Telford & Wrekin Local Plan: Examination in Public

Matter 1.1 Additional briefing note

Affordable Housing Supply 2011-31

1. This note presents the latest information available regarding affordable housing supply for the plan period, and additional related commentary and supplements the evidence given at Day 2 of the Examination in Public.

2. The attached table entitled 'Telford & Wrekin Affordable Housing Supply 2011-31' sets out the calculation of total supply from known sources. The principal source of base data is the Telford & Wrekin Annual Monitoring Report (AMR) 2016 Housing Section (G1), with further analysis deriving from the AMR set out in additional appendices to this note. This includes dwellings completed between April 2011 and March 2016, dwellings on sites with planning permissions, resolution to grant, and assumed supply from the remaining site allocations. Also included are the additional major sites with planning permission issued after April 2016.

3. After identifying all known sources, and having applied various discounts for non-implementation, the total supply of affordable homes has been calculated at 3,334 homes. This will include supply brought forward on both market-led schemes (via s106 agreements) and non-s106 schemes (by Registered Providers or RPs).

4. In summary, the calculation shows that 3,334 affordable homes, 63% of the borough's total need for affordable housing over the plan period, is already being delivered or is expected to be delivered from known sources.

Additional sources of supply

5. As stated above, the supply of 3,334 homes from identified sites up to 2031 represents approximately 63% of the total need for affordable housing (5,280). However, market housing does not constitute all the likely sources of affordable housing delivery to address the need. Data provided by RPs to the Council, in the Table 1 below, illustrates the contribution that 'non-s106' schemes brought forward independently of private sector developers has had on the overall delivery of affordable housing.

6. It is anticipated that non-s106 sources will continue to provide a source of future supply. The RPs will continue to invest in new, affordable stock principally through the Shared Ownership and Approved Housing Programme (SHOAP) 2016-21 managed by HCA. SHOAP would represent supply in addition to that already being progressed as commitments, but could include some delivery on remaining allocations.

Table 1 Non s106 and s106 schemes delivering affordable housing in Telford & Wrekin, financial years 2014/15 and 2015/16

Year	Non-s106	%	s106	%	Total
2014/15	265	62	162	38	427
2015/16	210	61	133	39	343
2016/17[1]	178	37	297	63	475

7. RPs operating within Telford & Wrekin (including Wrekin Housing Trust who have c.10,000 affordable homes in the borough) have a confirmed programme of investment into new affordable homes of approximately £37m over the next five years. At the present time, the majority of bids remain 'indicative' rather than related to named sites. However, this clearly demonstrates a significant future source of supply and the borough's firm commitment to delivery of additional affordable housing. Other supply is likely to come from other RPs who operate in the borough, bringing forward their own sites independent of any private sector developer involvement, including Sanctuary Housing, Bromford, Shropshire Housing Group and Walsall Housing Group, many of which already have future commitments.

8. In addition, the Council has established a wholly-owned company – Nuplace – which is delivering a mix of private rent and affordable rented homes borough wide. The intention is to contribute to meeting housing need, maintain a range of tenure options while delivering a rental return to the Council, and drive up the quality of rented housing locally.

Implications for the Local Plan

9. The housing requirement put forward in the Plan already includes a significant uplift over and above the OAN (some 50%). This will support delivery of additional affordable housing over and above that which could be secured against a housing requirement at, or near, the OAN. Therefore, the Council does not consider it necessary or helpful to make a further uplift to the housing figure to help deliver the required number of affordable homes. This is for a number of reasons.

    - First, as illustrated above, committed supply (including proposed site allocations) could deliver nearly two-thirds of the total affordable need, a significant contribution in its own right;

[1] Figures derived from the data on plots under construction, at end of March 2016 (Appendix 1)

- Secondly, in order to help deliver the remaining need, the Council can show other sources of supply that do not require more market housing-led developments;

- Thirdly, applying a further uplift could risk undermining the delivery of the Plan. This is because were a requirement set based on delivering the remaining affordable need of 1,945 homes (5,280-3,334) from market-led (s106) developments this would require a further uplift of 9,725 dwellings. This figure is based on an analysis of recent percentages of affordable housing being provided on such sites since 2010 (19% in Telford, and 29% in Newport), which is set out in Appendix 3. Accordingly, the uplift would need to allow for broadly 20% affordable provision, so would need to be five times the remaining 1,945 figure. If 9,725 is added to 15,555, this would result in a figure of 25,280 dwellings up to 2031 (or 1,264 dwellings pa). This level of requirement poses a serious risk of oversupplying the need and demand for market housing, particularly given the concerns already expressed regarding where the additional population would come from, and could result in setting unrealistic and unachievable delivery rates.

10. As stated by Stephen Pratt in the Stroud Local Plan Inspectors Report, published on November 2nd 2015:

    "*The need for affordable housing is certainly a policy consideration that could influence housing targets, particularly in view of affordability issues, but it is distinct from the overall objective assessment of housing need, since the methodology and numbers are not compatible. Although a modest increase in the overall housing requirement could be considered, to seek to deliver all the affordable housing needed through the provision of market housing would result in unrealistic and undeliverable rates of housing development." (para 48)*

11. Telford & Wrekin Council commends the approach taken by the inspector on this matter.

Table 2 Telford & Wrekin Affordable Housing Supply 2011-31

Source	Supply	Explanatory text
Dwelling completions 2011-16	1,575	Taken from AMR 2016, Table 2.3 (G1)
Affordable dwellings on permitted sites under construction, at end of March 2016	475	Derived from analysis of planning permissions granted at end of March 2016 – see Appendix 1
Affordable dwellings on permitted sites not yet started, at end of March 2016	1,041	Derived from analysis of planning permissions granted at end of March 2017 - see Appendix 2
Less Committed supply accounted for in SHMA 2016	-525	To prevent double-counting because this comprises sites with planning permission at end of March 2016
Less 20% for non-implementation on sites not yet started, April 2016	-198	In line with Table 10 of the TWLP as submitted
Affordable dwellings from resolution to grant sites	474	Taken from information available on the planning register – see Appendix 4
Less 20% for non-implementation on sites not yet started, April 2016	-95	In line with Table 10 of the TWLP as submitted
Affordable dwellings from sites with planning permission issued after 1st April 2016	160	TWC records – see Appendix 5
Less 20% for non-implementation	-32	In line with Table 10 of the TWLP as submitted
Total existing and committed affordable supply	**2,875**	
Affordable dwellings from remaining site allocations	564	This figure represents 25% of the remaining site allocation (2,255) quoted in Doc G17 (Table 8). It is 25% because all but one of the allocations are located in Telford so assume 25%.
Less 20% for non-implementation	-115	In line with Table 10 of the TWLP as submitted
Windfalls	0	Windfall Sites allowance relates to small sites so assumed no contribution
Madeley NDP	10	Assume deduction of 20% of site allocation total (50 dwellings), and 25% affordable contribution
Total uncommitted supply	**459**	
Total affordable housing supply 2011-31	**3,334**	Total of existing, committed and uncommitted supply from known sources
Total affordable housing need	**5,280**	Annual figure of 264 multiplied by 20 (years)
% of net need being delivered for affordable housing	**63.1%**	Supply as a proportion of need