

Home Builders Federation

Matter 6

Matter 6 Affordable housing

Issue 10: Does the Plan set out a justified and effective approach to the provision of affordable housing?

Questions:

5.1 The evidence identifies an affordable housing need of 269dpa. HOU005 sets out that there is a backlog need for affordable housing of 1434 units. The Plan proposes to address this backlog need over a period of 20 years. The evidence states that in the context of a high demand area such as Elmbridge, an extended period is likely to be necessary. What is the reason for this, and does it present a justified approach? Will it prove effective in addressing the need?

Extending the period over which the backlog is assessed merely pushes back the delivery of affordable housing needs until later in the plan period and reduces the annual need which the council should be planning for. However, this is moot point given that the plan will not meet affordable housing needs in full over the plan period.

5.2 What would be the affordable housing need if the backlog were to be addressed over the Plan Period?

For council.

5.3 The Planning Practice Guidance states that an increase in the total housing figures included in the Plan may need to be considered where it could help deliver the required number of affordable homes. Have the Council considered this?



5.4 In pursuing a strategy which fails to meet the boroughs affordable homes needs over the Plan period, what are the likely implications of this strategy for affordability ratios?

Not meeting affordable housing needs is just part of a wider failing of the borough with regard to meeting housing needs. The overall impact of this is that there is little chance of affordability improving in the long term with even those on median incomes struggling to have their housing needs met in full. The proposed strategy is in effect a continuation of the current strategy which has contributed to a worsening in affordability in Elmbridge. Whilst housing has always been less affordable in Elmbridge than in other areas it was worsened significantly since 2013 with the median workplace-based affordability ratio increasing from 13.31 to 20.02. Therefore, the likely effect of the Borough's strategy will be that housing affordability will worsen and the delivery of affordable housing whilst affordable housing delivery fails to meet increasing needs and growing backlog. This will in turn require those needs to be met elsewhere in Surrey or the South East which, as the council have shown, does not have the capacity to meet the need for market or affordable housing from other areas.

5.5 My initial letter (ID-001, notably paragraphs 11-17) raised some concerns and questions regarding the Council's approach to affordable housing delivery. These concerns can be summarised as follows: The spatial strategy and the impact of this in terms of affordable housing delivery, with particular reference to the reliance on sites within existing urban areas as well as the requirement set out at policy HOU4 for affordable housing to be sought on sites which are not major development, which is contrary to paragraph 64 of the Framework. The Council have responded to these concerns through the preparation of a Topic Paper (TOP002). Having reviewed this document, the following questions arise:

- Document TOP002 states that without the ability to collect affordable housing contributions on small sites, the ability of the Council to provide affordable homes will be highly restricted. However, the Statement on Affordable Housing provision on Small Sites (October 2021) states that between April 2011 to March 2021, there have been the delivery of 87 affordable homes over this 10-year period. This is less than 9dpa. The funding secured through the Section 106 Agreements has resulted in a total fund of £17.8m for this period. Are these figures correct? If these figures are correct, in what way does this demonstrate

that the policy approach to collecting affordable housing payments on small sites is resulting in the delivery of affordable homes?

If these figures are correct, it shows that a strategy of seeking contributions on small sites is not a solution to the delivery of affordable housing. Without the land available to deliver affordable housing there is limited scope as to where the council can use these funds to support the delivery of affordable housing. The only real solution open to the council is to increase housing land supply.

- The evidence states that for the period 2011/2012-2021/2022, a total of 771 affordable units have been delivered across the Borough. The small sites contribution equates to 11% of this overall supply. In what way can this be described as an important component of the overall affordable housing supply?

For council.

- Paragraph 2.26 of document TOP002 states that policy HOU4 would result in the delivery of 1057 affordable housing units from years 1-15. Policy SS3 states that the Plan will deliver 6785 homes of which at least 30% will be affordable. How are the remaining 978 (minimum) affordable dwellings to be delivered and in what way will the Plan achieve this?

This is for the Council to answer. However, the Council's monitoring report paints a different picture. The data in the table below taken from the last ten AMRs show that between 2013/14 and 2022/23 only 20% of all the dwellings delivered were affordable homes and that in only 4 of these years did the Council deliver 30% or more of the homes as affordable. The statement in SS3 would appear to be an ambition but it is unlikely that this will be delivered over the plan period.

Monitoring Year	Affordable homes delivered	Total Homes Delivered	Proportion of homes that were affordable
2022/23	13	236	6%
2021/22	111	768	14%
2020/21	45	302	15%
2019/20	126	396	32%
2018/19	57	353	16%
2017/18	73	231	32%
2016/17	4	267	1%
2015/16	78	240	33%

2014/15	100	273	37%
2013/14	48	257	19%
Total	655	3323	20%

Source: Elmbridge AMR 2013/14 to 2022/23

- Paragraph 2.27 of document TOP002 states that the financial contribution expected from small sites would be subject to a contribution methodology. However, this approach is not reflected in the policy wording. Indeed, paragraph 6.34 confirms that there should be no need for further viability assessments to be undertaken at the decision-making stage. Is this a justified approach?

No. Whilst the HBF consider the policy of seeking affordable housing contributions on small sites to be unsound if it is to be retained the Council will need to accept that in some circumstances such development will be made unviable by the affordable housing contributions.

- Whilst the Council have confirmed that 98 of the proposed site allocations contained within the Plan are small sites, it is not possible to provide information concerning how many affordable dwellings the policy approach would deliver – is this correct? If this is correct how is this approach justified and effective?

The approach is neither justified nor effective an approach to meeting affordable housing needs. It will provide very limited levels of additional affordable housing in an area that has a high level of need and no strategy for even getting close to meeting those needs.

5.6 Given the Council's acceptance that one of the biggest opportunities the Council has to meet its affordable housing need is through the development of larger sites (paragraph 5.66 of Establishing Local Housing Need, May 2022) what are the implications of the Council's spatial strategy in terms of affordable housing delivery?

The consequence of the Council's a spatial strategy is that the current shortfall in affordable housing will not be addressed and will continue to grow.

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