

Affordable Housing Proof of Evidence of Annie Gingell BSc (Hons) MSc MRTPI

2-4 Ringers Road and 5 Ethelbert Road, Bromley, BR1
1HT

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Demolition of existing buildings and construction of a mixed use development comprising residential units, ancillary residents' facilities (including co-working space) and commercial floor space (Use Class E) across two blocks, along with associated hard and soft landscaping, amenity spaces, cycle and refuse storage (Revised scheme incorporating a second stair into Block A and Block B, internal layout and elevational changes, and changes to the on street parking bays and footpath along Ringers Road and Ethelbert Road).

2 - 4 Ringers Road, Bromley, BR1 1HT

Ringers Road Properties Ltd

June 2024

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Appendices

- Appendix AG1 Freedom of Information Correspondence (19 March 2024 to 5 June 2024)
 - Appendix AG2 Extracts from Planning Practice Guidance (March 2014, Ongoing Updates)
 - Appendix AG3 Summary of Corporate Documents
 - Appendix AG4 Affordable Housing as a Separate Material Consideration
 - Appendix AG5 Darlington Strategic Housing Market Assessment 2020 Section 3
 - Appendix AG6 Consequences of Failing to Meet Affordable Housing Needs
 - Appendix AG7 Relevant Secretary of State and Appeal Decisions
 - Appendix AG8 Appeal Decision: Land at Witney Road, Ducklington, Oxfordshire (January 2023)
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Core Documents

- CD3.2 The General London Assembly (GLA) Stage 1 Report (April 2022)
 - CD3.4 London Borough of Bromley Council Committee Report (30 November 2023)
 - CD4.1 London Borough of Bromley Local Plan (January 2019)
 - CD4.3 The London Plan (March 2021)
 - CD5.6 London Borough of Bromley Affordable Housing Supplementary Planning Document (March 2008)
 - CD5.7 London Borough of Bromley Affordable Housing Supplementary Planning Document (January 2012)
 - CD5.8 London Borough of Bromley Affordable Housing Supplementary Planning Document (June 2013)
 - CD5.9 London Borough of Bromley Affordable Housing Supplementary Planning Document (July 2018)
 - CD5.10 Homes for Londoners: Affordable Housing and Viability Supplementary Planning Guidance (August 2017)
 - CD6.2 House of Commons Debate (October 2023)
 - CD6.3 Fixing our Broken Housing Market (February 2017)
 - CD6.4 Bromley Local Plan Review Issues and Options (Regulation 18) Consultation (April 2023)
 - CD6.5 Emerging London Plan Guidance: Affordable Housing and Development Viability (May 2023)
 - CD6.6 Making Bromley Even Better (Corporate Strategy) 2021 to 2031
 - CD6.7 Bromley Housing Strategy 2019-2029
 - CD6.8 The Bromley Homelessness Strategy 2018-2023
 - CD6.9 South East London Strategic Housing Market Assessment (June 2014)
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- CD6.10 London Strategic Housing Market Assessment (November 2017)
 - CD7.3 Appeal Decision: Land at Dene Road, Cotford St. Luke (February 2023)
 - CD7.4 Appeal Decision: Land to the west of Langton Road, Norton (July 2016)
 - CD7.5 Appeal Decision: Land at the Corner of Oving Road and A27, Chichester (August 2017)
 - CD7.6 Appeal Decision: Land at Sondes Place Farm, Westcott Road, Dorking (November 2023)
 - CD7.7 Appeal Decision: Land at Coombebury Cottage, Dunsfold Common Road, Dunsfold (May 2024)
 - CD7.8 Appeal Decision: Land North of Upper Chapel, Launceston (April 2014)
 - CD7.9 Appeal Decision: Land east of Park Lane, Coalpit Heath, South Gloucestershire (September 2018)
 - CD7.10 Appeal Decision: Land to the rear of the former Dylon International Premises, Station Approach, Lower Sydenham, London (June 2019)
 - CD7.11 Appeal Decision: Land off Spruce Close, Exeter (August 2022)
 - CD7.12 SoS Appeal Decision: Oxford Brookes University, Wheatley Campus, Wheatley, Oxford (23 April 2020)
 - CD9.1 Appellant's Statement of Case (March 2024)
 - CD10.1 London Borough of Bromley Council Statement of Case (30 April 2024)
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Introduction

Section 1

- 1.1 This Affordable Housing Proof of Evidence has been prepared by **Annie Gingell BSc (Hons) MSc MRTPI** of **Tetlow King Planning** on behalf of the Appellant, **Ringers Road Properties Ltd**.
- 1.2 The proposed development is for 94 dwellings, of which 11% (ten dwellings) are to be provided on-site as affordable housing (12% by habitable room).
- 1.3 The 12% is based on the viability evidence of Turner Morum which has been independently verified by the Council and agreed in the Main Statement of Common Ground (“SoCG”) (**CD11.1, p.12, [7.12]**) as the maximum level of affordable housing provision capable of being provided by the development proposals.
- 1.4 Policy 2 of the Bromley Local Plan (2019) allows for viability considerations in respect of affordable housing provision, as does Policy H5 of the London Plan (2021). Consequently, any justified reduction from the policy expectations is permissible and means the resultant offer, by definition, is policy compliant even at a reduced percentage.
- 1.5 The proposed tenure split will be six social rented units and four shared ownership units which reflects the viability review of the proposed scheme.
- 1.6 The proposed affordable housing will be secured by way of a Section 106 Planning Obligation.
- 1.7 This Proof of Evidence deals specifically with affordable housing and the weight to be afforded to this benefit the planning balance¹ considering evidence of need in the area. It should be read alongside the main Planning Evidence of Mark Batchelor (4TY Planning) and Five-Year Housing Land Supply Evidence of Ben Pycroft (Emery Planning).

¹ For clarity, the weightings I apply are as follows: very limited, limited, moderate, significant, very significant, substantial, and very substantial.

1.8 My credentials as an expert witness are summarised as follows:

- I hold a Bachelor of Science (Hons) degree in City and Regional Planning from Cardiff University (2016) and a Master of Science degree in Spatial Planning and Development from Cardiff University (2020).
- I am a chartered member of the Royal Town Planning Institute (“RTPI”).
- I have over 9 years’ professional experience in the field of town planning and housing. I have previously been employed by a Local Authority in the South West and have been in private practice since 2017. I have been employed at Tetlow King Planning Ltd for the past 7 years.
- During my career, I have presented evidence at numerous Section 78 appeals in the West Midlands, North West, South West, South East of England, and London.
- 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.

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

“The evidence which I have prepared and provide for this appeal in this Proof of Evidence is true and has been prepared and is given in accordance with the guidance of the Royal Town Planning Institute. I confirm that the opinions expressed are my true and professional opinions.”

1.10 Providing a significant boost in the delivery of housing, and in particular affordable housing, is a key priority for the Government.

1.11 This is set out in the most up-to-date version of the National Planning Policy Framework (“NPPF”), the Planning Practice Guidance (“PPG”), the National Housing Strategy and the Government’s Housing White Paper.

1.12 Having a thriving active housing market that offers choice, flexibility and affordable housing is critical to our economic and social well-being.

1.13 As part of my evidence, I have sought data, from the Council through a Freedom of Information (“FOI”) request which can be viewed at **Appendix AG1**. The request was submitted to the Council on 19 March 2024, with the 20-working day statutory response time elapsing on 17 April 2024. Unfortunately, at the time of writing the Council were still yet to provide any of the data requested. As such I reserve the right to provide a Supplemental Statement upon receipt.

1.14 This Proof of Evidence comprises the following 10 sections:

- Section 2 establishes the importance of affordable housing as an important material consideration;
- Section 3 discusses the national housing crisis;
- Section 4 sets out the extent of the national housing shortfall;
- Section 5 provides a review of recent articles in the press and industry publications about the housing crisis;
- Section 6 analyses the Development Plan and related policy framework including corporate documents;
- Section 7 identifies affordable housing needs;
- Section 8 examines past affordable housing delivery;
- Section 9 analyses a range of affordability indicators;
- Section 10 considers the weight to be attached to the proposed affordable housing provision; and
- Section 11 draws together my Summary and Conclusions.

Affordable Housing as an Important Material Consideration

Section 2

Introduction

- 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 ("NPPF").

National Planning Policy Framework (19 December 2023)

- 2.2 The NPPF was last updated on 19 December 2023 and is a material planning consideration. It is important in setting out the role of affordable housing in the plan-making and decision-making processes.
- 2.3 The NPPF (2023) 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) (my emphasis).
- 2.4 Chapter 5 of the NPPF (2023) focuses on delivering a sufficient supply of homes, in which paragraph 60 is clear that:

*"to support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed [...]. **The overall aim should be to meet as much of an area's identified housing need as possible**, including with an appropriate mix of housing types for the local community"* (my emphasis).

- 2.5 Paragraph 63 also makes clear that *"within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing."* (my emphasis).

- 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 66 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 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 AG2** sets out the paragraphs of the PPG of particular relevance to affordable housing.

Summary and Conclusions

- 2.9 This section clearly demonstrates that, within national policy, providing affordable housing has long been established as, and remains, a key national priority as set out in the National Housing Strategy and the Government’s Housing White Papers; it is a fundamental element in the drive to address and resolve the national housing crisis.

The National Housing Crisis

Section 3

- 3.1 There is incontrovertible evidence 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. This section highlights some of this evidence and the Government's response to grappling with this issue.

Laying the Foundations – A Housing Strategy for England (November 2011)

- 3.2 Laying the Foundations: A Housing Strategy for England was published on 21 November 2011. The foreword by the former Prime Minister and former Deputy Prime Minister set out the former Coalition Government's intention to unblock the housing market and tackle the social and economic consequences of the failure to develop sufficient high-quality homes over recent decades.
- 3.3 The Executive Summary signed off by both the then Secretary of State for Communities and Local Government and the then Minister for Housing and Local Government included the following:
- A thriving, active but stable housing market that offers choice, flexibility and affordable housing is stated as being critical to our economic and social wellbeing;
 - *"The problems we face are stark"* and have been compounded by the impact of the credit crunch;
 - *"Urgent action to build new homes"* is necessary as children will grow up without the opportunities to live near their family and older people will not have the choice and support, they need;
 - *"Housing is crucial for our social mobility, health and wellbeing"*;
 - *"Housing is inextricably linked to the wider health of the economy"*; and
 - Fundamental to the whole approach of the strategy is communities (including prospective owners and tenants), landlords and developers working together.

House of Commons Debate (October 2023) – CD6.2

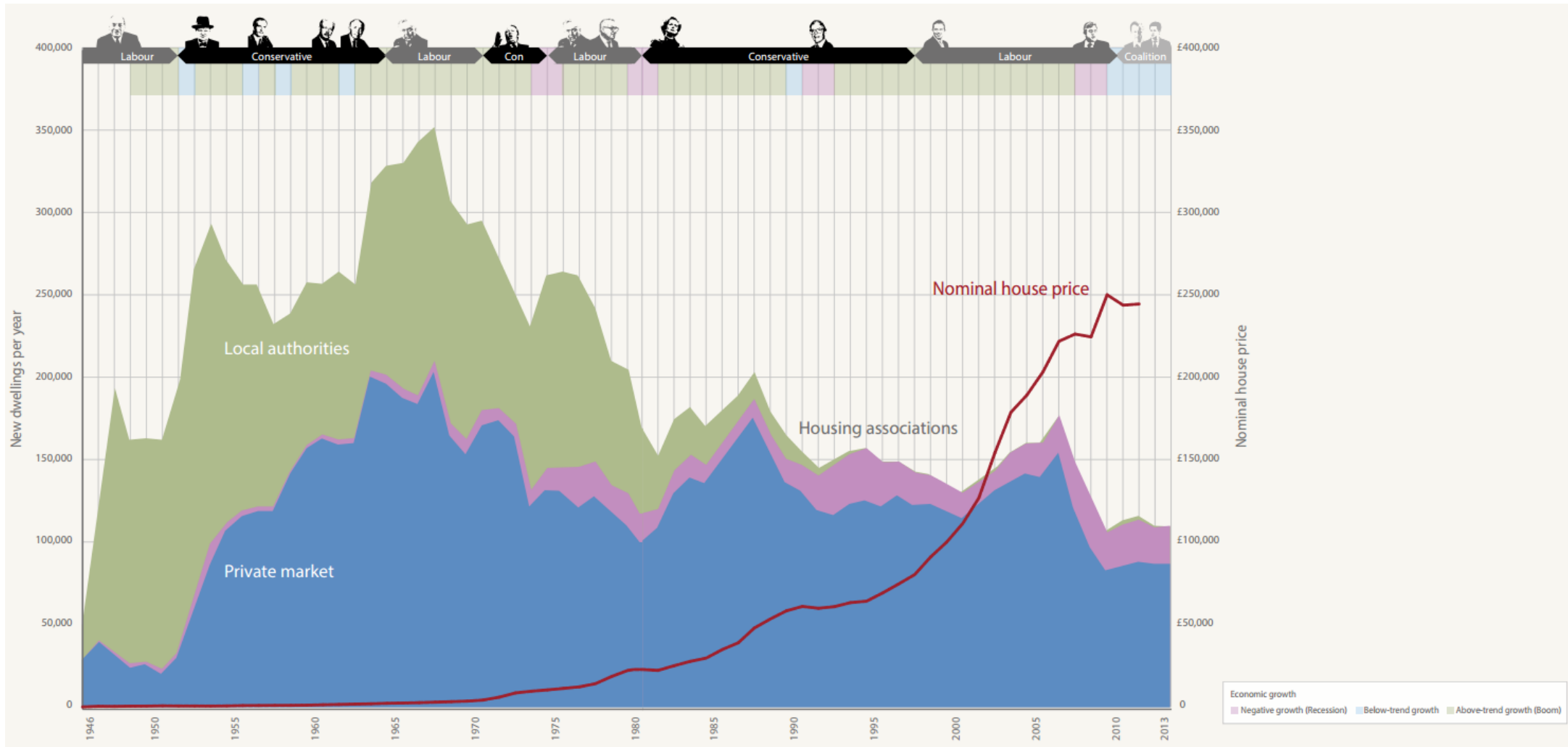
- 3.4 A debate took place in the House of Commons on 24 October 2013 concerning the issue of planning and housing supply; despite the debate taking place over ten years ago the issues remain, and the commentary is sadly still highly pertinent to the issues surrounding affordable housing in LBB.
- 3.5 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. 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.”*
- 3.6 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 now 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*”.
- 3.7 In response to questions, Mr 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”.*
- 3.8 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.”*”

- 3.9 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.

Building the Homes We Need (April 2014)

- 3.10 This report was the result of a year-long project by KPMG and Shelter to understand the housing shortage and was intended to provide advice to the incoming 2015 Government.
- 3.11 The report started by setting out that *“everyone now accepts that we have a desperate housing shortage in England”*. It further explained that:
- “each year we build 100,000 fewer homes than we need, adding to a shortage that has been growing for decades. What’s more, our current house building system seems incapable of delivering growth on the scale required. Growing demand means that without a step change in supply we will be locked into a spiral of increasing house prices and rents – making the current housing crisis worse”*.
- 3.12 The report highlighted that if firm action is not taken to build more homes there will be very worrying consequences for the economy and wider society; including rising homelessness, stalled social mobility, declining pension saving and an ever-rising benefit bill.
- 3.13 The report set out the graph illustrated in Figure 3.1 showing the levels of house building in England since 1946.

Figure 3.1: House building since 1946



Source: *Building the Homes We Need, Shelter and KPMG (2014)*

3.14 Figure 3.1 graph shows four interrelated trends:

- An overall decline in house building since 1946, including a steep decline from 1980 and a marked further decline since 2007;
- Relatively high levels of social housing provision by local authorities up until the mid-1970s;
- The growing relative contribution to affordable housing provision by housing associations since the late 1980s; they are providing most of the new affordable housing stock but not matching anything like the previous local authority contribution; and
- The gradual increase in the nominal house price through until about 1985 then grows exponential over the subsequent 30 years. There appears to be a correlation with the decline in new housing provision, although there are clearly other interrelated factors.

3.15 An updated version of Figure 3.1 is provided at Figure 4.2 of this evidence.

Fixing our Broken Housing Market (February 2017) – CD6.3

3.16 The Housing White Paper titled “*Fixing our Broken Housing Market*” was published in February 2017. The foreword by the then Prime Minister, Theresa May, was very clear that the housing crisis is one of the biggest barriers to progress facing the country.

3.17 The then Prime Minister’s foreword stated that:

“Our broken housing market is one of the greatest barriers to progress in Britain today. Whether buying or renting, the fact is that housing is increasingly unaffordable – particularly for ordinary working-class people who are struggling to get by.

Today the average house costs almost eight times average earnings – an all-time record. As a result, it is difficult to get on to the housing ladder, and the proportion of people living in the private rented sector has doubled since 2000.

These high housing costs hurt ordinary working people the most. In total more than 2.2 million working households with below-average incomes spend a third or more of their disposable income on housing.

This means they have less money to spend on other things every month, and are unable to put anything aside to get together the sums needed for a deposit...

...I want to fix this broken market so that housing is more affordable, and people have the security they need to plan for the future.

The starting point is to build more homes. This will slow the rise in housing costs so that more ordinary working families can afford to buy a home and it will also bring the costs of renting down...

...By building the homes Britain needs and giving those renting a fairer deal, we will give those growing up in society today more chance of enjoying the same opportunities as their parents and grandparents. It will ensure that the housing market is as fair for those who don't own their own homes as it is for those that do. This is a vital part of our Plan for Britain and a critical step along the way towards fulfilling the mission I have set out to make Britain a country that works for everyone."

- 3.18 The former Secretary of State for Communities and Local Government, Sajid Javid, also provided commentary on the housing crisis in his foreword to the White Paper where he stated that:

"This country doesn't have enough homes. That's not a personal opinion or a political calculation. It's a simple statement of fact.

For decades, the pace of house building has been sluggish at best. As a result, the number of new homes has not kept pace with our growing population. And that, in turn, has created a market that fails to work for far too many people.

Soaring prices and rising rents caused by a shortage of the right homes in the right places has slammed the door of the housing market in the face of a whole generation...

...The housing market has taken decades to reach the state it's now in. Turning it around won't be quick or easy. But it can be done. It must be done".

- 3.19 The introduction to the White Paper was clear:

"The housing market in this country is broken, and the cause is very simple: for too long, we haven't built enough homes".

- 3.20 Page 9 of the Housing White Paper identifies a mismatch between supply and demand that results in increasing prices relative to earnings:

“The laws of supply and demand mean the result is simple. Since 1998, the ratio of average house prices to average earnings has more than doubled. That means the most basic of human needs – a safe, secure home to call your own – isn’t just a distant dream for millions of people. It’s a dream that’s moving further and further away.”

- 3.21 Page 10 goes on to highlight the difficulties in raising a deposit that have emerged since the 1990s, with falling rates of home ownership amongst younger households:

“Furthermore, as recently as the 1990s, a first-time buyer couple on a low-to-middle income saving 5% of their wages each month would have enough for an average sized deposit after just three years. Today it would take them 24 years. It’s no surprise that home ownership among 25 to 34-year olds has fallen from 59% just over a decade ago to just 37% today.”

- 3.22 Page 11 highlights the economic impact of the housing crisis, making it harder for business and the workforce. It states that *“Sky high property prices stop people moving to where the jobs are. That’s bad news for people who can’t find work, and bad news for successful companies that can’t attract the skilled workforce they need to grow which is bad news for the whole economy.”*

- 3.23 Paragraph 4.3 at page 58 sets out the real-world impact of high prices upon younger households, stating that *“Some young people have no choice but to continue to live with their parents, friends or strangers to make ends meet. Renters are seeing their rents rise; some are only just managing to cover their costs. For the average couple in the private rented sector, rent now takes up roughly half of their gross income.”*

- 3.24 At paragraph 4.4 at page 48, the White Paper reports on how the housing crisis is creating conditions that allow exploitative and unfair practices to occur. It states that:

“Where the housing shortage is most acute, high demand and low supply is creating opportunities for exploitation and abuse: unreasonable letting agent’s fees, unfair terms in leases, landlords letting out dangerous, overcrowded properties. In short, it’s becoming harder to rent a safe, secure property. And more and more people can’t find a place to rent at all, added to which the loss of a private rented sector tenancy is now the most common cause of homelessness.”

Former Secretary of State for Housing, Communities and Local Government Speech to Local Government Association Conference (July 2017)

- 3.25 At the beginning of July 2017 the then Secretary of State for Housing, Communities and Local Government, Sajid Javid, addressed the conference reflecting on *“what has gone wrong in local government”* and outlining what the national and local governments need to do to address the nationwide housing crisis.
- 3.26 On housing, Mr Javid stated that *“there’s a serious shortage of decent, affordable housing in this country”*. He added that *“since the 1970s – under Wilson, Callaghan, Thatcher, Major, Blair, Brown, Cameron and now May – we’ve supplied an average of 160,000 new homes each year. That’s far below what’s needed, and that failure of supply to keep up with demand has led to predictable results”*.
- 3.27 Mr Javid summarised the issue, by outlining that *“the simple fact is that to put this right we need to build more homes that people want to live in, in places people want to live”*.

