

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

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Bugle Nurseries, 171 Upper Halliford Road, Shepperton

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Outline application with approval sought for scale, access and siting, with details of appearance and landscaping reserved, for the demolition of existing buildings and structures, removal of waste transfer facility and the redevelopment of the site for up to 80 residential units and the provision of open space and a play area, plus associated works for landscaping, parking areas, pedestrian, cycle and vehicular routes

Bugle Nurseries, 171 Upper Halliford Road, Shepperton

Angle Property (RLP Shepperton) LLP

October 2023

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## Appendices (bound separately)

- Appendix JS 1 Freedom of Information  
Correspondence dated 24 October  
2023
- Appendix JS 2 Relevant Extracts from the Planning  
Practice Guidance
- Appendix JS 3 Calculation of Net Affordable Housing  
Delivery in Spelthorne

## Core Document References

Application Documents	
CD-1.41	<a href="#">Officers Report (23 August 2023)</a>
Adopted/Emerging Development Plan	
CD-5.1	<a href="#">Spelthorne Core Strategy and Policies Development Plan Document (2009)</a>
CD-5.2	<a href="#">Spelthorne Allocations Development Plan Document (2009)</a>
CD-6.1	<a href="#">Spelthorne Borough Council Pre-submission-Spelthorne Local Plan 2022-2037</a>
Evidence Base	
CD-7.1	<a href="#">Spelthorne Strategic Housing Market Assessment Update (2019)</a>
CD-7.2	<a href="#">Runnymede and Spelthorne Strategic Housing Market Assessment 2015</a>
Corporate Documents	
CD-7.3	<a href="#">Housing Strategy 2020-2025</a>
CD-7.4	<a href="#">Homelessness and Rough Sleeping Strategy 2020-2025</a>
Other Relevant Documents	
CD-4.1	<a href="#">National Planning Policy Framework (2023)</a>
CD-7.5	<a href="#">House of Commons Debate (24 October 2013)</a>
CD-7.6	<a href="#">Children's Commissioner Report Bleak Houses Tackling the Crisis of Family Homelessness in England (April 2019)</a>
CD-7.7	<a href="#">Denied The Right to a Safe Home – Exposing the Housing Emergency, Shelter (May 2021)</a>
CD-7.8	<a href="#">Shelter Report - Unlocking Social Housing. How to fix the rules are holding back building (April 2022)</a>
CD-6.8	<a href="#">Housing Allocations Policy for the Borough of Spelthorne June 2022</a>
CD-7.9	<a href="#">Housing White Paper - Fixing our broken housing market (February 2017)</a>
Relevant Appeal Decisions	
CD-10.4	<a href="#">Appeal - Land at the Corner of Oving Road and A27, Chichester (18 August 2017)</a>
CD-10.5	<a href="#">Appeal - Land at Filands Road Jenner Lane, Malmesbury (5 January 2022)</a>
CD-10.6	<a href="#">Appeal - Land to the west of Langton Road, Norton (22 July 2016)</a>
CD-10.7	<a href="#">Appeal - Hawkhurst, Kent (22 March 2022)</a>
CD-10.8	<a href="#">Appeal - Land to the rear of the former Dylon International Premises, Station Approach, Lower Sydenham, London (June 2019)</a>
CD-10.9	<a href="#">Appeal - Land Off Bullens Green Lane, Colney Heath (June 2021)</a>
CD-10.10	<a href="#">Appeal - Maitland Lodge, Billericay (November 2022)</a>
CD-10.11	<a href="#">Appeal - Park Lane, Coalpit Heath, South Gloucestershire (6 September 2018)</a>
Relevant Secretary of State Decisions	
CD-10.12	<a href="#">SoS – Oxford Brookes University, Wheatley Campus, Wheatley, Oxford (23 April 2020)</a>
CD-10.13	<a href="#">SoS - Pulley Lane, Droitwich Spa (02 July 2014)</a>

# Introduction

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## Section 1

### Introduction

- 1.1 This Affordable Housing Proof of Evidence has been prepared by **Mr James Stacey BA (Hons) Dip TP MRTPI** of **Tetlow King Planning** on behalf of the Appellant, **Angle Property (RLP Shepperton) LLP**. This Proof of Evidence supports the appeal APP/Z3635/W/23/3325635 against the non-determination by Spelthorne Borough Council of the outline application 22/01615/OUT for residential re-development at Bugle Nurseries, 171 Upper Halliford Road, Shepperton.

### The Proposed Development

- 1.2 The complete description of the proposed development is as follows:

*“Outline application with approval sought for scale, access and siting, with details of appearance and landscaping reserved, for the demolition of existing buildings and structures, removal of waste transfer facility and the redevelopment of the site for up to 80 residential units and the provision of open space and a play area, plus associated works for landscaping, parking areas, pedestrian, cycle and vehicular routes.”*

- 1.3 The proposed development is for up to 80 dwellings, of which 50% (up to 40 dwellings) are to be provided on-site as affordable housing. This level of provision meets the requirements of Policy HO3 (50%) of the adopted Core Strategy 2006 to 2026 (adopted 2009).
- 1.4 The proposed tenure split will be:
- a. 75 affordable housing for rent (up to 30 dwellings);
  - b. 25 First Homes (up to 10 dwellings).
- 1.5 The proposed tenure split is in accordance with the submission Local Plan (Policy H2: Affordable Housing). The proposed affordable housing will be secured by way of a Section 106 planning obligation.

## About this Proof of Evidence

1.6 This Proof of Evidence deals specifically with affordable housing and the weight to be attributed to it in this planning decision considering evidence of need in the area. It should be read alongside the evidence of:

- a. Mr Edward Ledwidge of Montagu Evans LLP in respect of planning matters;
- b. Mr Ben Pycroft of Emery Planning in respect of housing land supply; and
- c. Mr Chris Jenkinson of Aspect Landscape in respect of landscape matters.

1.1 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”).
- 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 120 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.

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

*“The evidence which I have prepared and provide for this appeal reference APP/Z3635/W/23/3325635 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.”*

- 1.3 Providing a significant boost in the delivery of housing, and in particular affordable housing, is a key priority for the Government.
- 1.4 This is set out in the most up-to-date version of the National Planning Policy Framework (the “NPPF”), the Planning Practice Guidance (the “PPG”), the National Housing Strategy and the Government’s Housing White Paper.
- 1.5 Having a thriving active housing market that offers choice, flexibility and affordable housing is critical to our economic and social well-being.
- 1.6 This Proof of Evidence deals specifically with affordable housing and the weight<sup>1</sup> to be attributed to it in the planning decision, in light of the evidence of need across Spelthorne Borough and in the Shepperton local area. It considers the positive contribution that the proposed development can make in meeting this need.
- 1.7 The Proof of Evidence takes account of a range of affordable housing indicators as well as consideration of national planning policy, performance against identified needs for affordable housing, affordability issues, and the Council’s own corporate objectives.  
**This Proof of Evidence concludes that in my opinion there is a pressing need for the proposed affordable homes now and that the planning appeal should be allowed without delay.**
- 1.8 As part of my evidence, I have sought local data from the Council through a Freedom of Information (“FOI”) request submitted to Spelthorne Borough Council on 18 September 2023. A partial response was received on 24 October 2023 and can be found at **Appendix JS 1**.
- 1.9 This Statement comprises the following nine sections:
  - a. Section 2 establishes the importance of affordable housing as an important material consideration;
  - b. Section 3 considers the consequences of failing to meet affordable housing needs;
  - c. Section 4 analyses the development plan and related policy framework including corporate documents;

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



- d. Section 5 sets out the identified affordable housing needs;
- e. Section 6 examines past affordable housing delivery against identified needs;
- f. Section 7 covers a range of affordability indicators;
- g. Section 8 considers the future supply of affordable housing;
- h. Section 9 identifies the benefits of the proposed affordable housing at the appeal site; and
- i. Section 10 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 (the "NPPF").

### **National Planning Policy Framework (September 2023) (CD-4.1)**

2.2 The revised NPPF was last updated on 5 September 2023 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.

2.3 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).

2.4 Paragraph 60 at chapter 5 of the revised NPPF confirms the Government's objective of *"significantly boosting the supply of homes"*.

2.5 The revised 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).

2.6 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"*.

2.7 Affordable housing is defined within the revised 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)**

- 2.8 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 JS 2** sets out the paragraphs of the PPG of particular relevance to affordable housing.

### **Summary**

- 2.9 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.

# The Consequences of Failing to Meet Affordable Housing Needs

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## Section 3

3.1 The National Housing Strategy<sup>2</sup> sets out that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.

3.2 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 over a decade ago the issues remain, and the commentary is sadly still highly pertinent to the issues surrounding affordable housing in Spelthorne Borough.

3.3 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 (**CD-7.5**). 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.”*

3.4 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 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*”.

3.5 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”.*

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<sup>2</sup> Laying the Foundations: A Housing Strategy for England (November 2011)

- 3.6 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.”*
- 3.7 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.
- 3.8 Mr Boles indicates there are *“a lot of statistics to prove it”*; my evidence in subsequent sections sets of an array of statistics, which I consider demonstrates the crisis remains as prominent now as it did in 2013.

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

- 3.9 This section highlights some of the evidence gathered in recent years demonstrating the significant consequences of failing to meet affordable housing needs.
- 3.10 In August 2019 the Children’s Commissioner produced a report titled *“Bleak Houses: Tackling the Crisis of Family Homelessness in England” (CD-7.6)* to investigate impact of homelessness and in particular the effect of this upon children.
- 3.11 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>3</sup>.
- 3.12 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.
- 3.13 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>3</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”.*

- 3.14 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.
- 3.15 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.
- 3.16 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.
- 3.17 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”*.
- 3.18 More recently in May 2021, Shelter published its report *“Denied the Right to a Safe Home – Exposing the Housing Emergency” (CD-7.7)* 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).
- 3.19 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)*

- 3.20 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).
- 3.21 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).
- 3.22 In April 2022 Shelter published a further report titled *“Unlocking Social Housing: How to fix the rules that are holding back building”* (CD-7.8). 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.”*
- 3.23 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.
- 3.24 At page 6 the report considers the impacts of the Government plans to scrap developer contributions (Section 106) 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).
- 3.25 In considering the impact of the private rented sector, 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.”*

- 3.26 Regarding the use of 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.”*
- 3.27 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”*.
- 3.28 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).
- 3.29 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.”*
- 3.30 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.”*
- 3.31 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).*

- 3.32 It is also pertinent to highlight that Spelthorne Borough Council itself recognises the consequences of failing to meet affordable housing needs, as demonstrated through the Development Plan and the corporate documents discussed at Section 4 of this Statement.

### **Conclusions**

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

- 3.34 These harsh consequences fall upon real households, and 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.

