

TOWN AND COUNTRY PLANNING ACT 1990

**AFFORDABLE HOUSING STATEMENT OF COMMON
GROUND IN RESPECT OF AFFORDABLE NEEDS
AND DELIVERY ACROSS CHELTENHAM BOROUGH**

SECTION 78 APPEAL

**Outline application for 43 dwellings including
access, layout and scale, with all other matters
reserved for future consideration**

Land adjacent to Oakhurst Rise, Cheltenham

**W Morrison (Cheltenham) Ltd & Carmelite Charitable
Trust**

February 2021

PINS REF: APP/B1065/B1605/W/20/3261154

LPA REF: 20/00683/OUT

APPELLANT REF: M19/0606-11.RPT

1.0 Affordable Housing

- 1.1 In the words of the former Housing Minister, “There is a housing crisis in this Country.”
- 1.1 This application delivers 43 units, of which 42% - 18 units - are proposed as affordable homes. This application is therefore compliant with the affordable housing thresholds set out in Joint Core Strategy Policy SD12.
- 1.2 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 national planning policy, including the National Planning Policy Framework.

2.0 National Planning Policy and Guidance

National Planning Policy Framework (2019)

- 2.1 The NPPF was last updated on 19 June 2019 and is a material planning consideration. It is important in setting out the role of affordable housing in the planning and decision-making process.
- 2.2 It sets a strong emphasis on the delivery of sustainable development. Fundamental to the social objective is 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).
- 2.3 Chapter 5 of the NPPF focuses on delivering a sufficient supply of homes, in which paragraph 59 confirms the Government’s objective of *“significantly boosting the supply of homes”*.
- 2.4 The NPPF is clear that local authorities should deliver a mix of housing sizes, types and tenures for different groups, which include *“those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes”* (paragraph 61).
- 2.5 It places a great responsibility on all major developments (involving the provision of housing) to provide an element of affordable housing. Paragraph 64 establishes that *“at least 10% of new homes on major residential developments be available for affordable home ownership”*.
- 2.6 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- including service charges where applicable), 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).

- 2.7 The definition of Affordable housing found within the revised NPPF’s glossary also sets out that “Affordable housing for rent”, should meet the condition that the landlord is a registered provider and should additionally include provisions to ensure that affordable housing remains at an affordable price for future eligible households.

Planning Practice Guidance (March 2014)

- 2.8 On 6 March 2014 the Government first published the Planning Practice Guidance (PPG). This complements the NPPF in providing guidance on its practical implementation. The PPG is divided into sections. The principal section which is relevant to this statement is the section on ‘Housing and Economic Development Needs Assessments’.

Section	Paragraph	Commentary
Housing and Economic Needs Assessment	006 Reference ID: 2a-006- 20190220	This section sets out that assessments of housing need should include considerations of and be adjusted to address affordability. This paragraph sets out that <i>“an affordability adjustment is applied as household growth on its own is insufficient as an indicators or future housing need.”</i> This is because: <ul style="list-style-type: none"> • <i>“Household formation is constrained to the supply of available properties – new households cannot form if there is now here for them to live; and</i> • <i>people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.”</i>
Housing and Economic Needs Assessment	018 Reference ID 2a- 01820190220	Sets out that <i>“all households whose needs are not met by the market can be considered in affordable housing need. The definition of affordable housing is set out in Annex 2 of the National Planning Policy Framework”.</i>
Housing and Economic Needs Assessment	019 Reference ID 2a- 01920190220	States that <i>“strategic policy making authorities will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments).</i>

Section	Paragraph	Commentary
Housing and Economic Needs Assessment	020 Reference ID 2a- 02020190220	The paragraph sets out that in order to calculate gross need for affordable housing, “strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of: <ul style="list-style-type: none"> •the number of homeless households; •the number of those in priority need who are currently housed in temporary accommodation; •the number of households in over-crowded housing; •the number of concealed households; •the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and •the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.
Housing and Economic Needs Assessment	024 Reference ID: 2a- 024-20190220	The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments.

