany the NHF press release from senior industry professionals, summaries of which are detailed below:
- David Orr, Chief Executive of the NHF – *“This ground-breaking new research shows the epic scale of the housing crisis in England”.*
  - Jon Sparkes, Chief Executive of Crisis – *“Today’s findings are stark and shocking, but they also represent a huge opportunity for us as a country to get to grips with our housing and homelessness crisis – and to end it once and for all”.*

- Terrie Alafat CBE, Chief Executive of the Chartered Institute of Housing – *“This new report once again highlights the chronic housing shortage we face in the UK and it is clear that only a bold and ambitious plan to solve the housing crisis will prevent a decent, genuinely affordable homes being out of reach for our children and their children.”*
- Campbell Robb, Chief Executive of the Joseph Rowntree Foundation – *“It is unacceptable that currently in our society millions of people are locked out of being able to afford a decent and secure home. For years our failure to deliver enough affordable housing in England has led to rising levels of poverty and homelessness across our country.”*
- Polly Neate, Chief Executive of Shelter – *“We are in the midst of a housing emergency where an entire generation faces a daily struggle for a decent home...Government can turn things around but only by building many more of the high quality, genuinely affordable homes this country is crying out for”.*

#### **Ministry of Housing, Communities and Local Government Single Departmental Plan (27 June 2019)**

- 4.38 The Ministry<sup>3</sup> Single Departmental Plan outlines its objectives which include to *“deliver the homes the country needs”* and to *“make the vision of a place you call home a reality.”*
- 4.39 Under the objective of delivering the homes the country needs, the Plan states that the Ministry will:
- “Support the delivery of a million homes by the end of 2020 and half a million more by the end of 2022 and put us on track to deliver 300,000 net additional homes a year on average by the mid-2020s, to help increase affordability.”*
- 4.40 The Departmental Plan clearly outlines the Government’s aim to **deliver 300,000 new homes per annum** in order to address the housing crisis in England.

#### **The National Housing Shortfall**

- 4.41 Over the course of the past 19 years a series of industry leading professionals and figures at the highest level of Government have identified that there is a need for

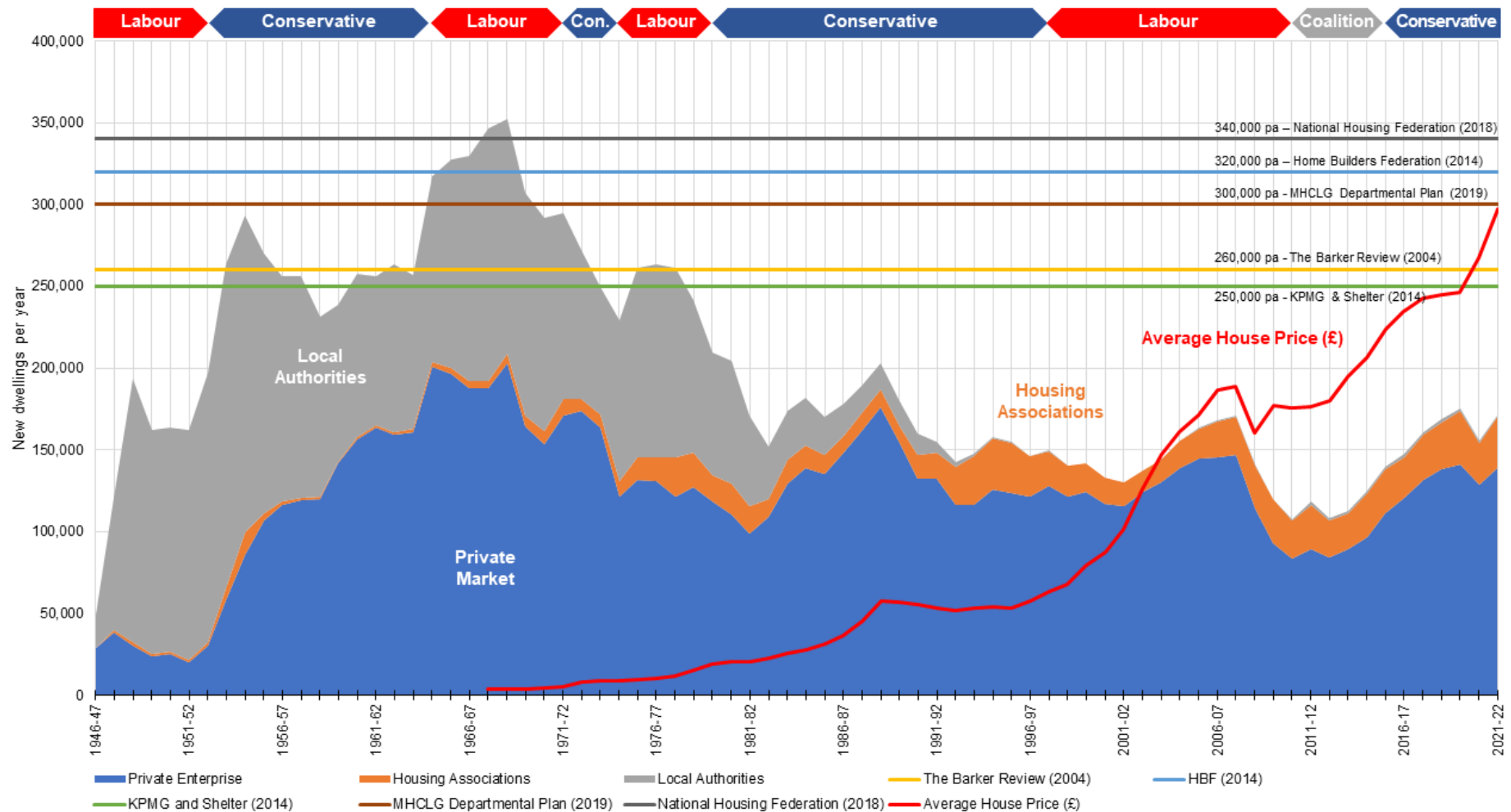
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<sup>3</sup> The Ministry of Housing, Communities and Local Government was renamed Department for Levelling Up, Housing and Communities (DLUHC) in September 2021.

between 200,000 to 340,000 homes per annum to address the housing crisis that has engulfed the country.

- 4.42 Figure 4.2 below illustrates the level of house building in England between 1946 and 2022 and compares delivery over this period with the range of annual housing needs identified between 2004 and 2020, the most recent of which of course being the Government's own Department for Levelling Up, Housing and Communities ("DLUHC") target for 300,000 new homes per annum.

Figure 4.2: House Building in England 1946 to 2022



Source: DLUHC Live Table 209; DLUHC Live Table 253; HM Land Registry House Price Index; England; (2022); The Barker Review (2004); HBF (2014); Building the Homes We Need, KPMG & Shelter (2014); MHCLG Single Departmental Plan (2019); NHF (18 May 2018).



- 4.43 Figure 4.2 shows that the Government's current target of 300,000 new homes per annum is a figure that the country has not seen achieved since the mid to late 1960s. Whilst housing completions have generally been increasing since around 2011, they are still a long way short of meeting the level of housing delivery that is desperately needed to address the housing crisis in this country.
- 4.44 At Figure 4.3 net additional dwellings in England since 2004 sourced from DLUHC Live Table 122 are compared with the annual need figures identified in the Barker Review (2004), the KPMG & Shelter research (2014), the HBF research (2014), the NHF research (2018), and the MHCLG Single Departmental Plan (2019).
- 4.45 The results are stark. The lowest of the annual need figures since 2004, that of the KPMG/Shelter report of 250,000 homes per annum, results in a shortfall of -1,082,847 homes in the past 18 years. To put this into context, this is equivalent to:
- 91% of the total number of households on local authority Housing Registers in the whole of England<sup>4</sup>; and
  - Over three-and-a-half times the total number of homes across the entire County of Oxfordshire<sup>5</sup>.
- 4.46 At the other end of the scale, the need for 340,000 homes per annum most recently identified in the NHF research results in a shortfall figure of -2,702,847 homes. This is equivalent to more than twice the total number of homes in the entire West Midlands metropolitan area<sup>6</sup>.
- 4.47 When the Government's most recently published target of 300,000 homes per annum taken from the MHCLG 2019 Single Departmental Plan is used for comparison, there has been a shortfall of -1,982,847 homes since 2004. To put this into context, this is equivalent to:
- More than 1.6 times the number of households on local authority Housing Registers in the whole of England (see footnote 4); and
  - More than one-and-a-half times the total number of homes in Greater Manchester<sup>7</sup>.

<sup>4</sup> Source: DLUHC Live Table 600 – 1,187,641 households on Housing Registers in England at 1 April 2021

<sup>5</sup> Source: DLUHC Live Table 100 – 305,142 homes in Oxfordshire at 1 April 2021

<sup>6</sup> Source: DLUHC Live Table 100 – 1,190,943 homes in West Midlands at 1 April 2021

<sup>7</sup> Source: DLUHC Live Table 100 – 1,249,731 homes in Greater Manchester Metropolitan County at 1 April 2021

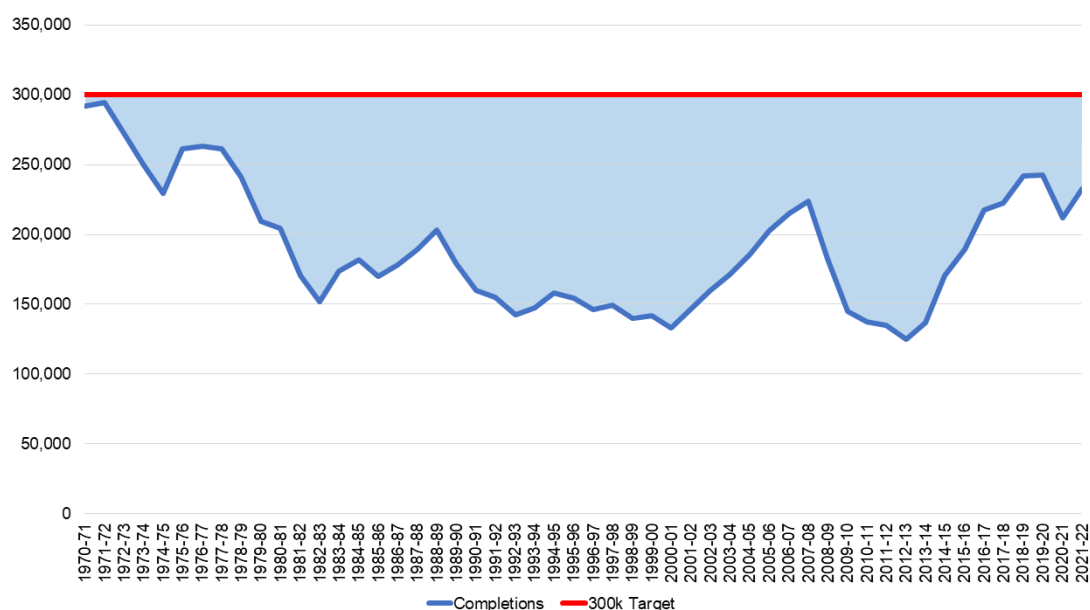
Figure 4.3: National Housing Shortfall Comparison