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

# The Development Plan and Related Policies

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## Section 4

### Introduction

- 4.1 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.
- 4.2 The relevant Development Plan in respect of affordable housing for the appeal site comprises the Core Strategy and Policies Development Plan Document (2009) and the Allocations Development Plan Document (2009). There are no Neighbourhood Plans in place in Spelthorne Borough.
- 4.3 Other material considerations include the National Planning Policy Framework (2023), the Planning Practice Guidance (March 2014, ongoing updates), as well as several corporate documents and the emerging Local Plan.

### The Development Plan

#### Core Strategy and Policies Development Plan Document (2009) (CD-5.1)

- 4.4 The Core Strategy and Policies Development Plan Document (the “Core Strategy”) was adopted in 2009 and covers a twenty-year period from 2006/07 to 2025/26.
- 4.5 Section 2 of the Core Strategy sets out a ‘spatial description of Spelthorne’ and identifies the key issues facing the Borough. Paragraph 2.9 states that *“There are in excess of 3,000<sup>4</sup> people on the Spelthorne Housing Register and there exists an on-going need for affordable housing.”*
- 4.6 Paragraph 2.35 outlines the five key issues facing the Borough which includes *“meeting the particular need for affordable housing”*. Paragraph 2.38 goes on to explain that some issues apply to specific areas of the Borough whereas other issues such as the need for affordable housing effects the whole of Spelthorne.
- 4.7 Page 9 of the Core Strategy sets out the Council’s ‘vision’ which states that:

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<sup>4</sup> According to DLUHC Live Table 600 there were 3,378 households on the register as of 2022.

*“By 2026 Spelthorne will have become a more sustainable place to live and work, the economic and social needs of all residents will be met and the environment will have been successfully protected and where possible enhanced. There will be an appropriate mix of housing to meet needs including more affordable housing and more accommodation for an increasingly ageing population...” (my emphasis).*

- 4.8 Page 10 outlines the 21 objectives which will enable the Council to achieve its ‘vision’. Objective 7 states that *“To ensure provision for housing incorporates a mix of tenure, size and type to meet local needs, including affordable housing. The type of housing provided must seek to meet the needs of households. A substantial proportion of newly forming households cannot afford to buy on the open market, so an element of ‘affordable’ housing is needed. More smaller units are needed.”* (my emphasis).
- 4.9 **Strategic Policy SP2** (Housing Provision) states that *“Within the overall total the Council will require a mix of tenure, size and type to meet identified housing needs, including provision to meet the needs of vulnerable groups. It will seek to ensure that 40% of the total housing provision is in the form of affordable housing.”*
- 4.10 **Policy HO3** (Affordable Housing) is the Council’s main affordable housing policy; it set out an overall target to achieve 40% provision of affordable housing and that to achieve this, 50% affordable housing will be sought on qualifying sites. The policy states that:

*“The Council’s target for affordable housing is that 40% of all net additional dwellings completed over the plan period, 2006-2026, should be affordable. This will be achieved by:*

*a) having regard to the circumstances of each site, negotiating for a proportion of up to 50% of housing on sites to be affordable where the development comprises 15 or more dwellings (gross) or the site is 0.5 hectares or larger irrespective of the number of dwellings. The Council will seek to maximise the contribution to affordable housing provision from each site having regard to the individual circumstances and viability, including the availability of any housing grant or other subsidy, of development on the site. Negotiation should be conducted on an ‘open book’ basis...*

*Provision within any one scheme may include social rented and intermediate units, subject to the proportion of intermediate units not exceeding 35% of the total affordable housing component.”*

### **Allocations Development Plan Document (2009) (CD-5.2)**

- 4.11 The Allocations Development Plan Document (“Allocations DPD”) was adopted in 2009 and sets out details of the Council’s allocations for housing, retail, and open space, pursuant to the Core Strategy. The Allocations DPD does not include any specific affordable housing policies since these are already provided in the Core Strategy.

### **Other Material Considerations**

#### **Emerging Local Plan 2022-2037 (CD-6.1)**

- 4.12 The emerging Local Plan was submitted to the Secretary of State for examination in November 2022 with hearing sessions taking place between May and June 2023. In June 2023 it was agreed by the Council to pause the examination for three months to allow time for the Council to understand and review the policies and implications of the hearing sessions.
- 4.13 At the time of writing, I understand that the examination remains ‘on hold’ and that the Secretary of State has issued a direction to the Council not to take any step to withdraw the Local Plan from examination. This follows a report to an Extraordinary Meeting of the Council on 14 September 2023 which included options to progress, pause or withdraw the Local Plan.
- 4.14 The ‘Foreword’ on page 5 of the emerging Local Plan explains that the Council “recognise[s] the need for new homes, especially affordable housing” but goes on to set out why it does not agree with the government methodology for overall housing requirements which requires SBC to deliver 618 homes per annum.
- 4.15 **Emerging Policy H2** (Affordable Housing) requires 30% affordable housing provision on schemes delivering 10+ units and 50% affordable housing provision on major greenfield development sites.
- 4.16 The emerging policy also sets out that the sizes, types and tenure of homes provided will be determined on the basis of local needs as identified in the Strategic Housing Market Assessment.
- 4.17 Emerging Policy H2 also states that:

*“Proposals for housing need to meet the need as identified in the most up to date housing needs assessment with particular regard to size, type and tenure of dwellings. The tenure and number of bedrooms of the affordable homes*

*provided on each qualifying site must contribute towards meeting the mix of affordable housing needs identified in the Strategic Housing Market Assessment . This currently includes a tenure split of 75% affordable/social rent, with 25% First Homes as per national guidance<sup>5</sup> . A minimum of 10% of the homes provided on each site must be available for affordable home ownership, except where an exemption applies in the NPPF.”*

4.18 The ‘reasoned justification’ for emerging Policy H2 explains that (paragraph 6.27):

*“The importance of housing delivery is a central objective of the Local Plan since housing costs in the Borough and neighbouring areas, for purchase and for rent, are generally very high. The provision of affordable housing is necessary to ensure that housing is available to local people in priority housing need who are unable to afford adequate housing on the open market.*

4.19 Paragraph 6.29 goes on to outline that the 2019 SHMA Update sets a need of 459 affordable dwellings per annum over the plan period. The Council’s delivery against this need is set out in detail at Section 6 of this Proof of Evidence.

### **Corporate Documents**

4.20 The Council’s corporate documents identify the delivery of affordable housing as a high corporate priority. These include the following documents:

- a. Housing Strategy 2020-2025; and
- b. Homelessness and Rough Sleeping Strategy 2020-2025.

### **Housing Strategy 2020-2025 (CD-7.3)**

4.21 The Housing Strategy was published in March 2020 and outlines how the Council proposes to improve residents’ access to suitable, affordable housing in Spelthorne.

4.22 The ‘Foreword’ on page 2 states that the Council *“believe that residents having somewhere to call home, which is suitable and affordable, is fundamental to having a good quality of life and contributes directly to sustainable and cohesive communities.”*

4.23 Page 14 sets out the ‘Spelthorne Context’ which explains that *“Spelthorne’s overall need for housing dominates the list of current housing challenges, fuelled by:*

- *The level of homelessness and use of temporary accommodation;*
- *Affordability of the private sector;*

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<sup>5</sup> First Homes Planning Practice Guidance: Reference ID: 70-001-20210524

- Demand on the limited supply of social housing; and
- The limited number of active affordable housing providers

4.24 Page 15 goes on to explain that “affordability of accommodation remains a serious issue for local residents. The median house price in Spelthorne has increased by 42% over the past five years to £385,000<sup>6</sup>. With a median annual salary of £35,404, a local resident would need over 11<sup>7</sup> times this amount to purchase an average home on the open market.”

4.25 Pages 22-24 of the Housing Strategy go on to set out the Council’s three overarching priorities:

- Priority 1: Enabling the delivery of more affordable homes;
- Priority 2: Promoting independence and wellbeing; and
- Priority 3: Prevent homelessness and rough sleeping.

4.26 Page 20 provides additional detail in relation to priority 1 and explains that “We need to make sure that our residents can access accommodation which meets their needs. We know that house prices and many private rents are at points which are out of reach to many who make valuable contributions to our community. We know that people in housing need have to wait far too long on our housing register before they are considered for affordable housing. We will therefore work to enable the delivery of more affordable homes.” (my emphasis).

Homelessness and Rough Sleeping Strategy 2020-2025 (CD-7.4)

4.27 The Homelessness and Rough Sleeping Strategy was published in October 2020 and outlines in detail how the Council propose to prevent and tackle homelessness in Spelthorne.

4.28 The ‘Foreword’ (page 3) sets out the Council’s primary aims which includes:

- ending the use of bed and breakfast accommodation, keeping homeless families closer to their existing support and community networks.
- reducing the length of time which homeless households stay in temporary accommodation, to limit the disruption to accessing schools, GPs and employment.

<sup>6</sup> HPSSA Dataset 9 shows that the median house price in Spelthorne Borough is £449,250 as of 2023, a further 58% increase since it stood at £385,000 in 2019 when the Housing Strategy was being prepared.

<sup>7</sup> ONS data shows that the median house price to workplace-based earnings ratio in Spelthorne is 11.34 as of 2022.

- 4.29 Pages 4-6 provide an overview of Spelthorne which set out that *“access to affordable housing options is one method of tackling homelessness and preventing rough sleeping in the borough.”*
- 4.30 Page 21 explains that Spelthorne’s overall level of homelessness and use of emergency accommodation is fuelled by:
- *Affordability of the private rented sector for local residents;*
  - *Demand on the limited supply of social housing; and*
  - *The limited number of active affordable housing providers actively developing in the borough, and lack of affordable housing supply through private developments.*
- 4.31 Page 21 goes on to state that *“In common with other areas across the country, homelessness has been a growing issue. Since 2009, the numbers of statutorily homeless households has increased significantly, although the number has remained relatively stagnant over the past four years... Over the same period, the average that the authority’s gross spend on temporary number of households in temporary accommodation is now regularly over £1million accommodation per quarter has seen a per year.”*
- 4.32 Pages 25 to 30 outline the Council’s six strategic priorities and how they aim to achieve each priority. The second priority is to ‘Reduce the length of stay in temporary accommodation’. Page 26 explains that one way to achieve this is to *“promote and increase the delivery of suitable affordable rented housing in the borough which will give homeless households greater options of moving onto settled accommodation.”*

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

- 4.33 The Development Plan for SBC currently comprises the Core Strategy and Policies Development Plan Document (2009) and the Allocations Development Plan Document (2009).
- 4.34 It is my opinion that the evidence set out in this section clearly highlights that within adopted policy, emerging 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 SBC.
- 4.35 The appeal proposals provide an affordable housing contribution which exceeds requirements of adopted Policies SP2 and HO3 and meets the requirements of emerging Policy H2.



- 4.36 The up to 40 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 6 of my evidence.