3.0 Affordable Housing Delivery in Cheltenham Borough

3.1 Figure 1 illustrates the delivery of affordable housing in Cheltenham Borough over the nine-year period between 2011/12¹ and 2019/20.

Figure 1: Net Housing and Affordable Housing Completions in Cheltenham Borough

Monitoring Period	Overall Housing Completions (Net)	Affordable Housing Completions (Net)	Affordable Housing as a %age of Overall Housing
2011/12	36	16	44%
2012/13	266	88	33%
2013/14	413	115	28%
2014/15	316	14	4%
2015/16	397	-22	-6%
2016/17	296	-15	-5%
2017/18	594	85	14%
2018/19	776	57	7%
2019/20	476	35	7%
Total	3,570	373	10%

Source: Freedom of Information Response (16 February 2021)

¹ Start of JCS period

3.2 Since the start of the Joint Core Strategy (JCS) period in 2011/12 there have been a total of 3,570 net overall housing completions and 373 net affordable housing completions.

3.3 This equates to an average of 41 net affordable housing additions to stock over the nine-year period. There has been an average rate of 10% affordable housing delivery over the period, in relation to overall market completions (3,570).

4.0 Affordable Housing Delivery in Charlton Kings Parish

4.1 Figure 2 illustrates the delivery of affordable housing in Charlton Kings Parish over the nine-year period between 2011/12² and 2019/20.

Figure 2: Net Housing and Affordable Housing Completions in Charlton Kings Parish

Monitoring Period	Overall Housing Completions (Net)	Affordable Housing Completions (Net)	Affordable Housing as a %age of Overall Housing
2011/12	18	0	0%
2012/13	11	0	0%
2013/14	3	-3	-100%
2014/15	13	-2	-15%
2015/16	34	-2	-6%
2016/17	1	-2	-200%
2017/18	7	2	29%
2018/19	3	-1	-33%
2019/20	50	2	4%
Total	140	-6	-4%

Source: Freedom of Information Response (16 February 2021)

4.2 Since the start of the JCS period in 2011/12 there have been a total of 140 net overall housing completions and -6 net affordable housing completions.

4.3 This equates to an average of -0.7 net affordable housing additions to stock over the nine-year period. There has been an average rate of -4% affordable housing delivery over the period.

² Start of JCS period

5.0 Right to Buy Losses to Affordable Housing Stock in Cheltenham Borough and Charlton Kings Parish

5.1 Figure 3 illustrates the rate of affordable housing stock being lost through the Right to Buy in Cheltenham Borough and Charlton Kings Parish over the nine-year period between 2011/12³ and 2019/20.

Figure 3: Right to Buy Losses to Affordable Housing Stock in Cheltenham Borough and Charlton Kings Parish

Monitoring Period	Cheltenham Borough RtB losses to stock	Kings Charlton Parish RtB losses to stock	Parish as a %age of Borough losses
2011/12	7	0	0%
2012/13	13	0	0%
2013/14	29	3	10%
2014/15	13	2	15%
2015/16	22	2	9%
2016/17	30	2	7%
2017/18	27	0	0%
2018/19	21	1	5%
2019/20	19	0	0%
Total	181	10	6%

Source: Freedom of Information Response (16 February 2021)

5.2 Since the start of the JCS period in 2011/12 there have been a total of 181 losses to affordable housing stock through the Right to Buy across the Borough, ten of which have occurred in Charlton Kings Parish.

5.3 This equates to an average of 20 affordable dwellings lost from stock across the Borough per annum. Losses in Charlton Kings have average 6% of losses in the Borough over the period.

6.0 Affordable Housing Need in Cheltenham Borough

6.1 The Cheltenham and Tewkesbury Strategic Housing Market Assessment Update 2015 - 2031 (SHMA) (**CD J16**) was published in September 2015 and finds the total net annual need for affordable housing across the Borough to be 231 affordable dwellings, equating to 3,696 affordable dwellings over the 16-year period.

³ Start of JCS period

6.2 The SHMA also sets out alternative net annual affordable housing need figures for the Borough over the same period when calculated using a variety of other income thresholds. These are set out in Figure 4 below.