Former Prime Minister’s Speech (15 November 2017)

- 3.28 In November 2017, former Prime Minister Theresa May delivered a speech in which she made it her ‘mission’ to accelerate the delivery of more homes.
- 3.29 Mrs May announced that *“for decades we simply have not been building enough homes, nor have we been building them quickly enough, and we have seen prices rise”*. Whilst *“the number of new homes being delivered each year has been increasing since 2010”* and acknowledged that *“there is more we can do”*.
- 3.30 She stated that *“we must get back into the business of building the good quality new homes for people who need them most”* and *“that is why I have made it my mission to build the homes the country needs and take personal charge of the Government’s response”*.
- 3.31 The former Prime Minister added that *“today I am seeing the work now underway to put this right and, in coming weeks and months, my Government will be going further to ensure that we build more homes, more quickly”*.
- 3.32 In concluding, Theresa May stated that *“this will be a long journey and it will take time for us to fix the broken housing market - but I am determined to build a Britain fit for the future”*.

**Former Secretary of State for Housing, Communities and Local Government
Speech on the Housing Market (16 November 2017)**

- 3.33 The day after the former Prime Minister pledged her commitment to providing more homes, former Communities Secretary Sajid Javid delivered a speech setting out his blueprint for boosting housing provision.
- 3.34 Mr Javid announced that following the publication of official figures, there was an additional 217,000 new homes (net) which were delivered during the 2016/17 financial year. He added that this was the *“first time in almost a decade that the 200,000 milestone had been reached”*.
- 3.35 However, Mr Javid acknowledged that *“it is painfully obvious that there remains much, much more to be done”*, and that *“fixing the broken housing market will require a much larger effort”*.
- 3.36 He set out that *“even today, I still hear from those who say that there isn’t a problem with housing in this country. That we don’t need to build more. That affordability is only a problem for Millennials that spend too much on nights out and smashed avocados. It’s nonsense...where once it would have taken an average couple 3 years to save for a deposit – it will now take a quarter of a century. Assuming of course they could save at all”*.
- 3.37 Mr Javid compared the position of a first-time buyer in London saying a deposit of more than £90,000 was needed and lamented *“that’s a lot of avocados.”*
- 3.38 The former Communities Secretary stated that *“without affordable, secure, safe housing we risk creating a rootless generation, drifting from one short-term tenancy to the next, never staying long enough to play a real role in their community”*.

Conservative Party Manifesto (December 2019)

- 3.39 The Conservative Party Manifesto for the December 2019 election reports at page 29 that *“the biggest problem that young people face in getting on the housing ladder is the deposit.”* It commits to ensure that the Government will *“offer more homes to local families”*.
- 3.40 At page 30 of the Manifesto, it states that *“home ownership is one of the most fundamental Conservative values. People are happier, more secure and more rooted in their communities when they own their own home – and know that they can pass it on to future generations”*. It goes on to set out that *“young people need the security of*

knowing that home ownership is within their reach – that they too can have a tangible stake in society, can be rooted in their communities and have a place to raise a family”.

- 3.41 The Manifesto (page 30) details that *“while we want to encourage as many people as possible into home ownership, we recognise that not everyone can afford their own home – and that those in social housing deserve the same dignity, respect and fair treatment as private renters”.* It commits to bring forward a Social Housing White Paper to *“support the continued supply of social housing”* and commits to *“end the blight of rough sleeping by the end of the next parliament”.*
- 3.42 Under the heading of ‘places we want to live in’ at page 31, the Manifesto explains that despite increased housebuilding since 2010 *“it still isn’t enough. That is why we will continue our progress towards our target of 300,000 homes a year by the mid-2020s. This will see us build at least a million more homes, of all tenures over the next Parliament”.*

BBC Housing Briefing (February 2020)

- 3.43 The BBC Housing Briefing summarises a range of secondary data and case studies relating to the scale of housing need, quality, availability, and tenure. Sections 1 to 4 cover the broad context and issues; sections 5 to 7 consider the role of the public and private sectors in housing provision; and sections 8 to 10 cover policy mechanisms to address housing issues. The Briefing is prepared at the national level and sets out the overall ‘picture’ in respect of housing matters.
- 3.44 The Briefing was the topic of several news stories on the BBC Website and was widely promoted on the day of its publication, including through radio phone-ins, television news items, and the Bitesize revision service for teenagers.
- 3.45 The BBC states that the Housing Briefing was prepared in order to address public demand for *“more transparency and better explanation of the facts behind the headlines”.* The acknowledgements include Dame Kate Barker who undertook a review of the housing market in 2004, and Toby Lloyd, the former policy director of Shelter.
- 3.46 Section 8 of the Briefing refers to the scale of the housing shortfall that has amassed in recent years. It highlights at page 134 the work undertaken by Dame Kate Barker in 2004, the KPMG/Shelter study of 2014; the joint study between Heriott Watt University, Crisis and the National Housing Federation in 2018/9; all of which are referenced at Section 4 of this Proof of Evidence.

- 3.47 The Briefing contains case studies throughout which highlight the impact of the housing crisis on real people and households. These include the numerous case studies at pages 33, 40, 66, 69, 84, and 125 which include those in desperate need, facing homelessness or temporary accommodation, and those trapped in rented housing unable to afford to purchase.

Affordable Housing Commission Report (March 2020)

- 3.48 The Affordable Housing Commission (AHC) is an independent, non-partisan group comprising fifteen experts drawn from the public, private and voluntary sectors. Its extensive full report was released in late March 2020 and examines a wide range of issues relating to the housing affordability crisis, with data from a wide range of sources.
- 3.49 The AHC report examines the approach taken to affordable housing through the planning system; the definition of an ‘affordable’ rent; the challenges facing households in housing stress; and other measures including the approach taken to public investment and taxation.
- 3.50 The AHC report paints a bleak picture of housing affordability at present. It makes the simple proposition that *“Something has gone fundamentally wrong with the housing system and what it offers local people”*. The effects of this are serious and wide-ranging. The AHC notes that:
- “Housing stress is impoverishing families and young and old struggling renters, creating debts and arrears, harming health and well-being, and limiting life chances and aspiration. There are wider negative effects too – on the economy and productivity, on wealth inequality and poverty – resulting in more public expenditure subsidising rents and healthcare and tackling homelessness”*.
- 3.51 The AHC concludes that the root cause of the current affordability crisis is a clear shift in the structure of the housing market over the last 20 years. The AHC note that social rented sector has contracted, with low rates of new supply and extensive losses through the Right to Buy. By contrast, the AHC notes that the private rented sector has expanded significantly, even though it is ill-equipped to provide for those groups in greatest housing need.
- 3.52 The AHC is clear that the housing crisis is of such a scale that it will take many years to resolve. Its first recommendation is that that the Government commits to ensure all households have access to affordable housing by 2045 so that the next generation does not face the same kind of hardships as the current.

- 3.53 Its package of 53 recommendations seek to substantially boost the role of the social rented sector, whilst also helping a sizeable cohort of households termed ‘frustrated first time buyers’ into homeownership. Key recommendations for planning include recommendation 5 to address the supply of affordable housing, namely that *“the government seeks a step change in affordable housing supply in line with the latest assessments of housing need. On current best evidence, this would equate to an increase to about 90,000 social rented homes a year (forming part of the government’s overall housing target of 300,000 homes a year)”*. Recommendation 43 notes the important role that Local Planning Authorities must play in this, and states that:

“The Commission recommends that the preparation of local plans be made an enforceable statutory duty to ensure that all councils are delivering on their housing plans and targets. Local and city-region plans must be based on accurate housing needs assessment – including numbers of concealed households – which should be updated regularly”.

- 3.54 Recommendation 16 addresses the impact of Right to Buy and proposes reforms to the system. It states that:

“The Commission recognises that the Right to Buy remains a popular scheme. However, it is undermining efforts to address affordability, reducing numbers of relets at lower rents and moving properties from social renting to the PRS. Accordingly, the Commission recommends that the RTB is radically overhauled, including giving councils and housing associations discretion over the level of discount they offer, complete control over receipts and the opportunity to restrict any letting by a purchaser (e.g. requiring consent for letting the property)”.

NHF – People in Housing Need (September 2020)

- 3.55 In September 2020, the National Housing Federation (“NHF”) published an analysis of the scale and shape of housing need in England today.
- 3.56 On page 4, the report shows that *‘nearly 8 million people in England have some form of housing need’*. Nearly 1.9 million households are hosting a ‘concealed’ household while 3.4 million people found to be living in overcrowded accommodation.
- 3.57 It finds (page 2) that *“Long-term investment in social housing is needed to tackle this problem and provide people with suitable homes they can afford”*.

- 3.58 The report describes how the number of people in need of social housing in England has now hit 3.8 million people. This equates to 1.6 million households – 500,000 more than the 1.16 million households recorded on official waiting lists.
- 3.59 The report provides a clear measurement of housing need, necessary because local housing registers (or waiting lists) have become inadequate following the introduction of the Localism Act in 2011.
- 3.60 It states (page 3) that *“There is now no consistent set of criteria for allowing households to join a register”* and the data on these registers is not necessarily reviewed for accuracy on a regular basis. While local registers serve an important function, *“they do not give the full picture of how many people are in need of a home”*, hence the reason for the NHF analysis.
- 3.61 The report identifies how *“the housing crisis is not one crisis, but a series of interrelated and overlapping crises”* (page 3). These include affordability, the suitability, size and condition of homes, and the ability of people to find accommodation in the first place. Some people will experience one of these problems – others will experience many at once. The complicated picture of interrelated housing crises means there is a need for new, accurate and comprehensive research on housing need, the report finds.
- 3.62 It reveals that the number of people for whom social rent is the most appropriate tenure has increased since the previous iteration of the analysis. It states that *“This suggests an intensifying of need at the ‘sharp end’ – things are getting worse for the worst off”* (page 5). This is reflected both in the growth in the numbers of people affected by affordability issues and in the growth in overcrowding.
- 3.63 The report continues that more than 3.4 million people were found to be living in overcrowded households, a 5% increase on the previous figures, and 2.7 million were found to have an affordability issue – up nearly 10%.
- 3.64 As might be expected, a significant proportion of these people are to be found within the social sector already. Overcrowding is a known issue in this sector, the report establishes. A shortage of larger homes can make finding a suitably sized home more difficult for families as a result of the sale of council housing and a decrease in government funding for building new social homes since 2010.

- 3.65 This is because larger, family homes are more expensive to build and therefore more difficult to build with less government funding. The ‘spare bedroom subsidy’ has also acted as an incentive for developers to build smaller homes. Given the freeze on working-age benefits (introduced in 2016 following the 2015 Budget), benefits sometimes “*no longer cover even the cheapest forms of social housing rent*”, the report finds (page 6).
- 3.66 Meanwhile the analysis finds that nearly 1.9 million households are hosting a ‘concealed’ household, and that concealed households make up the third largest group of people affected, including nearly 1.8 million single people concealed within a total of nearly 1.5 million host households.
- 3.67 Across different tenures, when examining the proportions relative to the size of each tenure, the report finds that problems are more prevalent in the rented sectors, particularly the private rented sector, “*where more than a quarter of households have some form of housing need*” (page 6).
- 3.68 In addition, when the report looks at those households with needs for whom social rent is the most appropriate tenure, 18.8% of private renting households are in this position compared to 11.6% of social renters and just 1.3% of homeowner households.
- 3.69 Within the private rented sector, affordability, unsuitability and overcrowding are the most frequent issues. In particular, the wider measure of affordability (using an additional higher threshold) shows up highly, as does the measure of unsuitability for the age and health of the occupant.

Coming Home – Tackling the Housing Crisis Together (February 2021)

- 3.70 The report by the independent Commission on Housing, Church and Community lays out a positive vision for housing. The vision is centred on five core values, which are rooted in the Christian story but resonate with us all: good housing should be sustainable, safe, stable, sociable and satisfying.
- 3.71 At the heart of the report is the idea that simply building more houses, whilst important, is not sufficient to address the prolonged housing issues this country continues to face. The report suggests that we need more truly affordable homes and stronger communities that people can be proud of and where they can feel safe and welcome, put down roots and flourish.

3.72 Chapter 8 focuses on what Government can do; it recommends six actions for the Government to consider. These actions include that the Government should develop a coherent, long-term housing strategy, focusing particularly on those in the greatest need. It recommends a full review of the social security system to ensure it provide adequate housing support for low- income households and that all public land should maximise its long term social, environmental and economic value, not simply be sold for the highest achievable price.

3.73 It is this Commission’s contention that we all need to start to think differently, and act differently, if the next 20 years are not simply to be a re-run of the last 20. It states that:

“The housing problems in our society, which have been consistently documented for many years, must not continue to be borne solely by those living in unaffordable or inadequate housing, while nearly everyone else – the Church included – continues to act largely in their own interests, and effectively perpetuates this injustice”.

The Centre for Social Justice: Exposing the Hidden Housing Crisis (November 2021)

3.74 The report found that the *“collapse in the supply of decent, affordable homes”* for people living on modest to low incomes has not just made homeownership less attainable. It has made it harder to start and maintain healthy families, to thrive in work, and to provide an educational foundation for children.

3.75 The thinktank identified that ‘tonight’, over 90,000 families and more than 120,000 children will go to sleep in ‘temporary accommodation’, and that an estimated 150,000 properties see parents sharing a bedroom with their children.

3.76 Section 1.3 of the report discusses how high housing costs have critically undermined the impact of positive government initiatives to raise incomes among lower earners, constituting a key driver of ‘in-work poverty’. A quarter of the English population said they found it either fairly or very difficult to pay their housing costs, this rising to 43% of private renters; a group of individuals where 60% have less than £100 in savings.

3.77 Chapter four of the report reviews the attitudes to housing affordability among the public. The report survey found that:

- 60% of those surveyed think the housing crisis has worsened ‘significantly’ due to the pandemic;

- 63% believe the Government needs to supply low-cost homes to rent to end the housing crisis;
- 55% said building social housing should be a priority of the Government;
- 58% said building more low-cost homes to rent would 'level up' the country;
- 55% of people said 'affordability' should be the primary aim of housing policy, while 11% said 'eventual ownership'; and
- The public most highly associates social housing with being 'affordable' (44%) and providing 'community' (28%). Other popular positive answers included 'safe' (18%) and 'comfortable' (16%).

3.78 On page 7 the report identifies that expenditure on housing benefits is forecast to be £30.3 billion by 2021–22. This is more than double the total government grant allocated (£11.5 billion) for new affordable housing until 2026, in just one year. The research further alluded that It warned that the annual housing benefit bill could reach £50bn by 2050.

3.79 Prefacing the report, former Prime Minister Theresa May stated in her Foreword that her party's focus on homeownership had become a distraction and that rediscovering affordable housebuilding for the 2020s is what is needed in order to address the social, economic and fiscal costs of the hidden housing crisis.

3.80 The report recommends that the government initiates a process of rapid evidence-gathering to reshape social housing policy for the 2020s with the forthcoming Levelling Up White Paper.

House of Lords: Built Environment Committee (1st Report of Session 2021-2022): Meeting Housing Demand (10 January 2022)

3.81 The report by the House of Lords Built Environment Committee considers extensive evidence in respect of the delivery and affordability of housing and the functioning of the wider housing market. The report found that *"The challenges facing the housing market have been well documented: too many people are living in expensive, unsuitable, poor quality homes. To address these complex challenges in the long term, it is necessary to increase housing supply now"* (summary – page 4).

- 3.82 Chapter two (Housing demand and demographic trends) concludes that the Government’s target to deliver 300,000 new homes per year and one million homes by 2025 is welcomed. However, *“even with increased development through SMEs, ‘build to rent’, self-commissioned homes and local authorities, building will likely still fall short of the target.”*
- 3.83 Chapter three (Housing types and tenures) sets out that over the past 40 years the private rented sector has doubled in the UK, with social rented dwellings halving over the same period (paragraph 39). Paragraph 41 explains that homeownership is becoming increasingly unaffordable as growth in house prices has outstripped growth in wages.
- 3.84 The report identifies that those living in the private rented sector are more likely to live in poor quality, overcrowded conditions than owner-occupiers (Paragraph 61). The report highlights a serious shortage of social housing, which is reflected in long waiting lists for social homes and a large number of families housed in temporary accommodation (paragraph 76). Chapter three goes on to state *that “Right to Buy has left some councils unable to replace their social housing stock. Right to Buy must be reformed to help councils replenish their social housing stock: councils should keep more of the receipts from Right to Buy sales, have a longer period to spend the receipts, and there should be tighter restrictions on the conditions under which social homes can be bought.”*
- 3.85 Chapter five (planning) concludes that uncertainty about the future of the planning system and delays to planning reforms have led to a ‘chilling effect’ on housebuilding and created uncertainty for planners and housebuilders (paragraph 118). It goes on to state that *“Only 40% of local plans are less than five years old or have been updated or reviewed in the past five years. The lack of local plan-making means the system is not ‘plan led’ and creates an uncertain environment for housebuilders.”* (paragraph 122).
- 3.86 Paragraph 41 outlines the overall conclusions of the report and states that *“Evidence to our inquiry has shown how vital it is that that new homes are built to help meet housing demand. Building more homes will not address affordability pressures in the short term but is an essential first step to ensure that demand can be met in the long term.”*
- 3.87 Paragraph 42 goes on to explain that *“To meet that challenge, the sector needs certainty and a clear direction from the Government about reforms to the planning system and more resources to address chronic delays.”*

Secretary of State for Levelling Up, Housing and Communities' Speech to the Local Government Association Annual Conference (4 July 2023)

- 3.88 In one of his first major speeches since the 2023 local elections, the Secretary of State, Michael Gove, discussed the Government's approach to housing in the context of the Government's proposed reforms to the wider planning system. The Secretary of State confirmed that the Government remains committed to its target of delivering 300,000 dwellings per annum across England, and its target of delivering 1,000,000 dwellings across the lifetime of the current parliament:

"The government remains committed absolutely to achieving 300,000 homes a year by the mid-2020s and delivering one million homes over this Parliament – we set it out in our manifesto and we are absolutely committed."

- 3.89 The Secretary of State went on to recognise the need to deliver homes of all tenures, including affordable tenures and with a specific focus on social rent, stating that:

"We need to build more homes of every tenure. We need more social and affordable homes. And councils of course have a critical role to play. I want to see all of us – central government, Homes England, housing associations and councils – working together to build more homes for social rent."

Turning the Tide on Rising Homelessness and Rough Sleeping; The Kerslake Commission, September 2023

- 3.90 The Kerslake Commission, led by the respected senior civil servant, the late Lord Kerslake, was convened to consider the progress, challenges and actions to address rough sleeping, taking account of the experience of the 'Everyone In' initiative during 2020.

- 3.91 The Executive Summary at page 6 makes clear the link between affordable housing provision and the Government's efforts to tackle homelessness. It observes that *"For the next administration, it is the lack of capacity within the system which needs to be prioritised, as many of the problems outlined in the report would be resolved if there was an increased supply of social rented housing and supported housing"*. The report goes on to identify three key themes, namely to *"Prevent people from getting to the brink of homelessness"*; that *"No one should need to arrive onto the streets to get help"*; and that *"Everyone should have a route out of rough sleeping"*.

- 3.92 Chapter 2 at page 25 of the report sets out the challenges that the housing sector faces, which have “*made the UK vulnerable to a rise in rough sleeping, whilst also inhibiting its ability to respond to this rising need*”. Page 25 goes on to highlight ‘the affordability and availability of housing’ as a key concern, with housing benefits insufficient to cover housing costs; a decreasing proportion of properties available to those in receipt of benefits; an undersupply of affordable housing including a net loss of social rented homes in the 2021/22 financial year.
- 3.93 Along a similar theme, Chapter 3 at page 31 identifies ‘worsening housing affordability pressures’ as one of the future risks that could worsen the existing situation if left unaddressed; this includes further increases in rents and continuing pressure at the ‘more affordable’ end of the private rented sector.
- 3.94 Chapter 4 proposes urgent actions to address the rising rates of rough sleeping, and Chapter 5 recommends longer term priorities to be taken up by the next administration. Principle one at page 41 is to “Prevent people from getting to the brink of homelessness”; the first action is to achieve the “Increased supply of social rented housing”. At page 41, the report notes that:

“We are in the midst of a housing affordability crisis in the private rented sector, which is pushing people into homelessness and making it more challenging for them to move on from homelessness services. Due to a chronic undersupply of social rented housing, many people who would have benefitted from this type of housing have been placed in temporary accommodation or in the private rented sector, living in expensive and insecure arrangements. As supply in the PRS shrinks, rents increase at record levels and thousands of households are placed in temporary accommodation, we can no longer rely on this sector to provide housing for low-income and vulnerable groups.”

- 3.95 The following paragraph explains that the Commission considers that social rented housing should be a priority, within the context of a variety of tenures to meet the needs of a spectrum of income groups. It states that:

“The work and recommendations of the Kerslake Commission focus on social rented housing as this tenure is most appropriate for people at risk of, or recovering from, homelessness and rough sleeping, with tailored support where needed. However, increasing the supply of social rented housing must sit within a large scale national programme of housing development that increases housing supply across a variety of tenures and locations. The current crisis in housing is felt by a broad spectrum of income groups and housing tenures, however it is

those on lower incomes and in more insecure housing that feel the biggest squeeze.”