# Affordable Housing Needs in Spelthorne

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## Section 5

### **Housing Market Assessments**

5.1 As I set out in the preceding section, policy HO3 of the adopted Core Strategy seeks to achieve 40% of all completions as affordable housing. In addition to this Development Plan target, it is important to consider the objectively assessed need for affordable housing within the most up-to-date assessments of local housing need. In Spelthorne, these are the Runnymede and Spelthorne Strategic Housing Market Assessment 2015, and a subsequent update in 2019.

### **Runnymede and Spelthorne Strategic Housing Market Assessment 2015 (CD-7.2)**

5.2 The Runnymede and Spelthorne Strategic Housing Market Assessment (“2015 SHMA”) was published in November 2015 and prepared by consultants GL Hearn on behalf of Spelthorne Borough Council and the neighbouring authority of Runnymede Borough Council. It sets out the affordable housing need in the Boroughs for a 20-year period from 2013/14 to 2032/33.

5.3 Chapter 6 sets out the calculation of affordable housing need, which is undertaken in line with the Basic Needs Assessment Model issued by the Government and illustrated at Figure 70 at page 99 of the 2015 SHMA. In summary, the affordable housing need comprises:

- a. Current housing need as of the base date of the assessment, which is then cleared over the SHMA period;
- b. Newly arising housing need each year, from newly-forming households unable to afford, and existing households falling into need;
- c. The supply of affordable housing through relets and resales of existing homes, which can be used to accommodate those households in need and are off-set against existing and newly identified need.

5.4 The calculation of need is set out at paragraphs 6.30 to 6.49 at pages 101 to 108 of the 2015 SHMA. The net affordable housing need is set out at Figures 83 and 84 at

pages 109 and 110 respectively. The two tables present two different assessments, assuming two different affordability thresholds:

- a. Figure 83 shows the calculation based upon the assumption that a household can afford to spend 25% on its income on housing; this identifies a need for 492 affordable dwellings per annum from 2013/14 to 2032/33.
- b. Figure 84 shows the calculation based on the assumption that a household can afford to spend as much as 40% of its income on housing; this identifies a lower need for 267 affordable dwellings per annum from 2013/14 to 2032/33.

5.5 In my opinion, it is preferable to adopt a lower affordability threshold. When a household must spend a bigger share of its income on housing then it has a smaller proportion left to cover utilities, food and other living costs. It is commonly accepted that an affordability threshold of 30% is appropriate, including by bodies such as the Office for National Statistics and leading housing charity Shelter.

5.6 Nonetheless, for the analysis in this Proof of Evidence I take forward the lower figure of **267 affordable dwellings per annum from 2013/14 to 2032/33** – with the strong proviso that it is likely to underrepresent the level of affordable housing need.

#### **Spelthorne Strategic Housing Market Assessment Update (2019) (CD-7.1)**

5.7 The Spelthorne Strategic Housing Market Assessment Update (“2019 SHMA Update”) was published in October 2019 and presents an updated assessment of affordable housing need for the 16-year period from 2019/20 to 2034/35.

5.8 The 2019 SHMA Update includes more recent data inputs and a number of significant revisions, including:

- a. a reduced time period (with the ‘current’ affordable housing need cleared over a 16-year period rather than 20-year period);
- b. an amended affordability threshold of 35% of household income; and
- c. a separate calculation of the need for affordable routes to home ownership (which reflects the widened definition of affordable housing that was first set out at Annex 2 of the 2019 version of the NPPF).

5.9 Table 12 at page 30 shows the updated calculation of the net need for affordable housing. It identifies a need for **459 affordable dwellings per annum from 2019/20 to 2034/35**.

- 5.10 Table 15 at page 36 sets out a separate estimate of the need for affordable routes to home ownership; this is set out as a range between 29 and 384 affordable home ownership dwellings per annum, depending on whether lower-quartile open market properties are counted towards meeting the gross need for affordable home ownership dwellings.
- 5.11 In light of this significant uncertainty and for consistency with the 2015 SHMA, I do not seek to include the element of affordable home ownership in my analysis in the rest of this Proof of Evidence.

### **Conclusions on Affordable Housing Needs in Spelthorne Borough**

- 5.12 The 2015 SHMA identifies a need for **267 net affordable dwellings per annum** over the 20-year period between 2013/14 and 2032/33. This figure is calculated on the basis of a high affordability threshold of 40%, under which households must devote more of their income to housing costs than the commonly-accepted threshold of 30%, and the 2015 SHMA is likely to underrepresent the extent of affordable housing need.
- 5.13 The more recently published 2019 SHMA Update identifies a need for **459 affordable dwellings per annum from 2019/20 to 2034/35**, based on a reduced affordability threshold of 35% (which in my view is more appropriate although still not the commonly-accepted 30% threshold) and a reduced time period.

# Affordable Housing Delivery in Spelthorne

## Section 6

### Net affordable housing delivery

6.1 Figure 6.1 below illustrates the net delivery of affordable housing in Spelthorne Borough over the seventeen monitoring years since the start of the adopted Core Strategy period in 2006/07. This net position includes sales of Registered Provider stock through the Right to Buy (data available from 2011/12 to 2022/23) which have totalled 30 dwellings over the period, and the gross-to-net calculation is set out at **Appendix JS 3** of this Proof of Evidence.

*Figure 6.1: Net Additions to Affordable Housing Stock in Spelthorne, 2006/07 to 2022/23*

Monitoring Year	Net Overall Housing Completions	Net Affordable Housing Additions	Net Affordable Additions as a % of Net Overall Completions
2006/07	180	55	31%
2007/08	184	22	12%
2008/09	187	57	30%
2009/10	211	43	20%
2010/11	139	52	37%
2011/12	159	82	52%
2012/13	170	38	22%
2013/14	191	39	20%
2014/15	265	-32	-12%
2015/16	308	122	40%
2016/17	347	42	12%
2017/18	250	7	3%
2018/19	289	6	2%
2019/20	228	-1	0%
2020/21	639	175	27%
2021/22	205	-2	-1%
2022/23	138	0	0%
<b>Total</b>	<b>4,090</b>	<b>705</b>	<b>17%</b>
<b>Average per annum</b>	<b>241</b>	<b>41</b>	<b>17%</b>

Source: Freedom of Information Response dated 24 October 2023

- 6.2 Between 2006/07 and 2022/23, a total of 4,090 dwellings of all tenures have been delivered in Spelthorne, equivalent to 241 dwellings per annum. Over the same period, there were 705 net affordable housing additions, equivalent to an average of 41 net affordable dwellings per annum. This equates to 17% net affordable housing delivery.
- 6.3 Affordable housing delivery in Spelthorne has fluctuated significantly in recent years – for example, 175 affordable dwellings were completed in 2020/21, but there were net losses in 2019/20 and 2021/22 and zero net additions in 2022/23.

*Continues overleaf*

## Net Affordable Housing Delivery Compared to Policy Targets: Core Strategy Policy HO3

6.4 Policy HO3 of the Core Strategy contains a target to deliver 40% affordable housing across all net additional dwellings (to be achieved by seeking 50% affordable on qualifying sites). This target carries statutory status as part of Development Plan policy. Figure 6.2 below compares the percentage of net affordable additions against this 40% policy target.

*Figure 6.2: Net Additions to Affordable Housing Stock compared to Policy HO3 Target, 2006/07 to 2022/23*

Monitoring Year	Net Affordable Additions as a % of Net Overall Completions	Policy HO3 Target (40%)	Over- or under-performance
2006/07	31%	40%	-9%
2007/08	12%	40%	-28%
2008/09	30%	40%	-10%
2009/10	20%	40%	-20%
2010/11	37%	40%	-3%
2011/12	52%	40%	+12%
2012/13	22%	40%	-18%
2013/14	20%	40%	-20%
2014/15	-12%	40%	-52%
2015/16	40%	40%	0%
2016/17	12%	40%	-28%
2017/18	3%	40%	-37%
2018/19	2%	40%	-38%
2019/20	0%	40%	-40%
2020/21	27%	40%	-13%
2021/22	-1%	40%	-41%
2022/23	0%	40%	-40%
<b>Total</b>	<b>17%</b>	<b>40%</b>	<b>-23%</b>
<b>Average per annum</b>	<b>17%</b>	<b>40%</b>	<b>-23%</b>

Source: See Figure 6.1 above; Core Strategy

6.5 As Figure 6.2 shows, the Council has achieved an average of 17% net affordable housing additions against the Development Plan target of 40%. The 40% target has been met in just two of seventeen monitoring years. Affordable housing provision is 23% below the 40% that is expected; put another way, the proportion that is being achieved is less than half what is being expected.

### Net Affordable Housing Delivery Compared to Identified Needs: 2015 SHMA

6.6 Figure 6.3 illustrates net affordable housing delivery compared to the identified need of 267 affordable dwellings per annum over the ten monitoring years from 2013/14 to date, as set out in the 2015 SHMA. This analysis uses the lower (and thus more achievable) affordable housing need figure based upon an affordability threshold of 40% and therefore underrepresents the level of affordable housing need.

*Figure 6.3: Net Additions to Affordable Housing Stock Compared to Needs Identified in the 2015 SHMA*

Monitoring Year	Net Affordable Housing Additions	Affordable Housing Need: 2015 SHMA (267dpa)	Shortfall	Cumulative Shortfall	Percentage of Needs Met
2013/14	39	267	-228	-228	15%
2014/15	-32	267	-299	-527	-12%
2015/16	122	267	-145	-672	46%
2016/17	42	267	-225	-897	16%
2017/18	7	267	-260	-1,157	3%
2018/19	6	267	-261	-1,418	2%
2019/20	-1	267	-268	-1,686	0%
2020/21	175	267	-92	-1,778	66%
2021/22	-2	267	-269	-2,047	-1%
2022/23	0	267	-267	-2,314	0%
<b>Total</b>	<b>356</b>	<b>2,670</b>	<b>-2,314</b>		<b>13%</b>
<b>Average</b>	<b>36</b>	<b>267</b>	<b>-231</b>		<b>13%</b>

Source: See Figure 6.1 above; 2015 SHMA

6.7 Over the ten years of the 2015 SHMA period from 2013/14 to date, net affordable housing completions have averaged just 36 affordable dwellings per annum against an identified need for 267 affordable dwellings per annum. A significant shortfall of -2,314 affordable dwellings has arisen over the ten year period, equivalent to an average annual shortfall of -231 affordable dwellings. Overall, the Council has met just 13% of the identified needs contained within the 2015 SHMA.

6.8 This situation is all the more concerning, because the figure of 267 dwellings per annum is based upon an affordability assumption which underrepresents the extent of the need.



## Net Affordable Housing Delivery Compared to Identified Needs: 2019 SHMA Update

6.9 Figure 6.4 illustrates net affordable housing delivery compared to the identified need of 459 affordable dwellings per annum over the four monitoring years from 2019/20 to date, as set out in the 2019 SHMA Update.

