

Telford & Wrekin Local Plan

Examination in Public

Examination document reference K13h

Council response to objector's submissions K13e, K13f, and K13g

Telford and Wrekin Council

Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31

Report
April 2017

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Introduction

- 1.1 This document responds to matters raised in the following response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31 by:
- Strategic Planning Research Unit, DLP Planning Ltd (particularly paras 1.2 to 1.6);
 - Barton Willmore (particularly paras 2 to 23); and
 - Tesni Properties.

Background

- 1.2 The 2016 SHMA identified an annual imbalance of 665 affordable dwellings across Telford and Wrekin. This assumed that the 'backlog' need i.e. existing households in need would be addressed over a 5 year period or 20% each year which is a standard assumption in needs modelling.
- 1.3 Further work by the Council adjusted the backlog need to cover the plan period and in so doing established an annual imbalance of 264 dwellings each year.
- 1.4 The analysis of housing need in the 2016 SHMA was carried out in accordance with the requirements of PPG. The analysis was set out in a needs assessment model, which was presented in Appendix D of the 2016 SHMA. This follows a standard approach that reflected previous national SHMA guidance.
- 1.5 The model comprises 4 stages:
- | | |
|----------|--------------------------------------|
| Stage 1: | Current housing need (gross backlog) |
| Stage 2: | Future housing need |
| Stage 3: | Affordable housing supply |
| Stage 4: | Estimate of annual housing need |
- 1.6 Table D1 of the 2016 SHMA provided a summary of the needs assessment for Telford and Wrekin and its constituent sub-areas. This is reproduced at Table 1 below to support the responses to objections to the model analysis. Alongside this table is other data (set out in tables 2, 3 and 4), which help to clarify specific aspects of the needs model.

Table 1 Telford and Wrekin Housing Needs Analysis

Step	Stage and Step description	Calculation	Sub-area				Over Plan Period
			Total	Telford	Newport	Rural Area	
			Total households>>	68620	58433	5176	
		% households>>	100	85.2	7.5	7.3	100
Stage 1: CURRENT NEED							
1.1	Homeless households and those in temporary accommodation	Current need	6965	5934	522	508	6965
1.2	Overcrowding and concealed households	Current need					
1.3	Other groups	Current need					
1.4	Total current housing need (gross)	Total no. of households with one or more needs					
	A. % cannot afford open market (buying or renting)	%	48.4%	46.2%	62.9%	59.5%	48.4%
	B. TOTAL cannot afford open market (buying or renting)	Number	3373	2742	329	303	3373
Stage 2: FUTURE NEED							
2.1	New household formation (Gross per year)	Based on national household formation rate	710	605	53	52	710
2.2	Number of new households requiring affordable housing	% households unable to afford	58.1%	55.4%	75.5%	71.4%	58.1%
		Number	413	335	40	37	413
2.3	Existing households falling into need	Annual requirement	29	25	2	2	29
2.4	Total newly-arising housing need (gross each year)	2.2 + 2.3	442	360	42	39	442
Stage 3: AFFORDABLE HOUSING SUPPLY							
3.1	Affordable dwellings occupied by households in need	(based on 1.4)	171	145	13	13	171
3.2	Surplus stock	Vacancy rate <2% so no surplus stock assumed	0	0	0	0	0
3.3	Committed supply of new affordable units	Total	525	477	48	0	525
3.4	Units to be taken out of management	Total 5 yrs	1200	1022	90	88	4800
3.5	Total affordable housing stock available	3.1+3.2+3.3-3.4	-504	-400	-29	-75	-4104
3.6	Annual supply of social re-lets (net)	Annual Supply	536	497	12	27	536
3.7	Annual supply of intermediate affordable housing available for re-let or resale at sub-market levels	Annual Supply	16	15	1	0	16
3.8	Annual supply of affordable housing	3.6+3.7	552	512	13	27	552
Stage 4: ESTIMATE OF ANNUAL HOUSING NEED							
4.1	Total backlog need	1.4B-3.5	3877	3142	358	377	7477
4.2	Quota to reduce	over 5 years 20% / Plan period 5%	20%	20%	20%	20%	5%
4.3	Annual backlog reduction	Annual requirement	775	628	72	75	374
4.4	Newly-arising need	2.4	442	360	42	39	442
4.5	Total annual affordable need	4.3+4.4	1217	988	114	115	815
4.6	Annual affordable capacity	3.8	552	512	13	27	552
4.7	Net annual imbalance	4.5-4.6 NET	665	476	101	88	263