- 3.96 The report makes several recommendations in relation to affordable housing supply including the provision of 90,000 social rented dwellings per annum across the country; allowing local authorities to set Right to Buy discounts locally and to retain 100% of receipts; and to ensure that the proposed Infrastructure Levy will not result in a reduction in affordable house building.

Minister for State for Housing and Planning’s Speech to the National Housing Federation Conference (11 September 2023)

- 3.97 The former Minister of State for Housing and Planning, Rachel Maclean MP, set out the importance of delivering more social housing and the Government’s determination to boost affordable housing supply:

“Quality matters. Ensuring that existing homes are safe, decent and warm matters. But so too does quantity – meeting the significant demand for more social housing [...] We’re determined to use every possible lever to increase the supply of affordable homes and deliver for those who need them most.”

- 3.98 The Minister also recognised the desire to deliver more Social Rent homes, stating that the Government intends to review national planning policy in this respect:

“That’s why we’re looking at national planning policy, thinking about changing it to clarify that local planning authorities should do more to prioritise Social Rent homes.”

Conclusions on the National Housing Crisis

- 3.99 There is an ever-increasing wealth of evidence including from figures at the highest levels of Government that unaffordability and inability to get on the housing ladder is a significant problem.
- 3.100 What is also clear is that the messages from previous Governments have failed to ensure enough new homes, especially affordable homes, are being built.
- 3.101 The evidence is clear and, in my opinion, demonstrates the pressing requirement to build more homes to meet the significant level of unmet need, particularly for homes that are affordable.
- 3.102 Evidence suggests that failure to do so will present a risk to the future economic and social stability of the United Kingdom.

Extent of the National Shortfall in Housing Delivery

Section 4

4.1 The extent of the need for housing and the scale of the crisis as a result of the persistent under delivery of both market and affordable housing in the UK is explored further in this section of my evidence, starting 20 years ago with the Barker Review of Housing Supply in March 2004.

The Barker Review of Housing Supply (17 March 2004)

4.2 In her 2004 review into issues underlying the lack of supply and responsiveness of the housing in the UK, the economist Dame Kate Barker reported that housing is a basic human need, fundamental to our economic and social well-being. She found that:

- A weak supply of housing contributes to macroeconomic instability and hinders labour market flexibility;
- Housing has become increasingly unaffordable over time, noting that the aspiration for home ownership is as strong as ever, yet the reality is that for many this aspiration will remain unfulfilled unless the trend in real house prices is reduced;
- This brings potential for an ever widening social and economic divide between those able to access market housing and those kept out; and
- Homes are more than shelter. They provide access to a range of services and to communities. Housing also plays a major role as an asset in household's balance sheets and in household planning for their financial futures.

4.3 Barker considered that continuing at the current rate of housebuilding was not a realistic option:

“Unless we are prepared to accept increasing problems of homelessness, affordability and social division, decline in standards of public service delivery and increasing costs of doing business in the UK – hampering our economic success”.

- 4.4 She found that whilst demand for housing is increasing over time, driven by demographic trends and rising incomes, in 2001 the construction of new houses in the UK fell to its lowest level since the Second World War.
- 4.5 A weak response of housing supply to demand changes has been one of the factors underlying the instability of the UK housing market with Barker reporting that “*there is growing evidence of a persistent inadequate supply*” noting that in the UK the trend rate of real house price growth over the past 30 years had been 2.4% compared to the European average of 1.1%.
- 4.6 She found that affordability has worsened and that in 2002 only 37% of new households could afford to buy a property compared to 46% in the late 1980s. The overall objective of the Barker Review included:
- To achieve improvements in housing affordability in the market sector;
 - A more stable housing market; and
 - An adequate supply of publicly funded housing for those who need it.
- 4.7 Taking the baseline level of private sector housing built in 2002/03 of 140,000 gross starts and 125,000 gross completions, Barker estimated that:
- Reducing the trend in real house prices to 1.8% would require an additional 70,000 private sector homes per annum; and
 - More ambitiously, to reduce the trend in real house prices to 1.1% an additional 120,000 private sector homes per annum would be required.
- 4.8 Even in the case of the less ambitious price trend, Barker found that this would include pricing an additional 5,000 new households into the market each year and improving the access for the backlog of those currently priced out.
- 4.9 She found that an increase in supply of 17,000 affordable homes per annum would be required to meet the needs among the flow of new households, noting that there is also a case for the provision of up to 9,000 affordable homes per annum above this rate in order to make inroads into the backlog of need, a total of 26,000 per annum

- 4.10 Barker presented three scenarios for real house price trends ranging from slowing the rate at which households were being priced out to a long-term reduction of house price inflation:
- 2.4% per annum – which represented the Government’s target aimed at slowing the rate at which households were being priced out of the market, would have required an increase in housebuilding to 160,000 per annum;
 - 1.8% per annum – to reduce the long-term trend would have required an increase in housebuilding to 200,000 per annum; and
 - 1.1% per annum – which represented the EU average at the time, and which was considered would ‘improve the housing market’ would have required an increase in housebuilding to 260,000 per annum.
- 4.11 Meeting Barker’s most optimistic objective of improving the housing market and pricing many more households back into the marketplace would have required an estimated 260,000 homes per annum.

The Barker Review: A Decade On (24 March 2014)

- 4.12 In March 2014, the Home Builders Federation (“HBF”) undertook a review of housing delivery against the findings of the Barker Review and the impacts of this upon the market and affordability. They found that by 2004 the housing crisis was already building and in the 10 years since then, even against the most modest of the housing targets identified by Barker (which was met only once in 2005/06), the average annual shortfall has been 45,000 homes.
- 4.13 Measured against the objective of improving the housing market, housebuilding had been an average of 145,000 per annum down on the target of 260,000 per annum over the period between 2004 and 2014.
- 4.14 The HBF found that when measured against the middle of Barker’s three price inflation targets for 200,000 per annum, the shortfall of homes over the decade stood at 953,000 homes in 2014. This was on top of a backlog that had already been identified as being large (estimated at between 93,000 and 146,000) and growing in 2004.
- 4.15 They reported that in 2014 even if housebuilding rose to 210,000 per annum overnight, assessed against the middle objective of reducing the long-term rate of inflation, the country would be four and a half years behind where it was in 2004.

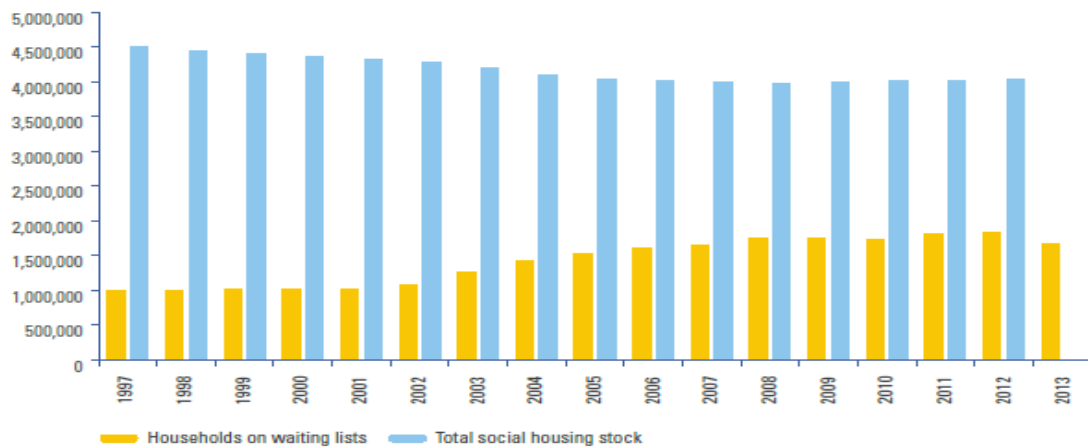
- 4.16 In 2014, the HBF found that a decade on from the Barker Review, the UK was 1.45 million homes short of where Kate Barker projected would have brought about an improved housing market.
- 4.17 The HBF reported that a basic estimate would suggest that in order to achieve the very modest objective of slowing the increase in the affordability gap so that fewer new households are priced out of the market, in 2014 some 200,000 private household starts would be required, a figure last achieved in 1972/73.
- 4.18 It goes further to detail that the objective of improving the housing market would, in 2014, have required **320,000 private housing starts per annum**, a figure achieved in England only four times since World War II.

Building the Homes We Need (April 2014)

- 4.19 The KPMG and Shelter research was intended to provide a package of new housing policies to inform the new 2015 Government.
- 4.20 It reported that each year an average of 100,000 fewer homes are built that are needed which adds to a shortfall which has been growing for decades, noting that growing demand means that without a step-change in supply we will be locked into a spiral of increasing house prices and rents, making the housing crisis worse.
- 4.21 Because of private housing becoming less affordable, the number of people in need of affordable housing has grown and with the failure of successive governments to deliver new social housing whilst existing stock continues to be depleted through the Right to Buy, waiting lists have grown whilst social housing stock has shrunk as illustrated by Figure 4.1².

² Reduction in total numbers on housing waiting lists in 2013 as a result of local authorities utilising the freedoms afforded to set their own housing allocation criteria through the Localism Act.

Figure 4.1: Social Housing Waiting Lists and Stock



Source: *Building the Homes We Need* (2014)

- 4.22 KPMG and Shelter found that changing demographics meant that we need to build a minimum of 250,000 new homes per annum in England to meet rising demand. In 2013 (the most recent monitoring period available at the time of publication of the report) just 109,660 new homes were built, the lowest annual level since 1946, the year of recovery after the Second World War.
- 4.23 In addition to which the report found that estimates suggest that the backlog of housing need may be as large as two million households and that to clear this England would need to build well **over 250,000 homes each year**, which would require doubling current output at the time of publication of the report.

The House of Lords Select Committee on Economic Affairs: Building More Homes (15 July 2016)

- 4.24 The Select Committee found that a growing population, rising immigration and rising incomes have increased demand for housing in England in recent decades but that too few homes have been built over this period. As a result, house prices and rents have risen sharply and there has been a decline in home ownership over the past decade.
- 4.25 They considered that we must build enough homes to make housing more affordable for everyone, noting that aspirant home owners who are unable to afford a deposit pay substantial proportions of their income on rent, families on waiting lists of social housing contend with insecure tenancies and rogue landlords, and at the same time housing benefit spending has doubled in the past two decades.

- 4.26 The Lords reported that as former Housing and Planning Minister Brandon Lewis had explained to them, the Government aimed to address the problems by building one million homes by the end of Parliament. However, it was noted that since the Brexit vote the Minister had effectively abandoned this target and prior to the vote had warned that it would be difficult to achieve if the UK voted to leave the European Union.
- 4.27 In addition to this the Committee found that whilst the Government's ambition was welcomed, it must be matched by appropriate action on a much larger scale than currently envisaged and across all tenure. They considered that the Government was focused on building for home ownership and therefore neglecting housing for affordable and social rent.
- 4.28 It was reported that it had been 10 years since 200,000 homes (the implied annual rate from the Government's target) were added to the housing stock in a single year, but the evidence suggested that this will not be enough to meet future demand and the backlog from previous years of undersupply.
- 4.29 The Select Committee found that in order to meet demand and have a moderating effect on house prices, at least 300,000 homes a year need to be built for the foreseeable future otherwise the age of a first-time buyer will continue to rise. The main conclusions of the Select Committee included that:

"The Government's target of one million new homes by 2020 is not based on a robust analysis. To address the housing crisis at least 300,000 new homes are needed annually for the foreseeable future. One million homes by 2020 will not be enough".
(my emphasis).

National Housing Federation Press Release: 'England Short of Four Million Homes' (18 May 2018)

- 4.30 The National Housing Federation ("NHF") press release reported that new figures reveal the true scale of the housing crisis in England and that the research (conducted by Heriot-Watt University) shows that England's total housing backlog has reached four million homes.
- 4.31 They report that in order to both meet this backlog and provide for future demand, the country needs to build 340,000 homes per year until 2031, noting that this is significantly higher than current estimates which have never before taken into account the true scale of housing need created by both homelessness and high house prices.

- 4.32 However, the NHF is clear that these need to be the right type of houses with a need for 145,000 of these new homes per year to be affordable homes, compared to previous estimates of annual affordable housing need of around 78,000 homes. It reports that this means around two fifths (or 40%) of all new homes built every year must be affordable homes, yet in 2016/17 only around 23% of the total built were affordable homes.
- 4.33 The research breaks down exactly what type of affordable homes are needed:
- 90,000 per annum should be for social rent;
 - 30,000 per annum should be for intermediate affordable rent; and
 - 25,000 per annum should be for shared ownership.
- 4.34 Reference was drawn to the September 2017 announcement by the former Prime Minister Theresa May that £2 billion will be invested in affordable housing and indicating that this could deliver around 25,000 new homes for social rent over three years, however the NHF report that even when this funding is made available, the research shows that it would deliver less than 10% of the social rented homes needed each year.
- 4.35 Government funding for social housing has been steadily declining for decades. In 1975/76 investment in social housing stood at more than £18 billion a year but had declined to just £1.1 billion in 2015/16. Over the same period, the housing benefit bill grew from £4 billion to £24.2 billion each year.
- 4.36 The NHF set out that homeownership rates have plummeted among young people, rough sleeping has risen by 169% since 2010 and that unless the Government takes steps to deliver more private, intermediate and social housing, the number of households in temporary accommodation is on track to reach 100,000 by 2020.
- 4.37 A series of quotes accompany the NHF press release from senior industry professionals, summaries of which are detailed below:
- David Orr, Chief Executive of the NHF – *“This ground-breaking new research shows the epic scale of the housing crisis in England”*.
 - Jon Sparkes, Chief Executive of Crisis – *“Today’s findings are stark and shocking, but they also represent a huge opportunity for us as a country to get to grips with our housing and homelessness crisis – and to end it once and for all”*.

- Terrie Alafat CBE, Chief Executive of the Chartered Institute of Housing – *“This new report once again highlights the chronic housing shortage we face in the UK and it is clear that only a bold and ambitious plan to solve the housing crisis will prevent a decent, genuinely affordable homes being out of reach for our children and their children.”*
- Campbell Robb, Chief Executive of the Joseph Rowntree Foundation – *“It is unacceptable that currently in our society millions of people are locked out of being able to afford a decent and secure home. For years our failure to deliver enough affordable housing in England has led to rising levels of poverty and homelessness across our country.”*
- Polly Neate, Chief Executive of Shelter – *“We are in the midst of a housing emergency where an entire generation faces a daily struggle for a decent home...Government can turn things around but only by building many more of the high quality, genuinely affordable homes this country is crying out for”.*

Ministry of Housing, Communities and Local Government Single Departmental Plan (27 June 2019)

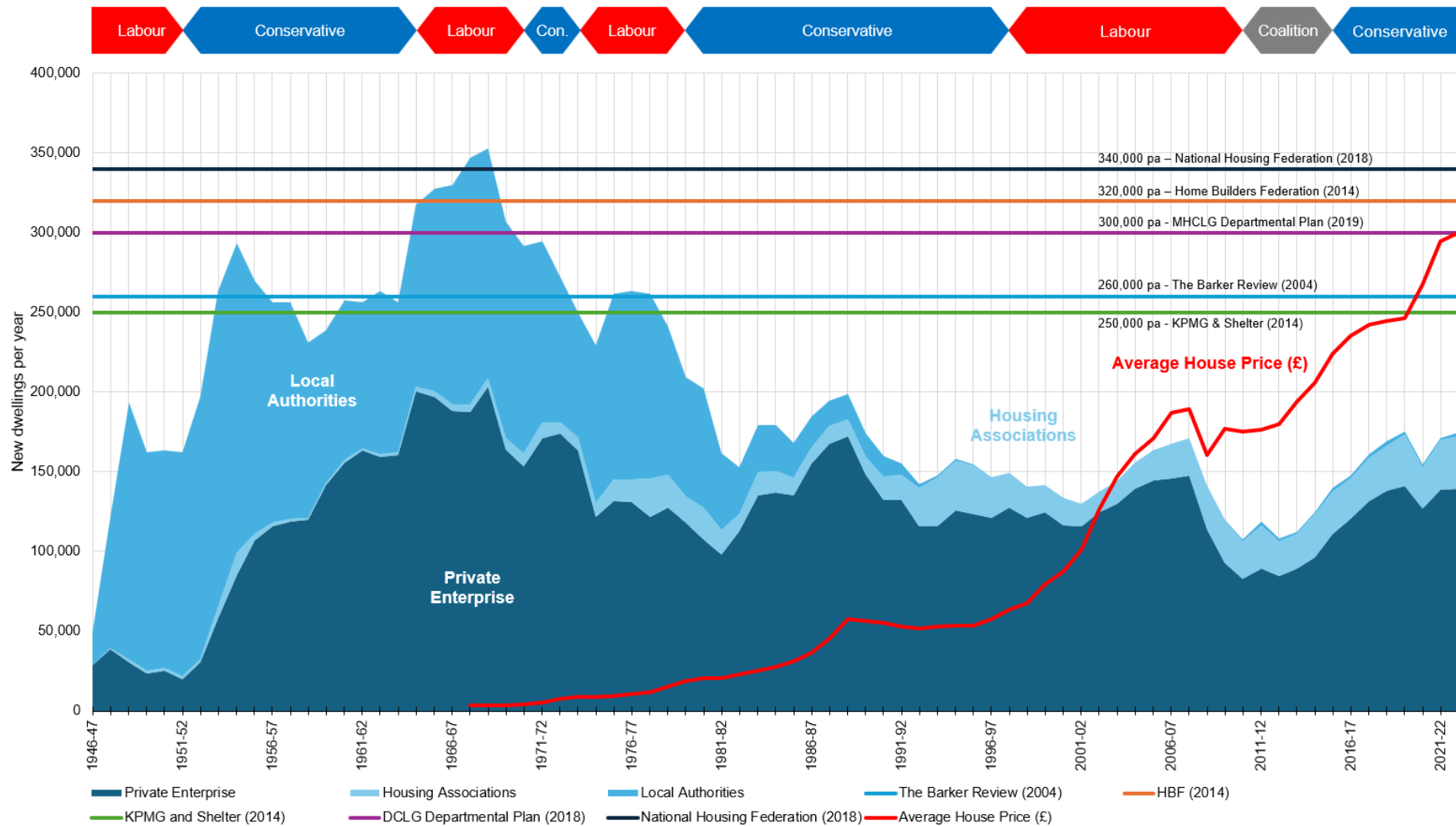
- 4.38 The Ministry³ Single Departmental Plan outlines its objectives which include to *“deliver the homes the country needs”* and to *“make the vision of a place you call home a reality.”*
- 4.39 Under the objective of delivering the homes the country needs, the Plan states that the Ministry will:
- “Support the delivery of a million homes by the end of 2020 and half a million more by the end of 2022 and put us on track to deliver 300,000 net additional homes a year on average by the mid-2020s, to help increase affordability.”*
- 4.40 The Departmental Plan clearly outlines the Government’s aim to **deliver 300,000 new homes per annum** in order to address the housing crisis in England.

³ The Ministry of Housing, Communities and Local Government was renamed Department for Levelling Up, Housing and Communities (DLUHC) in September 2021.

The National Housing Shortfall

- 4.41 Over the course of the past 20 years a series of industry leading professionals and figures at the highest level of Government have identified that there is a need for between 200,000 to 340,000 homes per annum to address the housing crisis that has engulfed the country.
- 4.42 Figure 4.2 below illustrates the level of house building in England between 1946/47 and 2022/23 and compares delivery over this period with the range of annual housing needs identified between 2004 and 2020, the most recent of which of course being the Government's own Department for Levelling Up, Housing and Communities ("DLUHC") target for 300,000 new homes per annum.

Figure 4.2: House Building in England 1946/47 to 2022/23



Source: DLUHC Live Table 209; DLUHC Live Table 253; HM Land Registry House Price Index; England; (2022); The Barker Review (2004); HBF (2014); Building the Homes We Need, KPMG & Shelter (2014); MHCLG Single Departmental Plan (2019); NHF (18 May 2018).

- 4.43 Figure 4.2 shows that the Government's current target of 300,000 new homes per annum is a figure that the country has not seen achieved since the mid to late 1960s. Whilst housing completions have generally been increasing since around 2011, they are still a long way short of meeting the level of housing delivery that is desperately needed to address the housing crisis in this country.
- 4.44 At Figure 4.3 net additional dwellings in England since 2004 sourced from DLUHC Live Table 122 are compared with the annual need figures identified in the Barker Review (2004), the KPMG & Shelter research (2014), the HBF research (2014), the NHF research (2018), and the MHCLG Single Departmental Plan (2019).
- 4.45 The results are stark. The lowest of the annual need figures since 2004, that of the KPMG/Shelter report of 250,000 homes per annum, results in a shortfall of -1,037,913 homes in the past 19 monitoring years. To put this into context, this is equivalent to:
- 81% of the total number of households on local authority Housing Registers in the whole of England⁴; and
 - Over three times the total number of homes across the entire County of Oxfordshire⁵.
- 4.46 At the other end of the scale, the need for 340,000 homes per annum most recently identified in the NHF research results in a shortfall figure of -2,747,913 homes. This is equivalent to more than twice the total number of homes in the entire West Midlands metropolitan area⁶.
- 4.47 When the Government's most recently published target of 300,000 homes per annum taken from the MHCLG 2019 Single Departmental Plan is used for comparison, there has been a shortfall of -1,987,913 homes since 2004. To put this into context, this is equivalent to:
- More than one-and-a-half times the number of households on local authority Housing Registers in the whole of England (see footnote 4); or put another way,
 - More than one-and-a-half times the total number of homes in Greater Manchester⁷.