*Figure 6.4: Net Additions to Affordable Housing Stock Compared to Needs Identified in the 2019 SHMA Update*

Monitoring Year	Net Affordable Housing Additions	Affordable Housing Need: 2019 SHMA Update (459dpa)	Shortfall	Cumulative Shortfall	Percentage of Needs Met
2019/20	-1	459	-460	-460	0%
2020/21	175	459	-284	-744	38%
2021/22	-2	459	-461	-1,205	0%
2022/23	0	459	-459	-1,664	0%
<b>Total</b>	<b>172</b>	<b>1,836</b>	<b>-1,664</b>		<b>9%</b>
<b>Average</b>	<b>43</b>	<b>459</b>	<b>-416</b>		<b>9%</b>

Source: See Figure 6.1 above; 2019 SHMA Update

6.10 Over the first four years of the 2019 SHMA Update period from 2019/20 to date, net affordable housing completions have averaged 43 affordable dwellings per annum against an identified need for 459 affordable dwellings per annum. A significant shortfall of -1,664 affordable dwellings has already arisen over just four years, equivalent to an average annual shortfall of -416 affordable dwellings. Overall, the Council has met only 9% of the identified needs contained within the 2019 SHMA Update.

6.11 It is notable that three of the last four years have seen either negative or zero, affordable housing delivery in Spelthorne. It is only the delivery of 175 affordable dwellings in 2020/21 that has made any contribution towards meeting the identified needs.

### Conclusions on Affordable Housing Delivery

6.12 The above evidence demonstrates that across Spelthorne, the delivery of affordable housing has fallen persistently and substantially short of meeting identified needs and the policy requirement set out in adopted Core Strategy policy HO3.

- 6.13 In the seventeen monitoring years since the start of the Core Strategy period in 2006/07, net affordable housing delivery represented 17% of overall housing delivery, at an average of 41 affordable dwellings per annum. This proportion is less than half the 40% target contained in policy HO3.
- 6.14 Against the affordable housing need of 267 net affordable dwellings per annum between 2013/14 and 2032/33 set out in the 2015 SHMA (although with the caveat that this underrepresents needs), a cumulative shortfall of -2,314 affordable dwellings has already arisen over the ten-year period between 2013/14 and 2022/23, equivalent to an average annual shortfall of -231 affordable dwellings and with just 13% of needs being met.
- 6.15 Against the affordable housing need of 459 net affordable dwellings per annum between 2019/20 and 2034/35 set out in the 2019 SHMA Update, a cumulative shortfall of -1,644 affordable dwellings has already arisen in the first four years 2019/20 and 2022/23, equivalent to an average annual shortfall of -419 affordable dwellings and with just 9% of needs being met.
- 6.16 Affordable housing delivery has fallen far short of Development Plan targets and identified needs over a seventeen-year period. In my opinion, this is a lamentable situation where affordable housing delivery is not even coming close to meeting the needs of real households in the Borough. This is in the context where the Development Plan was adopted with the expectation that 40% affordable housing delivery would be achieved.
- 6.17 It is clear that a 'step change' in affordable housing delivery is needed now in Spelthorne to address these shortfalls and ensure that the future authority-wide needs for affordable housing can be met.
- 6.18 In light of the identified level of need and these chronic and persistent shortfalls, there can be no doubt that the delivery of up to 40 affordable dwellings on the proposed site will make an important contribution to the affordable housing needs of Spelthorne and its residents.

# The Future Supply of Affordable Housing

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## Section 7

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

- 7.1 The tables and analysis in the preceding have looked at past affordable housing trends, but it is important to also consider how much affordable housing might come forward in the future.
- 7.2 Through this appeal, the Council and the Appellant have agreed a Statement of Common Ground in respect of five year housing land supply:
- a. It is the Council's position that it has a deliverable supply of 2,615 dwellings over the next five years from 2023/24 to 2027/28; and
  - b. It is the Appellant's position that the Council has a deliverable supply of 2,073 dwellings over the same period.
- 7.3 As Figure 6.1 in the preceding section shows, the Council has achieved an average of 17% net affordable housing completions over the seventeen monitoring years of the Local Plan period so far, from 2006/07 to 2022/23.
- 7.4 Consequently, if one assumes that the 2,615 homes in the Council's claimed deliverable supply will also yield 17% in line with the trends seen to date, then there is a likely deliverable supply of 445 affordable homes over the five years 2023/24 to 2027/28 – an average of 89 net affordable dwellings per annum.
- 7.5 If one repeats the same exercise using the Appellant's position that there is a deliverable supply of 2,073 dwellings and assumes that this will also yield 17% affordable housing, then there is a likely deliverable supply of 352 affordable dwellings over the five years 2023/24 to 2027/28 – an average of 70 affordable dwellings per annum.

## Future Affordable Housing Delivery Compared to Identified Needs: 2019 SHMA Update

### Council's Position

7.6 Figure 7.1 below calculates the rolling shortfall in affordable housing delivery over the next five years, when compared against the identified needs in the 2019 SHMA Update for 459 affordable dwellings per annum. As Figure 6.4 above shows, to date there has been a net shortfall of -1,664 affordable homes over the first four monitoring years of the SHMA period from 2019/20 to 2022/23. Figure 7.1 applies the projected average of 89 net affordable dwellings (based upon the Council's claimed supply) over the next five years to identify the shortfall at the end of 2027/28.

*Figure 7.1: Projected Affordable Housing Completions (Council's Position) Compared to Identified Needs in the 2019 SHMA – the Next Five Years to 2027/28*

	Net Affordable Housing Additions		Affordable Housing Need: 2019 SHMA Update (459dpa)	Shortfall	Cumulative shortfall
	Actual	Projected (Council's position)			
2019/20	-1		459	-460	-460
2020/21	175		459	-284	-744
2021/22	-2		459	-461	-1,205
2022/23	0		459	-459	-1,664
2023/24		89	459	-370	-2,034
2024/25		89	459	-370	-2,404
2025/26		89	459	-370	-2,774
2026/27		89	459	-370	-3,144
2027/28		89	459	-370	-3,514
<b>Total</b>	<b>172</b>	<b>445</b>	<b>4,131</b>	<b>-3,514</b>	<b>-3,514</b>

Source: See Figure 6.3 above; Housing Land Supply Statement of Common Ground

7.7 The potential delivery of 89 net affordable dwellings per annum over the next five years is not enough to meet the identified need for 459 affordable dwellings per annum as set out in the 2019 SHMA Update. Alarming, as a result, the existing shortfall of -1,664 affordable dwellings will widen to -3,514 affordable dwellings by the end of 2027/28. There is clearly a persistent and substantial under-delivery of affordable homes, which is likely to continue over the next five years. Consequently, there is a significant need for more affordable homes to receive permission now if future needs are to be met.

Appellant's Position

7.8 Figure 7.2 below recalculates the rolling shortfall in affordable housing delivery over the next five years, when compared against the identified needs in the 2019 SHMA Update for 459 affordable dwellings per annum. Figure 7.2 applies the projected average of 70 net affordable dwellings (based upon the Appellant's claimed supply) over the next five years to identify the shortfall at the end of 2027/28.

*Figure 7.2: Projected Affordable Housing Completions (Appellant's Position) Compared to Identified Needs in the 2015 SHMA – the Next Five Years to 2027/28*

	Net Affordable Housing Additions		Affordable Housing Need: 2019 SHMA Update (459dpa)	Shortfall	Cumulative shortfall
	Actual	Projected (Appellant's position)			
2019/20	-1		459	-460	-460
2020/21	175		459	-284	-744
2021/22	-2		459	-461	-1,205
2022/23	0		459	-459	-1,664
2023/24		70	459	-389	-2,053
2024/25		70	459	-389	-2,442
2025/26		70	459	-389	-2,831
2026/27		70	459	-389	-3,220
2027/28		70	459	-389	-3,609
<b>Total</b>	<b>172</b>	<b>350</b>	<b>4,131</b>	<b>-3,609</b>	<b>-3,609</b>

Source: See Figure 6.4 above; Housing Land Supply Statement of Common Ground. Figures may not sum due to rounding.

7.9 The potential delivery of 70 net affordable dwellings per annum over the next five years is even further from meeting the identified need for 459 affordable dwellings per annum as set out in the 2019 SHMA Update. On this basis, the existing shortfall of -1,664 affordable dwellings will widen to -3,609 affordable dwellings by the end of 2027/28. This is an even greater shortfall and once again underlines the significant need for more affordable homes to receive permission now if future needs are to be met.

# Affordability Indicators

## Section 8

### Market Signals

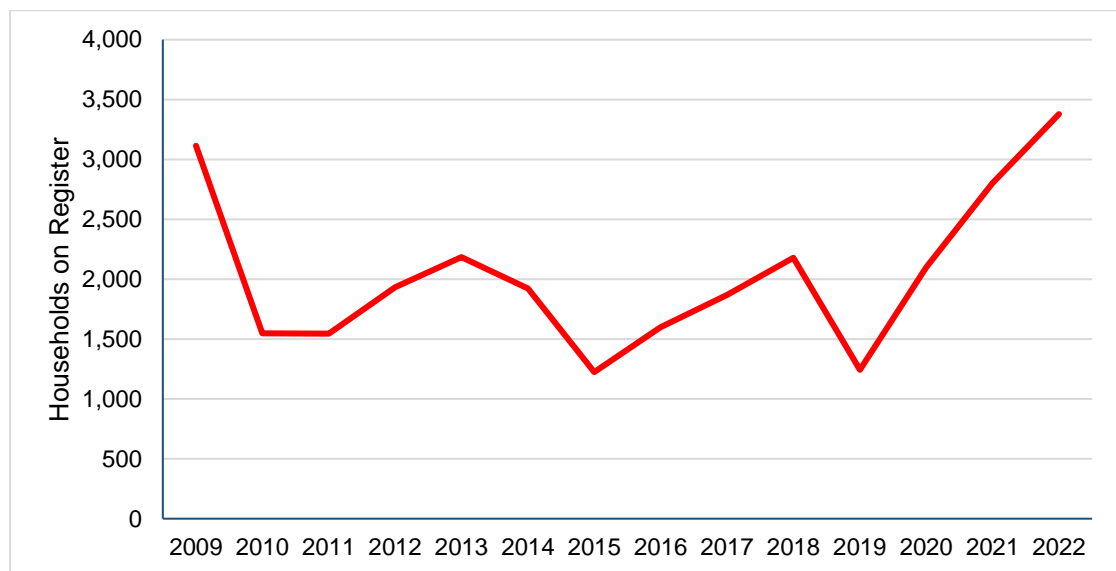
8.1 The PPG recognises the importance of giving due consideration to market signals as part of understanding affordability. It is acknowledged that this is in the context of plan making.

### Spelthorne Housing Register

8.2 Data published by DLUHC shows that **on 31 March 2022, there were 3,378 households on Spelthorne Borough Council’s Housing Register.**

8.3 Figure 8.1 below shows the Housing Register since the adoption of the Core Strategy in 2019. The Housing Register has fluctuated significantly over this time, and the figure of 3,378 households in 2022 follows three consecutive years of significant growth, having more than doubled since 2019 (when the register stood at 1,242 households).