Year	Net Additions	KPMG/Shelter (2014) 250,000 pa		Barker Review (2004) 260,000 pa		MHCLG Departmental Plan (2019) 300,000 pa		The HBF (2014) 320,000 pa		NHF Research (2018) 340,000 pa	
		Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative
04/05	185,553	-64,447	-64,447	-74,447	-74,447	-114,447	-114,447	-134,447	-134,447	-154,447	-154,447
05/06	202,653	-47,347	-111,794	-57,347	-131,794	-97,347	-211,794	-117,347	-251,794	-137,347	-291,794
06/07	214,936	-35,064	-146,858	-45,064	-176,858	-85,064	-296,858	-105,064	-356,858	-125,064	-416,858
07/08	223,534	-26,466	-173,325	-36,466	-213,325	-76,466	-373,325	-96,466	-453,325	-116,466	-533,325
08/09	182,767	-67,233	-240,558	-77,233	-290,558	-117,233	-490,558	-137,233	-590,558	-157,233	-690,558
09/10	144,870	-105,130	-345,688	-115,130	-405,688	-155,130	-645,688	-175,130	-765,688	-195,130	-885,688
10/11	137,394	-112,606	-458,294	-122,606	-528,294	-162,606	-808,294	-182,606	-948,294	-202,606	-1,088,294
11/12	134,896	-115,104	-573,398	-125,104	-653,398	-165,104	-973,398	-185,104	-1,133,398	-205,104	-1,293,398
12/13	124,722	-125,278	-698,676	-135,278	-788,676	-175,278	-1,148,676	-195,278	-1,328,676	-215,278	-1,508,676
13/14	136,605	-113,395	-812,071	-123,395	-912,071	-163,395	-1,312,071	-183,395	-1,512,071	-203,395	-1,712,071
14/15	170,693	-79,307	-891,378	-89,307	-1,001,378	-129,307	-1,441,378	-149,307	-1,661,378	-169,307	-1,881,378
15/16	189,645	-60,355	-951,733	-70,355	-1,071,733	-110,355	-1,551,733	-130,355	-1,791,733	-150,355	-2,031,733
16/17	217,345	-32,655	-984,388	-42,655	-1,114,388	-82,655	-1,634,388	-102,655	-1,894,388	-122,655	-2,154,388
17/18	222,281	-27,719	-1,012,107	-37,719	-1,152,107	-77,719	-1,712,107	-97,719	-1,992,107	-117,719	-2,272,107
18/19	241,877	-8,123	-1,020,230	-18,123	-1,170,230	-58,123	-1,770,230	-78,123	-2,070,230	-98,123	-2,370,230
19/20	242,702	-7,298	-1,027,528	-17,298	-1,187,528	-57,298	-1,827,528	-77,298	-2,147,528	-97,298	-2,467,528
20/21	211,865	-38,135	-1,065,663	-48,135	-1,235,663	-88,135	-1,915,663	-108,135	-2,255,663	-128,135	-2,595,663
21/22	232,816	-17,184	-1,082,847	-27,184	-1,262,847	-67,184	-1,982,847	-87,184	-2,342,847	-107,184	-2,702,847
Total Shortfalls Since 2004 compared to:		KPMG/Shelter Research		The Barker Review		MHCLG Departmental Plan		The HBF		NHF Research	
		<b>-1,082,847</b>		<b>-1,262,847</b>		<b>-1,982,847</b>		<b>-2,342,847</b>		<b>-2,702,847</b>	

Source: DLUHC Live Table 122; HM Land Registry; The Barker Review (2004); HBF (2014); Building the Homes We Need, KPMG & Shelter (2014); NHF (18 May 2018); MHCLG Single Departmental Plan (2019)

- 4.48 It is widely accepted that 300,000 new homes are needed per annum and have been for quite some considerable time as set out above. The last time the country built more than 300,000 homes was in 1969. Since that time there has arisen an accumulated shortfall of 5,698,569. This 51-year duration accumulated shortfall is set out in Figure 4.4 below.

*Figure 4.4: National Housing Shortfall since 1970/71*



Source: DLUHC Live Tables 122 and 209

### Conclusion on the Extent of the National Housing Shortfall

- 4.49 The evidence before the Inspector shows that in every scenario, against every annual need figure, the extent of the shortfall in housing delivery in England is staggering and merely serves to further compound the acute affordability problems that the country is facing.
- 4.50 It is my view that what is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is absolutely essential to arrest the housing crisis and prevent further worsening of the situation.

# The Consequences of Failing to Meet Affordable Housing Needs

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## Section 5

- 5.1 The National Housing Strategy<sup>8</sup> sets out that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.
- 5.2 As set out earlier in this evidence, a debate took place in the House of Commons on 24 October 2013 concerning the issue of planning and housing supply; despite the debate taking place almost a decade ago the issues remain, and the commentary is sadly still highly pertinent to the issues surrounding affordable housing in Rugby Borough.

### **Consequences of Failing to Meet Affordable Housing Need**

- 5.3 This section highlights some of the evidence gathered in recent years demonstrating the significant consequences of failing to meet affordable housing needs.
- 5.4 In August 2019 the Children's Commissioner produced a report titled "*Bleak Houses: Tackling the Crisis of Family Homelessness in England*" (**CD 15.5.32**) to investigate impact of homelessness and in particular the effect of this upon children.
- 5.5 The report identified that family homelessness in England today is primarily a result of structural factors, including the lack of affordable housing and recent welfare reforms<sup>9</sup>.
- 5.6 It stated that the social housing sector has been in decline for many years and that between the early 1980s and early 2010s, the proportion of Britons living in social housing halved, because of losses to stock through the Right to Buy and a drop in the amount of social housing being built.
- 5.7 The research found that the decline in social housing has forced many households, including families, into the private rented sector. High rents are a major problem: between 2011 and 2017 rents in England grew 60% quicker than wages. It stated that

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<sup>8</sup> Laying the Foundations: A Housing Strategy for England (November 2011)

<sup>9</sup> The Children's Commissioner Report references a National Audit Office Report titled 'Homelessness' (2017) which concludes that government welfare reforms since 2011 have contributed towards homelessness, notably capping, and freezing Local Housing Allowance.

*“Simply put, many families cannot afford their rent. It is telling that over half of homeless families in England are in work” (page 18).*

- 5.8 The report particularly focused on the effect on children. The report revealed that many families face the problem of poor temporary accommodation and no choice but to move out of their local area, which can have a *“deeply disruptive impact on family life”*. This can include lack of support (from grandparents for example) and travel costs.
- 5.9 It found that a child’s education can suffer, even if they stay in the same school, because poor quality accommodation makes it difficult to do homework and that younger children’s educational development can also be delayed.
- 5.10 Temporary accommodation also presents serious risks to children’s health, wellbeing, and safety, particularly families in B&Bs where they are often forced to share facilities with adults engaged in crime, anti-social behaviour, or those with substance abuse issues.
- 5.11 Other effects include lack of space to play (particularly in cramped B&Bs where one family shares a room) and a lack of security and stability. The report found (page 12) that denying children their right to adequate housing has a *“significant impact on many aspects of their lives”*.
- 5.12 More recently in May 2021, Shelter published its report *“Denied the Right to a Safe Home – Exposing the Housing Emergency”* (CD 15.5.33) which sets out in stark terms the impacts of the affordable housing crisis. The report affirms that Affordability of housing is the main cause of homelessness (page 15) and that *“we will only end the housing emergency by building affordable, good quality social homes”* (page 10).
- 5.13 In surveying 13,000 people, the research found that one in seven had to cut down on essentials like food or heating to pay the rent or mortgage. In addition, over the last 50 years, the average share of income young families spend on housing has trebled. The following statements on the impacts of being denied a suitable home are also made in the report:

*“Priced out of owning a home and denied social housing, people are forced to take what they can afford – even if it’s damp, cramped, or away from jobs and support networks.” (Page 5)*

*“... people on low incomes have to make unacceptable sacrifices to keep a roof over their head. Their physical and mental health suffers because of the conditions. But because of high costs, discrimination, a lack of support, and fear*

*of eviction if they complain to their landlord, they are left with no other option.”*  
(Page 5)

*The high cost of housing means the private-rented sector has doubled in size over the last 20 years. [...] Most private rentals are let on tenancies of 6 to 12 months, and renters can be evicted for no reason because of section 21. This creates a permanent state of stress and instability.* (Page 6)

*If you live in an overcrowded home, you’re more likely to get coronavirus. If you live in a home with damp and black mould on the walls, your health will suffer.*  
(Page 9)

*“14% of people say they’ve had to make unacceptable compromises to find a home they can afford, such as living far away from work or family support or having to put up with poor conditions or overcrowding”* (Page 12)

*“Spending 30% of your income on housing is usually the maximum amount regarded as affordable. Private renters spend the most, with the average household paying 38% of their income on rent, compared to social renters (31%) and owner-occupiers (19%).”* (Page 14)

*“19% of people say their experiences of finding and keeping a home makes them worry about the likelihood they will find a suitable home in the future.”* (Page 15)

*“Families in temporary accommodation can spend years waiting for a settled home, not knowing when it might come, where it might be, or how much it will cost. It’s unsettling, destabilising, and demoralising. It’s common to be moved from one accommodation to another at short notice. Meaning new schools, long commutes, and being removed from support networks. Parents in temporary accommodation report their children are ‘often unhappy or depressed’, anxious and distressed, struggle to sleep, wet the bed, or become clingy and withdrawn.”* (Page 25)

*“Landlords and letting agents frequently advertise properties as ‘No DSS’, meaning they won’t let to anyone claiming benefits. This practice disproportionately hurts women, Black and Bangladeshi families, and disabled people.”* (Page 29)

*“The situation is dire. A lack of housing means landlords and letting agents can discriminate knowing there is excess demand for their housing.”* (Page 30)

- 5.14 Shelter estimate that some 17.5 million people are denied the right to a safe home and face the effects of high housing costs, lack of security of tenure and discrimination in the housing market (Page 32)
- 5.15 The Report concludes (page 33) that for change to happen, “*we must demand better conditions, fight racism and discrimination, end unfair evictions, and reform housing benefit. But when it comes down to it, there’s only one way to end the housing emergency. **Build more social housing***” (emphasis in original).
- 5.16 In April 2022 Shelter published a further report titled “*Unlocking Social Housing: How to fix the rules that are holding back building*” (**CD 15.5.34**). The first paragraph of the Executive Summary is clear that:
- “Our housing system is broken. Across the country, renters are stuck in damp, crumbling homes that are making them sick. Private renters are forced to spend more than 30% of their income on rent. As a result, nearly half have no savings. Desperate parents fighting to keep a roof over their heads are forced to choose between rent and food.”*
- 5.17 The Executive Summary goes on to state that “***An affordable and secure home is a fundamental human need***” (emphasis in original) noting that one in three of us don’t have a safe place to call home and that finding a good-quality home at a fair price is impossible for so many people.
- 5.18 At page 6 the report considers the impacts of the Government plans to scrap developer contributions (Section 106 – s106) and replace it with a flat tax called the ‘infrastructure levy’. It states that:
- “This would mean that developers no longer build social housing on site, in return for planning permission, but instead pay a tax to the local council when they sell a home. The unintended consequence could add yet more barriers to social housebuilding and spell the end of mixed developments where social tenants live alongside private owners.”* (My emphasis).
- 5.19 In considering the impact of the PRS the report highlights at page 7 that nearly half of private renters are now forced to rely on housing benefit to pay their rent – “*That’s taxpayer money subsidising private landlords providing insecure and often poor-quality homes.*” The paragraph goes on to note that:
- “The lack of social housing has not just pushed homeownership out of reach, it’s made it nearly impossible for working families to lead healthy lives and keep stable*



*jobs. Poor housing can threaten the life chances and educational attainment of their kids. If we want to level up the country, we must start with home.”*

- 5.20 Regarding the temporary accommodation (“TA”) the report notes on page 10 that number of households living in such accommodation has nearly doubled over the last decade and the cost to the taxpayer has gone through the roof. The page also notes that *“TA cost councils £1.45bn last year (2020/21). 80% of this money went to private letting agents, landlords or companies.”*
- 5.21 Page 11 goes on to highlight that *“Of the nearly 100,000 households living in TA, more than a quarter (26,110) of these households are accommodated outside the local authority area they previously lived in.”* This means that *“Families have been forced to endure successive lockdowns in cramped, unhygienic, and uncertain living conditions, away from jobs, family, and support networks.”*
- 5.22 The page goes on to conclude that *“As a result, the national housing benefit bill has grown. Tenants’ incomes and government money is flowing into the hands of private landlords, paying for poorer quality and less security. **There are now more private renters claiming housing benefit than ever before.**”* (emphasis in original).
- 5.23 Page 9 is also clear that *“Since 2011, freezes to Local Housing Allowance (housing benefit for private renters) and blunt policies like the benefit cap have been employed to limit the amount of support individuals and families can receive. As a result, many thousands of renters’ housing benefit simply doesn’t meet the cost of paying the rent.”*
- 5.24 In considering the consequences of this page 12 notes that *“With fast growing rents, mounting food and energy bills, and a dire shortage of genuinely affordable social housing, these policies have failed to curb the rising benefits bill. Instead, they have tipped people into poverty, destitution, and homelessness.”*
- 5.25 Finally, page 21 is clear that:

*“For the over 1 million households on housing waitlists across England, who in the current system may never live with the security, safety, and stability that a good quality social home can provide, reforms cannot come any faster. Access to good housing affects every aspect of one’s life and outcomes like health, education, and social mobility. More to the point, the outcomes and holistic wellbeing of an individual or an entire household is not only meaningful for their trajectory, but also contributes to the threads of society by helping people contribute to their communities.”*



*The evidence is clear, the financial requirements to own one's home are out of reach for many. And many will spend years stuck in a private rented sector that's not fit for purpose. The answer is clear: build many more, good quality social homes for the communities that so desperately need them."* (My emphasis).

- 5.26 It is also pertinent to highlight that Rugby Borough Council itself recognises the consequences of failing to meet affordable housing needs; I discuss the Council's approach through its Local Plan and its corporate documents (including the Housing Strategy and the Corporate Strategy) at section 6 of this Proof of Evidence.