Source: Document C2b-ii, Table 1

Response to objections

- 1.7 Specific objections have been raised regarding the assumptions at Stage 3: Affordable housing supply which are now considered.
- 1.8 This section responds to the following objections:
 Barton Wilmore (on behalf of Metacre Ltd) Paras 7-9,12-15,17-29;
 Redrow Paras 1.3-1.5
- 1.9 By way of background, Planning Practice Guidance Paragraph: 027 Reference ID: 2a-027-20140306 states:
 “There will be a current supply of housing stock that can be used to accommodate households in affordable housing need as well as future supply. To identify the total affordable housing supply requires identifying the current housing stock by:

- identifying the number of affordable dwellings that are going to be vacated by current occupiers that are fit for use by other households in need;
- identifying surplus stock (vacant properties);
- identifying the committed supply of new affordable units (social rented and intermediate housing) at the point of the assessment (number and size);
- identifying units to be taken out of management (demolition or replacement schemes that lead to net losses of stock).

Sources of data: Department for Communities and Local Government affordable housing supply statistics to show recent trends, and local authority and Registered Social Landlord records including housing register, transfer lists, demolition and conversion programmes, development programme of affordable housing providers.

Total affordable housing stock available =
(Dwellings currently occupied by households in need + surplus stock + committed additional housing stock – units to be taken out of management).”

- 1.10 The 2016 SHMA sought to break down housing need by sub-areas. At the time of preparation, detailed information on lettings was available from RP Core Lettings and Sales data that allowed a breakdown of lettings by area, dwelling size, designation (general needs/older person) and a review of the previous housing situation and place of residence of the moving tenant household. This detailed information was available for the period 2010/11 to 2012/13 and as a particular emphasis of the SHMA was to understand housing need at the sub-area level, this was used to inform analysis. It is important to note that the 536 lettings figure specifically relates to lettings to existing households who were not previously social renters or were newly forming households; and also only relates to households originating from Telford and Wrekin.
- 1.11 Please note that footnote 41 at para D.30 of the 2016 SHMA was a proofing error. Data for three years (2010/11, 2011/12 and 2012/13) was included in the analysis.
- 1.12 The data used in the analysis of affordable lettings was not published but formed part of the technical background analysis to the SHMA. For transparency, this data is now presented in Table 2 below. Data underpinning the assumption relating to supply from intermediate tenure sales/relets is set out in Table 3. This data was used to inform Stage 3 of the model of affordable housing need.

Table 2 Core letting data informing Stage 3 Affordable Housing Supply

Origin of tenant		Financial Year																																										
		2010/11	2011/12	2012/13	Total																																							
1	From Out of Area	50	64	51	165																																							
2	Existing household - Social Renter	358	287	247	892																																							
3	Existing household - other tenure	338	286	274	898																																							
4	Newly forming household	196	228	185	609																																							
5	From specialist/supported accom	37	32	31	100																																							
Total		979	897	788	2664																																							
Total households moving into social renting (3+4+5)		571	546	490	1607																																							
<p>Dwellings let where Origin>2 3 year data (2010/11 to 2012/13)</p> <table border="1"> <thead> <tr> <th rowspan="2">No. of bedrooms</th> <th colspan="4">SubArea</th> </tr> <tr> <th>Telford</th> <th>Newport</th> <th>Rural Areas</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>372</td> <td>4</td> <td>16</td> <td>392</td> </tr> <tr> <td>2</td> <td>721</td> <td>28</td> <td>47</td> <td>796</td> </tr> <tr> <td>3</td> <td>362</td> <td>3</td> <td>14</td> <td>379</td> </tr> <tr> <td>4</td> <td>31</td> <td>1</td> <td>4</td> <td>36</td> </tr> <tr> <td>5</td> <td>3</td> <td>0</td> <td>1</td> <td>4</td> </tr> <tr> <td>Total</td> <td>1489</td> <td>36</td> <td>82</td> <td>1607</td> </tr> </tbody> </table>						No. of bedrooms	SubArea				Telford	Newport	Rural Areas	Total	1	372	4	16	392	2	721	28	47	796	3	362	3	14	379	4	31	1	4	36	5	3	0	1	4	Total	1489	36	82	1607
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4	10	0	1	12																																								
5	1	0	0	1																																								
Total	496	12	27	536																																								