*Figure 8.1: Housing Register, Spelthorne, 2009 to 2022*



Source: DLUHC Live Table 600

8.4 The Council has since advised in its Freedom of Information Response (**Appendix JS 1**) that the Housing Register has reduced, since a new housing allocations policy has been introduced and all applicants have been required to reapply:

*“We have just introduced a new housing allocations policy and invited all our customers to reapply. Our register has gone from 3800 households to 1700 households”*

8.5 The June 2022 Housing Allocation Policy (**CD-6.8**) has been implemented from September 2023 onwards and now includes a number of restrictive qualification criteria including lengthy local connection criteria, and stringent financial qualification tests:

- a. Applicants must demonstrate a local connection (either three years’ continuous residence; or five years’ continuous residence in the last ten years; or a demonstrable family connection with a health or welfare need; or one years’ work subject to criteria)
- b. Applicants must not own an existing property in full or in part; and
- c. Applicants must have a net income of no more than £30,000 per annum (single person) or £60,000 per annum (joint) and total household savings must not exceed £30,000.
- d. Certain other criteria are applied in relation to specific circumstances (e.g. where the applicant is a care leaver, or is in the Armed Forces).

8.6 Footnote 4 of DLUHC Live Table 600 highlights that:

*“The Localism Act 2011, which came into force in 2012, gave local authorities the power to set their own qualification criteria determining who may or may not go onto the housing waiting list. Previously, local authorities were only able to exclude from their waiting list people deemed guilty of serious unacceptable behaviour. The Localism Act changes have contributed to the decrease in the number of households on waiting lists since 2012.” (My emphasis).*

8.7 Evidently the result of the Localism Act is that many local authorities, including Spelthorne Borough Council, have been able to exclude applicants already on Housing Register waiting lists who no longer meet the new narrower criteria but who are still in need of affordable housing.

8.8 In the case of Spelthorne, any drop in the Housing Register has not arisen because households’ needs have been met; it is because their needs are no longer counted. Given that applicants are required to re-apply for the Housing Register, it is unclear:

- a. how many have chosen not to re-apply (seeing that there is a limited prospect of their needs ever being met);

- b. how many of the original ~3,800 households have failed the new restrictive qualification tests but nonetheless are experiencing problems with their housing; or
  - c. how many applicants have been deleted from the Housing Register but intend to re-apply.
- 8.9 Whilst restricting the entry of applicants on to the Housing Register may temporarily reduce the number of households on the waiting list, this does not reduce the level of need, it merely displaces it.
- 8.10 It may also have other negative impacts when one considers that those who are excluded from the register may be forced to move away from Spelthorne to find cheap accommodation in other areas, but due to their connections to Spelthorne Borough, they still have to commute back into the area to visit friends, family and travel to their place of work.
- 8.11 Ironically, where households are required to relocate outside of Spelthorne, it becomes more difficult for them to meet the restrictive local connection criteria.
- 8.12 The ability of Local Authorities to set their own qualification criteria in relation to Housing Registers was recognised by the Planning Inspector presiding over an appeal at Oving Road, Chichester (**CD-10.4**) in August 2017. In assessing the need for affordable housing in the district, and in determining the weight to be attached to the provision of affordable housing for the scheme which sought to provide 100 dwellings; the Inspector acknowledged at paragraph 63 of their report that:
- “The provision of 30% policy compliant affordable houses carries weight where the Council acknowledges that affordable housing delivery has fallen short of meeting the total assessed affordable housing need, notwithstanding a recent increase in delivery. With some 1,910 households on the Housing Register in need of affordable housing, in spite of stricter eligibility criteria being introduced in 2013 there is a considerable degree of unmet need for affordable housing in the District. Consequently, I attach substantial weight to this element of the proposal” (my emphasis).*
- 8.13 Furthermore, in the appeal decision elsewhere at Oxford Brookes University Campus at Wheatley (**CD-10.12**), the Inspector asserted at paragraph 13.101 of his 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).*

8.14 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”*.

8.15 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”*.

8.16 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 and persistent under delivery. In my opinion the numbers on Spelthorne Borough Council’s housing register remains high.

8.17 It is important to note that the Housing Register is only part of the equation relating to housing need. The housing register does not constitute the full definition of affordable housing need as set out in the NPPF – Annex 2 definitions i.e. affordable rented, starter homes, discounted market sales housing and other affordable routes to home ownership including shared ownership, relevant equity loans, other low-cost homes for sale and rent to buy, provided to eligible households whose needs are not met by the market.

8.18 In short there remains a group of households who fall within the gap of not being eligible to enter the housing register but who also cannot afford a market property and as such are in need of affordable housing. It is those in this widening affordability gap who, I suggest, the Government intends to assist by increasing the range of affordable housing types in the most recent NPPF.

### Help to Buy Register

- 8.19 Further evidence in respect of the need across Spelthorne for affordable housing is provided in information from Help to Buy South.
- 8.20 Help to Buy South is one of three agents appointed by the Government to manage the Help to Buy initiative as well as other affordable home ownership options including shared ownership. The Help to Buy Equity Loan scheme closed at the end of 2022. However, the extant data from the Help to Buy South system helps to identify the number of households who have registered for an affordable home ownership home in the Borough. The Help to Buy Register shows that on that on 24 March 2023, **622 households are seeking a shared ownership home in Spelthorne.**

### Homelessness

- 8.21 DLUHC statutory homelessness data shows that in the 12 months between 1 April 2022 and 31 March 2023, the Council accepted 247 households in need of homelessness prevention duty<sup>8</sup>, and another 137 households in need of relief duty<sup>9</sup>. This is a total of 384 households.
- 8.22 In Spelthorne, the termination of a private sector tenancy accounts for 124 households owed a prevention duty, or 51% of all households owed a prevention duty; it is the most common reason for the prevention duty.
- 8.23 Furthermore a 2017 report by the National Audit Office (“NAO”) found that:

***“The ending of private sector tenancies has overtaken all other causes to become the biggest single driver of statutory homelessness in England. The proportion of households accepted as homeless by local authorities due to the end of an assured shorthold tenancy increased from 11% during 2009-10 to 32% during 2016-17. The proportion in London increased during the same period from 10% to 39%. Across England, the ending of private sector tenancies accounts for 74% of the growth in households who qualify for temporary accommodation since 2009-10. Before this increase, homelessness was driven by other causes. These included more personal factors, such as relationship breakdown and parents no longer being willing or able to house children in their own homes. The end of an assured shorthold tenancy is the***

<sup>8</sup> The Prevention Duty places a duty on housing authorities to work with people who are threatened with homelessness within 56 days to help prevent them from becoming homeless. The prevention duty applies when a local authority is satisfied that an applicant is threatened with homelessness and eligible for assistance.

<sup>9</sup> The Relief Duty requires housing authorities to help people who are homeless to secure accommodation. The relief duty applies when a local authority is satisfied that an applicant is homeless and eligible for assistance.

defining characteristic of the increase in homelessness that has occurred since 2010.” (Emphasis in original).

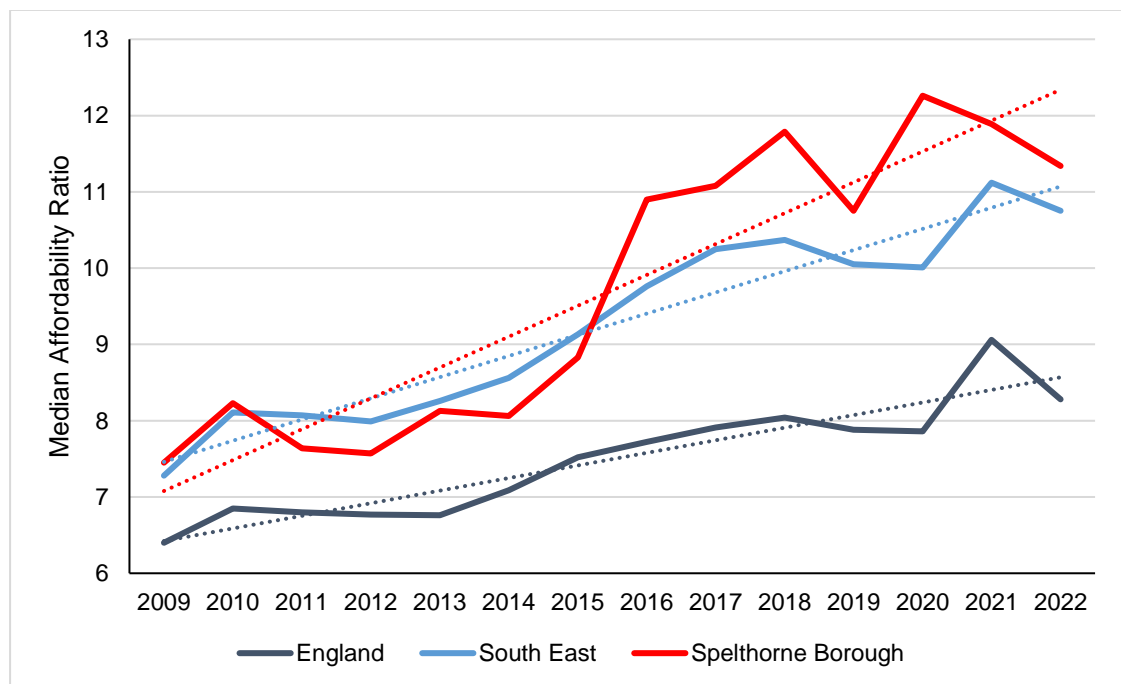
- 8.24 The NAO report also noted that *“The affordability of tenancies is likely to have contributed to the increase in homelessness”* and that *“Changes to Local Housing Allowance are likely to have contributed to the affordability of tenancies for those on benefits, and are an element of the increase in homelessness”*.

### Affordability Ratios

#### Median affordability ratio

- 8.25 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 Spelthorne Borough? For context, mortgage lending is typically offered on up to 4.5 times earnings (and may be lower subject to individual circumstances).
- 8.26 The ratio of median house prices to median incomes in Spelthorne Borough now stands at 11.34, a 52% increase since the Core Strategy was adopted in 2009 where it stood at 7.45.