### **Conclusions**

- 5.27 Evidently, the consequences of failing to meet affordable housing needs in any local authority are significant. Some of the main consequences of households being denied a suitable affordable home have been identified as follows:

- A lack of financial security and stability;
- Poor impacts on physical and mental health;
- Decreased social mobility;
- Negative impacts on children's education and development;
- Reduced safety with households forced to share facilities with those engaged in crime, anti-social behaviour, or those with substance abuse issues;
- Being housed outside social support networks;
- Having to prioritise paying an unaffordable rent or mortgage over basic human needs such as food (heating or eating); and
- An increasing national housing benefit bill.

- 5.28 These harsh consequences on households, individuals and children unequivocally highlight the importance of meeting affordable housing needs. These are real people in real need. An affordable and secure home is a fundamental human need, yet households on lower incomes are being forced to make unacceptable sacrifices for their housing.

- 5.29 I am strongly of the opinion that a step change in delivery of affordable housing is needed now.

- 5.30 The acute level of affordable housing need in Rugby Borough coupled with worsening affordability will detrimentally affect the ability of people to lead the best lives they can. The National Housing Strategy requires urgent action to build new homes, acknowledging the significant social consequences of failure to do so.

# The Development Plan and Related Policies

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## Section 6

- 6.1 In accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004, the application should be determined in accordance with the Development Plan unless material considerations indicate otherwise.
- 6.2 The relevant Development Plan for Rugby Borough Council is the Rugby Borough Local Plan 2011 to 2031. The Brandon and Bretford Neighbourhood Plan 2019 is also in effect at the appeal site.
- 6.3 Other material considerations include the National Planning Policy Framework (2021; **CD 8.1**), the Planning Practice Guidance (March 2014, Ongoing Updates; **CD 8.16**); as well as several Supplementary Planning Documents and corporate documents.

### **Rugby Borough Local Plan 2011 to 2031 (CD 8.2)**

- 6.4 The Rugby Borough Local Plan (the “Local Plan”) was adopted in 2019 and covers a twenty-year plan period from 2011/12 to 2030/31. It sets out strategic policies, detailed development control policies and site allocations across the Borough.
- 6.5 Chapter 2 sets out the context, vision and objectives for the Local Plan; paragraphs 2.8 and 2.9 at page 5 highlight affordability concerns in the Borough including average house prices of £223,209 in 2017 (a 7.5% increase on 2016) and an average property price of around 6.8 times median annual earnings. This is despite Rugby’s average household incomes exceeding those in the West Midlands region and in the nation as a whole.
- 6.6 The spatial vision for the Local Plan is contained at page 8 and relevant parts include the fifth and sixth paragraphs:

*“The majority of new sustainable housing and employment development will be focused on Rugby urban area. Sustainable growth of main rural settlements will also take place to meet the housing needs of the rural population and provide support for rural infrastructure and services. Infrastructure to support growth will be phased into developments in such a way to ensure impacts are properly mitigated.*”

*All Borough residents will have the opportunity to live in decent homes that they can afford through the provision of a variety of housing that meets the needs of all sectors of the community. Those areas within the Borough in need of regeneration will have focused attention to ensure improvement*” (my emphasis).

- 6.7 Corresponding spatial objectives are set out on page 9, which include social objective 3 *“To ensure all residents of the Borough have a decent and affordable home with particular focus on affordable provision in the rural areas and specialised housing types for the older population”*.
- 6.8 **Policy H2 ‘Affordable Housing Provision’** at page 41 of the Local Plan is the principal policy for affordable housing delivery in Rugby. Its key provisions are that on sites over the size threshold of at least 0.36ha in area and 11 dwellings or more, **20% affordable housing will be sought on previously developed sites** (such as the appeal site); 30% will be sought on greenfield sites; and the tenure mix be informed by the latest guidance in the Strategic Housing Market Assessment.
- 6.9 The policy provides for reduced or nil delivery of affordable housing where the development would not be financially viable at the target level, where this can be evidenced. Correspondingly, under Policy H2, not all development sites will need or qualify to provide affordable housing.
- 6.10 Paragraph 5.14 of the supporting text at page 42 of the Local Plan discusses the assessed affordable housing need. This is contained in the Coventry and Warwickshire Joint Strategic Housing Market Assessment Update, September 2015, which identifies an affordable housing need of 171 affordable dwellings per annum. I discuss the affordable housing need in more detail at Section 3 of this Proof of Evidence.

#### **Brandon and Bretford Neighbourhood Plan 2019 (CD 8.3)**

- 6.11 The Brandon and Bretford Neighbourhood Plan was ‘made’ in 2019 and includes **Policy H3 ‘Affordable Housing’** at page 26 which offers support for affordable housing proposal on infill sites, as part of the redevelopment of brownfield land, and on rural exceptions sites, in accordance with the adopted Development Plan. As such, Local Plan policy H2 remains the principal affordable housing policy for the proposed development.

- 6.12 The Neighbourhood Plan acknowledges high house prices within the parish, with paragraph 6.6 of the supporting text at page 26 explaining that the policy *“reflects the relatively high price of open market housing within the Parish which prevents some existing households from being able to stay local to the Parish, family or community links”*.

### **Other material considerations**

#### **Housing Needs Supplementary Planning Document 2021 (CD 15.2.3)**

- 6.13 The Housing Needs Supplementary Planning Document (“SPD”) was adopted in July 2021 and provides guidance on how the Local Plan policies for housing (including policy H2) should be applied. Chapter 3 at page 9 onwards discusses the ‘Mechanisms for Affordable Housing Delivery’ including the arrangements for securing affordable housing through Section 106 agreements. The SPD includes provisions for the phasing of affordable housing, viability review, the ‘rounding’ of affordable housing provision, and the calculation of off-site contributions where relevant. Chapter 4 at page 11 onwards discusses the detailed design of affordable housing and its integration into overall development schemes.

#### **Rugby Housing Strategy 2022 to 2024 (CD 15.2.1)**

- 6.14 The Housing Strategy sets out the context for housing in Rugby Borough, and goes on to detail the Council’s four key themes for addressing housing issues in the Borough.
- 6.15 Chapter 1 presents the ‘Context for the Strategy’ and includes the factual background for housing in the borough. It reviews a range of affordability indicators (I discuss the most recent data at Section 10 of this Proof of Evidence) and discusses the national policy picture for housing. Page 10 discusses the national 300,000 dwellings per annum target (as introduced earlier in Section 4 of this Proof of Evidence) and notes the implications of this, explaining that *“This continued focus upon addressing the under-supply of new homes through a range of measures, not least planning reform, will feed through to the local level and should provide opportunities to increase supply locally where needed”*.

6.16 Chapter 2 of the Housing Strategy includes four main themes; namely:

- a. *“To better understand the broad range of housing needs in the borough”,* detailed at page 13, which includes the Council’s plans to produce and commission evidence in respect of housing across the Borough;
- b. *“To increase the affordable housing supply available to meet needs, through new supply or making most effective use of existing housing stock”,* detailed at page 15, which recognises *“an acute continuing need to increase affordable housing supply”*. Pages 16 and 17 explain that the Council seeks to facilitate affordable housing provision through the Local Plan; acquisitions of existing stock; direct delivery of affordable housing through a development company; and making best use of the existing stock;
- c. *“To increase the quality and affordability of homes by improving the energy efficiency of our poorer performing housing stock and at the same time reducing carbon emissions”* at page 18, including measures to improve the efficiency of the existing stock in both public and private sectors; and
- d. *“To ensure that our new Council housing developments are low carbon and make a positive contribution towards creating sustainable communities which we can be proud of now and in the future”* at page 21 which includes the regeneration of existing Council-owned properties.

#### **Corporate Strategy 2021 to 2024 (CD 15.2.2)**

6.17 The Corporate Strategy is an overarching document which contains Rugby Borough Council’s key priorities and outcomes for the period 2021 to 2024.

6.18 Outcome 3 at page 6 is in respect of Health and Communities, with the Council seeking *“to ensure that Rugby continues to be a good place to live, with all residents having the access to opportunities, services and the support that they need to live well”*. A range of objectives are set out to achieve this, which include to *“Make sure that residents of Rugby have access to high quality, affordable, and environmentally sustainable homes”*.

#### **Conclusions on the Development Plan and Related Policies**

6.19 The relevant Development Plan for Rugby Borough Council is the Rugby Borough Local Plan 2011 to 2031.

- 6.20 It is my opinion that the evidence set out in this section clearly highlights that within adopted policy and a wide range of other plans and strategies, providing affordable housing has long been established as, and remains, a key issue which urgently needs to be addressed within Rugby. It is relevant to note the Housing Strategy which describes the need to deliver affordable housing as being “acute”.
- 6.21 As my Proof of Evidence goes on to demonstrate, it is right that the Council recognises the seriousness of the affordability situation in Rugby Borough. Section 8 of my Proof identifies past shortfalls in affordable housing delivery; section 9 identifies an insufficient future supply of affordable homes; and section 10 reveals an array of affordability statistics that illustrates the scale of the affordability challenge for real households.
- 6.22 The appeal proposals provide an affordable housing contribution which meets the requirements of adopted Policy H2 which seeks 20% affordable housing provision on previously developed sites.
- 6.23 The 25 affordable homes at the appeal site will make a significant contribution towards the annual affordable housing needs of the Borough, particularly when viewed in the context of past rates of affordable housing delivery, which is considered in more detail in Section 7 of my evidence.

# Affordable Housing Needs in Rugby Borough

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## Section 7

- 7.1 The adopted Development Plan does not define a numerical target for the amount of affordable homes to be provided. Although policy H2 seeks the provision of between 20% to 30% affordable housing, depending on site-specific circumstances. These percentage proportions are not targets, but the mechanism by which affordable housing is initially sought.
- 7.2 In the absence of a defined affordable housing target figure in adopted policy, it is important to consider the objectively assessed need for affordable housing within the most up-to-date assessment of local housing need. The assessment of affordable housing need is an unconstrained assessment that does not take account of the effects of planning policy i.e. it is a 'policy-off' assessment. A Development Plan may adopt an approach that delivers a lower level of affordable housing, due to constraints. That does not however mean that any residual unmet need should be disregarded, for the purposes of understanding affordable housing need. It is an identified unmet need and weight can be given to the contribution towards meeting that need.
- 7.3 This section of the Proof of Evidence sets out the most recent assessments of affordable housing need in Rugby Borough contained in the Updated Assessment of Housing Need: Coventry-Warwickshire HMA, September 2015 (**CD 8.4**); and the subsequent Coventry and Warwickshire Housing and Economic Development Needs Assessment, November 2022 (**CD 8.17**).

### **Updated Assessment of Housing Need: Coventry-Warwickshire HMA, September 2015 (CD 8.4)**

- 7.4 The Updated Assessment of Housing Need: Coventry-Warwickshire HMA (the "SHMA Update 2015") is an update to the Joint Strategic Housing Market Assessment for Coventry and Warwickshire that was prepared in November 2013. The SHMA Update 2015 forms part of the evidence base for the adopted Local Plan. The assessment of affordable housing need can be found at Chapter 6.
- 7.5 Paragraph 6.3 at page 91 confirms that the affordable housing need assessment covers a period of 20 years between 2011 and 2031. This aligns with the Local Plan period. The affordable housing need assessment is undertaken in accordance with the



basic needs model set out in Planning Practice Guidance at the time. In summary, the affordable housing need is calculated as follows:

- a. Identify the gross need from existing households in need, newly forming households unable to afford, and existing households falling into need over the assessment period;
- b. Deduct the supply of affordable housing that becomes available through re-lets of rented homes and re-sales of shared ownership homes, to reach the net annual need.

7.6 This calculation is summarised at Table 43 at page 107 of the SHMA Update 2015. For Rugby, **a net need of 171 affordable dwellings per annum between 2011/12 and 2030/31** is identified.

7.7 The SHMA Update 2015 goes on to identify the affordable housing need across 'intermediate' (i.e. affordable home ownership) and affordable rented tenures. Figure 55 at page 114 sets out this breakdown; in Rugby a need for 27 'intermediate' dwellings per annum and 144 affordable rented dwellings per annum is identified. This equates to a ratio of 16% intermediate tenures and 84% affordable rented tenures.

#### **Coventry and Warwickshire Housing and Economic Development Needs Assessment, November 2022 (CD 8.17)**

7.8 The Coventry and Warwickshire Housing and Economic Development Needs Assessment is the most recent assessment of affordable housing need in Rugby Borough, being published in November 2022. It covers a ten-year period between 2022/23 and 2031/32.

7.9 The HEDNA 2022 follows a similar methodology to the previous SHMA Update 2015. The calculation of affordable housing need is summarised at Table 8.13 at page 169 of the HEDNA 2022. For Rugby, **a net need of 407 affordable dwellings per annum between 2022/23 and 2031/32** is identified.