Source: CORE RP Lettings 2010/11, 2011/12 and 2012/13

Table 3 Intermediate tenure sales/relets

3 year data 2010/11 2011/12 2012/13	No. of bedrooms	Subarea			
		Telford	Newport	Rural Areas	Total
		Count	Count	Count	
	2	32	2	0	34
	3	10	1	0	11
	4	2	0	0	2
	Total	44	3	0	47
Annual average	No. of bedrooms	Sub-Area			
		Telford	Newport	Rural Areas	Total
	2	11	1	0	11
	3	3	0	0	4
	4	1	0	0	1
	Total	15	1	0	16

Source: CORE RP Sales 2010/11, 2011/12 and 2012/13

1.13 Regarding more recent lettings data (Table 4), this is available at district level and shows that the number of total lettings has fluctuated on an annual basis, but the rolling three year average of lettings have shown a narrow range of between 836 and 888 lettings.

Table 4 Affordable dwellings let annually and 3 year rolling averages

Year	Total lettings	Rolling 3 year average
2010/11	979	
2011/12	897	
2012/13	788	888
2013/14	822	836
2014/15	949	853
2015/16	865	879

Source: RP lettings data 2010/11 to 2012/13 and DCLG Social Housing Lettings 2013/14 to 2015/16

1.14 It is not possible to achieve a like-for-like analysis of dwellings let to new tenants as the detailed information used in the SHMA is not currently available for 2013/14 onwards. However, on the assumption that 536 lettings were made to new tenants based on data for 2010/11

to 2012/13, this would equate to 60.3% of all lettings (536 divided by 888). This same proportion applied to the latest 3 years data 2013/14 to 2015/16 would result in around 530 lettings, which is not statistically different to the figure of 536 presented in the SHMA needs analysis.

Final comments

- 1.15 The analysis of affordable housing need in Telford and Wrekin has fully taken of account the requirements of the PPG, and this note clarifies aspects of the analysis in response to matters raised in response to Council Paper K13.

K13g Appendix 1

TWC response to objector's submission on examination document K13e, K13f and K13g

TWC response to objector's submission on examination document K13e

Objector	Paragraph/ section ref	Objector's comment	TWC response
Barton Wilmore (on behalf of Metacre Ltd)	Para 7-8	The Council has calculated that there will be an annual supply of some 552 affordable dwellings arising predominately from social re-lets. As a point of logic, this figure seems to be flawed.	The use of social relets is entirely consistent with the approach set out in PPG: Paragraph: 027 Reference ID: 2a-027-20140306 Para 1.7 to 1.12
	Para 8	The Council suggest that there will be an arising annual supply of re-lets or re-sales which is higher than the newly arising need for affordable homes.	The Needs Assessment model does indicate this – but the model also takes account of backlog need. This results in an annual affordable need of 815 dwellings compared with a supply of 552 relets/intermediate sales resulting in the 263 net annual imbalance Para 1.7 to 1.12
	Para 8	The Council's figures suggest that the affordable housing needs of the borough would fall from 16,317 to some 5,280 simply through what is described as the 'churn' of affordable homes.	The needs assessment model has to take into account relets as per PPG Paragraph: 027 Reference ID: 2a-027-20140306 Para 1.7 to 1.8
	Para 9	The Council have offered nothing by way of a tangible explanation as to what has changed so dramatically in the way that affordable housing is re-let or re-sold such that the system which previously generated a significant backlog of need will now start to generate an oversupply against arising need (552 annually arising supply against 442 annually arising need) before any new homes are delivered by the Plan.	Affordable need is not just from newly arising need but also from backlog need. This is why over the plan period there is an annual need from 815 and an affordable supply of 552. The 815 is further broken down into 374 annual backlog need clearance and 442 annual arising need. Tables 2 and 3
	Para 12-13	It is not clear how this (relets) has been calculated in the	Further evidence on how relets have been calculated have been