⁴ Source: DLUHC Live Table 600 – 1,287,180 households on Housing Registers in England on 1 April 2022

⁵ Source: DLUHC Live Table 100 – 309,017 homes in Oxfordshire on 1 April 2022

⁶ Source: DLUHC Live Table 100 – 1,197,135 homes in West Midlands on 1 April 2022

⁷ Source: DLUHC Live Table 100 – 1,259,177 homes in Greater Manchester Metropolitan County on 1 April 2022

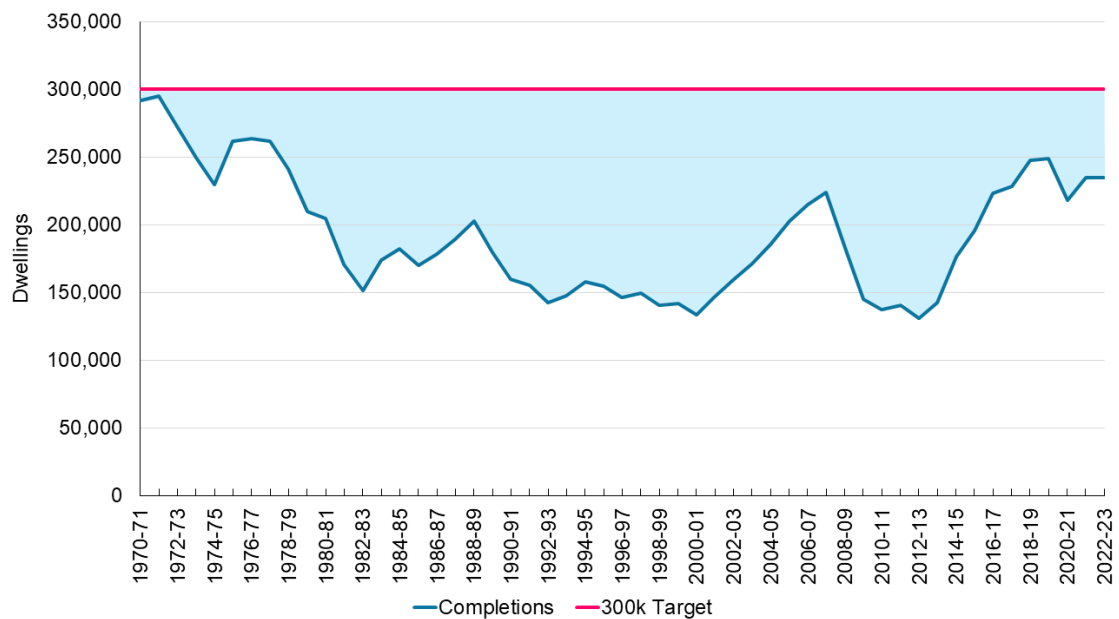
Figure 4.3: National Housing Shortfall Comparison

Year	Net Additions	KPMG/Shelter (2014) 250,000 pa		Barker Review (2004) 260,000 pa		MHCLG Departmental Plan (2019) 300,000 pa		The HBF (2014) 320,000 pa		NHF Research (2018) 340,000 pa	
		Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative
04/05	185,553	-64,447	-64,447	-74,447	-74,447	-114,447	-114,447	-134,447	-134,447	-154,447	-154,447
05/06	202,653	-47,347	-111,794	-57,347	-131,794	-97,347	-211,794	-117,347	-251,794	-137,347	-291,794
06/07	214,936	-35,064	-146,858	-45,064	-176,858	-85,064	-296,858	-105,064	-356,858	-125,064	-416,858
07/08	223,534	-26,466	-173,325	-36,466	-213,325	-76,466	-373,325	-96,466	-453,325	-116,466	-533,325
08/09	182,767	-67,233	-240,558	-77,233	-290,558	-117,233	-490,558	-137,233	-590,558	-157,233	-690,558
09/10	144,870	-105,130	-345,688	-115,130	-405,688	-155,130	-645,688	-175,130	-765,688	-195,130	-885,688
10/11	137,394	-112,606	-458,294	-122,606	-528,294	-162,606	-808,294	-182,606	-948,294	-202,606	-1,088,294
11/12	140,785	-109,215	-567,509	-119,215	-647,509	-159,215	-967,509	-179,215	-1,127,509	-199,215	-1,287,509
12/13	130,611	-119,389	-686,898	-129,389	-776,898	-169,389	-1,136,898	-189,389	-1,316,898	-209,389	-1,496,898
13/14	142,494	-107,506	-794,404	-117,506	-894,404	-157,506	-1,294,404	-177,506	-1,494,404	-197,506	-1,694,404
14/15	176,582	-73,418	-867,822	-83,418	-977,822	-123,418	-1,417,822	-143,418	-1,637,822	-163,418	-1,857,822
15/16	195,534	-54,466	-922,288	-64,466	-1,042,288	-104,466	-1,522,288	-124,466	-1,762,288	-144,466	-2,002,288
16/17	223,234	-26,766	-949,054	-36,766	-1,079,054	-76,766	-1,599,054	-96,766	-1,859,054	-116,766	-2,119,054
17/18	228,170	-21,830	-970,884	-31,830	-1,110,884	-71,830	-1,670,884	-91,830	-1,950,884	-111,830	-2,230,884
18/19	247,766	-2,234	-973,117	-12,234	-1,123,117	-52,234	-1,723,117	-72,234	-2,023,117	-92,234	-2,323,117
19/20	248,591	-1,409	-974,526	-11,409	-1,134,526	-51,409	-1,774,526	-71,409	-2,094,526	-91,409	-2,414,526
20/21	217,754	-32,246	-1,006,772	-42,246	-1,176,772	-82,246	-1,856,772	-102,246	-2,196,772	-122,246	-2,536,772
21/22	234,462	-15,538	-1,022,310	-25,538	-1,202,310	-65,538	-1,922,310	-85,538	-2,282,310	-105,538	-2,642,310
22/23	234,397	-15,603	-1,037,913	-25,603	-1,227,913	-65,603	-1,987,913	-85,603	-2,367,913	-105,603	-2,747,913
Total Shortfalls Since 2004 compared to:		KPMG/Shelter Research	-1,037,913	The Barker Review	-1,227,913	MHCLG Departmental Plan	-1,987,913	The HBF	-2,367,913	NHF Research	-2,747,913

Source: DLUHC Live Table 122; HM Land Registry; The Barker Review (2004); HBF (2014); Building the Homes We Need, KPMG & Shelter (2014); NHF (18 May 2018); MHCLG Single Departmental Plan (2019)

4.48 It is widely accepted that 300,000 new homes are needed per annum and have been for quite some considerable time as set out above. The last time the country built more than 300,000 homes was in 1969. Since that time there has arisen an accumulated shortfall of 5,703,615 dwellings. This 53-year duration accumulated shortfall is set out in Figure 4.4 below.

Figure 4.4: National Housing Shortfall since 1970/71



Source: DLUHC Live Tables 122 and 209

Conclusion on the Extent of the National Housing Shortfall

- 4.49 The evidence before the Inspector shows that in every scenario, against every annual need figure, the extent of the shortfall in housing delivery in England is staggering and merely serves to further compound the acute affordability problems that the country is facing.
- 4.50 It is my view that what is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is absolutely essential to arrest the housing crisis and prevent further worsening of the situation.

The Housing Crisis in the News

Section 5

5.1 I have explored through the preceding sections of this Proof of Evidence, the housing crisis creates serious impacts upon real households who are facing a shortage of available properties; high housing costs; barriers to renting and to home-ownership; and the serious impacts of inadequate housing such as overcrowded, hazardous, insecure homes, or no home at all.

5.2 The scale of the national housing crisis means that it is rarely out of the headlines. The following section is a short snapshot of news articles relating to the housing crisis taken from a variety of national and local sources. Together, these reports illustrate a wide range of research, professional opinions, editorial positions and personal testimonies, which underline the inescapable and serious real-world effects upon households, right now.

“The Cases Referred to the Housing Ombudsman Reveal the Fundamental Need to Build More Social Housing”; Inside Housing, 11 September 2023

5.3 This opinion article by Richard Blakeway, the Housing Ombudsman, explains his concerns about a long-term failure to invest in social housing provision, and the poor condition of some of the existing affordable housing stock that the Ombudsman deals with through its caseload.

5.4 In the third paragraph, Blakeway is critical of what he sees to be a lack of support for the wider housing system. He states that *“They reveal a fundamental failure over several decades to give social housing the prominence and support it requires to make a healthy, functional housing system”*.

5.5 In the fourth paragraph, Blakeway explains that a sizeable majority of the Housing Ombudsman’s casework relates to disrepair of existing stock, noting that *“around two-thirds of our casework now relates to disrepair”* (compared with only around 5% of cases of severe maladministration). In the fifth and sixth paragraphs, Blakeway laments that:

“Difficult decisions are made over whether to repair, to rebuild or rehouse. I see some appalling conditions and residents treated in dehumanising ways, where the

landlord's response has failed to meet the expectations of the law, its own policies or best practice [...] But I also see brilliant and dedicated housing professionals, let down by under investment, poor systems and data or defensive leadership."

- 5.6 Blakeway concludes the article by setting out his views as the Housing Ombudsman on the action that needs to be taken; putting it simply, the delivery of more affordable housing:

"While there is no shortage of ideas to solve the housing crisis, most struggle to address its scale, complexity or root causes. There is also a risk of overcomplicating something that should be straightforward – in a broken market we need decent, secure and affordable homes.

While we need an unprecedented building programme to replace those homes which are no longer fit for purpose, no building programme will be fast enough for the residents who are contacting us every 60 seconds. So, investing in existing homes must be a priority alongside building new ones. Disrepair cannot be isolated in the housing crisis, it's integral to a wider housing and net zero strategy."
(my emphasis)

"Homeless families forced to live in tents and hotels as temporary accommodation runs out"; ITV News; 22 August 2023

- 5.7 This extensive reporting by ITV News' Investigations Correspondent highlights the severe impact of homelessness upon households and children who are stuck in temporary accommodation or with no accommodation at all. The report includes alarming testimonies from households who have been made homeless and are facing the daily challenges and misery posed by inadequate temporary accommodation.
- 5.8 The report references research by Crisis and Heriott-Watt University that shows that 242,000 households are presently experiencing homelessness, including rough sleeping, 'sofa surfing' or being stuck in inadequate temporary accommodation. The research shows that these figures are up by 10% in the last two years. The same research finds that 88% of councils have reported an increase in requests for support from households evicted from private tenancies; and 97% of councils have struggled to source private rented dwellings within which they could place homeless households.

- 5.9 Damning personal testimonies are provided by two households experiencing the most severe effects of homelessness. Michaela explains that her family had been moved between three hotels in six months, unable to find an affordable property and with no homes available in the Council's stock. Ben Thompson explains that family of five was served a no-fault eviction on a private tenancy and has been stuck in various hotels since April 2023; he reports that not only is it difficult to find a property to rent but that landlords are making onerous demands in respect of household income and/or access to a guarantor. Both households reported that the situation was affecting their children's education and their own health and wellbeing; and worries that alternative accommodation may far away from their local area.
- 5.10 Similarly, the report includes the case of Ian and Teresa in the north-west region, who were unable to access any emergency accommodation after they were served with a no-fault eviction notice on a private tenancy. With the Council unable to pay the costs of temporary accommodation as the household was in work, the family was forced to move into a tent in a relative's back garden. The Council was fortunately able to offer a home after several months but commented that high demand made it difficult to offer a home at short notice; they stated that *"There is high demand for three-bedroom homes in the area which makes it impossible to react immediately"*.

"Why women are at the sharp end of the rental crisis"; Financial Times, 1 November 2023

- 5.11 This article reports on the particular challenges facing those households with below-average incomes and more caregiving responsibilities in accessing a home on the private rental market. The fourth, fifth and sixth paragraphs of the article set out that properties are less affordable for single women than for single men, with reference to the Office for National Statistics' benchmark that housing costs should account for no more than 30% of a household's income:

"It is now almost impossible for the most vulnerable women to rent in some parts of the country, according to a Financial Times analysis of social survey and rental data from the Office for National Statistics (ONS) for the year ending March 2023. This has led to higher rates of homelessness and a dramatic decline in the number of single mothers in London.

On the median salary, the average one-bedroom property in England was affordable for a single man but not a single woman, based on the ONS benchmark that housing should cost no more than 30 per cent of a household's income.

The problem is more acute for single mothers, who account for one in five UK families with dependent children. A one-bedroom property cost more than half their average income in the East, South East and South West. In London, it cost 106 per cent, compared with 64 per cent for the average single father.”

- 5.12 The article notes that prices are likely forcing some women to relocate, with ONS data showing that the number of single mothers with dependent children in the South East region and in London has fallen.
- 5.13 The article quotes Victoria Benson, the chief executive of the charity Gingerbread, who underlines the impact of the affordability crisis upon single mothers in particular, who states that that *“We know of single mums who have been forced to move to unsuitable accommodation and others who have had to move away from their support networks and even their children’s schools due to rental costs”*.

The Times’ view on Britain’s dire housing crisis: No Plan; The Times; 9 November 2023

- 5.14 This leading article by the traditionally conservative newspaper The Times is critical of what it sees as a lack of a plan to address the housing crisis, which is described in the article as *“arguably Britain’s gravest social problem”*.
- 5.15 The second paragraph sets out the effects of the housing crisis which the Times sees as having persisted since the Thatcher years:

“It would be hard to exaggerate the dysfunction that has gripped Britain’s housing sector in the decades since then, or the hypocrisy of politicians whose default tactic has become to pay lip service to the idea of fixing it. Today, England has fewer homes per person than any other rich European country. Increasingly, young professionals on decent salaries find themselves unable to buy, forcing them to fall back on an exploitative private rental market, or else confront the indignity of living with their parents well into their twenties and thirties. Teachers, emergency workers and police officers struggle to live close enough to the cities where their services are needed.”

- 5.16 The third paragraph makes clear that *“The underlying cause of this social dysfunction is no mystery: it is chronic under-supply”*. The fourth paragraph raises concerns that housebuilding will slow down to 151,000 dwellings next year, and the proposed changes to the NPPF to make housing targets advisory, stating that:

“Such catastrophic figures are in large part the result of Britain’s defective planning system, which acts as a drag anchor on development, and local authorities’ suspension of housing targets in the face of local opposition to building; but the underlying cause is the absence of any national strategy sufficiently bold to render such obstacles irrelevant.”

“Housing benefits boost set to be wiped out by soaring rents within 18 months”; inews; 8 December 2023

- 5.17 In the Chancellor of the Exchequer’s Autumn Statement in November 2023, the Government committed to restoring rates of Local Housing Allowance (i.e. the maximum amount of Housing Benefit or the housing element of Universal Credit) to match the cheapest 30% of open market rents. This follows a freeze in LHA since 2020 which placed pressure on low-income household budgets in the face of ongoing rent rises and was much criticised by organisations like Shelter and Crisis. The new LHA rates take effect from April 2024 but there is no provision for further increases in the future should rents rise again.
- 5.18 The I newspaper reports on research by lobby group Generation Rent, which indicates that average rents will rise by around 8.5% across England between 2023 and 2025. This means that *“An 8.5 per cent rise will mean that average rent is eventually almost 14.2 per cent higher than the reference rents that were used to determine the Autumn Statement’s LHA boost”* and that the effect of the increase in LHA will be wiped out in just 18 months’ time.
- 5.19 The article quotes Ben Beadle, the chief executive of the National Residential Landlords Association, who describes the decision to freeze housing benefit as a *“disastrous policy”* that affected *“the most vulnerable tenants across the private rented sector”*.

“Temporary accommodation spending crisis could be the ‘end of local government’, council leaders warn”; Inside Housing; 24 January 2024

- 5.20 This article reports from an emergency Westminster summit, convened to discuss the intolerable pressure that temporary accommodation costs has been placing on local authority finances. Cllr Stephen Holt, the Liberal Democrat leader of Eastbourne Borough Council, explained that temporary accommodation now accounted for 49p in every £1 that his Council collected, stating that *“Despite our efforts [...] more and more of our residents are presenting as homeless... They rely on the safety net that we and our partners provide. My greatest concern is that safety net is going to fail”*.

- 5.21 Cllr Michael Jones, the Labour leader of Crawley Borough Council reported an almost twenty-fold increase in temporary accommodation expenditure in the last five years, rising from £262,000 five years ago to over £5m this year. He said: *“I don’t think it is overdramatic, given the pressures facing councils, to tell the government that they are presiding over the end of local government if they fail to take the urgent action needed to finance it properly”*.
- 5.22 The portfolio holder for Housing and Planning at Gloucester City Council, the Conservative Cllr Stephanie Chambers, reported a tripling in her authority’s temporary accommodation expenditure from £364,000 last year to £1.19m this year and underlined the need for more homes. She raised concerns about how *“horrendous it is for homeless families and people are too ashamed to speak out”* and went on to state that *“I cannot reiterate enough the need for more housing”*.
- “Almost 10,000 social rent homes were lost last year in England”; Open Democracy; 9 February 2024**
- 5.23 In an article by Open Democracy, it is reported that more social rent homes were sold or demolished than built last year, new government figures show. It quotes figures from the Department of Levelling Up, Housing and Communities (“DLUHC”) that a net 9,379 homes for social rent were lost in 2022/23.
- 5.24 Labour MP Nadia Whittome, who sits on parliament’s housing select committee raised concerns about how: *“At a time when we desperately need to increase the number of social homes, it’s outrageous that government policy means we’re losing them instead. The homelessness crisis is being fuelled by Right to Buy and the failure to build social housing.”*
- 5.25 The article reports that in 2023, a total of 22,023 social homes in the “low-cost rental” category were lost, with 18,799 being sold and another 3,224 were demolished.
- 5.26 The Conservative MP, Bob Blackman expressed: *“I feel disappointed... “I’m not worried about the number of homes sold, or the numbers demolished. What I’m concerned about is that we’re not replacing them. That’s the problem.”*

Rise in rough sleeping in England ‘source of national shame’; The Guardian, 29 February 2024

- 5.27 This article highlights that the number of people sleeping on the streets increased for the second consecutive year in 2023, with the government failing to meet its manifesto pledge. It is reported that an estimated 3,898 people slept rough in 2023, marking a 27% increase. This is the largest annual rise since 2015 and more than double (120%) the number of people recorded as sleeping rough in 2010, when records began.
- 5.28 Several district councils have expressed concerns that rapidly rising temporary accommodation costs could lead them to bankruptcy.
- 5.29 Campaigners have criticised ministers for not addressing the root causes of homelessness, such as “*soaring rents, inadequate housing benefit support, and a lack of affordable housing*”. The government have also failed to meet their 2019 pledge to end “no fault” evictions – a major cause of homelessness.
- 5.30 Homeless Link’s director of social change, Fiona Colley, expressed: “*Ask anyone in the homelessness sector and they’ll tell you that this rise [in rough sleeping] was entirely predictable and entirely preventable.*”

“Temporary housing ‘a factor in 55 child deaths in England since 2019’; The Guardian; 4 March 2024

- 5.31 This article reports that temporary accommodation has been a major contributing factor in the death of 55 children between 1 April 2019 and 31 March 2023.
- 5.32 The Guardian quotes Darren Rodwell, the housing spokesperson for the Local Government Association, which represents councils, stating that:
- “It is tragic that thousands of children are having to live in temporary accommodation...Last year, councils spent £1.74bn to support 104,000 households in temporary accommodation, the highest figures since records began. The only way to resolve this issue is to address the shortage of suitable housing across the country and build up councils’ stock of social housing.”*
- 5.33 The chair of the all-party parliamentary group on temporary accommodation, Siobhain McDonagh, discusses the concern that despite the UK being one of the most developed countries in the world, children are being housed in inadequate temporary accommodation, expressing that:

“It is shocking that in the fifth-largest economy in the world, children are dying because of the accommodation they are being housed in,.. We cannot accept that ... councils are under extraordinary pressure. They have an ever-growing list of homeless families waiting for accommodation and an ever-smaller pool of housing to put them in. That means councils are forced to house people in inhumane conditions... Some of the conditions that I see are unfit for anyone to live in, let alone a child.”

“First-time buyers face toughest test for 70 years”; BBC News; 22 April 2024

- 5.34 The BBC reports the various challenging conditions which face first time buyers indicating that many first-time buyers now need to rely on two high incomes or parental support, while others are priced out and stuck renting from private landlords. It is reported that *“private rental costs in the UK have risen by 9.2% in the last year”*.
- 5.35 Head of Mortgage and Housing Policy at the Building Societies Association (“BSA”), Paul Broadhead, reveals that: *“Becoming a first-time buyer is possibly the most expensive it has been over at least the last 70 years, but a properly functioning housing market is dependent on first-time buyers being able to afford their first home.”*
- 5.36 The article refers to the Resolution Foundation think tank which said that while the most common living arrangement for adults aged 18 to 34 in 1997 was being in a couple with children, it has now shifted to living with their parents. They also noted that half of first-time buyers in their 20s receive an average of £25,000 in financial support from their parents.