7.10 The HEDNA 2022 goes on to set out a separate calculation of affordable home ownership needs, from paragraph 8.79 at page 178 onwards. This calculation seeks to identify the need from households who 'can rent, can't buy'. Table 8.27 at page 183 shows that for Rugby, a net need of 88 affordable home ownership dwellings per annum between 2022/23 and 2031/32 is identified.

- 7.11 This figure of 88 affordable home ownership dwellings per annum is additional to the 407 affordable rented dwellings per annum. Adding the two figures together (88 + 407) results in a combined need for 495 affordable dwellings per annum in Rugby Borough over the 10 years between 2022/23 and 2031/32.

### **Summary of Affordable Housing Needs**

- 7.12 There are two recent assessments of affordable housing needs in Rugby Borough:
- a. The SHMA Update 2015, which was part of the evidence base for the Local Plan, identifies a need of 171 net affordable dwellings per annum between 2011/12 and 2030/31; and
  - b. The HEDNA 2022, which is the most recent assessment of affordable housing need, identifies a need of 495 net affordable dwellings per annum between 2022/23 and 2031/32 (comprising 407 affordable rented dwellings per annum and 88 affordable home ownership dwellings per annum).

# Affordable Housing Delivery in Rugby Borough

## Section 8

8.1 This section discusses the record of affordable housing delivery in Rugby Borough since the start of the Local Plan period in 2011/12.

8.2 Affordable housing completions data have been sourced from the Council's Freedom of Information response (**Appendix JS2**). Overall housing completions have been sourced from the Annual Monitoring Report 2021/22 (**CD 8.11**).

### Affordable Housing Delivery in Rugby

8.3 Figure 8.1 below illustrates the gross delivery of affordable housing in Rugby Borough over the eleven years since the start date of the Local Plan in 2011/12.

*Figure 8.1: Gross Affordable Housing Completions, Rugby Borough, 2011/12 to 2021/22*

Monitoring Year	Net Overall Housing Completions	Gross Affordable Housing Completions	Gross Affordable Housing Completions as a % of Net Overall Housing Completions
2011/12	338	190	56%
2012/13	456	90	20%
2013/14	448	64	14%
2014/15	425	129	30%
2015/16	534	51	10%
2016/17	376	6	2%
2017/18	596	48	8%
2018/19	939	221	24%
2019/20	859	261	30%
2020/21	832	233	28%
2021/22	939	131	14%
<b>Total</b>	<b>6,742</b>	<b>1,424</b>	<b>21%</b>
<b>Average per annum</b>	<b>613</b>	<b>129</b>	<b>21%</b>

Source: Annual Monitoring Report 2021/22; Freedom of Information Response dated 6 March 2023

8.4 Figure 8.1 shows that on average between 2011/12 and 2021/22, the Council has overseen the gross delivery of 129 affordable dwellings per annum, which is equivalent to 21% of the total number of housing completions. In total, 1,424 gross affordable homes have been completed between 2011/12 and 2021/22.

8.5 It is necessary to account for losses from the affordable housing stock arising from the Right to Buy. The affordable housing stock in Rugby Borough is held by both the Council and by Registered Providers. Dwellings sold under the Right to Buy are lost from the affordable housing stock permanently and can no longer be used to accommodate households in need. However, since 2012 local authorities have been able to retain a portion of receipts from Right to Buy sales to acquire existing homes for use as affordable homes and data has been published from 2017/18 onwards. I set out the calculation of the net affordable housing delivery position below.

*Figure 8.2: Right to Buy Losses and Associated Acquisitions, Rugby Borough, 2011/12 to 2021/22*

Monitoring Year	Gross Affordable Housing Completions	Right to Buy sales - local authority stock	Right to Buy sales - RP stock	Acquisitions of Dwellings funded by Right to Buy Receipts	Net Affordable Housing Additions
2011/12	190	-7	0	n/a	183
2012/13	90	-17	0	n/a	73
2013/14	64	-22	0	n/a	42
2014/15	129	-34	-3	n/a	92
2015/16	51	-35	-3	n/a	13
2016/17	6	-26	0	n/a	-20
2017/18	48	-25	-3	9	29
2018/19	221	-20	-1	25	225
2019/20	261	-25	-29	17	224
2020/21	233	-19	-2	35	247
2021/22	131	-28	-2	3	104
<b>Total</b>	<b>1,424</b>	<b>-258</b>	<b>-43</b>	<b>89</b>	<b>1,212</b>
<b>Average per annum</b>	<b>129</b>	<b>-23</b>	<b>-4</b>	<b>18*</b>	<b>110</b>

Source: DLUHC Live Tables; Private Registered Provider Statistical Data Returns

\* Average calculated over five years 2017/18 to 2021/22

8.6 As Figure 8.2 above shows, each year an average of 23 affordable dwellings have been lost from the local authority stock, and 4 affordable dwellings have been lost from Registered Providers' stock. Alarming, a net loss of affordable homes was observed in 2016/17. The Council has been able to fund through the Right to Buy receipts 89 affordable homes. This has averaged 18 dwellings per annum for the six years 2017/18 to 2021/22 (note that there is no data prior to 2017/18). However, these acquisitions are not enough to counterbalance the Right to Buy losses. This results in a net deduction of -212<sup>10</sup> affordable dwellings over the eleven-year period between 2011/12 and 2021/22.

8.7 Figure 8.3 considers the net affordable housing delivery in Rugby Borough over the eleven years since the start date of the Local Plan in 2011/12. These figures are net of the Right to Buy losses and associated acquisitions, as set out in figure 4.2 above.

*Figure 8.3: Net Affordable Housing Additions, Rugby Borough, 2011/12 to 2021/22*

Monitoring Year	Net Overall Housing Completions	Net Affordable Housing Additions	Net Affordable Housing Additions as a % of Net Overall Housing Completions
2011/12	338	183	54%
2012/13	456	73	16%
2013/14	448	42	9%
2014/15	425	92	22%
2015/16	534	13	2%
2016/17	376	-20	-5%
2017/18	596	29	5%
2018/19	939	225	24%
2019/20	859	224	26%
2020/21	832	247	30%
2021/22	939	104	11%
<b>Total</b>	<b>6,742</b>	<b>1,212</b>	<b>18%</b>
<b>Average per annum</b>	<b>613</b>	<b>110</b>	<b>18%</b>

Source: Annual Monitoring Report 2021/22; Freedom of Information Response dated 6 March 2023; DLUHC Live Tables; Private Registered Provider Statistical Data Returns

<sup>10</sup> -258 + -43 -89 = -212

- 8.8 Over the eleven years between 2011/12 and 2021/22 the net affordable housing delivery stands at a total of 1,212 affordable dwellings, or an average of 110 net affordable dwellings per annum. Net affordable housing additions stand at just 18% of overall housing completions.

#### **Affordable Housing Delivery Compared with Identified Needs – SHMA Update 2015**

- 8.9 Comparative analysis of net completions between 2011/12 (the base date of the Local Plan and the SHMA Update 2015 (**CD 8.4**)) and 2021/22 shows that a shortfall of -669 affordable homes has arisen, when compared with the identified need for 171 affordable dwellings per annum as set out in the SHMA Update 2015.

*Figure 8.4: Net Affordable Housing Additions Compared with Identified Needs (SHMA Update 2015 – 171 affordable dwellings per annum), Rugby Borough, 2011/12 to 2021/22*

Monitoring Year	Net Affordable Housing Additions	Affordable Housing Need: SHMA Update 2015 – 171 dpa	Surplus / Shortfall	Percentage of needs met
2011/12	183	171	12	107%
2012/13	73	171	-98	43%
2013/14	42	171	-129	25%
2014/15	92	171	-79	54%
2015/16	13	171	-158	8%
2016/17	-20	171	-191	-12%
2017/18	29	171	-142	17%
2018/19	225	171	54	132%
2019/20	224	171	53	131%
2020/21	247	171	76	144%
2021/22	104	171	-67	61%
<b>Total</b>	<b>1,212</b>	<b>1,881</b>	<b>-669</b>	<b>64%</b>
<b>Average per annum</b>	<b>110</b>	<b>171</b>	<b>-61</b>	<b>64%</b>

Source: Annual Monitoring Report 2021/22; Freedom of Information Response dated 6 March 2023; DLUHC Live Tables; Private Registered Provider Statistical Data Returns; SHMA Update 2015

- 8.10 On average, an annual shortfall of -61 net affordable dwellings has arisen over the period. Only 64% of the identified need has been met.

### **Affordable Housing Delivery Compared with Identified Needs – HEDNA 2022**

- 8.11 It is relevant to note that the latest assessment of affordable housing needs in Rugby, contained in the HEDNA 2022 (**CD 8.17**), shows a substantial change in the affordable housing need, to 495 affordable dwellings per annum from 2022/23 onwards.
- 8.12 Completions data for 2022/23 is yet to be published, so it is not currently possible to assess past affordable housing delivery against the needs identified in the HEDNA 2022. However, given that net additions to affordable housing stock have averaged 110 affordable dwellings per annum over the Local Plan period since 2011/12 to date, it is clear that a 'step change' is needed in the Borough if future housing needs are to be met. Section 9 of this Proof of Evidence considers the future supply of affordable housing in more detail.

### **Conclusions on Affordable Housing Delivery**

- 8.13 The above evidence demonstrates that across Rugby Borough, the delivery of affordable housing has fallen persistently short of meeting identified needs.
- 8.14 In the eleven monitoring years since the start of the Local Plan period in 2011/12, net affordable housing delivery represented just 18% of overall housing delivery, at an average of 110 affordable dwellings per annum.
- 8.15 Against the affordable housing need of 171 net affordable dwellings per annum between 2011/12 and 2030/31 set out in the SHMA Update 2015, a cumulative shortfall of -669 affordable dwellings has already arisen over the eleven-year period between 2011/12 and 2021/22, equivalent to an average annual shortfall of -61 affordable dwellings.
- 8.16 It is clear that a 'step change' in affordable housing delivery is needed now in Rugby Borough to address these shortfalls (shown in Figure 8.4 above) and ensure that the future authority-wide needs for affordable housing can be met.
- 8.17 In light of the identified level of need there can be no doubt that the Council should grant additional planning permissions for affordable housing. The delivery of 25 affordable dwellings on the proposed site will make an important contribution to the affordable housing needs of the Borough.

# The Future Supply of Affordable Housing

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## Section 9

### **Future Affordable Housing Supply**

- 9.1 The future delivery of affordable housing is highly uncertain. Within Rugby Borough the delivery of affordable homes has fluctuated considerably since the start of the Local Plan period in 2011/12, as illustrated in Figure 8.4 in the preceding section.
- 9.2 The delivery of a higher number of affordable homes in one year obviously does not guarantee this will continue for future years. The supply of affordable housing is affected by the local market factors, including the number of sites with planning permission and also wider national factors including availability of public funding.

### **Addressing the Shortfall in Affordable Housing Delivery**

- 9.3 The SHMA Update 2015 identifies an objectively assessed need for 171 net affordable homes per annum between 2011/12 and 2031/32. Since the start of this period, the Council has overseen the delivery of 1,212 affordable homes (net of Right to Buy) against a cumulative need of 1,881 net new affordable homes which has resulted in an accumulated shortfall of -669 affordable homes over the eleven-year period.
- 9.4 I consider that any shortfall in delivery should be dealt with within the next five years. This is also an approach set out within the PPG<sup>11</sup> and endorsed at appeal.
- 9.5 The Inspector presiding over the appeal at land off Aviation Lane, Burton-upon-Trent where I presented evidence, which was allowed in October 2020 (**CD 15.5.36**) set out at paragraph 8 of her decision that:

*“In my view, the extent of the shortfall and the number of households on the Council’s Housing Register combine to demonstrate a significant pressing need for affordable housing now. As such, I consider that, the aim should be to meet the shortfall as soon as possible.” (My emphasis).*

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<sup>11</sup> Paragraph: 031 Reference ID: 68-031-20190722



- 9.6 Similarly, in considering the disputed sites in the Council's five-year housing land supply that did not yet have planning permission the Inspector stated at paragraph 9 that:

*"I am not convinced, in accordance with the guidance in the PPG and the Framework, that there is clear evidence that the 108 dwellings relied on by the Council from these two sites would be deliverable within five years. There is nothing within the Framework or the PPG to suggest that this definition should not apply to affordable housing as well as market housing." (My emphasis).*

- 9.7 The Inspector went on to set out at paragraph 11 that:

*"My concern, given the nature of the development proposed, is whether the affordable housing needs of the District are being met. These are households in need of a home now. While the Council is of the view that there is not an overwhelming need for affordable housing which cannot be met within the settlement boundary, on allocated sites or through current planning permissions, just by excluding these three sites from its five year housing supply, the Council's expectation of 884 houses coming forward within five years is reduced to 768 which would be below the five year requirement of 818 dwellings including the existing shortfall." (My emphasis).*

- 9.8 In the context of these comments, it is imperative that the -669 dwelling affordable housing shortfall accumulated since 2011/12 across Rugby Borough is addressed as soon as possible and in any event within the next five years.
- 9.9 When the shortfall is factored into the SHMA Update 2015's identified need of 171 affordable homes per annum for the next five years from 2022/23 to 2026/27, the number of affordable homes the Council will need to complete increases by 134 dwellings per annum, to 305 net affordable homes per annum for the period 2022/23 to 2026/27.
- 9.10 This would ensure that for the remainder of the period up to the end of the SHMA Update 2015 period in 2031/32 the annual affordable housing need returns to 171 per annum to deal solely with annually arising needs. This is illustrated in Figure 9.1 below.