		SHMA or how robustly the exercise has been undertaken. Model not published.	presented in the document 'Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31. Appendix D of the 2016 SHMA presents the needs assessment model which complies with PPG and assumptions are clearly stated Tables 2 and 3
	Para 14	The SHMA notes, at paragraph D.30, that "Address-level RP CORE lettings data has been analysed for the years 2010/11 and 2012/13" but the results from year 2011/12 was excluded because "it is suggesting only 578 lettings"; the relevance of 578 lettings and why that year is excluded is not clear.	This was a proofing error in the final report. This is explained in para 1.11 of the 'Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31'. Para 1.10
	Para 15	An additional apparent difficulty with the model is that it is not clear to what extent the model accounts for the up to date circumstances in relation to affordable housing provision. The PPG states that modelling is normally undertaken from the previous 3 years of data, yet the 2016 SHMA notes that the data used for its model was 6 and 4 years old; no explanation was given to why more recent trends were not used. Moreover, that data relates to a significantly different chapter in the provision of affordable housing which has changed significantly with regard to HCA funding changes away from social rented affordable housing. Again, it is not clear to what extent the needs model has adjusted for those changes.	The data used was the latest available at address level. More recent lettings data is presented at para 1.13 of the 'Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31'. The scale of lettings has been broadly similar in more recent years and therefore the needs model outputs remain an appropriate base for assessing affordable need. Para 1.12 and Table 4
	Para 17	In reference to SHMA para D.30 Whilst we cannot assess the model, the 'CORE data' shows that social re-lets and intermediate re-lets or re-sales	Please see Table 2 of the 'Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31' which identifies the

		totalled 552 per annum, but it is not clear where those relets and re-sales have come from; i.e. where the previous residents of the affordable stock moved to. If moves within the affordable housing stock are not included it must be assumed that the model either assumes that residents all moved out of the borough or they fell out of affordable housing need and moved to an open market house. As above, it seems a highly unlikely scenario that the net homes being 'freed up' is higher than the newly arising need in the borough which has a worsening affordability and overall net in migration.	source of relets Tables 2 and 3
	Para 18	At this stage, it is impossible to tell to what extent the delivery of new affordable housing in the borough has effected the 'churn' of affordable housing in those years; or the extent to which that has been taken into account by the Council's model.	The model specifically takes into account future supply. Regarding the impact of recent delivery on 'churn', analysis in Table 4 in the 'Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31' demonstrates that the rolling 3 year average of total dwellings let shows a consistent trend in dwellings being let – this will be existing and new build stock combined. This suggests no particular reason to 'adjust' the scale of dwellings being let due to recent new build activity Table 4
	Para 19	If the model does not adequately take account of the effect of new affordable housing on the 'churn' of affordable re-lets and re-sales then we consider that the Council's affordable housing supply calculations would not be robust. In essence, the Council would be double counting affordable housing by	The model specifically takes into account future supply. Regarding the impact of recent delivery on 'churn', analysis in Table 4 in the 'Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31' demonstrates that the rolling 3 year average of total dwellings let shows a consistent