Local sources

“Bromley council residents face maximum rise in rent Bromley council residents faces maximum 7.7% rent rise in cost of living blow”; Evening Standard; 11 January 2024

- 5.37 The article indicates that LBB plan to raise affordable and social rents by 7.7% by April 2024, which is the maximum increase allowed to be enforceable by the local authority. This increase is based on the consumer price index of 6.7% in September 2023, plus an additional 1%.

- 5.38 Officers at the Council acknowledged that LBB is facing growing pressure from rising number of people presenting as homeless due to the lack of supply of temporary accommodation. They mentioned that costly nightly rate accommodation such as hotels and hostels were being used to address the issue, but that option remains to be extremely limited.
- 5.39 Officers further highlighted that *“Despite all efforts to increase the supply of accommodation coming through housing association partners and private sector options. this [sic] supply continues to be insufficient to meet the level of need. Demand is also forecast to increase following financial pressures on households and reductions in availability of private rented accommodation in the current market.”*
- 5.40 It is later discussed that Alicia Munday, Head of Regeneration at LBB, previously during a meeting on 5 October 2023, set out that the authority is currently experiencing “massive pressure” on housing.

**“Bromley’s acute housing shortage highlighted – but solutions seem elusive”;
London News Online; 29 February 2024**

- 5.41 At a town hall meeting on the 26 February 2024, the housing crisis in Bromley was discussed focusing on issues such as forced relocation to homes outside London and overcrowding for families. A Cllr noted that housing shortage is so severe that families are being relocated “hundreds of miles” from LBB.
- 5.42 Labour Cllr Chris Price raised concerns over the numbers of households on the housing register acknowledging that: *““In Bromley, we have over 3,000 households on the waiting list.”*
- 5.43 Leader of the Labour Group, Cllr Simon Jeal, recognises that: *“We know that we have a severe shortage of convention. We know that many families are having to be placed in Gravesend, in Medway or even further”*. The Cllr goes on to suggest that: *“Not only is this plan financially prudent for the council’s future finances, it also ensures that more families can stay and remain in this borough and the place that they call home, rather than having to move hundreds of miles away in some cases.”*

Summary

- 5.44 The housing crisis continues to make the headlines. Each of the recent articles in this section depicts the effects of the housing crisis from a different perspective. In my view, they underline the essential importance of providing affordable housing.

The Development Plan and Related Policies

Section 6

Introduction

- 6.1 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.
- 6.2 The relevant Development Plan in respect of affordable housing for the appeal site currently comprises the London Borough of Bromley (“LBB”) Local Plan (2019) (**CD4.1**) and the London Plan (2021) (**CD4.3**).
- 6.3 Other material considerations relevant to affordable housing include the NPPF (2023) and the PPG (March 2014, ongoing updates), LBB Affordable Housing Supplementary Planning Document⁸ (2008), LBB Affordable Housing SPD Addendum (2012), LBB Affordable Housing Addendum (2013), LBB Affordable Housing SPD Addendum (2018) and the Homes for Londoners: Affordable Housing and Viability Supplementary Planning Guidance⁹ (2017) and a number of corporate documents which support the provision of affordable housing at the corporate level.

The Development Plan

London Borough of Bromley Local Plan (January 2019) – CD4.1

- 6.4 The Local Plan was adopted on 16 January 2019 and covers the 15-year period from 2015 to 2030.
- 6.5 Chapter one sets out the vision and objective for the Plan with paragraph 1.3.7 on page 14 outlining an objective to “*ensure there is an appropriate supply of homes to meet the varied needs and incomes of the local population, which responds to changing demographics*”.

⁸ Supplementary Planning Document (“SPD”)

⁹ Supplementary Planning Guidance (“SPG”)

- 6.6 Paragraph 2.1.16 on page 30 explains the findings of the South-East London Strategic Housing Market Assessment which was published in 2014 (“2014 SHMA”):

“A SHMA for the South-East London sub region was finalised in June 2014 and estimates an annual housing requirement across the sub region of 7188 units and a net annual need for 5000 affordable units. The net additional dwelling requirement for Bromley per annum was estimated at approximately 1320 units.”

- 6.7 **Policy 2 ‘Provision of Affordable Housing’** on pages 33 and 34 requires that for residential developments of 11 or more dwellings, 35% of the units should be delivered as affordable housing on site. However, if a development proposal is unable to deliver 35% affordable housing on site, this will need to be evidenced by a Financial Viability Appraisal which will be independently assessed.
- 6.8 The supporting text to Policy 2 at paragraph 2.1.24 of page 34 explains that the NPPF *“specifies that to deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand.”*
- 6.9 Paragraph 2.1.27 of page 34 goes on to set out that *“Local Plans should take account of; current and future housing requirements, targets and the priority for affordable housing across London, promoting mixed and balanced communities”*, whilst making clear that *“there is the need to encourage rather than restrain residential development”*.
- 6.10 Paragraph 2.1.29 on page 35 further considers the findings of the 2014 SHMA noting that it *“demonstrates a high level of need across the sub-region and highlights a number of key challenges and issues”* as well as identifying that *“in Bromley there is a net annual need for affordable housing of about 1,400 units per annum”*.
- 6.11 The Plan explains at paragraph 2.1.31 that following the Affordable Housing Viability Assessment (2016) a target of 35% affordable housing was set for sites which met the affordable housing threshold, paragraph 2.1.31 goes on to explain that: *“The target relates to the percentage of habitable rooms on site although the Council will consider the overall contribution in terms of floor space and unit numbers to ensure that a proportionate percentage of overall development is affordable housing.”*

6.12 Paragraph 2.1.34 on page 36 sets out the Council's belief in relation to priority needs:

“The Council believes that some of its priority needs can only be met by social rented/affordable rented housing. Shared ownership, low-cost market, and sub-market rented housing have a role principally in relation to intermediate housing. Such options may also assist some households unable to access market housing but which the Council has a duty to assist through its strategic enabling role.”

6.13 Appendix 10.11 of the LBB Local Plan sets out an “Implementation and Monitoring Framework”, for housing provision. Page 368 sets out monitoring framework for the Local Plan objective of ‘Homes’. This objective seeks to *“Ensure that there is an appropriate supply of homes to meet the varied need of the local population and ensure new homes are designed to minimize environmental impacts and are supported by approximate social and environmental infrastructure.”*

6.14 To monitor this objective, there are five indicators. Indicator 3.2 seeks to monitor the number of affordable homes provided against the annual target of 35% affordable housing delivery on sites of 11 units or more.

The London Plan (March 2021) – CD4.3

6.15 The London Plan was adopted in March 2021 and is the Spatial Development Strategy for Greater London. It sets out a framework for how London will develop and includes the Mayor's vision for ‘Good Growth’ over the 22-year period from 2019 to 2041.

6.16 The Plan is part of the statutory development plan for London, meaning that the policies in the Plan should inform decisions on planning applications across the capital. 6.17 Borough's Local Plans must be in ‘general conformity’ with the London Plan, ensuring that the planning system for London operates in a joined-up way and reflects the overall strategy for how London can develop sustainably, which the London Plan sets out.

6.17 Pages XI to XIV set out the foreword to the London Plan, written by the Mayor of London, Sadiq Kahn. Page XII of the Foreword explains:

“This London Plan sets out a new way of doing things, something I call Good Growth. Good Growth is about working to re-balance development in London towards more genuinely affordable homes for working Londoners to buy and rent.”

6.18 The forward goes on to highlight on page XII that “*what we need is growth that allows us to build thousands of genuinely affordable homes at the same time as creating a more inclusive, greener and safer city that supports the health and wellbeing of all Londoners.*”

6.19 The forward goes on to note at page XIII that:

“Central to the plan is how we can help boroughs better co-ordinate growth across London. It includes strong new measures and sets ambitious targets for every London borough for building more of the housing we need. This goes alongside my strategic target for half of new homes to be genuinely affordable.”

6.20 Paragraph 1.0.2 on page 11 explains that “Every individual decision to provide affordable housing helps to make the housing market fairer.” Whilst paragraph 1.0.2 goes on to explain the “*Planning for the right number of homes and higher levels of affordable housing will take advantage of London’s growth to re-balance the housing market.*”

6.21 Paragraphs 1.4.2 and 1.4.3 on page 20 set out the consequences and scale of London’s affordable housing crisis:

“The state of London’s housing market has implications for the makeup and diversity of the city. Affordable housing is central to allowing Londoners of all means and backgrounds to play their part in community life. Providing a range of high quality, well-designed, accessible homes is important to delivering Good Growth, ensuring that London remains a mixed and inclusive place in which people have a choice about where to live. The failure to provide sufficient numbers of new homes to meet London’s need for affordable, market and specialist housing has given rise to a range of negative social, economic, and environmental consequences, including: worsening housing affordability issues, overcrowding, reduced labour market mobility, staff retention issues and longer commuting patterns. The lack of supply of the homes that Londoners need has played a significant role in London’s housing crisis. The 2017 London Strategic Housing Market Assessment has identified a significant overall need for housing, and for affordable housing in particular. London needs 66,000 new homes each year, for at least twenty years, and evidence suggests that 43,000 of them should be genuinely affordable if the needs of Londoners are to be met. This supports the Mayor’s strategic target of 50 per cent of all new homes being genuinely affordable, which is based on viability evidence.” (my emphasis).

- 6.22 **Policy GG4** on page 22 is concerned with ‘Delivering the homes Londoners need’ setting out at part B of the policy that to create a housing market that works better for all Londoners, those involved in planning and development must ‘*support the delivery of the strategic target of 50 per cent of all new homes being genuinely affordable*’.
- 6.23 On page 24, **Policy GG5 ‘Growing a good economy’** is clear at Part D that to conserve and enhance London’s global economic competitiveness and ensure that economic success is shared amongst all Londoners, those involved in planning and development must ‘ensure that sufficient high-quality and affordable housing, as well as physical and social infrastructure is provided to support London’s growth.’
- 6.24 Paragraph 1.6.6 on page 25 highlights that ‘*ensuring sufficient housing at the right price is also key to the city’s resilience. The shortage of affordable housing in the capital is hindering the recruitment and retention of public service workers, including those crucial to the operation of the emergency services, the health system and London’s transport infrastructure.*’
- 6.25 **Policy H4 ‘Delivering affordable housing’** on page 172 sets a strategic target for 50% of all new homes delivered across London to be genuinely affordable and sets out a number of specific measures to achieve this, including:
1. “*requiring major developments which trigger affordable housing requirement¹⁰ to provide affordable housing through the threshold approach (Policy H5 Threshold approach to applications)*”
 2. *using grant to increase affordable housing delivery beyond the level that would otherwise be provided*
 3. *all affordable housing providers with agreements with the Mayor delivering at least 50 per cent affordable housing across their development programme, and 60 per cent in the case of strategic partners¹¹*
 4. *public sector land¹² delivering at least 50 per cent affordable housing on each site and public sector landowners with agreements with the Mayor delivering at least 50 per cent affordable housing across their portfolio*

¹⁰ “All major development of 10 or more units triggers an affordable housing requirement. Boroughs may also require affordable housing contributions from minor housing development in accordance with Policy H2 Small sites”.

¹¹ “Strategic partners are affordable housing providers who commit to deliver ambitious development programmes through a flexible partnership with the Mayor. Each partnership involves at least 1,000 new housing starts, with at least 60 per cent of them genuinely affordable.”

¹² “Separate affordable housing requirements apply to estate regeneration schemes on public sector land, which are set out in Policy H8 Loss of existing housing and estate redevelopment”.

5. *industrial land appropriate for residential use in accordance with Policy E7 Industrial intensification, co-location, and substitution, delivering at least 50 per cent affordable housing where the scheme would result in a net loss of industrial capacity.”*
- 6.26 Paragraph 4.4.1 on page 173 describes the delivery of genuinely affordable housing as a “*key strategic issue for London*”, going on to explain that:
- “Meeting the need for circa 43,500 affordable homes per year, as established in the 2017 Strategic Housing Market Assessment, will require an increase in affordable housing contributions from all sources. All schemes are expected to maximise the delivery of affordable housing and make the most efficient use of available resources. This is critical to enabling London to meet the housing needs of its workforce and maintain the function and resilience of the city.”*
- 6.27 **Policy H5 ‘Threshold approach to applications’** on pages 176 and 177 identifies a minimum threshold of 35% affordable housing to be delivered on-site, on residential developments. However, if this threshold cannot be met, the applicant must follow the Viability Tested Route, submitting a viability assessment to demonstrate the maximum deliverable affordable housing provision for the proposal.
- 6.28 Paragraph 4.5.3 on the same page goes on to highlight that the percentage of affordable housing on a scheme should be measured in habitable rooms to ensure that a range of sizes of affordable homes can be delivered, including family sized homes.
- 6.29 The paragraph also sets out that habitable rooms in affordable and market elements of the scheme should be of comparable size when averaged across the whole development. If this is not the case, it may be more appropriate to measure the provision of affordable housing using habitable floorspace. Applicants should present affordable housing figures as a percentage of total residential provision in habitable rooms, units and floorspace to enable comparison.
- 6.30 **Policy H6 ‘Affordable Housing Tenure’** on pages 181 and 182 sets out the following affordable housing tenure split for residential development:
1. *“a minimum of 30 per cent low-cost rented homes, as either London Affordable Rent or Social Rent, allocated according to need and for Londoners on low incomes;*

2. a minimum of 30 per cent intermediate products which meet the definition of genuinely affordable housing, including London Living Rent and London Shared ownership;

3. the remaining 40 per cent to be determined by the borough as low-cost rented homes or intermediate products (defined in Part A1 and Part A2) based on identified need.”

- 6.31 Paragraph 4.6.3 on page 162 explains that the Mayors preferred affordable housing tenures are homes based on social rent levels, including Social Rent and London Affordable Rent, London Living Rent and homes based on social rent levels, including Social Rent and London Shared Ownership.
- 6.32 Paragraph 4.6.7 sets out that “*Other affordable housing products may be acceptable if, as well as meeting the broad definition of affordable housing, they also meet the London Housing Strategy definition of genuinely affordable housing and are considered by the borough to be genuinely affordable.*”
- 6.33 **Policy H7 ‘Monitoring of affordable housing’** on page 185 sets out the framework for monitoring affordable housing delivery. Policy H7 requires Boroughs “*to have clear monitoring processes to ensure that the affordable housing secured on or off site is delivered and recorded in line with the Section 106 agreement.*”
- 6.34 Policy H7 is clear that “*Monitoring processes should ensure any cash in lieu payments are used to deliver additional affordable housing*” and “*where a review mechanism is triggered, it is implemented and the number of extra homes delivered, or cash in lieu secured, is recorded.*” Monitoring information on the requirements of Policy H7 are to be published annually by Boroughs to ensure transparency in the planning process and so the public know how funds are being spent.
- 6.35 **Policy H10 ‘Housing size mix’** on page 189 is clear at part A that schemes should generally consist of a range of unit sizes. It goes on to set out that decision-makers should have regard to a range of criteria when determining appropriate mix.
- 6.36 **Policy DF1 ‘Delivery of the Plan and Planning Obligations’** on page 455 explains that “*Viability assessments should be tested rigorously and undertaken in line with the Mayor’s Affordable Housing and Viability SPG.*”

6.37 Policy DF1 goes on to state that *“in situations where it has been demonstrated that planning obligations cannot viably be supported by a specific development, applicants and decision-makers should firstly apply priority to affordable housing and necessary public transport improvements”*.

6.38 Table 12.1 on page 462 sets out the following key performance indicator (“KPI”) and measure in relation to affordable housing:

KPI – *“Supply of affordable homes”*

Measure – *“Positive trend in percentage of planning approvals for housing that are affordable housing (based on a rolling average).”*

Other Material Considerations

Bromley Local Plan Review Issues and Options (Regulation 18) Consultation (April 2023) – CD6.4

6.39 Between 28 April 2023 and 30 June 2023, the Council consulted on a Regulation 18 Issues and Options document in preparation of a new Local Plan for the Borough.

6.40 Section 3 of the consultation document deals with ‘Housing’, paragraph 3.3 on page 12 sets out the Councils current approach, explaining:

“Policy 2 sets out the threshold for affordable housing provision, and policy on the required affordable housing tenure and housing size mix, informed by a Strategic Housing Market Assessment (SHMA). The policy mirrors the approach set out in the London Plan, whereby provision above 35% that also addresses other policy requirements is not required to provide viability evidence to justify the proposed provision. Exceptional circumstances where the Council would accept off-site affordable housing or payments in lieu are also set out.”

6.41 Paragraph 3.7 on page 12 states that *“In July 2020, the Council approved the reopening and setting up of a Housing Revenue Account (HRA) for the provision of affordable housing and has recently been developing housing on Council-owned land.”*

6.42 Furthermore, paragraphs 3.12 and 3.13 on page 13 explain how national and regional policy has changed since the adoption of Bromley Local Plan (January 2019):

“The NPPF and London Plan affordable housing threshold has also changed, to align with the definition of major development as set out in legislation, i.e. development proposals providing 10 residential units or more. The Local Plan has a different threshold, instead seeking affordable housing on all housing

developments capable of providing 11 residential units or more or where the residential floorspace is more than 1000sqm, irrespective of the number of dwellings.” “The NPPF also states that provision of affordable housing should not be sought for residential developments that are not major developments; and expects that at least 10% of the total number of homes delivered as part of major housing development be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.”

6.43 Paragraph 3.14 on pages 13 and 14 acknowledges that:

“The Bromley Corporate Strategy sets out the aim to ensure the delivery of 1,000 new affordable quality homes; and that the housing needs and aspirations of more vulnerable people, including adults who have learning disabilities and older people, feature consistently in the development and delivery of our housing plans. Bromley’s affordable housing completions in recent years have been low, with approximately 400 affordable units completed since 2017/18.”

6.44 Paragraph 3.25 on page 15 sets out how the Council will address affordable housing in the new Local Plan:

“Maximising affordable housing delivery is also a key issue for the Local Plan, reflecting policy requirements in the London Plan and NPPF, and Council priorities. A new SHMA will be prepared to provide updated evidence on affordable housing need, which will inform any new policy on affordable housing in terms of the tenure, type and amount of affordable housing sought, along with requirements set out in the NPPF and London Plan. While noting the NPPF policy limiting the ability of local planning authorities to seek affordable housing on non-major development, such provision could help improve affordable housing delivery to help address identified need, either through direct provision of homes or through financial contributions. A small sites affordable housing requirement could therefore be explored as part of the new Local Plan.”

6.45 Regarding affordable housing, page 16 of the document asks the following:

“Q9: How important is the delivery of affordable housing, and what (if any) specific affordable housing tenures should be prioritised, e.g., social rent, low cost home ownership?”

Q10: Do you think the Council should investigate the potential for seeking affordable housing on small sites (fewer than 10 units)?”

London Borough of Bromley Affordable Housing Supplementary Planning Document (March 2008) – CD5.6

- 6.46 The LBB Affordable Housing Supplementary Planning Document (“SPD”) was first published in March 2008, providing further guidance on the application of affordable housing policy in the LBB.
- 6.47 There have been three subsequent addendums to the SPD in January 2012 (**CD5.7**), June 2013 (**CD5.8**) and July 2018 (**CD5.9**) respectively.
- 6.48 The first addendum provided revisions to the definitions of what constitutes affordable housing in order to include the affordable rented tenure. The second addendum provided further clarification on calculating a financial contribution from applicant/developers in lieu of on-site affordable housing provision. The third sets out the councils reviewed local Intermediate Housing Income Thresholds.
- 6.49 The Affordable Housing SPD and subsequent addendums pre-date the adopted Bromley Local Plan (2019), the London Plan (2021) and does not take into account the existing NPPF (2023). As such, the SPD should be afforded limited weight in decision making.

Homes for Londoners: Affordable Housing and Viability Supplementary Planning Guidance (August 2017) – CD5.10

- 6.50 The Homes for Londoners Affordable Housing Viability Supplementary Planning Guidance (“SPG”) was adopted in August 2017. The SPG focuses on affordable housing and viability. It includes four distinct parts:
1. Background and approach;
 2. The threshold approach to viability assessments;
 3. Detailed guidance on viability assessments; and
 4. A specific approach to Build to Rent schemes.
- 6.51 Details of each can be found within the SPG.

Emerging London Plan Guidance: Affordable Housing and Development Viability (May 2024) – CD6.5

- 6.52 The GLA consulted on the emerging Affordable Housing and Development Viability London Plan Guidance between 3 May 2023 and 24 July 2023.
- 6.53 The GLA are currently reviewing representations received during the consultation period and it was intended to be adopted and published in Spring 2024. However, at the time of writing (May 2024), no further update has been published by the GLA as to the progression of adoption.
- 6.54 The draft document provides further guidance on the threshold approach and other London Plan policies that relate to affordable housing.
- 6.55 Given the early stages of the consultation, the document attracts limited weight in the planning balance.

Corporate Documents

- 6.56 The Council's corporate documents identify the delivery of affordable housing as a high corporate priority of the London Borough of Bromley. These include the following documents:
- Making Bromley Even Better (Corporate Strategy) 2021 to 2031 (**CD6.6**);
 - Bromley Housing Strategy 2019-2029 (**CD6.7**); and
 - The Bromley Homelessness Strategy 2018-2023 (**CD6.8**).
- 6.57 Summaries of each of these documents are provided at **Appendix AG3** and quotes from each of the documents are referred to throughout this evidence.