*Figure 9.1: Annual Affordable Housing Need incorporating Backlog Needs since the 2011/12 base date of the SHMA Update 2015*

<b>A</b>	Affordable housing need per annum for the period 2011/12 to 2031/32 identified in the SHMA Update 2015	<b>171</b>
<b>B</b>	Net Affordable housing need for the period 2011/12 to 2021/22 (A x 11)	<b>1,881</b>
<b>C</b>	Net affordable housing additions for the period 2011/12 to 2021/22	<b>1,212</b>
<b>D</b>	Shortfall/backlog of affordable housing need for the period 2011/12 to 2021/22 (B – C)	<b>669</b>
<b>E</b>	Backlog affordable housing need per annum required over the period 2022/23 to 2026/27 (D/5)	<b>134</b>
<b>F</b>	Total Affordable housing need per annum for the period 2022/23 to 2026/27 (A + E)	<b>305</b>
<b>G</b>	Total affordable housing need for the period 2022/23 to 2026/27 (F x 5)	<b>1,525</b>

- 9.11 It is clear that the backlog affordable housing needs within Rugby Borough will continue to grow unless the Council takes urgent and drastic action to address needs and deliver more affordable homes.

### **The Future Supply of Affordable Housing**

- 9.12 The Council has published its Housing Land Supply Position Statement (“HLSPS”) (**CD 8.5**), covering the period 1 April 2022 to 31 March 2027. This indicates that the Council has a forward supply of 3,586 dwellings over the next five years.
- 9.13 If we were generously to assume that all 3,586 dwellings included in the 5YHLS will come forward on sites eligible for affordable housing; and that all of these sites would provide the maximum Policy H2 compliant levels of affordable housing (i.e. 30%) as a proportion of overall housing completions, this is likely to deliver only 1,076 affordable dwellings over the period, equating to just 215 new affordable dwellings per annum.
- 9.14 This figure falls substantially short of the 305 per annum figure required when backlog needs are addressed in the first five years in line with the Sedgefield approach.
- 9.15 This figure of 215 affordable dwellings per annum falls even further short of the need for 495 affordable dwellings per annum that are identified in the HEDNA 2022, which will be applicable from 2022/23 onwards.

- 9.16 It is more realistic to assume that prevailing rates of affordable housing delivery will be achieved. As set out in Figure 4.1 above, since the start of the Local Plan period in 2011/12, an average of 21% of all housing completions have been affordable homes (not accounting for any Right to Buy deductions). Taking 21% of all 3,586 dwellings counted in the 5YHLS would deliver 753 affordable dwellings over the period, equating to just 150 affordable dwellings per annum. This would represent a modest improvement against the 129 affordable dwellings per annum that have been achieved from 2011/12 to date but would still fall short of the SHMA Update 2015 need figure of 171 affordable dwellings per annum and is less than half of the 305 affordable dwellings per annum that are needed to address the existing backlog in the next five years.
- 9.17 Once again, this figure of 150 affordable dwellings per annum falls even further short of the need for 495 affordable dwellings per annum that are identified in the HEDNA 2022, applicable from 2022/23 onwards.
- 9.18 Consequently, the Council's current future supply of identified affordable housing will not deliver sufficient affordable housing to meet annual needs. This makes it even more important that suitable sites, such as the appeal site, being granted planning permission now in order to boost the supply of affordable housing.

### **Conclusions on Future Affordable Housing Supply**

- 9.19 In light of the Council's poor record of affordable housing delivery, the volatility of future affordable housing delivery and the level of affordable housing needs identified there can be no doubt that the provision of 25 affordable dwellings on this site to address the authority-wide needs of Rugby Borough should be afforded **substantial weight** in the determination of this appeal.

# Affordability Indicators

## Section 10

- 10.1 This section of the Proof of Evidence reviews the latest affordability indicators and market signals in Rugby Borough and in the Brandon and Binley Woods local areas.

### Housing Register

- 10.2 The Council's Freedom of Information response (**Appendix JS2**) reveals that **on 31 March 2022 there were 577 households on the Housing Register in Rugby Borough.**
- 10.3 A significant proportion of these households have expressed a locational preference for the three civil parishes in the vicinity of the appeal site. In Brandon and Bretford Civil Parish where the appeal site lies, some 231 households have expressed a preference for a house in the area (equivalent to 40% of the entire register), and 193 households have expressed a preference for a flat. Very similar levels of preferences can be observed for the neighbouring Binley Woods and Brinklow civil parishes.

*Figure 10.1: Local Housing Register Preferences, 31 March 2022*

Location	Flat	House
Brandon and Bretford Civil Parish	193	231
Binley Woods Civil Parish	191	230
Brinklow Civil Parish	195	229

*Source: Freedom of Information Response dated 16 March 2023*

- 10.4 The importance of the Housing Register was considered in the appeal decision at Oxford Brookes University Campus at Wheatley, (**CD 15.5.43**) Inspector DM Young asserted at paragraph 13.101 of their report that in the context of a lengthy housing register of 2,421 households:

*"It is sometimes easy to reduce arguments of housing need to a mathematical exercise, but each one of those households represents a real person or family in urgent need who have been let down by a persistent failure to deliver enough affordable houses" (my emphasis).*

10.5 The Inspector went on to state at paragraph 13.102 that:

*“Although affordable housing need is not unique to this district, that argument is of little comfort to those on the waiting list” before concluding that “Given the importance attached to housing delivery that meets the needs of groups with specific housing requirements and economic growth in paragraphs 59 and 80 of the Framework, these benefits are considerations of substantial weight”. (My emphasis)*

10.6 In undertaking the planning balance, the Inspector stated at paragraph 13.111 of their report that:

*“The Framework attaches great importance to housing delivery that meets the needs of groups with specific housing requirements. In that context and given the seriousness of the affordable housing shortage in South Oxfordshire, described as “acute” by the Council, the delivery of up to 500 houses, 173 of which would be affordable, has to be afforded very substantial weight”.*

10.7 In determining the appeal, the Secretary of State concurred with these findings, thus underlining the importance of addressing needs on the Housing Register, in the face of acute needs, twinned with persistent under delivery.

### Waiting Times

10.8 The Council’s FoI response shows that successful applicants for affordable housing face lengthy waiting times in certain cases, depending upon the size and type of house that they need. Figure 10.2 below reveals that successful applicants face an average wait of between 165 days (approximately 5½ months) and 554 days (approximately 18 months) to be allocated an affordable home; with longer waits for houses than for apartments. It also reveals that no four+ bedroom dwellings were available.

*Figure 10.2: Average Waiting Times for Affordable Housing, Rugby Borough, 31 March 2022*

Dwelling type/size	Average waiting time
1-bed affordable house	554 days
1-bed affordable flat	349 days
2-bed affordable house	165 days
2-bed affordable flat	268 days
3-bed affordable house	350 days
4+ bed affordable house	Not available

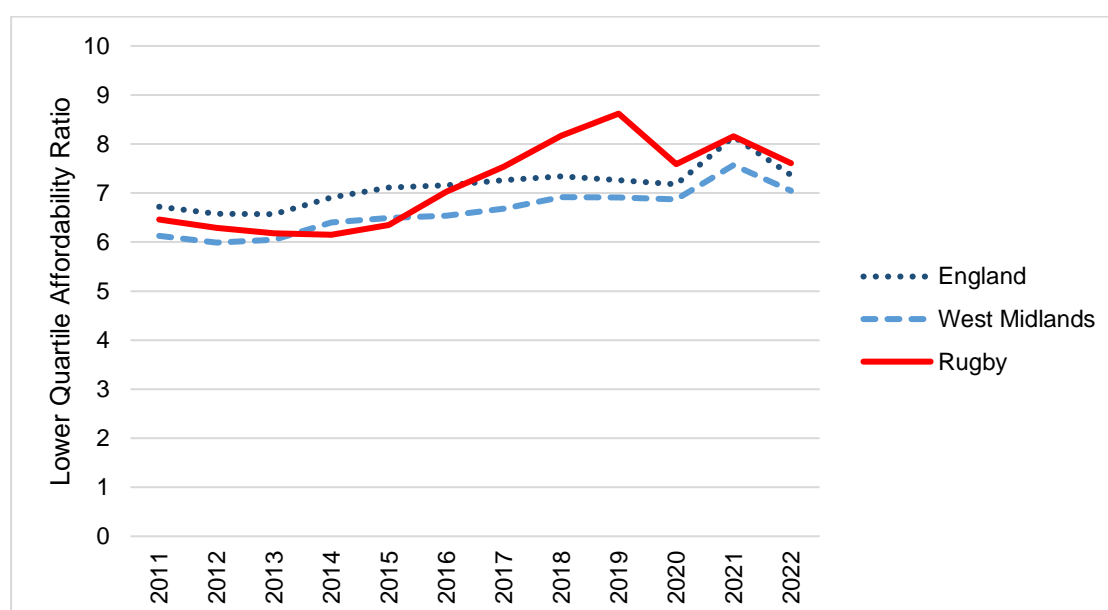
Source: Freedom of Information Response dated 16 March 2023

- 10.9 These are average figures so it is possible that some households have been waiting longer than the times indicated above. The figures also only capture the waiting times for successful applicants, who are likely to be in the highest priority need. Households in less urgent need will face considerably longer waiting times.

### Lower Quartile Affordability Ratios

- 10.10 Affordability ratios illustrate the relationship between average house prices and average workplace based earnings, i.e. how much does a house cost in relation to the earnings of somebody working in Rugby Borough? For context, mortgage lending is typically offered on up to 4.5 times earnings (and may be lower subject to individual circumstances).
- 10.11 Lower quartile affordability ratios represent the 'entry level' of the housing market and are illustrated in Figure 10.3 below. In Rugby Borough in 2022, the lower-quartile house costs 7.61 times lower-quartile earnings. This is 8% higher than the lower quartile ratio for the West Midlands of 7.05, and 3% higher than the lower quartile ratio for England of 7.37.

*Figure 10.3: Lower Quartile Affordability Ratio, Rugby Borough, 2011 to 2022*



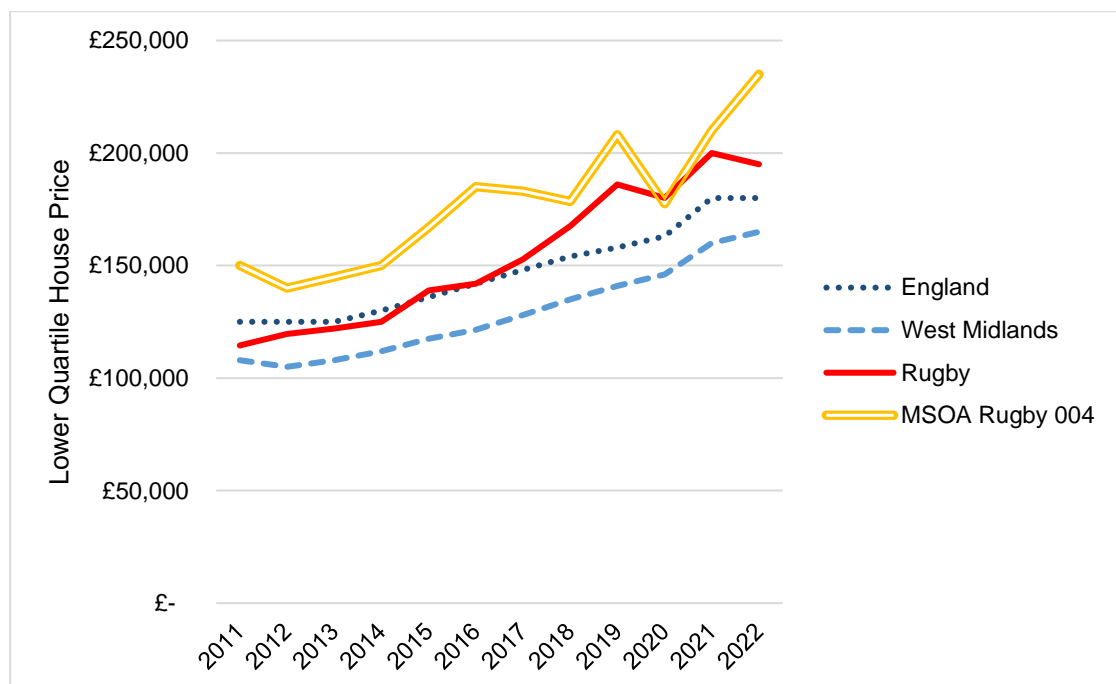
Source: Office for National Statistics

- 10.12 Since 2011, the lower quartile affordability ratio in Rugby has worsened by 18%; this is faster than the 15% increase observed in the West Midlands and the 10% increase observed in England as a whole over the same period. Strikingly, the lower quartile ratio in Rugby overtook the national ratio in 2017 and has remained higher than in England ever since.

