

# Affordable Housing Evidence of James Stacey BA (Hons) Dip TP MRTPI

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Land North West of Goring Railway Station, Goring  
Street, Worthing, West Sussex

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Mixed use development comprising up to 475 dwellings along with associated access, internal roads and footpaths, car parking, public open space, landscaping, local centre (uses including A1, A2, A3, A4, A5, D1, D2, as proposed to be amended to use classes E, F and Sui Generis) with associated car parking, car parking for the adjacent railway station, undergrounding of overhead HV cables and other supporting infrastructure and utilities (Outline with all matters reserved)

Land North West of Goring Railway Station, Goring Street, Worthing, West Sussex

Persimmon Homes Thames Valley

December 2021

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## Executive Summary

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- i. This Proof of Evidence deals specifically with affordable housing and calibrates the weight to be afforded to it in the putative planning decision, in light of the evidence of housing need in the Worthing Borough Council area.
- ii. To recap, outline planning permission is sought for up to 475 dwellings, of which 40% are proposed as affordable homes, equivalent to up to 190 affordable units. The proposed development, therefore, meets the requirements of emerging Policy DM3 of the Worthing Borough Council Submission Draft Local Plan which seeks 40% provision of affordable housing on greenfield sites of 10 or more dwellings.
- iii. The proposals also exceed the requirements of the adopted Worthing Core Strategy (2011)/Policy 10, which seeks 30% provision of affordable housing on all sites of 15 or more dwellings.
- iv. For clarification, the tenure split of the affordable housing commitment is to be agreed at the Reserved Matters stage.
- v. There is irrefutable evidence of a national housing crisis for market and affordable housing. Government announcements - notably through the Housing White Paper in 2017 and Autumn Budget 2018 emphasise that the housing market in this country is “broken” because “for too long, we have not built enough homes” and that “we cannot resolve the productivity challenge or deliver the high standards of living the British people deserve without fixing our housing market”.
- vi. As recently as May 2021, the leading housing and homelessness charity Shelter published ‘*Denied the Right to a Safe Home – Exposing the Housing Emergency*’, which sets out in stark terms the impacts of the housing crisis. Shelter estimate that some 17 million people face the effects of high housing costs, lack of security of tenure and discrimination in the housing market, and notably concludes that “when it comes down to it, there’s only one way to end the housing emergency. Build more social housing”.

## Key Findings

### Corporate Documents

- vii. Corporate documents identify the delivery of affordable housing as a high corporate priority of Worthing Borough Council. These include the Adur & Worthing Community Homelessness Prevention Strategy 2017 to 2022 and the Adur & Worthing Housing Strategy 2020 – 2023.

### Affordable Housing Needs in Worthing Borough

- viii. There is a clear and pressing need for more affordable homes: for affordable home ownership and affordable homes for rent across the borough to help address the persistent, long-standing shortfalls in delivery<sup>1</sup>.
- ix. The 2009 SHMA identified a 'high estimate' objectively assessed need for 261 net affordable homes per annum between 2008/07 to 2017/18 when applying the Liverpool approach to backlog needs. The 2009 SHMA also identified a 'low estimate' objectively assessed need for 161 net affordable homes per annum over the same period.
- x. By contrast the most recent and up to date evidence contained within the 2020 SHMA (albeit not fully tested) identified a net need for 490 affordable homes per annum over the period 2019/20 to 2035/36 when using the Liverpool approach to back-log needs.
- xi. This per-annum figure is 88% higher than the 2009 SHMA 'high estimate' of 216 net affordable homes per annum and also seeks to clear the backlog over 17 years instead of the 10 years used in the 2009 SHMA.

### Affordable Housing Delivery in Worthing Borough

- xii. Net affordable housing delivery in Worthing since the start of the Core Strategy period 2006/07 has averaged just 57 affordable dwellings per annum up to the end of the 2020/21 monitoring period.
- xiii. Shortfalls in delivery have arisen against all assessments of affordable housing need:
- -2,131 dwellings between 2008/09 and 2017/18 as measured against the 'high estimate' need for 261 net affordable dwellings per annum in the 2009 SHMA
  - -1,131 dwellings between 2008/09 and 2017/18 as measured against the 'low estimate' need for 161 net affordable dwellings per annum in the 2009 SHMA; and

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<sup>1</sup> See Figures 6.4, 6.5 and 6.6 of this evidence

- -411 dwellings between 2019/20 and 2020/21 as measured against the need figure for 490 net affordable dwellings per annum in the 2020 SHMA.

### **The Future Supply of Affordable Housing in Worthing Borough**

- xiv. Just 124 gross affordable dwellings per annum are considered likely to come forward for the five-year period between 2020 to 2025.
- xv. This figure generously assumes that all 2,068 dwellings included in the supply will come forwards on sites eligible for affordable housing and that all of these sites would provide the highest adopted policy-compliant levels of affordable housing (i.e. 30%) as a proportion of overall housing completions.
- xvi. The figure also assumes that no affordable units will be lost through the Right to Buy over the period. However, actual delivery over the five-year period is likely to be lower than the 124 gross figure which falls short of all identified needs.
- xvii. On this basis, the shortfalls already observed against identified needs will only continue to grow.