Summary and Conclusions

- 6.58 The relevant Development Plan in respect of affordable housing for the LBB currently comprises the LBB Local Plan (2019) and the London Plan (2021).
- 6.59 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 the LBB.

6.60 The ten affordable homes at the appeal site will make a contribution towards the meeting annual affordable housing needs of LBB, particularly when viewed in the context of past rates of affordable housing delivery which is considered in more detail in Section 8 and 10 of this evidence.

Affordable Housing Need

Section 7

Introduction

- 7.1 This section explores the affordable housing needs identified in the adopted Development Plan and its associated evidence base, as well as more recent assessments of affordable housing need in order to provide a comprehensive understanding of formally identified affordable housing needs across the LBB.
- 7.2 In addition to formal assessments, this section examines other indicators of affordable housing need such as the Housing Register, waiting times, and homelessness rates. These real-world metrics offer additional insights and perspective on the pressing need for affordable housing in the LBB.

Development Plan and Evidence Base

- 7.3 The adopted Development Plan does not define a numerical target for the provision of affordable homes. Instead, the adopted Bromley Local Plan (2019) seeks 35% affordable housing provision is made from qualifying developments.
- 7.4 The Bromley Local Plan (2019) does however acknowledge the findings of the **South East London Strategic Housing Market Assessment** published in 2014 (“2014 SHMA”) (CD6.9).
- 7.5 The 2014 SHMA identified the need for 1,404 net affordable homes per annum over the 20-year period between 2011 and 2031 across LBB, using the Liverpool approach to address the backlog in needs.
- 7.6 Table 6.10 demonstrates that of the five Boroughs covered¹³ by the 2014 SHMA, LBB has the highest affordable housing need per annum in South East London. In fact, the needs in LBB are so great that they make up almost a third¹⁴ of the requirement for the whole of South East London.

¹³ London Boroughs of Bexley, Bromley, Greenwich, Lewisham, and Southwark.

¹⁴ Bexley = 16.68%; Bromley = 27.98%; Greenwich = 16.64%; Lewisham = 22.8%; and Southwark = 15.93%.

- 7.7 The SHMA takes into account the assumption that households unable to afford market housing should not be spending more than 33.3% of gross income on housing costs adding that the figure of 33.3% is upwards from the 25% start point as suggested in the now superseded 2007 DCLG¹⁵ SHMA Guidance (paragraph 6.28 on page 111; and paragraphs 2 and 3 on page 152).
- 7.8 Furthermore, the Office for National Statistics “deem a property “affordable” if a household would spend the equivalent of 30% or less of their income on rent”¹⁶.
- 7.9 It is worth noting that this issue was considered in a February 2023 appeal decision at Land at Dene Road, Cotford St. Luke (**CD7.3, p.18, [100 - 101]**). Inspector Bristow found at paragraphs 100 to 101 of his decision that:

“In TBDC’s Strategic Housing Market Assessment of 2016 (‘SHMA’), affordable housing needs were forecast to be 161dpa. However, in SWTC’s Local Housing Needs Assessment document of 2020 (‘LHNA’), affordable housing needs were forecast, across a much wider geography following the local government reorganisation referenced in paragraph 4 of this decision, to be only 158dpa. Given evidence of the decreasing affordability of housing based on affordability ratios, and also rising numbers of individuals on the Somerset Homefinder Register, that is surprising.

I understand that differential arises, in large part, as the SHMA was based on 29% of household spending being devoted to housing costs, whereas the LHNA is premised on up to 35% of household spending being used in that way. In itself that reflects the decreasing affordability of housing. Inputting into the calculation that households are necessarily devoting more of their income to meeting housing costs poses a real risk of circularity and underrepresentation of need.” (my emphasis).

- 7.10 Furthermore the 2014 SHMA was prepared prior to the implementation of the updated Annex 2 definition of affordable housing in the revised 2018 NPPF (now July 2023 version).
- 7.11 The calculation of need within the 2014 SHMA therefore does not make provision for the range of affordable routes to home ownership included within the current definition of affordable housing.

¹⁵ Department for Communities and Local Government now Department for Levelling up Homes and Communities.

¹⁶ ‘Private rental affordability, England, Wales and Northern Ireland: 2022’

- 7.12 If these households were also to be factored in to the calculation of affordable housing need it is likely that the net affordable housing need figure for Bromley would increase further.
- 7.13 For example, as documented by **Appendix AG5**, an increase in affordable housing need in the Darlington 2015 SHMA was identified by ORS in the Darlington 2020 SHMA and at paragraph 3.70 of the 2020 SHMA, it is recognised that:

“the additional affordable housing need contained in this study comes directly from the change in definition for affordable housing set out in Annex 2 of the NPPF 2018.”

- 7.14 As such there is no up to date assessment of affordable housing need for LBB. This means that the council are unable to plan for addressing the acute affordable housing needs of the council.
- 7.15 It should also be highlighted that the GLA published the 2017 London Strategic Housing Market Assessment (**CD6.10**) in November 2017 which forms part of the evidence based for the adopted London Plan (2021). This document however only presents data at a Greater London level rather than drilling down to Borough level data.

Indicators of Affordable Housing Need

- 7.16 Key indicators like the number of households on the Council's Housing Register, homelessness rates and households housed in temporary accommodation all serve as crucial markers of affordable housing need in the LBB.

Housing Register

- 7.17 Data from Department for Levelling Up Homes and Communities (“DLUHC”) shows that on 31 March 2023 there were **2,772 households on the Council’s Housing Register**. This represents a 6% increase from the previous year, when the figure stood at 2,618 households.
- 7.18 Figure 7.1 below shows the breakdown of the number of bedrooms required by each of the 2,772 households on the Register on 31 March 2023.

Figure 7.1: Housing Register need broken down by property size, 31 March 2023

Size of Affordable Property	Number of Households on the Housing Register	%age of Households
1-bedroom home	902	33%
2-bedroom home	767	28%
3-bedroom home	818	30%
4+ bedroom home	285	10%

Source: DLUHC Open Data.

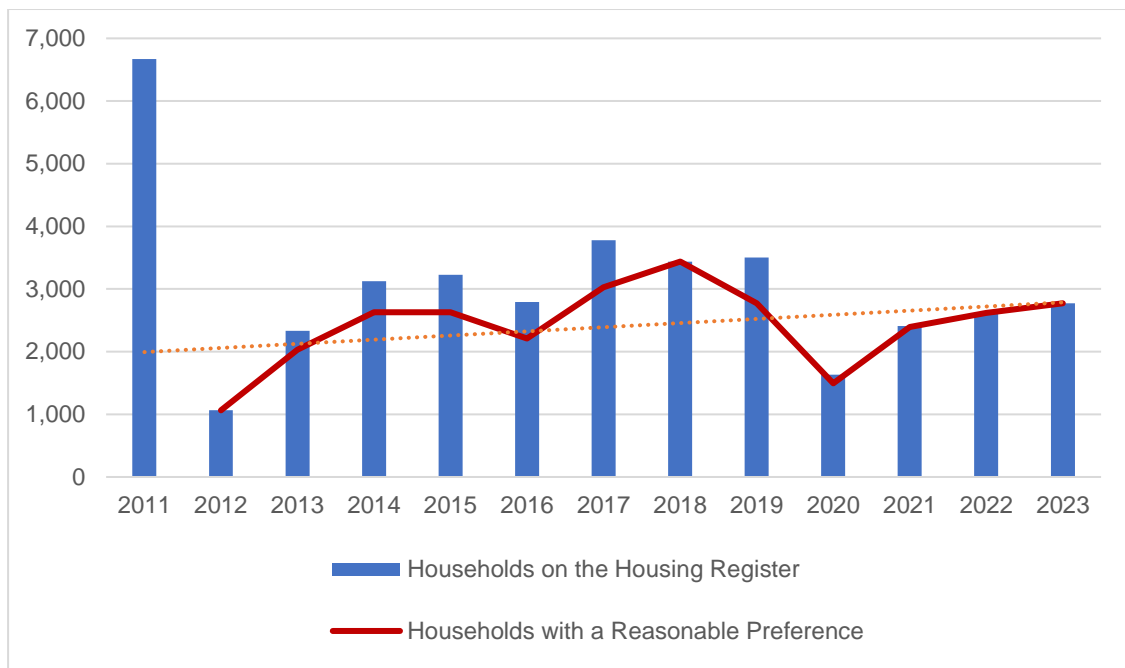
7.19 Figure 7.1 indicates a significant need for affordable housing across various property sizes. Specifically, there are 902 households (33%) in need of 1-bedroom homes, 767 households (28%) requiring 2-bedroom homes, 818 households (30%) seeking 3-bedroom homes, and 285 households (10%) in need of homes with 4 or more bedrooms. The data highlights the substantial demand for smaller units, with nearly two-thirds of the households requiring 1 or 2-bedroom properties.

7.20 Of the households on the Housing Register on 31 March 2023, 100% were considered to fall within the ‘Reasonable Preference’ category. The statutory Reasonable Preference categories cover:

- All homeless people as defined in Part VII of the Housing Act 1996. Section 189 and 193 where a duty to accommodate is defined;
- People who are owed a particular statutory duty by any local housing authority under certain provisions of homelessness legislation;
- People occupying unsanitary, overcrowded or otherwise unsatisfactory housing;
- People who need to move on medical or welfare grounds (including grounds relating to a disability); and
- People who need to move to a particular locality within the Borough to avoid hardship to themselves or others.

7.21 Figure 7.2 provides a comparative analysis of the number of households on the Housing Register and the number of households within the “Reasonable Preference” category since the start of the 2014 SHMA period in 2011.

Figure 7.2: Number of Households on the Housing Register, 2011 to 2023



Source: DLUHC Open Data.

*Reasonable Preference data is not available for 31 March 2011

7.22 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).

7.23 Following the changes brought about by the Localism Act, in December 2011, LBB published a revised Housing Allocations Scheme which received further revisions in 2015, 2017 and 2023.

7.24 Despite this it is important to reiterate that the number of households on the Housing Register has actually increased by 6% in the past 12-months, indicating a worsening of affordability across Bromley.

7.25 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 (**CD7.5, p.11, [63]**) 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).

- 7.26 Furthermore, in an appeal decision at Oxford Brookes University Campus at Wheatley, **(CD7.12, p.74, [13.101])** 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).

- 7.27 Irrespective of the fluctuations in the total number of households on the Housing Register, Figure 7.1 demonstrates that the number of households within the ‘Reasonable Preference’ category has increased over the 11-year period.
- 7.28 Evidently, the result of the Localism Act is that many local authorities, including LBB, have been able to exclude applicants already on the Housing Register who no longer meet the new narrower criteria but who are still in need of affordable housing.
- 7.29 Figure 7.3 below identifies the Reasonable Preference categories each of the households on the Housing Register on 31 March 2023

Figure 7.3 Number of Households in Reasonable Preference Categories, 31 March 2023

Reasonable Preference Category	%age of Households
People who are homeless within the meaning given in Part VII of the Act, regardless of whether there is a statutory duty to house them	91%
Owed a duty by any local housing authority or are occupying accommodation secured by any such authority under the Act	79%
People occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions	41%
People who need to move on medical or welfare grounds, including grounds relating to a disability	14%
People who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or to others).	0%

Source: DLUHC Open Data.

*Percentages do not sum as households can fall under more than one Reasonable Preference category.

7.30 Figure 7.3 demonstrates that 91% of households on the Councils Housing Register on 31 March 2023 were homeless and in need of accommodation, 79% were owed a homelessness prevention/ relief duty, 48% of households were living in unsatisfactory housing conditions, 14 % needed to move due to medical or welfare grounds, and 0% needed to move to prevent hardship. Clearly, each one of these households needs a secure, affordable home *now*.

Temporary Accommodation

7.31 DLUHC statutory homelessness data highlights that on 31 March 2023, there were 1,539 households housed in temporary accommodation by LBB, with 72% of these households housed in nightly paid, privately managed accommodation.

7.32 It is striking that almost a quarter of all households (24%) had been in “temporary accommodation” for five years or more, the majority of which were housed nightly paid, privately managed accommodation.

7.33 Of those housed in temporary accommodation, 943 households (61%) were households with children. It is notable that 62% of households with children had been in temporary accommodation for at least two years. The remaining 39% were single households (595), of which almost half (47%) had been in temporary accommodation for at least two years. The council has a responsibility to house these households.

- 7.34 Not only does this mean that those in need of affordable housing are being housed in temporary accommodation, which is unlikely to be suited to their needs, but they may also be located away from their support network, at significant cost to local taxpayers¹⁷.
- 7.35 DLUHC data indicates that LBB spent **£23,120,000 on temporary accommodation** between 1 April 2022 and 31 March 2023, 77% was spent on nightly paid, privately managed accommodation and 22% was spent on private sector accommodation.
- 7.36 On page 23, paragraph 5 of the Making Bromley Better 2021 to 2031 Corporate Strategy **(CD6.6)** states that LBB will:
- “Seek to reduce use of temporary accommodation and improve the temporary housing options available to people in Bromley who have been accepted as statutorily homeless, reducing reliance on nightly paid accommodation where possible, increasing the supply of self-contained accommodation and improving the quality of temporary housing options provided to homeless people.”* (my emphasis).
- 7.37 In seeking to address homelessness, the Bromley Homeless Strategy 2018-2023 **(CD6.8)**, on page 38, paragraph 3 the Council identifies the average cost of temporary accommodation indicating that:
- “The difference between the cost of temporary accommodation units and the maximum recoverable rent (set by Local Housing Allowance) is high, averaging over £7,000 net cost per unit per annum.”* (my emphasis).
- 7.38 Later in this document, on page 52, LBB highlights a number of challenges faced in addressing homelessness, one of which includes: *“The difficulty of securing move-on accommodation means households are staying longer in temporary accommodation”*.
- 7.39 The *“Bleak Houses: Tackling the Crisis of Family Homelessness in England”* report published in August 2019 by the Children’s Commissioner found that temporary accommodation 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.

¹⁷ Appendix AG6 considers the cost of temporary accommodation in detail at paragraphs 6.40 to 6.54 of this evidence.

7.40 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*”.

Homelessness

7.41 DLUHC statutory homelessness data shows that in the 12 months between 1 April 2022 and 31 March 2023, the Council accepted 575 households in need of homelessness prevention duty¹⁸, and a further 779 households in need of relief duty¹⁹ from the Council.

7.42 Figure 7.4 below shows that between the 2021/22 and 2022/23 monitoring period there was a 53% increase in the number of households in need of a prevention duty from 376 households and a 19% increase in households in need of a relief duty from 655 households. Overall, there has been a 31% increase in homelessness.

Figure 7.4: Number of households owed a homelessness duty, 2021/22 to 2022/23

Type of Duty	No. Households (2021/22)	No. Households (2022/23)	%age change
Prevention duty	376	575	53%
Relief duty	655	779	19%
Total	1,031	1,354	31%

Source: DLUHC Open Data.

7.43 Across LBB in 2022/23, the termination of a private sector tenancy accounted for 248 households owed a prevention duty, or 43% of all households owed a prevention duty; it is the most common reason for the prevention duty.

7.44 LBB highlights within the Bromley Homeless Strategy 2018-2023 **(CD6.8)**, on page 21, that “*the loss of a private sector tenancy is now the leading cause of homelessness both locally and nationally.*”

¹⁸ 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 homelessness. The prevention duty applies when a Local Authority is satisfied that an applicant is threatened with homelessness and eligible for assistance.

¹⁹ 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.

7.45 Of the same document, on page 26, LBB acknowledges that access and supply of quality housing has a direct impact on health and wellbeing, stating:

“The health and life prospects of children are dependent on many factors including housing. Research has shown that the current and future wellbeing of children are significantly affected by the standard of their housing. Inadequate housing or homelessness could potentially have an adverse effect on a health, both physical and mental, as well as their educational attainment and life expectancy.”

7.46 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.”*

7.47 It is for this reason that the Private Rented Sector (“PRS”) is not a suitable substitute for affordable housing and does not have an equivalent role in meeting the housing needs of low-income families. It is highly pertinent that in the NPPF, PRS housing is not included within the Annex 2 definition of affordable housing.

7.48 It should also be noted that there has been an exponential shift in the PRS market in recent years with many private landlords exiting the market following the Government’s removal of tax relief on interest payments in 2020 and as a consequence of higher interest rates as well as the prospect of further rental reforms / regulations.

7.49 Research conducted by global real estate advisor, CBRE in 2023 found that since the start of 2022, when the Bank of England began increasing the base rate (from 0.25% to now 5%) prompting higher mortgage costs, it estimated that 126,500 rental properties had been sold.

7.50 Additionally, the CBRE research found approximately 273,500 rental properties were sold between 2016 and 2021, aligning with the additional rate of stamp duty for second properties, introduced in 2016, and phasing out of mortgage interest relief. In total, this equated to a loss of 400,000 rental homes.

7.51 Scott Cabot, head of Residential Research at CBRE, noted that if sales continue at a similar trajectory, the numbers will represent a loss of almost 10% of the UK’s private rented households by the end of 2023.

Summary and Conclusions

- 7.52 The adopted Development Plan, while lacking a specific numerical target for affordable homes, integrates a percentage-based approach from qualifying developments. The 2014 SHMA which underpins the LBB Local Plan (2019), indicates a net need for 1,404 new affordable homes annually, totalling 28,080 homes over the 20-year period between 2011 and 2031.
- 7.53 Indicators such as the Housing Register, waiting times, households housed in temporary accommodation and homelessness rates provide additional insights.
- 7.54 Temporary accommodation and homelessness statistics highlight the pressing need for affordable housing solutions, emphasising the critical role they play in fostering stable and secure living conditions for vulnerable populations.
- 7.55 In summary, the nature of affordable housing needs in LBB requires a comprehensive and adaptive approach, integrating the latest data, policy adjustments, and community-specific considerations to effectively address the evolving challenges in the Borough.

Affordable Housing Delivery

Section 8

Introduction

8.1 This section of the evidence analyses the delivery of affordable housing in LBB. It highlights significant shortfalls in meeting identified needs, illustrating a pressing need for a substantial increase in affordable housing provision across the Borough.

Affordable Housing Delivery

8.2 Figure 8.1 illustrates the delivery of affordable housing (“AH”) in LBB since the start of the 2014 SHMA period in 2011/12.

Figure 8.1: Additions to Affordable Housing Stock (Gross), 2011/12 to 2022/23

Monitoring Year	Total Housing Completions (Net)	Additions to AH stock (Gross)	Gross affordable additions as a %age of total completions
2011/12	740	357	48%
2012/13	856	332	39%
2013/14	313	54	17%
2014/15	575	204	35%
2015/16	864	86	10%
2016/17	1,022	74	7%
2017/18	718	88	12%
2018/19	872	171	20%
2019/20	649	109	17%
2020/21	436	11	3%
2021/22	120	27	23%
2022/23	399	235	59%
Totals	7,566	1,748	23%
Avg. Pa.	631	146	

Source: DLUHC Open data; and GLA Housing Starts on Site and Completions.

- 8.3 Figure 8.1 demonstrates that between 2011/12 and 2022/23, a total of 7,566 net dwellings were delivered in LBB, equivalent to 631 per annum. Of these, 1,748 gross dwellings were affordable tenures, equivalent to 146 per annum. This equates to 23% gross affordable housing delivery.
- 8.4 The GLA data indicates that in 2023/24, there were just 29 affordable housing completions.
- 8.5 It is also important to note that the gross affordable completions figure does not take into account any losses from the affordable housing stock through demolitions nor through Right to Buy (“RtB”) sales from Registered Provider (“RP”) affordable housing stock.
- 8.6 Figure 8.2 below sets out net affordable housing delivery in LBB for the 12-year period between 2011/12 to 2022/23 once recorded RP Right to Buy sales are accounted for.

Figure 8.2: Additions to Affordable Housing Stock (Net of Right to Buy), 2011/12 to 2022/23

Monitoring Year	Total housing completions (Net)	Additions to AH Stock (Gross)	RP RtB Sales	Additions to AH Stock (Net of RtB)	Net of RtB additions as a %age of total completions
	A	B	C	D (B – C)	E (D / A) X 100
2011/12	740	357	7	350	47%
2012/13	856	332	7	325	38%
2013/14	313	54	14	40	13%
2014/15	575	204	20	184	32%
2015/16	864	86	15	71	8%
2016/17	1,022	74	11	63	6%
2017/18	718	88	2	86	12%
2018/19	872	171	2	169	19%
2019/20	649	109	3	106	16%
2020/21	436	11	5	6	1%
2021/22	120	27	5	22	18%
2022/23	399	235	5	230	58%
Totals	7,566	1,748	96	1,652	22%
Avg. Pa.	631	146	8	138	

Source: DLUHC Open Data; and GLA Housing Starts on Site and Completions.

- 8.7 Figure 8.2 reveals that a total of 96 RP Right to Buy sales have been recorded between 2011/12 and 2022/23, at an average of eight sales per annum. The rate of Right to Buy losses to stock is equivalent to 6% of the annual average gross additions of 146 affordable dwellings per annum.
- 8.8 Once these losses to stock are accounted for over the 12-year period, the council's gross affordable housing completions figure of 1,748 affordable dwellings over the period falls to 1,652 additions to affordable housing stock (net of Right to Buy sales), equivalent to just 22% of net housing completions.