## Lower Quartile House Prices

- 10.13 Figure 10.4 below illustrates lower quartile house sale prices in Rugby and in the 'Rugby 004' Middle Layer Super Output Area ("MSOA") where the appeal site lies. These lower quartile figures are more representative of the entry level of the housing market.
- 10.14 In 2022, the lower quartile selling price in Rugby was £195,000; this is £30,000 (or 18%) more than in the West Midlands and £15,000 (or 8%) more than in England as a whole.
- 10.15 In the MSOA, the lower quartile selling price in 2022 was higher still, at £235,000. This is £40,000 (or 21%) higher than in Rugby Borough; £70,000 (or 42%) higher than in the West Midlands, and £55,000 (or 31%) higher than in England as a whole.

*Figure 10.4: Lower Quartile House Prices, Rugby Borough, 2011 to 2022*



Source: Valuation Office Agency

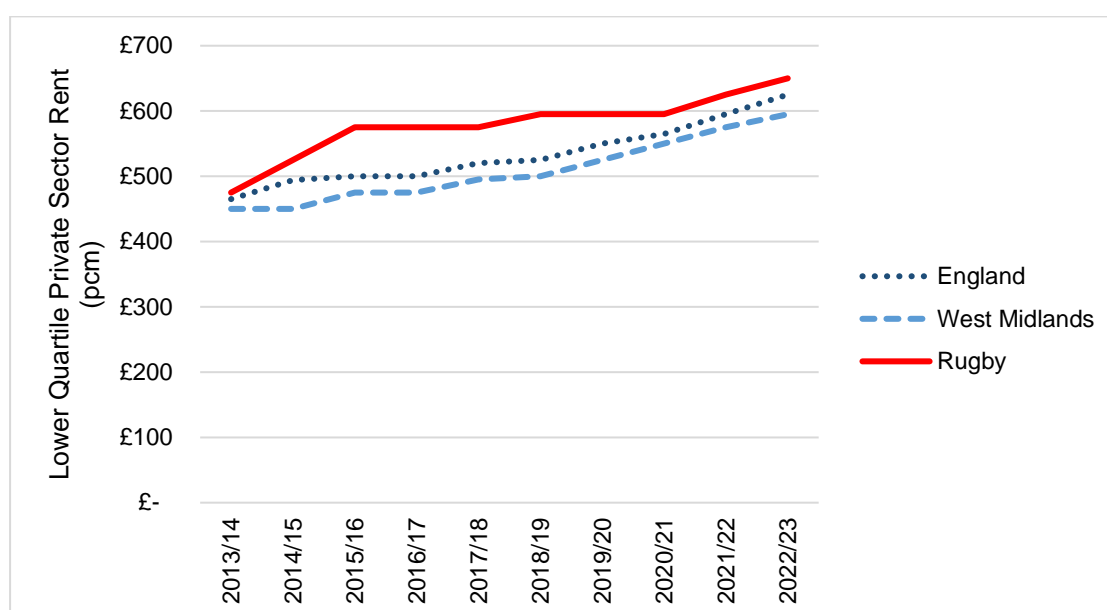
- 10.16 Since the start of the Local Plan period in 2011, the lower quartile house price in Rugby Borough has increased by 70%; this is faster than both the 53% increase seen in the West Midlands and the 44% increase seen in England as a whole. Notably, the lower quartile house price in Rugby overtook the national lower quartile price in 2015 and has remained equal to or higher than in England ever since. In addition, in the MSOA, the lower quartile house price has increased by 57% over this period.

## Lower Quartile Private Sector Rents

10.17 Data on private sector rents is available from 2013/14 onwards and is published by the Valuation Office Agency and Office for National Statistics.

10.18 Figure 10.5 below illustrates lower quartile private sector monthly rents, which represent properties sought by households on lower incomes. It shows that in 2022/23, the lower quartile rent in Rugby Borough was £650, which is £55 (or 9%) more than in the West Midlands<sup>12</sup> and £25 (or 4%) more than in England as a whole<sup>13</sup>.

*Figure 10.5: Lower Quartile Private Sector Rents, Rugby Borough, 2013/14 to 2022/23*



Source: Valuation Office Agency and Office for National Statistics

10.19 Lower quartile rents in Rugby have increased by 37% since 2013/14, which is faster than the 32% increase observed in the West Midlands and the 34% increase observed across England as a whole over the same period. Lower quartile rents in Rugby have exceeded those for the nation and region for the entire decade since 2013/14.

## Tenure

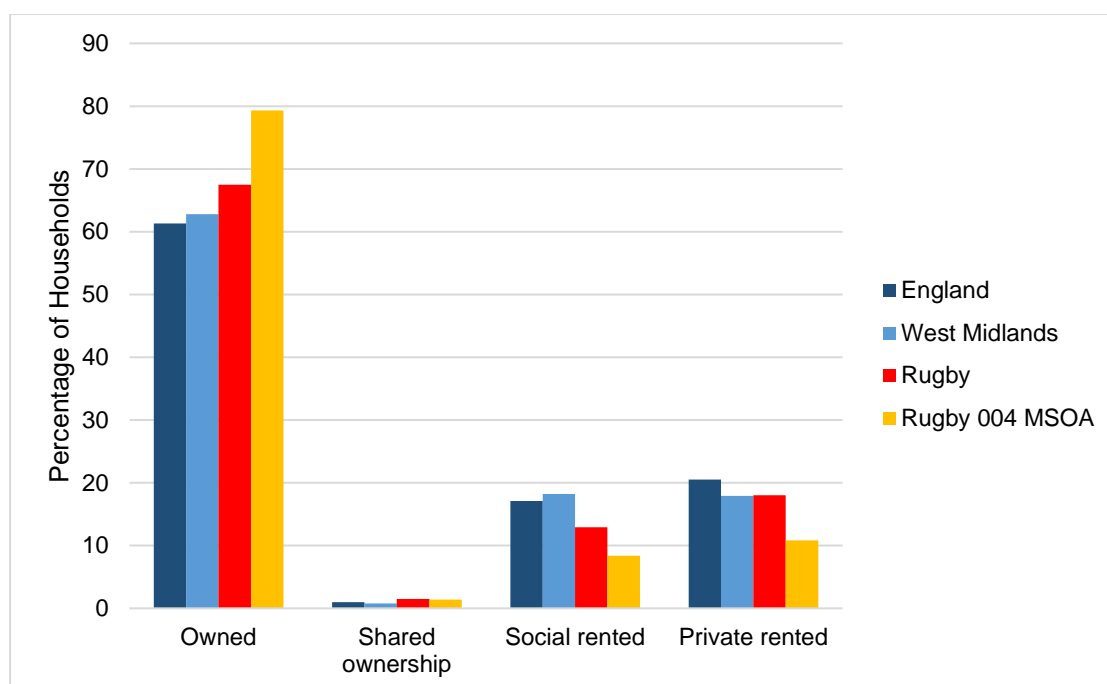
10.20 Figure 10.6 below illustrates the breakdown of tenures in Rugby Borough and the Rugby 004 MSOA compared with England and the West Midlands at the time of the 2021 Census.

<sup>12</sup> The lower quartile monthly rent in the West Midlands was £595 in 2022/23.

<sup>13</sup> The lower quartile monthly rent in England was £625 in 2022/23.



Figure 10.6: Tenure, Rugby Borough, 2021



Source: Census 2021

10.21 Figure 10.6 reveals that the tenure split in Rugby is skewed away from social renting and towards home ownership, when compared with the West Midlands and England as a whole. In Rugby, social renting accounts for just 13% of households, compared with 18% in the West Midlands and 17% in England. By contrast, in Rugby owner-occupation accounts for 68% of households compared with 63% in the West Midlands and 61% in England.

10.22 The tenure split is even more polarised at the local level. Social renting accounts for just 8% of households in the MSOA and by contrast, owner occupation accounts for 79% of households.

10.23 At all geographical levels, shared ownership accounts for a very limited proportion of the tenure mix, at just 1.5% of households in Rugby and 1.4% in the MSOA.

### Conclusions on Affordability Indicators

10.24 As demonstrated through the analysis in this section, affordability across Rugby Borough has been and continues to be, in crisis.

10.25 House prices and rent levels in the lower quartile of the market (reflecting households on lower incomes and housing at the cheaper end of the market) are increasing faster than in the nation and region, whilst at the same time the stock of affordable homes is

failing to keep pace with the level of demand. This only serves to push buying or renting in Rugby Borough out of the reach of more and more people.

- 10.26 Analysis of market signals is critical in understanding the affordability of housing. It is my opinion that there is an acute housing crisis in Rugby Borough, exemplified by the lower quartile house price to average income ratio of 7.61, higher than in the West Midlands and in England as a whole.
- 10.27 Market signals indicate a worsening trend in affordability in Rugby Borough and within the local area. By any measure of affordability, this is an authority in the midst of an affordable housing crisis, and one through which urgent action must be taken to deliver more affordable homes.

# The Benefits of the Proposed Affordable Housing

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## Section 11

- 11.1 The Government attaches weight to achieving a turnaround in affordability to help meet affordable housing needs. The NPPF is clear that the Government seeks to significantly boost the supply of housing, which includes affordable housing.
- 11.2 The appeal scheme will provide **25 affordable dwellings on site** comprising 56% social rented tenure (14 units) and 44% shared ownership (11 units). The wider social and economic benefits of affordable housing per se are commonly recognised.
- 11.3 As set out in Section 2 of this evidence, the benefit of affordable housing is a strong material consideration in support of development proposals. The offer meets the requirements of adopted Local Plan Policy H3 which seeks 20% affordable housing on previously-developed sites. It should be noted that affordable housing policies are drafted to capture a benefit, rather than to ward off a harm or to be needed in mitigation.
- 11.4 This fact was acknowledged by the Inspector presiding over two appeals on land to the west of Langton Road, Norton (**CD 15.5.35**) in September 2018 who was clear at paragraph 72 of their decision that:

*“On the other hand, in the light of the Council’s track record, the proposals’ full compliance with policy on the supply of affordable housing would be beneficial. Some might say that if all it is doing is complying with policy, it should not be counted as a benefit but the policy is designed to produce a benefit, not ward off a harm and so, in my view, compliance with policy is beneficial and full compliance as here, when others have only achieved partial compliance, would be a considerable benefit” (my emphasis).*

11.5 The affordable housing benefits of the appeal scheme include:

- Policy compliant offer of 20% (25 dwellings) of the scheme provided as affordable housing;
- An addition of 14 social rented homes to meet priority needs;
- An addition of 11 shared ownership homes to provide affordable routes to home ownership;
- A deliverable scheme which provides much needed affordable homes in the context of significant shortfalls against needs in the Borough;
- Addressing the polarised tenure profile of the Borough and the local area, delivering a broader mix of tenures to provide a more balanced community and to enhance its vitality;
- In a sustainable location;
- With the affordable homes managed by a Registered Provider;
- Which provide better quality affordable homes with benefits such as improved energy efficiency and insulation ; and
- Greater security of tenure than the private rented sector.

11.6 Moreover, this outline application includes details of access, appearance, layout and scale for determination, leaving only the details of landscape reserved for future determination. If this outline planning appeal is allowed, there will only be the need to seek approval for landscaping details, and to address any pre-commencement conditions, before development can start. This should ensure that the proposed housing, including affordable housing, can come forward promptly to meet identified needs without delay.

11.7 In my opinion these benefits are substantial and a strong material consideration weighing heavily in favour of the proposal.

# The Weight to be Attributed to the Proposed Affordable Housing Provision

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## Section 12

- 12.1 The NPPF is clear at paragraph 31 that policies should be underpinned by relevant up-to-date evidence which is adequate and proportionate and considers relevant market signals.
- 12.2 Paragraph 59 of the NPPF sets out the Government's clear objective of *"significantly boosting the supply of homes"* with paragraph 60 setting out that to *"determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment"*.
- 12.3 The NPPF requires local authorities at paragraph 61 to assess and reflect in planning policies the size, type and tenure of housing needed for different groups, *"including those who require affordable housing"*.