Figure 8.2: Median Workplace-Based Affordability Ratio Comparison, 2009 to 2022



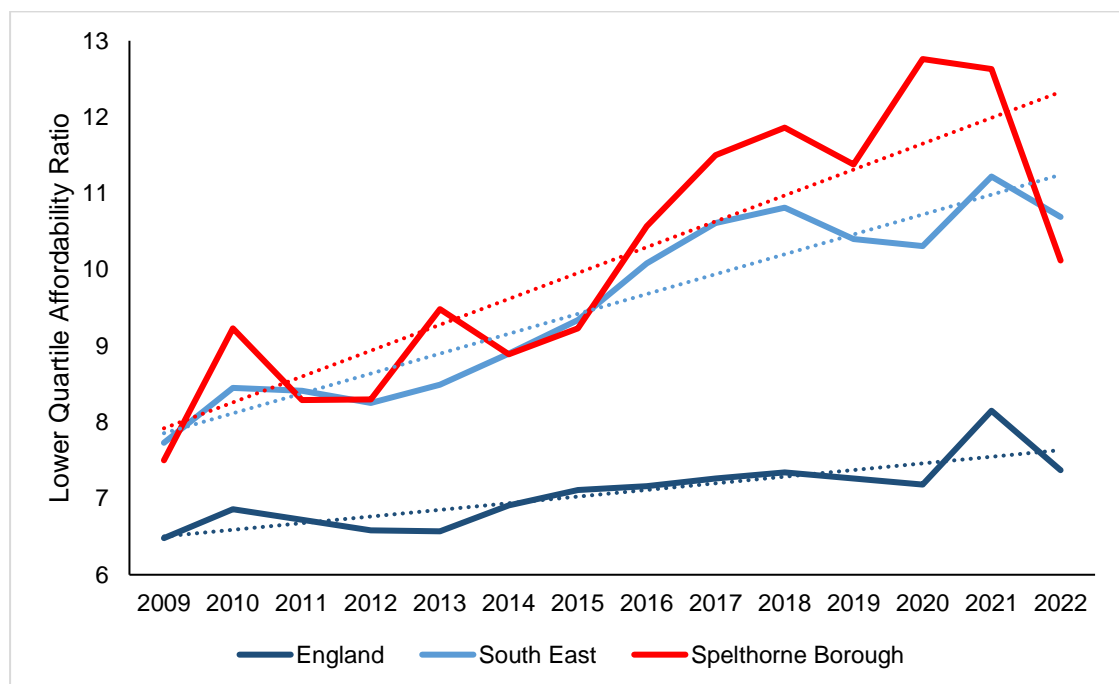
Source: Office for National Statistics

- 8.27 This median ratio of 11.34 in Spelthorne Borough is well in excess of the 4.5 times benchmark used for mortgage lending. It also stands significantly above the national median ratio of 8.28 (+37%) and also above the South East median ratio of 10.75 (+5%).
- 8.28 It is also worth noting that a figure of 8 times average incomes was described as problematic by the former Prime Minister in the foreword to the White Paper titled – Fixing our broken housing market (**CD-7.9**). Here, the affordability ratio is some 42% higher than that and rising.

Lower quartile affordability ratio

- 8.29 For those seeking a lower quartile priced property (typically considered to be the ‘more affordable’ segment of the housing market), the ratio of lower quartile house price to incomes in Spelthorne Borough now stands at 10.12, a 35% increase since the Core Strategy was adopted in 2009 where it stood at 7.50.

*Figure 8.3: Lower Quartile Workplace-Based Affordability Ratio Comparison, 2009 to 2022*



Source: Office for National Statistics

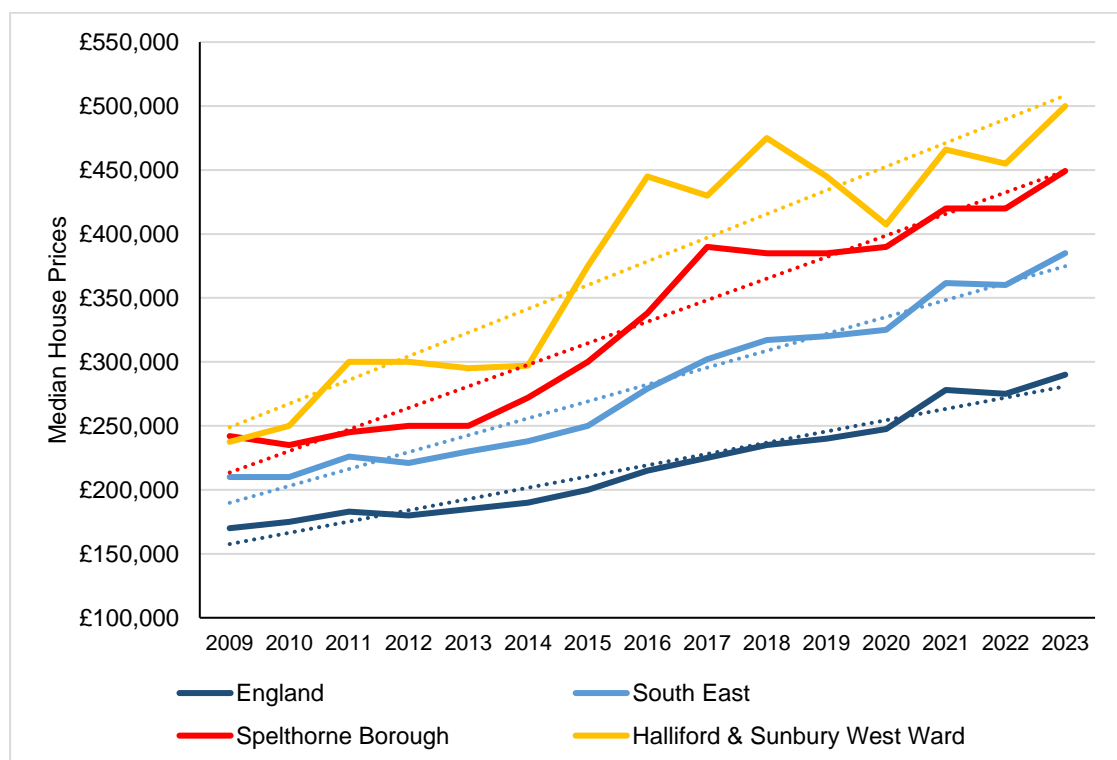
- 8.30 Once again, it is notable that the lower quartile ratio of 10.12 in Spelthorne Borough far exceeds the 4.5 times benchmark used for mortgage lending. It also stands significantly above the national lower quartile ratio of 7.37 (+37%) and just below the South East lower quartile ratio of 10.69 (-5%).

## House prices

### Median house prices

- 8.31 Figure 8.4 illustrates the median house sale prices for England, the South East, Spelthorne Borough, and Halliford and Sunbury West Ward (where the appeal site is located). It demonstrates that prices have increased dramatically between the adoption of the Core Strategy in 2009 and 2023.
- 8.32 The median house price across Halliford and Sunbury West Ward has risen by 92% from £237,500 in 2009 to £500,000 in 2023. This compares to a 86% increase across Spelthorne, a 83% increase across the South East and a national increase of 71% over the same period.
- 8.33 In 2023 median house prices in Halliford and Sunbury West Ward (£500,000) were 11% higher than across Spelthorne (£449,250), 30% higher than across the South East (£385,000) and 72% higher than the national figure (£290,000).

*Figure 8.4: Median House Prices, 2009 to 2023*



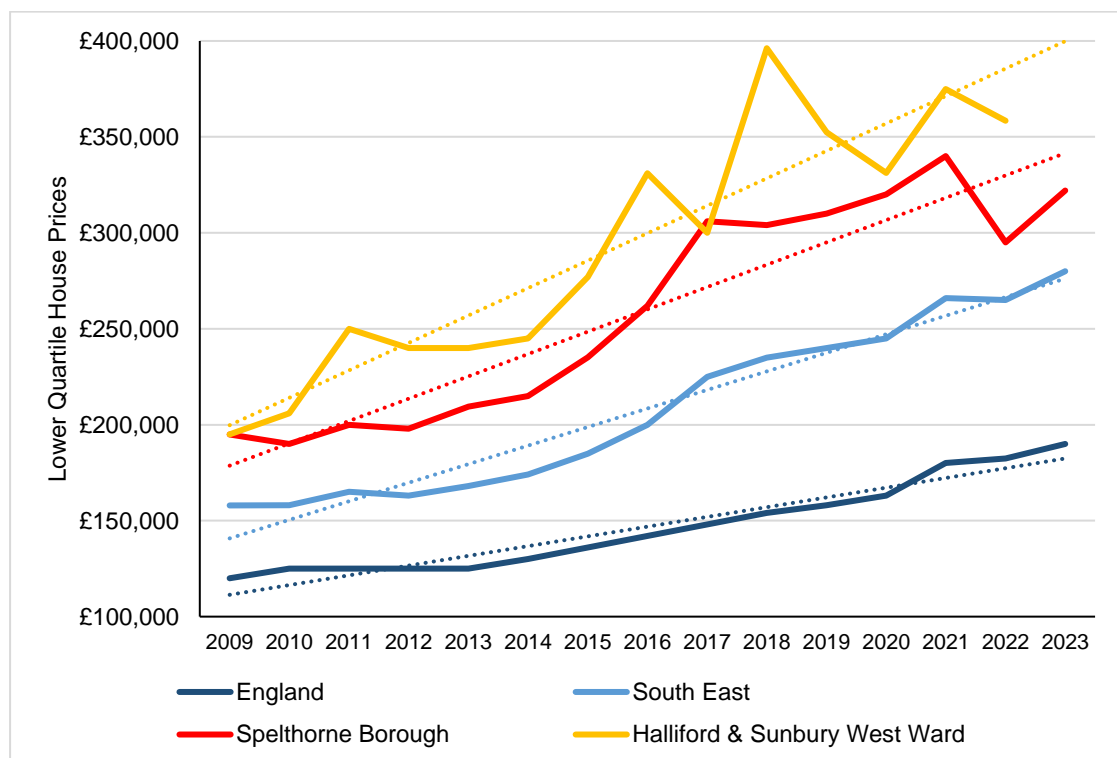
Source: ONS HPSSA Datasets

- 8.34 Evidently median house prices in the Halliford and Sunbury West Ward are proportionally higher than across the Borough thus further constraining opportunities for those in need of affordable home ownership to purchase a home in this area of Spelthorne.

Lower quartile house prices

- 8.35 Lower quartile house prices are representative of the “entry level” of the housing market. Figure 8.5 illustrates the lower quartile house sale prices for England, the South East, Spelthorne Borough and Halliford and Sunbury West Ward. It demonstrates that they have increased dramatically between the adoption of the Core Strategy in 2009 and 2023.
- 8.36 The lower quartile house price across Spelthorne Borough has risen by 65% from £195,000 in 2009 to £322,000 in 2023. This compares to a 77% increase across the South East and a national increase of 58% over the same period. Although 2023 data is not yet available for Halliford and Sunbury West Ward, there was an 84% increase from £195,000 in 2009 to £358,500 in 2022.
- 8.37 In 2022 (the most recent year for which ward level data is available) lower quartile house prices in the Halliford and Sunbury West Ward (£258,500) were 22% higher than across SBC (£295,000), 35% higher than across the South East region (£265,000) and 96% higher than the national figure (£182,500).