		relying on new housing to fuel the 'churn' of re-lets and then, as per K13, counting the supply of new affordable housing as new supply after the 'churn' has been discounted from the identified need.	trend in dwellings being let – this will be existing and new build stock combined. This suggests no particular reason to 'adjust' the scale of dwellings being let due to recent new build activity Table 4
	Para 20	The proposed supply of affordable housing (3,334 or 167 dpy) is not considered to be significantly above the levels of affordable housing delivered in 2010/11 or 2012/13 to the extent that a 'change in the wind' is apparent which will begin to reverse the backlog of affordable housing provision against need.	The figure of 3,334 set out in K13 does not specifically take into account any potential supply other than that currently related to delivery on site allocations. As illustrated in Table 1 of K13, a proportion of the supply of affordable housing is likely to continue to come from sites brought forward by registered providers (RPs), especially given the government's support for RPs to deliver their own development sites.
	Para 22	We consider that those dwellings which had already been delivered at the time the need for affordable housing was assessed should be discounted from the supply of affordable housing.	This point is noted. However, even if this were the case the supply measure is still considered to be conservative given that the supply does not specifically take into account any potential supply other than that currently related to delivery on site allocations. As illustrated in K13, a proportion of the supply of affordable housing is likely to continue to come from sites brought forward by registered providers (RPs), especially given the government's support for RPs to deliver their own development sites.
	Para 23	It is not clear the extent to which the Council considers additional housing will come forward through that program (SHOAP) or to what extent it has consulted with RPs on their bids from that fund or current proposals within the pipeline.	As far as the Council is aware, any supply utilising funding from the SHOAP 2016-2021 programme would be in addition to, and not a part of, the current identified supply. This is because those RP-led schemes identified in the

			current supply already have planning permission and are in the process of being delivered. Consequently, and contrary to BW's view, the government continues to support delivery of genuinely affordable housing through the public funding streams being made available through the SHOAP and the Council and its partners are firmly committed to delivering new affordable housing through that programme.
	Para 24	there is still a significant need for affordable housing which the Plan does not propose to meet.	There is no requirement in policy or any relevant guidance that requires local authorities to deliver the affordable housing needs of their areas in full within their development plans. The local plan seeks to make a significant contribution to addressing the needs of the borough through a combination of planning policies that require the provision of a mix of open market and affordable housing, and specific site allocations for housing.
	Para 27	The Framework (Paragraph 47) confirms that it is the role of the Local Plan to meet the full OAN of both market and affordable housing. We consider that the Council should be doing everything it can, within the realms of delivering sustainable development, to meet the full affordable housing needs of the borough. BW disagree that the proposed housing requirement goes far enough in terms of increasing the housing requirement to meet those needs; and is therefore not considered to be 'positively prepared'.	BW seek to conflate, in an unjustified manner, the identification of the full objectively assessed need for market and affordable housing (sometimes described as 'FOAN') with the assessment of affordable housing need set out in the PPG. It is not stated in any policy or guidance that these two separate aspects should be linked in the way that is suggested. The PPG merely states that Councils should consider an adjustment to its housing figures to help address its affordable housing need.
	Para 36	The level of delivery of homes at 1,000dpa is clearly deliverable and is being achieved in Telford currently	Given the cyclical nature of the housing market, driven in part by wider demand-side factors, there is no certainty at all that

		(with the Local Plan projecting the delivery of 1,400 dwellings in 2016/17) and the Council's concerns over deliverability are unjustified.	they would. Consequently, the Council is fully entitled to consider the long-term implications of setting such a high benchmark over the extended period covering the plan, rather simply than applying short term trends.
	Para 36	There is no difficulty in Telford accommodating an increased housing requirement.	This point is noted. However, the local plan must be realistic, as well as ambitious. The Council considers that it has balanced these objectives appropriately.

TWC response to objector's submission on examination document K13f

Cross Reference to Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31 is indicated in **bold**.

Objector	Paragraph/ section ref	Objector's comment	TWC response
JVH Planning (o behalf of Redrow Homes Ltd)	Para 1.3-1.5	No justification is provided for the choice of using just 3 years' worth of evidence to determine the rate of relets. It is entirely possible that the level of relets is influenced by existing households moving into more appropriate housing provided by this higher rate of provision. This higher rate of provision is a result of short term additional funding from the Government which has now come to an end so the continuation of the trend is unlikely.	<p>The data used was the latest available at address level.</p> <p>More recent lettings data is presented at para 1.11 of the 'Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31'. The scale of lettings has been broadly similar in more recent years and therefore the needs model outputs remain an appropriate base for assessing affordable need</p> <p>Table 4 in the 'Response to the Matter 1.1 Additional Briefing Note Affordable Housing Supply 2011-31' demonstrates that the rolling 3 year average of total</p>