### **The Council's Assessment of the Proposed Development**

- 12.4 The Officers' Report to the Planning Committee of 9 November 2022 (**CD 6**) recommended that the application be approved.
- 12.5 Paragraph 5.4 of the Officers' Report confirms that the site is previously developed land (this means that the site is subject to the 20% policy expectation set out in Local Plan Policy H3)
- 12.6 Affordable housing is discussed at paragraphs 7.5 to 7.9 of the Officers' Report. Paragraph 7.7 confirms that the proposed development complies with policy H2 in terms of the number/proportion of affordable dwellings to be required, although it also recognises that the scheme departs from the dwelling size mix contained in the Local Plan as it does not include 1- or 4-bed properties. Paragraph 7.8 considers that the scheme is acceptable, noting that *"due to [the site's] more rural location it is considered that 2 bedroomed properties are above are more suitable for the site"*. Paragraph 7.8 also confirms that the Housing Officer has no objection to the scheme.

- 12.7 Paragraph 7.9 discusses the tenure split, noting that the Local Plan would seek 84% social rent and 16% intermediate housing (in accordance with the findings of the SHMA Update 2015 which I discuss at section 3 of this Proof of Evidence). The proposed development offers 56% social rent and 44% shared ownership; the Officers' Report indicates that *"Due to the lack of demand for social rent in this location this divergence from policy is considered acceptable and therefore these percentages will be secured within the S106 agreement"*. Paragraph 7.9 goes on to identify a conflict with policy H2 but concludes that the scheme is nonetheless considered acceptable.
- 12.8 The weight of the benefit of affordable housing is set out in the planning balance exercise, at paragraph 19.11 of the Officer's Report, which notes that: *"From a social objective the revised scheme of up to 124 dwellings of which 20% would be affordable dwellings, would consequently make a significant and positive contribution towards meeting the housing need"*.
- 12.9 Overall, I consider that the Council has fairly assessed the proposed affordable housing and confirms that the offer is acceptable in policy terms. That said, the topic receives limited coverage in the Officers' Report and there is no discussion of the affordability issues in Rugby, or the extent to which the proposed development will meet affordable housing need.
- 12.10 Some conflict is identified with Policy H2 in respect of the tenure mix although this is evidently given little weight as it does not feature in the Officers' Report's planning balance and does not affect the overall conclusions in respect of affordable housing. I would question whether such a conflict even arises, given that policy H2 requires that the proposed tenure is 'informed' by the SHMA Update 2015, which sets out borough-wide conclusions which do not necessarily need to be strictly applied on individual sites and proposals.

### **Appeal Statements of Case**

- 12.11 The Council has produced a Statement of Case (**CD 12**) which explains at paragraph 3.9 at page 10 that the Council will present evidence in respect of the weight to be attributed to affordable housing.
- 12.12 The Rule 6 Party, Save Coventry Speedway and Stox Campaign Group, has also produced a Statement of Case (**CD 13**) which does not cover the topic of affordable housing.

## Relevant Appeal Decisions

- 12.13 The importance of affordable housing has been reflected in a number of appeal decisions. Of particular interest is the amount of weight which has been attributed to affordable housing relative to other material considerations.

Appeal Decision: Roundhouse Farm, Land Off Bullens Green Lane, Colney Heath (June 2021) (CD 15.5.37)

- 12.14 An appeal at Colney Heath located partially in Welwyn Hatfield Borough Council and partially in St Albans District Council decided in June 2021 supports the view that the delivery of affordable housing in authorities with shortfalls in affordable housing delivery can contribute towards demonstrating very special circumstances (although I note that in any event, it is the Appellant's case that the proposed development is not inappropriate development in the Green Belt). At Paragraphs 53 and 54 of the decision the Inspector was clear that:

*"The uncontested evidence presented by the appellant on affordable housing for both local authorities illustrates some serious shortcomings in terms of past delivery trends. In relation to WHBC, the affordable housing delivery which has taken place since 2015/16 is equivalent to a rate of 23 homes per annum. The appellant calculates that the shortfall stands in the region of 4000 net affordable homes since the 2017 SHMA Update, a 97% shortfall in affordable housing delivery. If the shortfall is to be addressed within the next 5 years, it would require the delivery of 1397 affordable homes per annum. In SADC, the position is equally as serious. Since the period 2012/13, a total of 244 net affordable homes have been delivered at an average of 35 net dwellings per annum. Again, this equates to a shortfall also in the region of 4000 dwellings (94%) which, if to be addressed in the next 5 years, would require the delivery of 1185 affordable dwellings per annum.*

*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" (my emphasis).*

12.15 Notably, when drawing their conclusions at paragraph 78, the Inspector asserts:

*“The proposals would cause harm by reason of inappropriateness and harm to openness. Both of these attract substantial weight. I have also attached moderate weight to harm to the character and appearance of the area. However, these appeals involves two local authority areas, both of which have acute housing delivery shortages and acute affordable housing need. The proposals would make a contribution towards addressing these needs in the form of market, self build and affordable housing in both WHBC and SADC. I have attached very substantial weight to the provision of both market housing and affordable housing.”* (my emphasis)

Appeal Decision: Land at Maitland Lodge, Southend Road, Billericay (November 2022)  
**(CD 15.5.38)**

12.16 A Green Belt site proposal for 47 dwellings, including 21 (45%) affordable dwellings at Maitland Lodge, Billericay was allowed at appeal in November 2022.

12.17 Giving evidence at appeal TKP demonstrated a shortfall of almost -2,500 homes and a net delivery of affordable housing of just five dwellings per annum over the past seven years. The Inspector described affordable housing delivery in Basildon as “abysmal” with an “acute and persistent” shortfall. The Inspector recognised that the delivery shortfall represents a significant conflict with the NPPF, specifying that:

*“Each of the 2,494 affordable homes that should have been built, but have not, represent a missed opportunity to help alleviate the housing concerns of individuals and families. The situation represents a significant conflict with the economic and social overarching objectives set out in paragraph 8 of the Framework.”*

12.18 The Inspector went on to place very substantial weight on the delivery of the proposed affordable housing at the site, stating:

*“The proposed provision of 45% of total units, at 21 homes, is in excess of the policy requirements. However, given the critical situation regarding affordable housing delivery in the Borough, I place very substantial positive weight on all of the proposed affordable homes, not just those over and above policy requirements.”* (my emphasis)



Appeal decision: Land North of Kennel Lane, Billericay (December 2022) (CD 15.5.39)

12.19 This decision concerns an appeal for 200 dwellings, including 72 (36%) affordable homes, in the Green Belt. It was allowed in December 2022.

12.20 At paragraph 61, the Inspector discusses the on site provision of affordable housing on the Green Belt site in relation to the evidence presented:

*“There is a persistent trend of a significant number of people being unable to access their own affordable home in the Borough unless suitable, technically unconstrained, well located housing sites which are capable of meeting those needs, are brought forward now.”*

12.21 When considering the historic and future supply affordable housing shortfalls presented by the Appellant, the Inspector stated at paragraph 64 that:

*“In summary, the evidence before me demonstrates an ongoing acute and continuing extremely bleak outlook for local affordable housing provision for a further protracted period. The capability of the appeal proposal to contribute significantly to addressing the existing and predicted very serious affordable housing shortfall within the next 5 years attracts considerable weight in favour of this appeal.”*

12.22 The Inspector concluded that the provision of affordable housing on site constituted a benefit with considerable weight:

*“I have found that the current local planning policy context has and will continue to significantly hinder the supply and delivery of market and affordable housing in the Borough for a further protracted period. At this moment in time, the appeal proposal is an appropriate opportunity to significantly boost the supply of both market and affordable homes for local people in the short term in the absence of a new development plan for the Borough. I have concluded that these considerations both weigh considerably in favour of the appeal proposal.”*

Appeal Decision: Land between Lodge Lane and Burtons Lane, Little Chalfont, Buckinghamshire (March 2023) (CD 15.5.40)

- 12.23 An appeal within the Green Belt at Little Chalfont located in Buckinghamshire Council decided in March 2023 supports the view that very substantial weight should be afforded to the delivery of affordable housing in authorities with a shortfall in affordable housing provision (Paragraph 129):

*“...both the main parties afford the proposed provision of 215 units of market housing and 152 affordable housing, very substantial weight.”*

- 12.24 The Inspector also acknowledges the importance of Tetlow King Planning’s affordability evidence which is of particular relevance for this appeal given the affordability challenges in Rugby Borough relative to the rest of the West Midlands region (Paragraph 131 of the appeal decision):

*“For the last 15 years, the median and lower quartile levels of affordability within the District have been considerably higher in Buckinghamshire than the wider south-east. In respect of median house prices and lower quartile prices, the Little Chalfont ward has been significantly higher than for the rest of Buckinghamshire. A similar pattern is found for median private rents, which are higher across Buckinghamshire than the rest of the south-east.”*

Secretary of State Decision: Pulley Lane, Droitwich Spa (July 2014) (CD 15.5.41)

- 12.25 The Inspector recognised that the contribution of the scheme in meeting some of the affordable housing deficit in the area cannot be underestimated (Inspector’s Report, Page 89). The Inspector set out at paragraph 8.123 at page 110 of their Report that:

*“The SOS should be aware that a major plank of the Appellant’s evidence is the significant under provision of affordable housing against the established need Figure and the urgent need to provide affordable housing in Wychavon. If the position in relation to the overall supply of housing demonstrate a general district-wide requirement for further housing, that requirement becomes critical and the need overriding in relation to the provision of affordable housing. The most recent analysis in the SHMA (found to be a sound assessment of affordable housing needs) demonstrates a desperate picture bearing hallmarks of overcrowding, barriers to getting onto the housing ladder and families in crisis.”*

12.26 The Inspector continued at paragraph 8.123 of his report to state that *“the SHMA indisputably records that affordability is at crisis point. Without adequate provision of affordable housing, these acute housing needs will not be met. In terms of the NPPF’s requirement to create inclusive and mixed communities at paragraph 50, this is a very serious matter. Needless to say, these socially disadvantaged people were not represented at the Inquiry”* (my emphasis).

12.27 The level of significance attached to affordable housing provision was addressed through paragraph 8.124 at page 111 of the Inspectors Report where he stated 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 people in real need now. Unfortunately, there appears to be no early prospect of any resolution to this problem [...] 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”* (my emphasis).

12.28 This statement is supplemented at paragraph 8.125 by the Inspector considering that *“from all the evidence that is before me the provision of affordable housing must attract very significant weight in any proper exercise of planning balance”*.

12.29 The Secretary of State concluded at paragraph 28 of the decision letter that both schemes delivered *“substantial and tangible”* benefits (my emphasis), including the delivery of 40% “much needed” affordable housing.

Appeal Decision: Land east of Park Lane, Coalpit Heath, South Gloucestershire (September 2018) (CD 15.5.42)

12.30 Paragraph 61 of the decision states that *“there are three different components of the housing that would be delivered: market housing, affordable housing (AH) and custom build housing (CBH). They are all important and substantial weight should be attached to each component for the reasons raised in evidence by the appellants, which was not substantively challenged by the Council, albeit they all form part of the overall housing requirement and supply. The fact that the much needed AH and CBH are elements that are no more than that required by policy is irrelevant – they would still comprise significant social benefits that merit substantial weight.”* (my emphasis)

12.31 Some of the key points I would highlight from these examples are that:

- Affordable housing is an important material consideration;
- The importance of unmet need for affordable housing being met immediately; and
- Planning Inspectors and the Secretary of State have attached substantial weight and to the provision of affordable housing.

### **Summary and Conclusion**

12.32 There is a wealth of evidence to demonstrate that there is a national housing crisis in the UK affecting many millions of people who are unable to access suitable accommodation to meet their housing needs.

12.33 What is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is essential to arrest the housing crisis and prevent further worsening of the situation.

12.34 Market signals indicate a worsening trend in affordability across Rugby Borough over the Local Plan period from 2011/12 to date, relative to both the West Midlands region and England as a whole. By any measure of affordability, this is an authority which is facing serious and worsening affordability pressures, and one through which urgent action must be taken to deliver more affordable homes.

12.35 Against the scale of unmet need across the Borough, there is no doubt in my mind that the provision of 25 affordable homes in compliance with Local Plan policy H3 will make a substantial contribution. Considering all the evidence I consider that this contribution should be afforded **substantial weight** in the determination of this appeal.