Figure 8.5: Lower Quartile House Prices, 2009 to 2023



Source: ONS HPSSA Datasets

8.38 The importance of providing affordable tenures in high value areas for housing was recognised by the Planning Inspector presiding over an appeal at Land at Filands Road/Jenner Lane, Malmesbury, Wiltshire (**CD-10.5**) in January 2022. In considering the provision of affordable housing at the site and the weight to be attached to this provision the Inspector set out the following at paragraphs 78 and 79 of the decision:

*“78. The proposed affordable housing would not be as cheap, either to rent or buy, as housing in some other parts of Wiltshire, because Malmesbury is a relatively high value area for housing. However, the housing would meet all policy requirements in terms of amount, mix, and type of provision. Both Appeals A and C would offer affordable housing products as defined by national and local planning policy. I do not diminish the weight to be provided to this provision because such housing might be even cheaper in a theoretical location elsewhere. In fact, that Malmesbury is a relatively high value area for housing adds more weight to the need for affordable housing products.”*

*79. Evidence has been provided that there is more affordable housing either already provided or committed for Malmesbury than the identified need. However, that need is as identified in a Development Plan that is out-of-date in relation to housing, and there is an overall identified shortfall in Wiltshire as a whole. I therefore place substantial positive weight on the proposed provision of affordable housing in Appeals A and C. The slightly reduced provision in Appeal C, after taking account of the nursery land, is of no material difference in this regard” (my emphasis).*

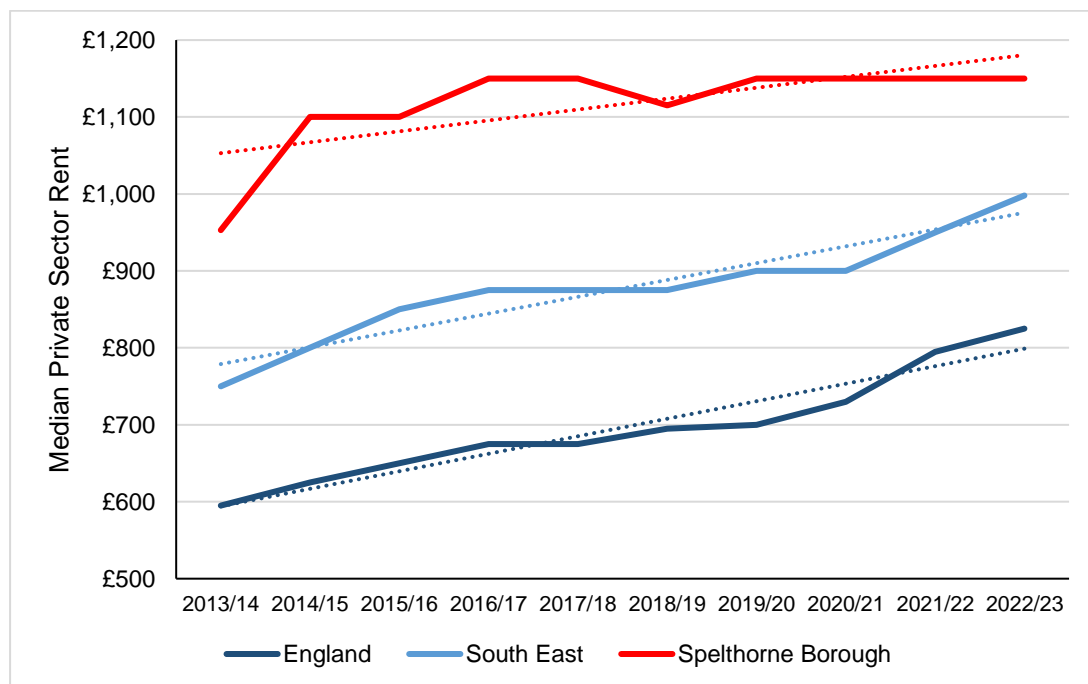
*Continues overleaf*

## Private Sector Rents

### Median private sector rents

- 8.39 Valuation Office Agency (“VOA”) and Office for National Statistics (“ONS”) data (first produced in 2013/14) show that median private rents in Spelthorne stood at £1,150 per calendar month (“pcm”) in 2022/23. This represents a 21% increase from 2013/14 where median private rents stood at £953 pcm.

*Figure 8.6: Median Private Sector Rents, 2013/14 to 2022/23*



Source: VOA and ONS Private Rental Market Statistics

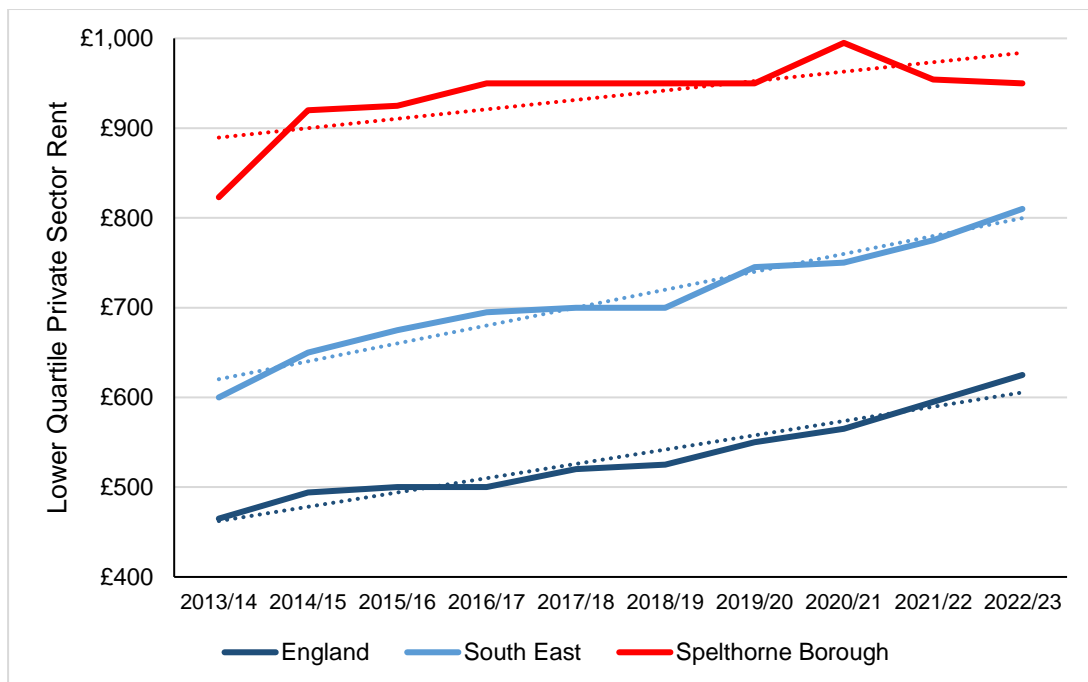
- 8.40 A median private rent of £1,150 pcm in 2022/23 is 15% higher than the South East regional figure of £998 pcm and 39% higher than the national figure of £825 pcm.

### Lower quartile private sector rents

- 8.41 Lower quartile private sector rents are representative of the ‘entry level’ of the private rented sector and include dwellings sought by households on lower incomes.
- 8.42 The lower quartile monthly rent in Spelthorne in 2022/23 was £950 pcm. This represents a 15% increase from 2013/14 where average lower quartile monthly rents stood at £823 pcm.



Figure 8.7: Lower Quartile Private Sector Rents, 2013/14 to 2022/23



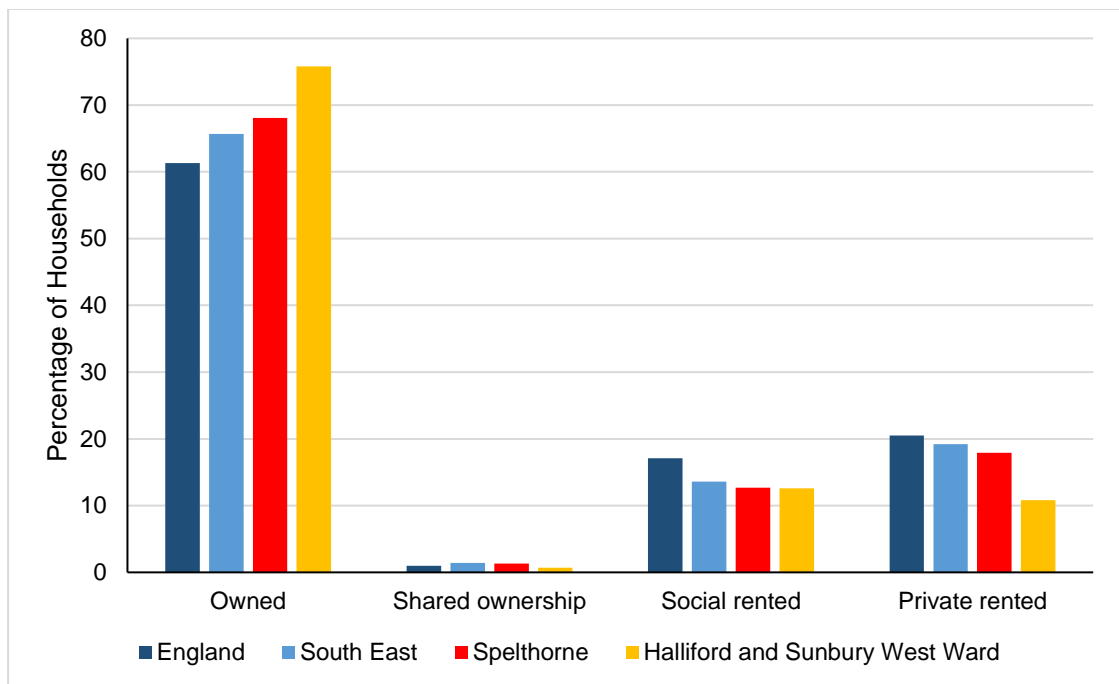
Source: VOA and ONS Private Rental Market Statistics

- 8.43 A lower quartile rent of £950 pcm in 2022/23 is 17% higher than the South East regional figure of £810 pcm and 52% higher than the national figure of £625 pcm.

### Tenure

- 8.44 Figure 8.8 below illustrates the tenure mix in England, the South East region, Spelthorne Borough, and Halliford and Sunbury West Ward, using data from the 2021 Census.
- 8.45 The tenure mix in both Spelthorne and Halliford and Sunbury West Ward skews towards home ownership and away from social renting when compared with England as a whole.
- 8.46 At the local level, the tenure mix is dominated by home ownership, accounting for 76% of households in Halliford and Sunbury West Ward, compared with 61% in England. Social renting is less well represented, accounting for just 13% in the Ward compared with 17% in England.
- 8.47 Notably the private rented sector accounts for just 11% of households in the Ward; when coupled with the shortfall in social rented properties, the existing tenure profile offers little opportunity for those without the means to afford to purchase a home outright.