			<p>dwelling let shows a consistent trend in dwellings being let – this will be existing and newbuild stock combined. This suggests no particular reason to ‘adjust’ the scale of dwellings being let due to recent newbuild activity</p>
	<p>Para 1.9-1.14</p>	<p>Recent evidence of demand clearly demonstrates that higher levels of housing development can take place and as such the argument for not meeting the affordable housing requirement in full is extremely weak.</p>	<p>The tables (1-3) setting out various ‘delivery scenarios’ are noted. However, they merely indicate in theoretical terms that setting an annual delivery target in excess of 1,000 dwellings per annum would be required to meet the full affordable need as measured at this point. To achieve this would require future sites to deliver at least the policy requirements as proposed in Policy HO5 of the local plan, provided market conditions are such that delivery remains viable at all points up to 2031. Given the cyclical nature of the housing market, driven in part by wider demand-side factors, there is no certainty at all that they would.</p> <p>Furthermore, if the logic of what is being suggested is followed, then it must be assumed that housing need is purely driven by land supply, which clearly is not the case given the wide range of factors that affect affordability, including the demand for affordable housing. Indeed, the demand for affordable housing may change in the future and for reasons other than land supply but that is not a reason in itself to increase the housing</p>

			figure.
	Para 1.19-1.20	<p>There is no evidence before the examination that the delivery of 900 dwellings a year over the last five years (this is 80% more than the PBA claimed OAN) has led to any negative impact in terms of;</p> <ul style="list-style-type: none"> a. increased out commuting b. increased levels of vacant dwellings c. lower house prices (if indeed this is a negative impact) <p>Past levels of completions are an indicator of effective levels of market demand therefore it is not convincing for the council to argue against their own evidence that the market cannot support a higher level of completions</p>	<p>The Council accepts that no evidence was presented concerning negative impacts of delivering 900 dwellings because there is no credible evidence that demonstrates any causal link between any of these variables and the scale of new dwellings built.</p> <p>The latest published commuting data available relates back to Census 2011, which has already been incorporated into the evidence base on OAN. Therefore, the impacts (negative or otherwise) of commuting cannot be determined at this time.</p> <p>Housing prices change over time, and as shown in the Council's evidence, indicating that changes in price follow very closely changes at the national level. Indeed, it is worth pointing out that even though delivery has increased (as an average) significantly since 2011 there has been no downward move in prices, suggesting that supply has a limited effect on prices, if at all.</p> <p>Whilst average delivery has reached 900 dwellings (net) since 2011, this has been skewed by the last two monitoring years (since 2014). Consequently, to base a long term housing growth solely on a very short term move in delivery is not considered to be</p>

			a credible basis for plan-making.
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TWC response to objector's submission on examination document K13g

Objector	Paragraph/ section ref	Objector's comment	TWC response
DPP (on behalf of Tesni)	p2	<p>The figure [of 264] is wrong is because the base date of the SHMA 2016 data is 1st April 2015. This means the</p> <p>Alternative forecast to take us to the end of the plan period at 31st March 2031 is 16 years, not 15. But it is 15 years that</p> <p>the calculations within C2b-ii, Table 1 has used to derive the net annual imbalance of 263 dpa.</p> <p>Fundamentally the Council is planning to the wrong target of affordable housing needs over the whole plan period</p> <p>because it has failed to identify what that the correct figure is.</p>	<p>The annual affordable need of 264 is a measure against which local plan housing targets may be adjusted to assist in addressing that need, as recognised in the PPG. Consequently, the figure should not to be treated as a target in itself (to be delivered), rather it is a route towards the identification of a target.</p> <p>With regard to the appropriate time period, the Council has presented it's analysis on the basis of a 5-year and 20-year assessment (as set out in Table 1 of C2b-ii) in order to determine its affordable OAN to support the evidence base underpinning its chosen housing requirement.</p> <p>Arc4 have taken the view that the backlog need is addressed over the plan period. Furthermore, this analysis is considered to be sound, given that the housing register has been thoroughly reviewed. Had the work been done previously, the scale of need would have been excessive and not based on robust housing needs evidence.</p>