Figure 4: Net Annual Affordable Housing Need Adjusted Using Gross Household Income

Gross Income Threshold	Annual Need (2015/16 to 2031/32)	Total Need (2015/16 to 2031/32)
25%	431	6,896
30%	302	4,832
35% ⁴	231	2,432
40%	86	1,376

Source: 2015 SHMA Update, Table A1.13

6.3 The Gloucestershire Local Housing Needs Assessment (LHNA) (**CD J15**) was published in September 2020 and finds a minimum net annual need of 194⁵ affordable homes per annum over the 20-year period between 2021 and 2041 for the Cheltenham Borough Council area. This equates to 3,874 net affordable dwellings of all tenures as set out in Annex 2 of the NPPF over the period.

7.0 Affordable Housing Delivery Compared to Objectively Assessed Needs

7.1 When comparison is drawn between affordable housing delivery and the needs identified in the SHMA since its 2015 base date, it can be seen in Figure 5 that there has been a shortfall in the delivery of affordable housing of some -1,015 affordable homes against an identified need for 1,155 over the same period based on 35% of income being spent.

⁴ Figures drawn from 2015 SHMA Update Note, Table A1.9, P.61.

⁵ Figures do not sum due to rounding – 3,874 / 20 = 193.7

Figure 5: Net Affordable Housing Delivery in Cheltenham Borough Compared with the 2015 SHMA Update Identified Needs

Monitoring Period	Additions to Affordable Housing Stock (Net)	2015 SHMA Update Identified Needs ⁶ (Net)	Shortfall	Shortfall a % of Identified Needs
2015/16	-22	231	-253	-110%
2016/17	-15	231	-246	-106%
2017/18	85	231	-146	-63%
2018/19	57	231	-174	-75%
2019/20	35	231	-196	-85%
Total	140	1,155	-1,015	-88%

Source: Freedom of Information Response (16 February 2021) and 2015 SHMA Update

8.0 Agreement of the Parties

- 8.1 The parties agree that since the start of the JCS period in 2011/12 there have been a total of 3,570 net overall housing completions and 373 net affordable housing completions across the Borough.
- 8.2 The parties agree that start of the JCS period in 2011/12 there have been a total of 140 net overall housing completions and -6 net affordable housing completions in Charlton Kings Parish.
- 8.3 The parties agree that since start of the JCS period in 2011/12 there have been a total of 181 losses to affordable housing stock through the Right to Buy across the Borough, 10 of which have occurred in Charlton Kings Parish.
- 8.4 The parties agree that the 2015 SHMA Update finds the total net annual need for affordable housing across the Borough to be 231 affordable dwellings, equating to 3,696 affordable dwellings over the 16-year period.
- 8.5 The parties agree that the 2020 LHNA identifies a minimum net annual need for affordable housing across the Borough to be 194⁷ affordable dwellings, equating to 3,874 affordable dwellings over the 20-year period.
- 8.6 The parties agree that against the requirements identified in 2015 SHMA that there has been a shortfall in the delivery of affordable housing of some -1,015 affordable

⁶ Need calculated using 35% gross income threshold

⁷ Figures do not sum due to rounding – $3,874 / 20 = 193.7$

homes against an identified need for 1,155 over the same period based on 35% of income being spent.

8.7 The parties agree there is an acute national housing crisis.

8.8 The parties agree there is an acute need for more affordable homes in the Borough.

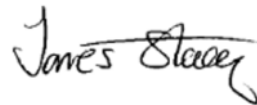
8.9 The Council accepts that the benefits arising from providing affordable housing accords with the sustainable development definition in NPPF and the provision of the much-needed affordable housing, to deal with the identified need, is a benefit attracting substantial weight in the overall planning balance.

9.0 Matters that remain in dispute

9.1 There are no matters in dispute

Signed on behalf of the LPA:

Signed on behalf of the Appellant:



Signature:.....

..... Signature:

Name:.....Robin Williams..... Name: James Stacey

Date:.....25/02/2021..... Date: 24/02/21