Affordable Housing Delivery Compared to Identified Affordable Housing Needs

- 8.9 When comparison is drawn between affordable housing delivery and the needs identified in the 2014 SHMA since its 2011/12 base date, it can be seen in Figure 8.3 that there has been an accumulated shortfall in the delivery of affordable housing of some -16,571 affordable homes against an identified need for 18,252 affordable homes over the 13-year period (including gross completions for the 2023/24 monitoring year).

Figure 8.3: Additions to Affordable Housing Stock (Net of Right to Buy) Compared to Affordable Needs Identified in the 2014 SHMA, 2011/12 to 2023/24

Monitoring Year	Additions to AH Stock (Net of RtB)	2014 SHMA AH Needs Per Annum (Net)	Annual Shortfall	Cumulative Shortfall	Additions as a %age of Needs
2011/12	350	1,404	-1,054	-1,054	25%
2012/13	325	1,404	-1,079	-2,133	23%
2013/14	40	1,404	-1,364	-3,497	3%
2014/15	184	1,404	-1,220	-4,717	13%
2015/16	71	1,404	-1,333	-6,050	5%
2016/17	63	1,404	-1,341	-7,391	4%
2017/18	86	1,404	-1,318	-8,709	6%
2018/19	169	1,404	-1,235	-9,944	12%
2019/20	106	1,404	-1,298	-11,242	8%
2020/21	6	1,404	-1,398	-12,640	0%
2021/22	22	1,404	-1,382	-14,022	2%
2022/23	230	1,404	-1,174	-15,196	16%
2023/24	29*	1,404	-1,375	-16,571	2%
Total	1,681	18,252	-16,571		9%
Avg. Pa	129	1,404	-1,275		

Source: DLUHC Open Data; GLA Housing Starts on Site and Completions; and 2014 SHMA.

*Gross figure.

- 8.10 As demonstrated by Figure 8.3, the delivery of only 1,681 gross affordable homes over the past 13 years means that no more than 9% of identified affordable housing needs over the period were met. Put another way, at least 91% households in need of an affordable home over the period were let down by the Council's inability to deliver.

Summary and Conclusions

- 8.11 The above evidence demonstrates that, across the LBB, the delivery of affordable housing has fallen short of meeting identified needs.

- 8.12 The data shows that, on average, only 22% of the overall housing delivery represents net affordable housing, amounting to 138 net of Right to Buy affordable dwellings per annum. When compared against the net affordable housing needs identified in the 2014 SHMA, a cumulative shortfall of -16,571 affordable homes is evident.
- 8.13 The analysis also underscores the impact of Right to Buy sales on the net additions to affordable housing stock, with a recorded total of 96 sales between 2011/12 and 2022/23, averaging 8 sales per annum and just 1,652 acquisitions.
- 8.14 The evidence presented paints a clear picture of the challenges and shortcomings in the delivery of affordable housing in LBB over the past 13-years.
- 8.15 In light of these findings, a substantial increase in affordable housing provision is *urgently required* in LBB. The identified shortfalls in meeting housing needs, especially in the context of Right to Buy losses, highlight the pressing need for a 'step change' in the approach to affordable housing delivery.

Affordability Indicators

Section 9

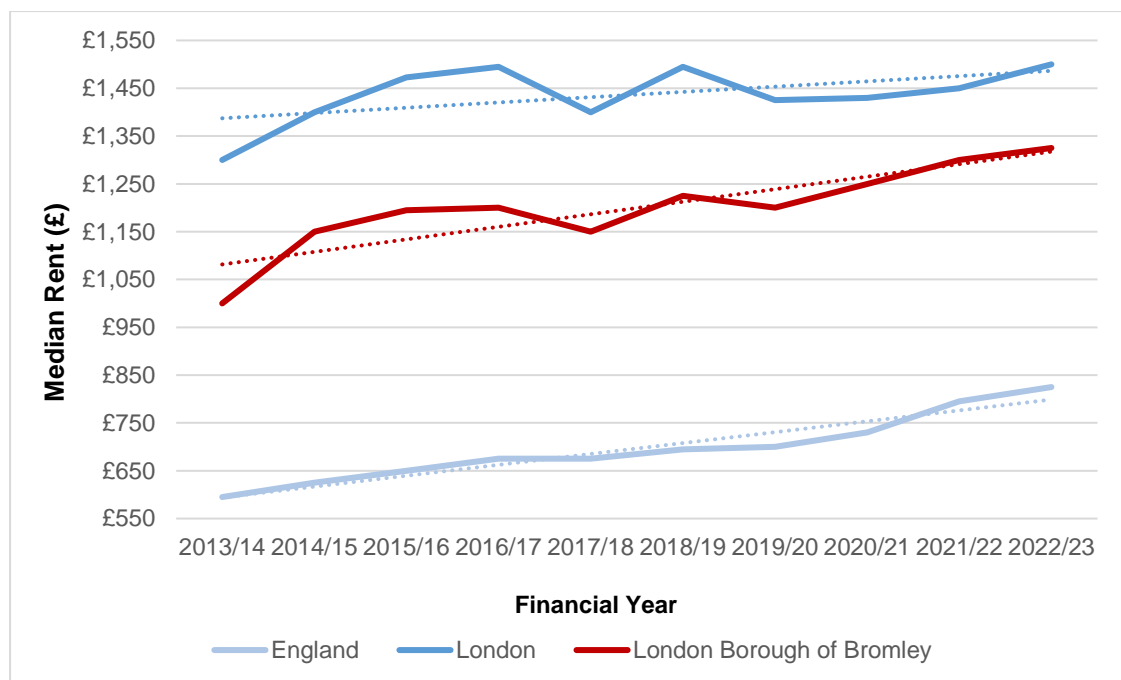
Introduction

9.1 The PPG recognises the importance of giving due consideration to market signals as part of understanding affordability²⁰.

Private Rental Market

9.2 Valuation Office Agency (“VOA”) and Office for National Statistics (“ONS”) data (first produced in 2013/14) show that median private rents in LBB stood at £1,325 per calendar month (“pcm”) in 2022/23. This represents a 33% increase from 2013/14 where median private rents stood at £1,000 pcm.

Figure 9.1 Median Private Sector Rents, 2013/14 to 2022/23



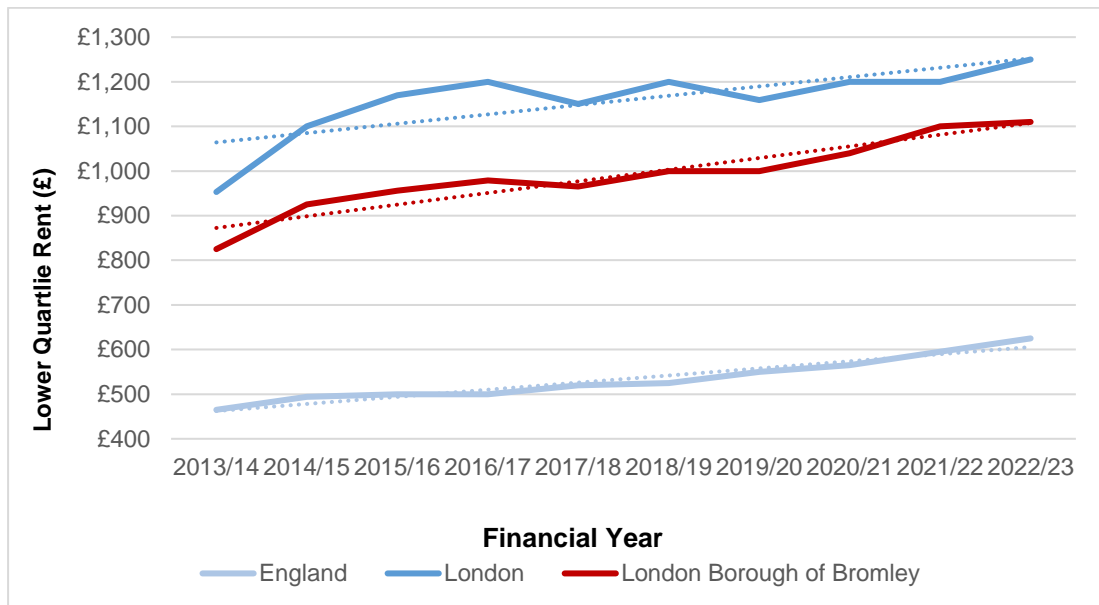
Source: VOA and ONS.

9.3 A median private rent of £1,325 pcm in 2022/23 is slightly lower than the London figure of £1,500 pcm and 61% higher than the national figure of £825 pcm.

²⁰ I acknowledge that this is in the context of Plan-making.

- 9.4 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.
- 9.5 The average lower quartile monthly rent in LBB in 2022/23 was £1,110 pcm. This represents a 35% increase from 2013/14 where average lower quartile monthly rents stood at £825 pcm.

Figure 9.2: Lower Quartile Private Sector Rents, 2013/14 to 2022/23



Source: VOA and ONS.

- 9.6 A lower quartile rent of £1,100 pcm in 2022/23 is slightly lower than the London figure of £1,250 pcm and 76% higher than the national figure of £625 pcm.
- 9.7 It is important to note that VOA/ONS rental data is calculated using all transaction data i.e., existing lets as well as new lets over the period. The data is therefore not necessarily representative of the cost of renting for new tenants in LBB.
- 9.8 Figure 9.3 below shows median rents in LBB for a range of property types in May 2024, using data taken from [Home.co.uk](https://www.home.co.uk). Unfortunately, data is not provided for the lower quartile segment of the rental market.

Figure 9.3: Median Private Sector Rents, May 2024

Size of Property	No. of properties Advertised	Median Rent (pcm)
1-bedroom home	40	£1,400
2-bedroom home	57	£1,750
3-bedroom home	39	£2,300
4-bedroom home	19	£3,250
5-bedroom home	5	£4,834

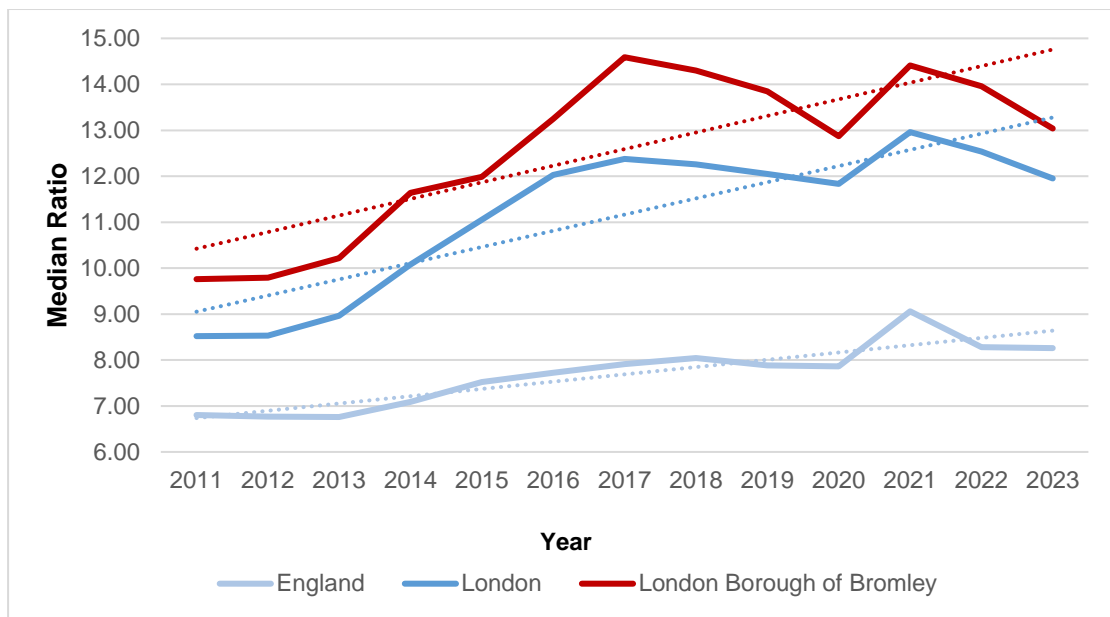
Source: [Home.co.uk](https://www.home.co.uk).

- 9.9 Figure 9.3 illustrates that current median rents for new tenancies in LBB across all property types surpass the median private rent of £1,325 per calendar pcm in 2022/23.
- 9.10 The rent differentials are striking, with 1-bedroom properties at 6% higher, 2-bedroom properties at 32% higher, 3-bedroom properties at 74% higher, 4-bedroom properties at 145% higher, and 5-bedroom properties at 265% higher.
- 9.11 This stark contrast further underscores the significant disparity in rental costs between new tenancies and the overall median private rent data in LBB. This implies that lower quartile rents are also likely to be higher than stated.

Median House Prices

- 9.12 The ratio of median house prices to median incomes in LBB now stands at **13.04**, a 34% increase since the start of the 2014 SHMA period in 2011/12 where it stood at 9.76. A ratio of 13.04 in LBB stands substantially above the national median of 8.26 (+58%) and above the London median of 11.95 (+9%).

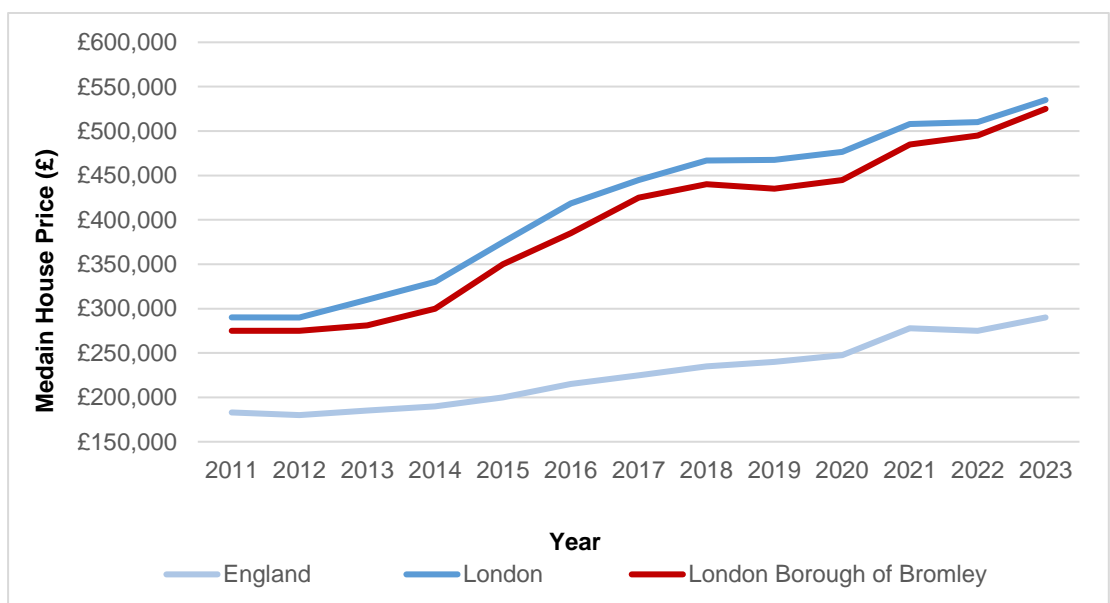
Figure 9.4: Median Workplace-Based Affordability Ratio comparison, 2011 to 2023



Source: ONS.

- 9.13 It is also worth noting that a figure of 8 times average incomes was described as a problem by the former Prime Minister in the foreword to the White Paper entitled 'Fixing our broken housing market'. Here, the affordability ratio is some 63% higher than that.
- 9.14 Figure 9.5 illustrates the median house sale prices for England, London, and LBB. It demonstrates that they have increased dramatically between the start of the 2014 SHMA period in 2011 and 2023.

Figure 9.5: Median House Price Comparison, 2011 to 2023



Source: ONS.

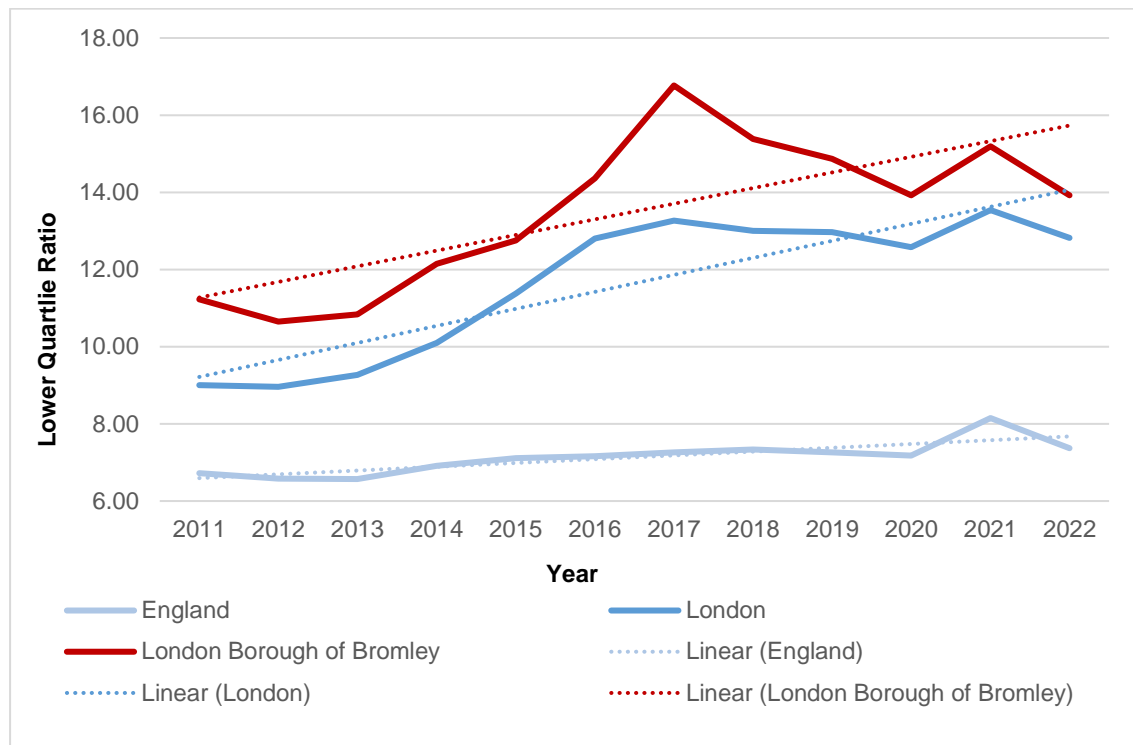
- 9.15 The median house price across LBB has risen by 91% from £275,000 in 2011 to £525,000 in 2023. This figure is some 81% higher than the national figure of £290,000, which has seen an increase of 58% over the same period and 2% lower than the London figure of £535,000 which has seen an increase of 84% over the same period.

Lower Quartile House Prices

- 9.16 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 LBB in 2022²¹ stood at **13.92**, a 24% increase since the start of the 2014 SHMA period in 2011 when it stood at 9.76.
- 9.17 This means that those on lower quartile incomes in Bromley, seeking to purchase a median priced property, now need to find almost than 14 times their annual income to do so.
- 9.18 Once again it remains the case that the ratio in LBB stands substantially above the national average of 7.37 (+89%) and above the London average of 12.82 (+9%). It follows that housing in this area is significantly unaffordable for a significant part of the local population.

²¹ Please note that lower quartile house price to income ratio data is only available up to 2022.

Figure 9.6: Lower Quartile Workplace-Based Affordability Ratio comparison, 2011 to 2022

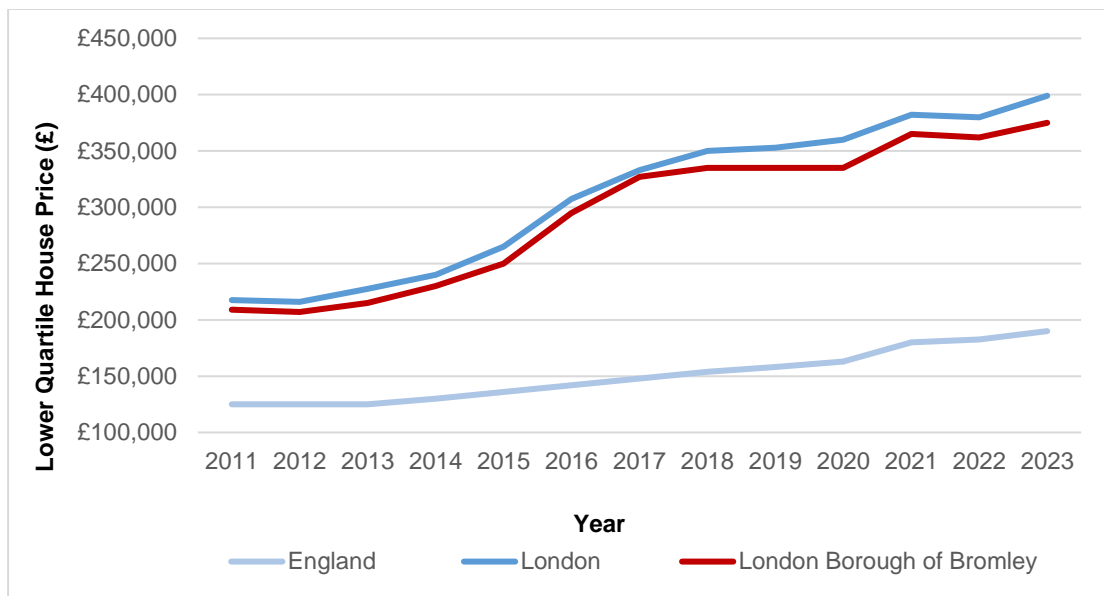


Source: ONS.