# Appendices for Affordable Housing Proof of Evidence of James Stacey BA (Hons) DipTP MRTPI

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Coventry Stadium, Rugby Road, Brandon

Rugby Borough



# Appendices for Affordable Housing Proof of Evidence of James Stacey BA(Hons) DipTP MRTPI

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Demolition of existing buildings and outline planning application (with matters of access, layout, scale, and appearance included) for residential development (Use Class C3) including means of access into the site from the Rugby Road, provision of open space and associated infrastructure and provision of sports pitch, erection of pavilion and formation of associated car park

Coventry Stadium, Brandon, Rugby Borough

Brandon Estates Ltd

August 2023

PINS REF: APP/E3715/W/23/3322013

LPA REF: R18/0186

OUR REF: M23/0310-01.RPT

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## Appendices

Appendix JS1	Area Maps
Appendix JS2	Freedom of Information Correspondence
Appendix JS3	Relevant Extracts from the Planning Practice Guidance

# Appendix JS1

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## Area Maps





## Appendix JS1: Area Maps

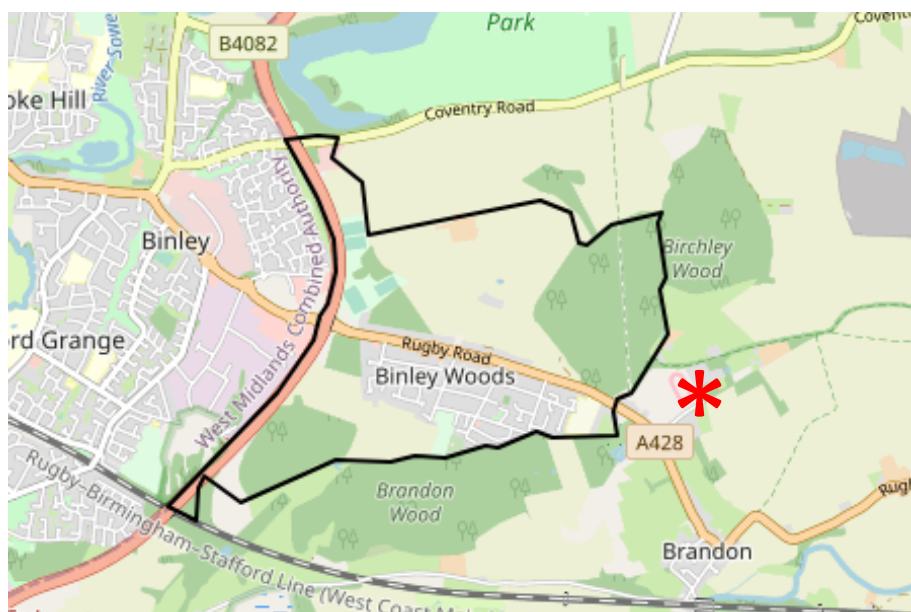
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*Site location indicated by \**

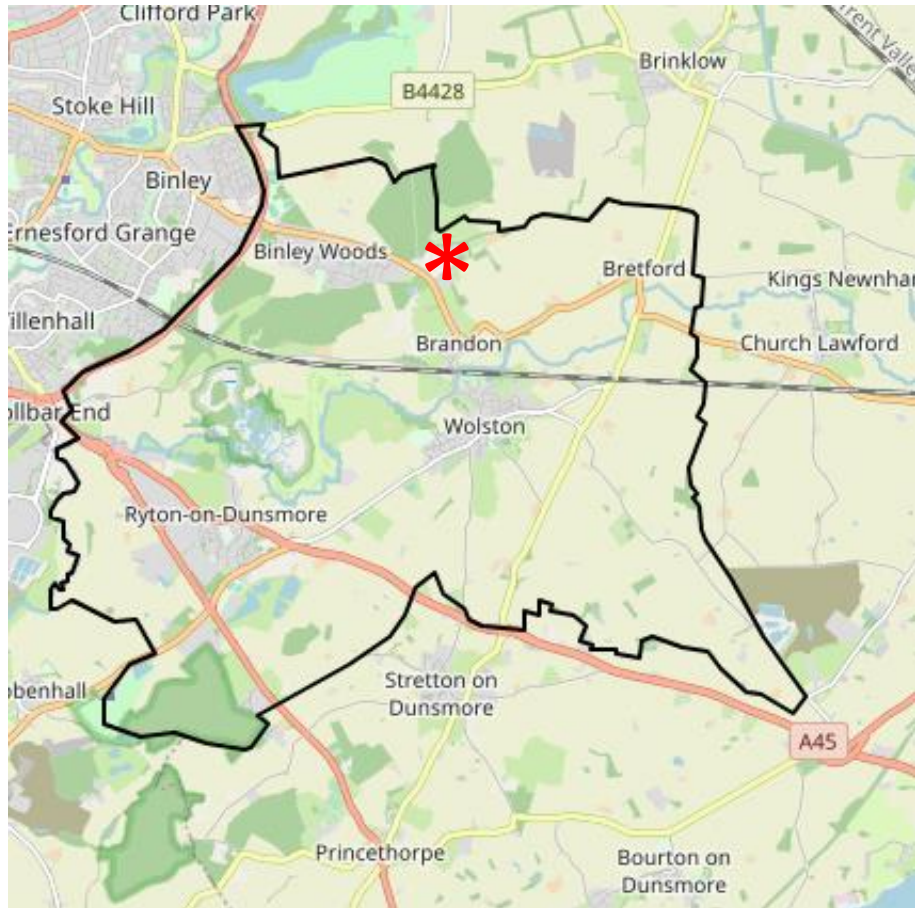
↓ Brandon and Bretford Civil Parish



↓ Binley Woods Civil Parish



↓ Middle Level Super Output Area 'Rugby 004'



## Appendix JS2

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### Freedom of Information Correspondence



**Nathan Price**  
**Unit 2, Eclipse Office Park**  
**High Street**  
**Staple Hill**  
**Bristol**  
**BS16 5EL**

**Please ask for**  
Direct Line  
E-mail Address  
Our ref  
Your ref

**George Balogun**  
(01788) 533 445  
George.balogun@rugby.gov.uk  
CAM266

Date 16 March 2023

Dear Nathan,

**SERVICE REQUEST REF CAM266**  
**REQUEST FOR INFORMATION UNDER THE FREEDOM OF INFORMATION ACT 2000**

Thank you for your recent communication where you have requested specific information concerning housing matters in Brandon and Bretford Civil Parish, Binley Woods Civil Parish and Brinklow Civil Parish. Sorry it took longer to respond to your request. This request is considered to come under the provisions of the 'Freedom of Information Act 2000'.

Please find the information requested below.

**1. The total number of households on the Council's Housing Register at 31 March 2022**

577

**2. The average waiting times at 31 March 2022 for the following types of affordable property across the Authority**

	<b>House</b>	<b>Flat</b>
a) 1-bed affordable dwelling:	554 days	349 days
b) 2-bed affordable dwelling:	165 days	268 days
c) 3-bed affordable dwelling:	350 days	
d) A 4+ bed affordable dwelling:	Not available	

**3. The average waiting times at 31 March 2021 for the following types of affordable property across the Authority:**

a) 1-bed affordable dwelling:	Information not available for 2020/21
b) 2-bed affordable dwelling:	
c) 3-bed affordable dwelling:	
d) A 4+ bed affordable dwelling:	

4. The total number of households on the Council's Housing Register at 31 March 2022 specifying the following locations as their preference choice of location:

Location	Flat	House
Brandon and Bretford Civil Parish	193	231
Binley Woods Civil Parish	191	230
Brinklow Civil Parish	195	229

5. The average number of bids per property over 2021/22 monitoring period for the following types of affordable property in the locations listed below:

The above information is not available as this Council does not operate a Choice Based Lettings.

6. Any changes the Council has made to its Housing Register Allocations Policy since 2011 including:

- The date they occurred: April 2019
- What they entailed:
- Copies of the respective documents: Please refer to link below.

[https://www.rugby.gov.uk/download/downloads/id/664/housing\\_allocations\\_policy.pdf](https://www.rugby.gov.uk/download/downloads/id/664/housing_allocations_policy.pdf)

7. The total number of social housing dwelling stock at 31 March 2022 in the following locations:

Location	Total Social Housing Stock
Brandon and Bretford Civil Parish	10
Binley Woods Civil Parish	7
Brinklow Civil Parish	19

8. The number of social lettings in the period between 01 April 2020 and 31 March 2021, and between 01 April 2021 and March 2022 in the following locations:

Location	Total Housing Lettings 2020/21	Total Housing Letting 2021/22
Brandon and Bretford Civil Parish	0	2
Binley Woods Civil Parish	0	0
Brinklow Civil Parish	0	0

9. The number of households on the Housing Register housed in temporary accommodation within and outside the Rugby Borough Council Region on the following dates:

Households in Temporary Accommodation	31 March 2021	31 March 2022
Households housed within RBC	97	166
Households housed outside RBC	1	0
Total Households	98	166

**10. The number of NET housing completions in the Rugby District Council region on a per annum basis for the period between 2000/01 and 2021/22.**

Please note that I can only provide data from 2008/09 onwards as prior data is not available. In addition, the figures below include Registered Providers completions.

2008/09	111
2009/10	147
2010/11	61
2011/12	190
2012/13	90
2013/14	64
2014/15	129
2015/16	51
2016/17	6
2017/18	48
2018/19	221
2019/20	261
2020/21	233
2021/22	131

**11. The number of NET affordable housing completions in the Rugby District Council Region broken down on a per annum basis for the period 2000/01 and 2021/22:**

The information is same as above.

**12. The number of NET housing completions in Brandon and Bretford Civil Parish, Binley Woods Civil Parish and Brinklow Civil Parish broken down on a per annum basis for the period between 2000/01 and 2021/22:**

Information not available.

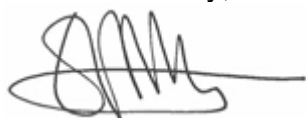
**13. The number of NET affordable housing completions in Brandon and Bretford Civil Parish, Binley Woods Civil Parish and Brinklow Civil Parish broken down on a per annum basis for the period between 2000/01 and 2021/22:**

Information not available

If you are not completely satisfied with the outcome of your request, you have the right to request an internal review. You can request an internal review by emailing [communications@rugby.gov.uk](mailto:communications@rugby.gov.uk). If you are still not happy with our response, you can contact the Information Commissioner for a decision.

The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF.

Yours sincerely,



**George Balogun**  
**Housing Advice & Benefits Manager**

## Appendix JS3

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Relevant Extracts from the Planning Practice Guidance





## Extracts from Planning Practice Guidance

\*as of 23/11/2022

Section	Paragraph	Commentary
Housing and Economic Needs Assessment	006 Reference ID: 2a-006-20190220	<p>This section sets out that assessments of housing need should include considerations of and be adjusted to address affordability.</p> <p>This paragraph sets out that <i>“an affordability adjustment is applied as household growth on its own is insufficient as an indicators or future housing need.”</i></p> <p>This is because:</p> <ul style="list-style-type: none"> <li>• <i>“Household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live; and</i></li> <li>• <i>people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.”</i></li> </ul> <p><i>“The affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the affordability of homes.”</i></p>
Housing and Economic Needs Assessment	018 Reference ID 2a-01820190220	Sets out that <i>“all households whose needs are not met by the market can be considered in affordable housing need. The definition of affordable housing is set out in Annex 2 of the National Planning Policy Framework”</i> .
Housing and Economic Needs Assessment	019 Reference ID 2a-01920190220	States that <i>“strategic policy making authorities will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments).</i>
Housing and Economic Needs Assessment	020 Reference ID 2a-02020190220	<p>The paragraph sets out that in order to calculate gross need for affordable housing, <i>“strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of:</i></p> <ul style="list-style-type: none"> <li>• <i>the number of homeless households;</i></li> <li>• <i>the number of those in priority need who are currently housed in temporary accommodation;</i></li> <li>• <i>the number of households in over-crowded housing;</i></li> <li>• <i>the number of concealed households;</i></li> </ul>



		<ul style="list-style-type: none"> <li>• <i>the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and</i></li> <li>• <i>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."</i></li> </ul>
Housing and Economic Needs Assessment	024 Reference ID 2a-02420190220	<p>The paragraph states that "<i>the total need for affordable housing will need to be converted into annual flows by calculating the total net need (subtract total available stock from total gross need) and converting total net need into an annual flow based on the plan period</i>".</p> <p>It also details that:</p> <p><i>"An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes."</i></p>
Housing Supply and Delivery	031 Reference ID: 68-031-20190722	<p>With regard to how past shortfalls in housing completions against planned requirements should be addressed, the paragraph states:</p> <p><i>"The level of deficit or shortfall will need to be calculated from the base date of the adopted plan and should be added to the plan requirements for the next 5 year period (the Sedgfield approach)..."</i></p>