Figure 8.8: Tenure, 2021



Source: Census 2021

### Conclusions on Affordability Indicators

- 8.48 As demonstrated through the analysis in this section, affordability across Spelthorne Borough has been and continues to be, in crisis.
- 8.49 House prices and rent levels, median and lower quartile segments of the market are increasing 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 the Borough out of the reach of more and more people.
- 8.50 Analysis of market signals is critical in understanding the affordability of housing. It is my opinion that there is an acute housing crisis in Spelthorne Borough, exemplified by the lower quartile house price to average income ratio of 10.12.
- 8.51 Market signals indicate a worsening trend in affordability in the Borough. 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 9

### Summary of benefits of the scheme

- 9.1 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.
- 9.2 As I set out in Section 3 of this Statement, there are significant social and economic consequences for failing to meet affordable housing needs at both national and local authority level. Spelthorne Borough is no exception to this.
- 9.3 The appeal scheme will provide up to 40 affordable dwellings on site comprising 75% affordable housing for rent (up to 30 dwellings) and 25% First Homes (up to 10 dwellings). The wider social and economic benefits of affordable housing per se are commonly recognised.
- 9.4 As set out in Section 2 of this Statement, the benefit of affordable housing is a strong material consideration in support of development proposals.

### Benefits of the proposed Affordable Housing at the appeal site

- 9.5 The offer meets the requirements of adopted Policy HO3 of the adopted Core Strategy which seeks the delivery of 50% affordable housing in this location. It should be noted that these policies were drafted to capture a benefit rather than to ward off harm or needed in mitigation.
- 9.6 This fact was acknowledged by the Inspector presiding over two appeals on land to the west of Langton Road, Norton (**CD-10.6**) 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).*

- 9.7 Another appeal that considers the issue of benefits is the development for 71 dwellings, including affordable provision at 40%, equal to 28 affordable dwellings on site at Hawkhurst in Kent (**CD-10.7**). In critiquing the Council's views regarding the affordable housing benefits of the scheme, the Inspector made the following comments:

*"The Council are of the view that the housing benefits of the scheme are 'generic' and would apply to all similar schemes. However, in my view, this underplays the clear need in the NPPF to meet housing needs and the Council's acceptance that greenfield sites in the AONB are likely to be needed to meet such needs. Further, I agree with the appellant that a lack of affordable housing impacts on the most vulnerable people in the borough, who are unlikely to describe their needs as generic." (Paragraph 118)*

- 9.8 I agree, the recipients of up to 40 homes here will not describe their needs as generic. In my view, the Inspector rightly recognised the importance of meeting the needs of those residents who are in some cases vulnerable and likely to face social disadvantage.

- 9.9 The affordable housing benefits of the appeal scheme can be summarised:

- a. Policy compliant offer of 50% (up to 40 dwellings) of the scheme provided as affordable housing;
- b. An addition of up to 30 affordable homes for rent, which will help to meet priority housing needs (in the context of at least 1,700 households on the Housing Register in Spelthorne; lengthy average wait times and high numbers of bids per affordable home)
- c. An addition of up to 10 First Homes; which provide a straightforward discount against open market value to assist aspiring homeowners; and
- d. A deliverable scheme which provides much needed affordable homes;
- e. With the affordable homes to be managed by a Registered Provider;
- f. Which provide better quality affordable homes with benefits over the existing housing stock such as improved energy efficiency and insulation; and
- g. Greater security of tenure than the private rented sector.

9.10 In my opinion these benefits are substantial and a strong material consideration weighing heavily in favour of the proposed affordable housing. In light of the scale of the affordability challenge and the unmet need in Spelthorne Borough, it is clear that every one of the proposed 40 affordable dwellings will be occupied by a household in need. I am firmly of the view that the proposed affordable homes can be transformative to the lives and prospects of their occupants.

# The Weight to be Attributed to the Proposed Affordable Housing

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## Section 10

- 10.1 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.
- 10.2 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*".
- 10.3 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*".

### **Council's Assessment of the Planning Application**

- 10.4 Although this appeal is made against the non-determination of the original planning application, the Council has prepared an Officers' Report (**CD-1.41**) to obtain the Planning Committee's views on what the decision would had been, had the Council retained jurisdiction over the application.
- 10.5 Paragraphs 7.83 to 7.85 set out the Council's assessment of the policy compliance of the scheme. Paragraph 7.83 sets out the policy background whilst paragraph 7.84 at page 34 discusses the proposed development offer, confirming that the scheme complies with Policy HO3:

*The applicant is proposing to provide 40 affordable housing units, (10 no 1 bed starter homes and 30 affordable rented, consisting of 8 no 1 bed flats, 6 no 2 bed flats, 2 no. 2 bed houses, 13 no 3 bed houses and 1 no. 4 bed houses). As set out in the NPPF, 'New Homes' [sic] are new dwellings (including flats), which are available for purchase by qualifying first time buyers only, at a discount of at least 20% of the market value and are to be sold for less than the price cap. New Homes are recognised as affordable homes in the NPPF.*

*The 40 units represent an affordable housing provision of 50% and is therefore acceptable and accords with the requirements of Policy HO3”*

10.6 I am unclear what is meant by “New Homes” in this context, the description within paragraph 7.84 appears to relate to discount market sale homes as defined in Annex 2 of the NPPF. I am also unclear why the paragraph refers to ‘starter homes’ because this tenure is now defunct<sup>10</sup>. To clarify, the proposed development includes up to 10 First Homes which are the Government’s preferred form of discount market sale housing and are covered in Planning Practice Guidance.

10.7 Paragraph 7.85 goes on to consider the tenure mix and concludes that the scheme is acceptable:

*“Policy HO3 states that the provision within any one scheme may include social rented and intermediate units, subject to the proportion of social rented of at least 65% of the total affordable housing component. The proposal is to provide 10 starter homes and 30 as affordable rent (30 out of the 40 units), 75%, as affordable rent, therefore the provision is considered acceptable. If the scheme was considered acceptable and outline permission was to be granted such measures could be secured by way of a section 106 undertaking.”*

10.8 Later, the Officers’ Report discusses the wider planning balance. Paragraph 7.126 acknowledges the “strategic significance” of the proposed affordable housing and confirms the scheme is policy-compliant in terms of its affordable housing provision. Paragraph 7.127 refers to the Dylon appeal (to which I return later) and confirms that “weight afforded to the delivery of housing (including affordable housing) has increased in the consideration of previously developed Green Belt site [sic] where there is a significant shortfall of supply and the need has increased”. Paragraph 7.128 explains that there is a recognised need for affordable housing and that the scheme is policy-compliant:

*“It is also recognised that there is a shortage of affordable housing in the Borough and that the delivery of affordable units over the last few years has been low. The applicant is proposing 50% of the units on the application site to be affordable, which is in accordance with and not in excess of the requirement of Policy HO3 (Affordable Housing) of the Core Strategy and Policies DPD”.*

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<sup>10</sup> Starter Homes were an initiative of the 2016-2018 government. The Planning Practice Guidance for Starter Homes was withdrawn in 2020.

- 10.9 Paragraph 7.131 deals with the weight to be attributed to the proposed affordable housing, giving 'significant' weight to the affordable offer and noting that the Inspector at the previous appeals at this site identifies affordable housing as a specific benefit:

*“Notwithstanding the lack of ‘tilted balance’ in this case, it is acknowledged that the existing housing need and supply position in the Borough is an issue, and that the proposed provision of 80 dwellings, including 40 affordable units, is a benefit in favour of the development. It is considered that this should be given significant weight in favour of the development.*

*Officer note: The Inspector in the previous 2021 appeals for the site also gave significant weight to this consideration. He also gave significant weight to the specific delivery of affordable housing.”*

- 10.10 In my view the Officers' Report rightly acknowledges the shortage of affordable housing in Spelthorne; identifies the scheme is policy-compliant; and identifies affordable housing as a specific and separate benefit. On the other hand, the Officers' Report does appear to contain some incorrect information (e.g. in respect of First Homes), and in light of the scale of past and future shortfalls as well as the challenging affordability indicators, I consider that 'significant' weight underplays the importance of the affordable housing in the planning balance.

### **Relevant Secretary of State and Appeal Decisions**

- 10.11 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 (including in other Green Belt cases).

Appeal Decision: Land to the rear of the former Dylon International Premises, Station Approach, Lower Sydenham, London (June 2019) (CD-10.8)

- 10.12 The appeal related to a proposal for 151 residential units on a site in the London Borough of Bromley. In determining the appeal, the Inspector states that ministerial speeches and Government commissioned reports stretching back several years set out in 'stark relief' the scale of the housing crisis.
- 10.13 The Inspector then (at paragraph 32) cited the former Secretary of State at MHCLG (James Brokenshire) where he said that the consequences of the housing crisis are that "...ordinary families, young people starting out in life and many others struggling



*to secure that most basic of human needs – a place to call their own – and being denied the opportunities that come with it”*

- 10.14 The inspector went on to conclude at paragraph 35 that “very substantial weight attaches to the contribution of this scheme to the provision of market housing and particularly the pressing need for affordable housing” (emphasis added).

Appeal Decision: Land Off Bullens Green Lane, Colney Heath (June 2021) (CD-10.9)

- 10.15 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. 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<sup>11</sup>, I attach very substantial weight to the delivery of up to 45 affordable homes in this location in favour of the proposals.” (my emphasis).*

- 10.16 In her conclusions at paragraph 78, the Inspector goes on to consider the planning balance and states that:

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<sup>11</sup> St Albans District Council and Welwyn Hatfield Borough Council.

*“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. I have attached substantial weight to the provision of self-build housing. These factors, when considered collectively demonstrate that very special circumstances do exist.” (my emphasis).*

Appeal Decision: Maitland Lodge, Billericay (November 2022) (CD-10.10)

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

10.18 Giving evidence at the appeal Tetlow King Planning 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.”*

10.19 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)*

Secretary of State Decision: Pulley Lane, Droitwich Spa (July 2014) (CD-10.13)

10.20 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 his 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.”*

10.21 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).

10.22 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).

10.23 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.”*

10.24 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.

#### Summary of Secretary of State and Appeal Decisions

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

- a. Affordable housing is an important material consideration;
- b. Affordable housing can be considered towards part of the package of ‘very special circumstances’;
- c. The relevance of affordability indicators and the scale of the affordable housing shortfall;
- d. The importance of unmet need for affordable housing being addressed as soon as possible to meet the needs that exist now; and
- e. Planning inspectors have attached substantial and even very substantial weight to the provision of affordable housing.

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

10.26 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.

10.27 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.

10.28 There is a sizeable need for affordable housing in Spelthorne, but delivery has fallen far short of meeting this need, and the future supply is insufficient to meet future needs, let alone recover the existing shortfalls. Market signals too indicate a worsening trend in affordability across Spelthorne over the seventeen years of the Core Strategy period from 2006 to date; an already challenging situation is now acute. 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.

10.29 Against the scale of unmet need across Spelthorne District, there is no doubt in my mind that the provision of up to 40 affordable homes through the proposed development will make a substantial contribution. Considering all the evidence I consider that this contribution should be afforded **very substantial weight** in the determination of this appeal.