It is also worth noting that mortgage lending is typically offered on the basis of up to 4.5 times earnings (subject to individual circumstances). Here, the affordability ratio is some 209% higher than that.

- 9.19 Figure 9.7 illustrates the lower quartile house sale prices for England, London, and LBB. It demonstrates that they have increased dramatically between the start of the 2014 SHMA period in 2011 and 2023.

Figure 9.7: Lower Quartile House Prices, 2011 to 2023



Source: ONS.

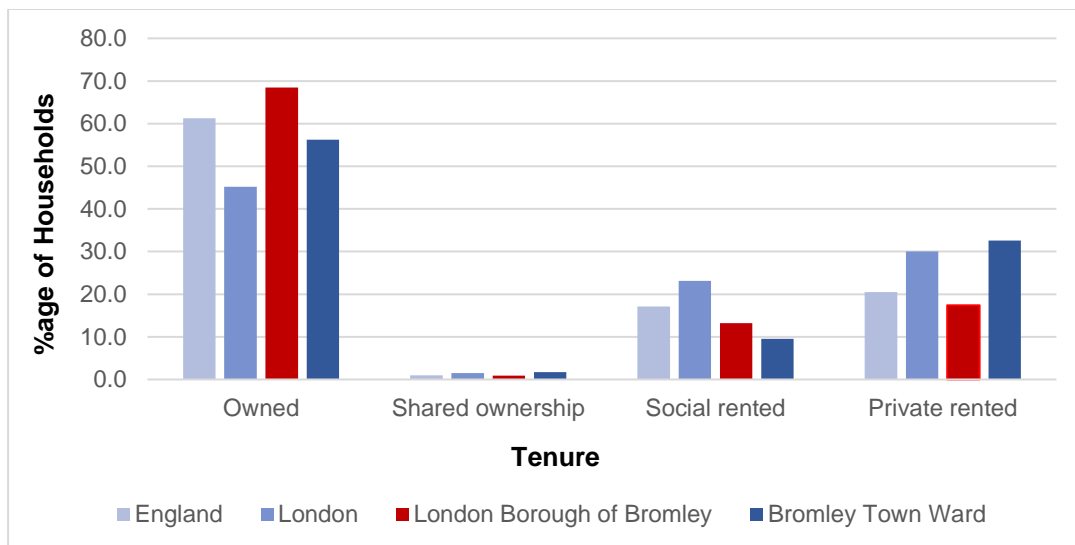
9.20 The lower quartile house price across LBB has risen by 79% from £209,000 in 2011 to £375,000 in 2023. This compares to an 83% increase across London and a national increase of 52% over the same period.

9.21 In 2023, lower quartile house prices in LBB (£375,000) were 6% lower than across London (£399,017) and 97% higher than the national figure (£190,000).

Tenure Comparison

9.22 Figure 9.8 illustrates the tenure mix in England, London and LBB, using data from the 2021 Census.

Figure 9.8: Tenure Mix, 2021



Source: 2021 Census. Chart excludes households 'living rent free' as this accounts for <0.2% of households at all geographic levels).

- 9.23 The tenure mix in LBB diverges from that of both London and England as a whole. The proportion of owner occupiers in LBB is noticeably higher standing at 69% of dwellings compared with 61% in London and 61.3% in England. The proportion of Social/Affordable Renters in LBB is correspondingly smaller, at just 13% of dwellings compared with 23% in London and 17% in England.
- 9.24 This should be viewed in context of the fact that at the time of the 2011 Census there were just 1,036 (0.8%) Shared Ownership dwellings in LBB. This means that over the ten-year period between 2011 and 2021, the Council has only added 130 Shared Ownership units to its dwelling stock. An average of just 13 dwellings per year.
- 9.25 At the time of the 2011 census Social Rent/Affordable Rented accommodation accounted for 14% of all properties across LBB. This means that the proportion of Social Rent/Affordable rent properties across LBB has actually decreased over the period from 14% in 2011 to 13% in 2021.
- 9.26 In 2011 there were 18,425 Social Rent/Affordable Rented dwellings in LBB, whereas at the time of the 2021 census, there were just 17,926 dwellings. A reduction of 499 Social Rent/Affordable Rented dwellings over the period, equivalent to a loss of 50 homes per annum. Summary and Conclusions
- 9.27 **As demonstrated through the analysis in this section, affordability across LBB has been and continues to be, in crisis.**

- 9.28 The key priority identified by the adopted Development Plan has not been addressed. Rather, affordability and the availability of affordable housing has significantly worsened. Similarly, since the start of the 2014 SHMA period affordability has continued to decline.
- 9.29 House prices and rent levels in both the 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 Bromley is out of the reach of more and more people.
- 9.30 Analysis of market signals is critical in understanding the affordability of housing. It is my opinion that there is an acute housing crisis in Bromley, with a lower quartile house price to average income ratio of 13.92 in 2022.
- 9.31 Market signals indicate a worsening trend in affordability in Bromley. **By any measure of affordability, this is an Authority in the midst of an affordable housing crisis, and one through.**

The Weight to be Attributed to the Proposed Affordable Housing Provision

Section 10

Introduction

- 10.1 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.
- 10.2 As set out in Section 2 of this evidence, the benefit of affordable housing is a strong material consideration in support of development proposals and there are significant social and economic consequences for failing to meet affordable housing needs at both national and Local Authority level. LBB is no exception to this.

Benefits of Providing Affordable Housing

- 10.3 In February 2024 new research titled “The economic impact of building social housing” carried out by the Centre for Economics and Business Research (“CEBR”) on behalf of Shelter and the NHF was published
- 10.4 This research is the first to evidence the substantial economic and social benefits of building 90,000 new social rented homes – the figure that needs to be built each year to fix the housing crisis and help end homelessness.
- 10.5 The report demonstrated that building 90,000 social homes provides both immediate and long-term value for money for the government and the economy. It would directly support nearly 140,000 jobs in the first year alone.
- 10.6 Within three years, the wider economic benefits of building the homes would break even and return an impressive £37.8bn back to the economy, largely by boosting the construction industry.
- 10.7 Alongside this, the new social homes would generate huge savings for the taxpayer across multiple departments. These breakdown as follows:
- £4.5bn savings on housing benefit
 - £2.5bn income from construction taxes

- £3.8bn income from employment taxes
- £5.2bn savings to the NHS
- £4.5bn savings from reduction in homelessness
- £3.3bn savings to Universal Credit

10.8 The report demonstrates that there are tangible solutions to the housing crisis and homelessness that not only benefit individuals and communities but also provide significant economic advantages to Councils and the wider economy.

10.9 By investing in the construction of 90,000 new social rented homes annually, policymakers could address pressing social issues while simultaneously stimulating job growth, bolstering tax revenues, and reducing the strain on public services. This comprehensive approach not only addresses immediate housing needs but also lays the foundation for long-term economic resilience and prosperity.

Benefits of the proposed Affordable Housing

10.10 The Affordable Housing offer provides an appropriate contribution in line with the provisions of Policy 2 of the Bromley Local Plan (2019) and Policy H5 of the London Plan (2021). It should be noted that these policies were drafted to capture a benefit rather than to ward off or mitigate harm.

10.11 This fact was acknowledged by the Inspector presiding over two appeals on Land to the west of Langton Road, Norton (**CD7.4, p.14, [72]**) in September 2018 who was clear at paragraph 72 of their decision that:

“[I]n 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).

10.12 Similarly, as recognised in a recent appeal decision in at Coombebury Cottage, Dunsfold (**CD7.7, p.8, [48]**) *“the benefit of providing affordable homes is clearly different from that of providing market housing as they each respond to related yet discrete needs.”* The benefits of the proposed affordable homes at the appeal site should therefore be independently weighed within the planning balance to ensure that its distinct contribution in addressing housing needs is fully appreciated.

10.13 The affordable housing benefits of this appeal scheme are:

- Affordable housing offer of which 11% (ten dwellings) are to be provided on-site as affordable housing (12% by habitable room);
- A deliverable scheme which provides much needed affordable homes;
- Addressing the polarised tenure profile of LBB delivering a broader mix of tenures to provide a more balanced community and to enhance its vitality;
- With the affordable homes managed by a Registered Provider;
- Which provide better quality affordable homes with benefits such as improved energy efficiency and insulation; and
- Greater security of tenure than the private rented sector.

10.14 These benefits are substantial and an important material consideration weighing heavily in favour of the appeal proposals.

Relevant Secretary of State and Appeal Decisions

10.15 The importance of affordable housing as a material consideration has been reflected in several Secretary of State (“SoS”) and appeal decisions.

10.16 Of particular interest, is the amount of weight which has been afforded to affordable housing, relative to other material considerations, noting that many decisions recognise affordable housing as an individual benefit with its own weight in the planning balance. A collection of such decisions can be viewed at **Appendix AG7**.

10.17 Brief summaries of appeal decisions relevant to this appeal are summarised at **Appendix AG7**. Some of the key points I would highlight from these examples are that:

- Affordable housing is an important material consideration;
- The importance of unmet need for affordable housing being met immediately;
- Planning Inspectors and the Secretary of State have attached substantial weight and very substantial weight to the provision of affordable housing; and
- Even where there is a five-year housing land supply, the benefit of a scheme’s provision of affordable housing can weigh heavily in favour of development.

Council's Assessment of the Development Proposals

The General London Assembly Stage 1 Report (4 April 2022) – CD3.2

- 10.18 In reviewing this application, the General London Assembly (“GLA”) state in their comments that the *“principle of intensified residential use, with an element of non-residential space, is supported on this under-utilised, Opportunity Area, town centre site....”*
- 10.19 There are no comments of objection by the GLA with regards to the provision of affordable housing at the appeal site. The response notes that:
- “Subject to confirmation of the tenures of existing homes on the site and those proposed, which must meet affordability requirements, meeting all other policy requirements and obligations, and confirmation that grant funding has been investigated; the affordable housing proposed may be eligible to follow the fast track viability route. Family-sized housing should be provided. Door-step play provision is required as a minimum.”*
- 10.20 I consider that the revised scheme’s Affordable Housing offer provides an appropriate contribution in line with the provisions of Policy 2 of the Bromley Local Plan (2019) and Policy H5 of the London Plan (2021).

London Borough of Bromley Council Committee Report (30 November 2023) – CD3.4

- 10.21 On 30 November 2023, the planning application went to Bromley’s Development Control Committee for determination. Whilst considering LBB’s housing land supply, on page 3, summary point two, the Council acknowledged that they currently do not have a 5-year housing land supply and therefore state that provision of affordable housing would *“represent a significant contribution to the supply of housing in the Borough.”*
- 10.22 Providing comments on the overall planning balance in Section 8, the Council concludes at paragraph 8.3 that the benefits of additional housing, including the provision of affordable housing attracts **substantial weight** against the significant undersupply of housing but are not outweighed by the harms.

10.23 With regards to financial viability, at paragraph 8.9, the Council states that:

“The applicant has failed to provide a financial viability assessment to confirm if the scheme can support more affordable housing than what is offered. Therefore, on the basis of insufficient information, being the lack of a FVA, the application would fail to demonstrate that it would maximise the delivery of affordable housing.”

The appellant has since undertaken a Financial Viability Assessment (“FVA”) prepared by Turner Morum in support of this Appeal. The FVA demonstrates that proposed development can viably deliver ten dwellings on site as affordable dwellings (12% by habitable room), comprising six Social Rent homes and four Shared Ownership homes.

London Borough of Bromley Council Statement of Case (30 April 2024) – CD10.1

10.24 In setting out the ‘Main Submissions,’ at paragraph 6.2 of the Council’s Statement of Case, the Council highlights that they no longer wish to contest reason for refusal pertaining to affordable provision citing:

“The FVA has been independently assessed by BPS Surveyors appointed by the Council who confirmed the scheme cannot provide any additional affordable housing. Having regard for the conclusions of this report the Council no longer wishes to contest RfR 1, although it is noted that the reduced affordable housing offer does have implications for the exercise of planning balance...”

10.25 Given the level of unmet identified affordable housing need in Sections 7 and 10 of my Proof of Evidence, it is undisputed that the Council have a significant shortage of affordable housing and the provision of ten affordable dwellings on this Appeal site will significantly contribute to the delivery of a mixed and balanced community in the locality.

Consequences of Failing to Meet Affordable Housing Needs

10.26 The consequences of failing to meet affordable housing needs in any Local Authority are significant. As set out in **Appendix AG6**, some of the main consequences of households being denied a suitable affordable home have been identified as follows:

- A lack of financial security and stability;
- Poor impacts on physical and mental health;
- Decreased social mobility;

- Negative impacts on children’s education and development;
- Reduced safety with households forced to share facilities with those engaged in crime, anti-social behaviour, or those with substance abuse issues;
- Being housed outside social support networks;
- Having to prioritise paying an unaffordable rent or mortgage over basic human needs such as food (heating or eating); and
- An increasing national housing benefit bill.

10.27 LBB themselves recognise the consequences of failing to meet affordable housing needs whereby on page 24 of the Bromley Homeless Strategy 2018-2023 (**CD6.8**), recognises that: *“The supply of decent housing as a prerequisite to health and wellbeing.”*

10.28 Within the same document on the same page, the Council also acknowledges that:

“Research has shown that the current and future wellbeing of children are significantly affected by the standard of their housing. Inadequate housing or homelessness could potentially have an adverse effect on a health, both physical and mental, as well as their educational attainment and life expectancy.”

10.29 These harsh consequences fall upon real households, and unequivocally highlight the importance of meeting affordable housing needs. These are real people in real need *now*. 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.

Summary and Conclusions

10.30 Both parties are in agreement that substantial weight should be afforded to the provision of affordable housing on this appeal.

10.31 The acute level of affordable housing need in LBB, coupled with a persistent lack of delivery and worsening affordability, will detrimentally affect the ability of people to lead the best lives they can.

10.32 The Council have acknowledged that there is a ‘significant need’ for affordable housing across LBB and that even with the reduced affordable housing provision, the affordable housing benefits of the scheme are appropriately recognised.

10.33 It is my view, and the Council’s, that the affordable housing provision should be afforded **substantial weight** in the determination of this appeal.

Summary and Conclusions

Section 11

Introduction

- 11.1 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.
- 11.2 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.
- 11.3 Market signals indicate a worsening trend in affordability across LBB and, by any measure of affordability, this is an Authority amid an affordable housing emergency, and urgent action must be taken to deliver more affordable homes.

Affordable Housing Offer

- 11.4 The proposed development is for 94 dwellings, of which 11% (ten dwellings) are to be provided on-site as affordable housing (12% by habitable room).
- 11.5 The 12% is based on the viability evidence of Turner Morum which has been independently verified by the Council and agreed in the Main Statement of Common Ground ("SoCG) (**CD11.1, p.12, [7.12]**) as the maximum level of affordable housing provision capable of being provided by the development proposals.
- 11.6 Policy 2 of the Bromley Local Plan (2019) allows for viability considerations in respect of affordable housing provision, as does Policy H5 of the London Plan (2021). Consequently, any justified reduction from the policy expectations is permissible and means the resultant offer, by definition, is policy compliant even at a reduced percentage.
- 11.7 The proposed tenure split will be six social rented units and four shared ownership units which reflects the viability review of the proposed scheme.
- 11.8 The proposed affordable housing will be secured by way of a Section 106 Planning Obligation.

Local Policy Position

- 11.9 The relevant Development Plan in respect of affordable housing for the Appeal site currently comprises the London Borough of Bromley Local Plan (2019) and the London Plan (2021).
- 11.10 Policy H5 of the London Plan is the primary policy for affordable housing and required qualifying developments (i.e. 11 or more gross dwellings) to provide 35% on site affordable housing across London including LBB.
- 11.11 Policy 2 of the Bromley Local Plan (2019) echoes the above the in terms of requiring residential developments of 11 or more to deliver 35% or more affordable housing units on site and also considers financial viability when determining the appropriate level of affordable housing provision to be provided onsite.

Affordable Housing Needs

- 11.12 The 2014 SHMA which underpins the LBB Local Plan (2019), indicates a net need for 1,404 new affordable homes annually, totalling 28,080 homes over the 20-year period between 2011 and 2031.
- 11.13 Data from DLUHC shows that on 31 March 2023, there were 2,772 households on the Housing Register in 2023. This represents a 6% increase from the previous year, when the figure stood at 2,618 households.
- 11.14 Of the households on the Housing Register on 31 March 2023, 100% (2,772) were considered to fall within the 'Reasonable Preference' category.
- 11.15 According to DLUHC data, on the 31 March 2023, LBB have placed a total of 1,539 households in temporary accommodation, with 24% of these households having been in temporary housing for five years or longer.
- 11.16 DLUHC data indicates that LBB spent £23,120,000 on temporary accommodation between 1 April 2022 and 31 March 2023, 77% was spent on nightly paid, privately managed accommodation and 22% was spent on private sector accommodation.
- 11.17 DLUHC statutory homelessness data shows that in the 12 months between 1 April 2022 and 31 March 2023, the Council accepted 575 households in need of homelessness prevention duty, and a further 779 households in need of relief duty from the Council.

11.18 In LBB in 2022/23, the termination of a private sector tenancy accounted for 248 households owed a prevention duty, or 43% of all households owed a prevention duty; it is the most common reason for the prevention duty.

Affordable Housing Delivery

11.19 In the 12-year period between 2011/12 and 2022/23, a total of 7,566 net dwellings were delivered in LBB, equivalent to 631 per annum. Of these, 1,748 gross dwellings were affordable tenures, equivalent to 146 per annum. This equates to 23% gross affordable housing delivery.

11.20 GLA data shows that in 2023/24, there were just 29 affordable housing completions.

11.21 Once the RP Right to Buy losses to stock are accounted for over the nine-year period, the Council's gross affordable housing completions figure of 1,748 affordable dwellings over the period falls to 1,652 additions to affordable housing stock (net of Right to Buy sales), equivalent to just 22% of net housing completions.

11.22 When comparison is drawn between affordable housing delivery and the needs identified in the 2014 SHMA since its 2011/12 base date, it can be seen that there has been an accumulated shortfall in the delivery of affordable housing of some -16,571 affordable homes against an identified need for 18,252 affordable homes over the 13-year period (including gross completions for the 2023/24 monitoring year).

Affordability

11.23 In addition to the persistent shortfall in affordable housing delivery when compared to affordable housing needs, other indicators further point to an affordability crisis in LBB. Set out below are the key findings in respect of affordability across the Borough:

Private Rental Market

- Median private rents in LBB stood at £1,325 per calendar month ("pcm") in 2022/23. This represents a 33% increase from 2013/14 where median private rents stood at £1,000 pcm.
- A median private rent of £1,325 pcm in 2022/23 is slightly lower than the London figure of £1,500 pcm however it is 61% higher than the national figure of £825 pcm.
- A lower quartile rent of £1,100 pcm in 2022/23 is slightly lower than the London figure of £1,250 pcm however LBB is 76% higher than the national figure of £625 pcm.

Median House Prices

- The ratio of median house prices to median incomes in LBB now stands at 13.04, a 34% increase since the start of the 2014 SHMA period in 2011/12 where it stood at 9.76. A ratio of 13.04 in LBB stands substantially above the national median of 8.26 (+58%) and above the London median of 11.95 (+9%).
- The median house price across LBB has risen by 91% from £275,000 in 2011 to £525,000 in 2023. This figure is some 81% higher than the national figure of £290,000, which has seen an increase of 58% over the same period and 2% lower than the London figure of £535,000 which has seen an increase of 84% over the same period.

Lower Quartile House Prices

- The lower quartile house price across LBB has risen by 79% from £209,000 in 2011 to £375,000 in 2023. This compares to an 83% increase across London and a national increase of 52% over the same period.
- In 2023, lower quartile house prices in LBB (£375,000) were 6% lower than across London (£399,017) and 97% higher than the national figure (£190,000).

11.24 All these factors combine to create a challenging situation for anybody in need of affordable housing to rent or to buy in LBB.

11.25 This demonstrates an acute need for affordable housing in LBB and one which the Council and decision takers need to do as much as possible to address as required to do so, proactively, by the NPPF (2023).

Summary and Conclusions

11.26 There are serious and persistent affordability challenges across LBB. This is exemplified by the affordability indicators which show a poor and worsening affordability across the Borough.

11.27 It is my opinion that there is an acute housing crisis in LBB, with a lower quartile house price to income ratio of 13.92 in 2022. Mortgage lending is typically offered on the basis of up to 4.5 times earnings (subject to individual circumstances). Here, the affordability ratio is some 209% higher than that.

11.28 Boosting the supply of affordable homes will mean that households needing affordable housing will spend less time in unsuitable accommodation. This will improve the lives

of those real households who will benefit from the provision of high quality, affordable homes that meet their needs.

- 11.29 Considering the Authority's past poor record of affordable housing delivery and worsening affordability indicators at both the Borough and local level, it is my view that the provision of ten affordable dwellings on this site should be afforded **substantial weight** in the determination of this appeal.