	p3	<p>The SHMA 2016 post-dates the Submission version of the Plan. This means the SHMA 2016 cannot have had an important influence increasing the derived FOAN.</p>	<p>The most recent SHMA (2016) updates the evidence on housing need and is considered up to date, relevant and accurate. On that basis, the Council considers its evidence base to be credible and robust.</p> <p>Throughout the consultation and plan preparation process, the Council has taken into account the issue of affordable housing now and the need for affordable housing in the future. It has issued as part of this consultation previous versions of the SHMA. The evidence when taken as a whole has clearly informed the establishment of the local plan housing figure, with the stated aim to assist in delivering more affordable housing.</p> <p>Furthermore, it has specifically consulted on a number of affordable housing policies since regulation 18 stage that are reflective of current and previous evidence documents prepared by advisers on behalf of the Council on this matter.</p>
	p3	<p>This means the OAN as defined by the work of PBA OAN Study (C2a) cannot be compliant with the NPPF paragraph 47 when it says it requires the local plan to meet "the full objectively assessed needs for market and affordable housing," because the figure presented by OAN and the Submission version of the Plan is not a figure determined by the SHMA required by the paragraph 159 of the Framework for the</p>	<p>The Council does not accept the point being made here. It is accepted that Council's should prepare SHMAs as part of their evidence base. However, neither the NPPF nor PPG tell Councils how this should be presented. The Council decided to produce it's OAN and affordable housing needs assessment in two parts. This was produced in two separate documents, albeit the SHMA 2016 contains aspects of the OAN work undertaken by Peter Brett Associates (PBA) and</p>

		<p>purpose of identifying the FOAN.</p>	<p>published in 2015. The issue of affordable housing in broad terms was considered as part of the OAN work carried out by PBA, effectively comprising the 'part 1' exercise that follows the PPG advice. Their advice was that no specific adjustment should be made for affordable housing as part of the OAN. The Council then published its draft local plan in August 2015. In March 2016, Arc4 then issued its affordable housing and household needs assessment as an update subsequent to this (the 'part 2' exercise), as would be expected had the two parts been prepared and published in a single 'SHMA' document.</p>
	<p>p3-4</p>	<p>It is plain that in setting its OAN figure no consideration was given to affordable housing by PBA or the Council for the Submission version of the Plan, and specifically could not have done so from the SHMA 2016 evidence upon which it now relies as its position of affordable need. Yet Arc4 clearly does consider that the OAN took account for (some) delivery of affordable needs, a direct contradiction in my view.</p>	<p>The Council does not accept the PBA did not 'consider' affordable housing. They plainly did as part of their work on OAN published in March 2015.</p> <p>PAS¹ guidance provides helpful guidance in interpreting affordable need in the context of Objectively Assessed Need. Paragraph 9.6 states <i>'in practical terms, there is no arithmetical way of combining the two calculations set out in PPG to produce a joined-up assessment of overall housing need. We cannot add together the calculated OAN and the calculated affordable need, because they overlap: the OAN of course covers both affordable and market housing, but we cannot measure these</i></p>

¹ Planning Advisory Service Objectively Assessed Need and Housing Targets Technical Advice Note Second Edition July 2015

			<p><i>components separately, because demographic projections – which are the starting point for the OAN – do not distinguish between different sectors of the housing market’. Para 9.7 continues ‘In summary, it seems logically clear that affordable need, as defined and measured in paragraphs 22-29 of the PPG, cannot be a component of the OAN. The OAN does have an affordable component – which cannot be measured separately but will normally be much smaller than the affordable need discussed at paragraphs 22-30’. When paragraph 47 of the NPPF says that plans should meet in full ‘the need for market and affordable housing’, it is referring to that component rather than the separately calculated affordable need.</i></p>
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