### **Affordability Indicators**

- xviii. An array of affordability indicators has been considered and show a worsening situation in Worthing Borough for any household seeking an affordable home:
  - As at 1 April 2021 there were 1,347 households on the Housing Register with waiting times ranging from 0-6 months in Band A, 12-18 months+ in Band B and up to 5 – 7 years in Band C.
  - The extent of the affordable housing crisis within Worthing Borough is such that the number of households being housed in temporary accommodation within the borough has increased by 53% in one year from 142 households at 1 April 2020 to 217 households at 1 April 2021
  - The National Housing Federation (“NHF”) report that the ratio of average house prices to average incomes in Worthing stood at 10 in 2018/19. This means that average house prices in Worthing are more than 10 times average incomes.
  - The NHF also reported that in 2018/19 an income of £70,698 per annum would be required in order to obtain an 80% mortgage in Worthing. This represents a 41% increase since the first NHF Home Truths South East report was produced in 2013/14, covering the 2012/13 monitoring period where the figure stood at £50,045 per annum.

- The ratio of lower quartile house price to incomes in Worthing now stands at 9.97, a 14% increase since the start of the Core Strategy period in 2006/07 when it stood at 8.77.
- In terms of lower quartile house prices themselves, within the Castle ward where the site is located, the lower quartile house price has risen from £151,000 in 2006/07 to £266,750 in 2020/21; an increase of 50%.
- This should also be viewed in the context of the fact that in 2020/21 the lower quartile gross annual workplace-based earnings for Worthing stood at just £21,764.
- The average lower quartile monthly rent in Worthing Borough in 2020/21 was £695 per calendar month (pcm). This represents a 26% increase from the figure reported in 2013/14 when average lower quartile monthly rents stood at £550 pcm.
- The median house price in Castle Ward has risen by 62% from £175,000 to £283,500 since 2006/07, compared to a 75% increase across Worthing Borough, a 76% increase in the South East region and a national increase of 61% over the same period.
- Data taken from Zoopla indicates that the average price paid for a home in Goring-by-Sea (where the appeal site is located) over the past 12 months ranged from £294,808 for a terraced property, £384,443 for a semi-detached property and £547,153 for a detached property.

### Conclusion

- xix. In light of the key findings of my evidence and the acute need for affordable housing within Worthing Borough, I consider that **very substantial weight** should be attributed to the delivery of up to 190 affordable homes via the appeal scheme; it is a highly material consideration, weighing in the planning balance, not least when the national imperative is to put every effort into affordable housing provision.



# Introduction

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## Section 1

- 1.1 This Affordable Housing Proof of Evidence has been prepared by James Stacey of **Tetlow King Planning** on behalf of **Persimmon Homes Thames Valley**.
- 1.2 The appeal proposals seek outline planning permission for up to 475 dwellings, of which 40% are proposed as affordable homes, equivalent to up to 190 affordable units. As such, it meets the requirements of emerging Policy DM3 of the Worthing Borough Council Submission Draft Local Plan which seeks 40% provision of affordable housing on greenfield sites of 10 or more dwellings.
- 1.3 The proposals also exceed the requirements of the adopted Worthing Core Strategy (2011)/Policy 10, which seeks 30% provision of affordable housing on all sites of 15 or more dwellings.
- 1.4 The tenure split of the affordable housing contribution is to be agreed at the Reserved Matters stage.
- 1.5 The appeal site is located within Castle Ward and is adjacent to Ferring Ward, Northbrook Ward and Goring Ward.
- 1.6 My credentials as an expert witness are summarised as follows:
  - I hold a Bachelor of Arts (Hons) degree in Economics and Geography from the University of Portsmouth (1994) and a post-graduate diploma in Town Planning from the University of the West of England (UWE) (1997). I am a member of the Royal Town Planning Institute.
  - I have over 26 years' professional experience in the field of town planning and housing. I was first employed by two Local Authorities in the South West and have been in private practice since 2001. I have been a Director/Senior Director of Tetlow King Planning Ltd for the past ten years.
  - During the course of my career, I have presented evidence at in excess of 90 Section 78 appeal inquiries and hearings, including a number within South East. I act for a cross-section of clients and advise upon a diverse range of planning and housing related matters.

- 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 plans, including Local Development Framework Core Strategies and many specific development plan and supplementary planning documents on affordable housing throughout the UK.

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

*“The evidence which I have prepared and provide for this appeal 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.”*

1.8 In researching the information which underpins my evidence, I have placed reliance upon a Freedom of Information (“FOI”) request submitted to Worthing Borough Council on 30 September 2021, seeking a range of information in respect of affordable housing matters.

1.9 The Council responded on 28 October 2021, however the response provided did not answer a number of the questions in the request. A response to the omitted questions has been requested however at the time of writing the council still had not responded. As such I reserved the right to provide supplemental evidence when the full response is received. Copies of all correspondence relating to the FOI request can be found at **Appendix JS1**.

1.10 This Proof of Evidence comprises the following eight sections:

- Section 2 of the report establishes the importance of affordable housing as an important material planning consideration;
- Section 3 considers the national housing crisis and the extent of the national shortfall in housing delivery;
- Section 4 analyses the planning policy framework including corporate documents;
- Section 5 considers the need for affordable housing in Worthing Borough;
- Section 6 considers the track record of affordable housing delivery in Worthing Borough;

- Section 7 considers an array of housing affordability indicators;
- Section 8 considers the weight to be attached to the proposed affordable housing provision;
- Section 9 draws together my summary and conclusions.

# Affordable Housing as an Important Material Consideration

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## Section 2

- 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").
- 2.2 It has been reflected in a number of court cases including *Mitchell v Secretary of State for the Environment and Another*, Court of Appeal (1994); *ECC Construction Limited v Secretary for the Environment and Carrick District Council*, Queens Bench Division (1994); *R v Tower of Hamlets London District Council, ex parte Barratt Homes Ltd*, Queens Bench Division (2000).

### **National Planning Policy Framework (20 July 2021)**

- 2.3 The revised NPPF was last updated on 20 July 2021 and is, of course, a key material planning consideration. It is important in setting out the role of affordable housing in the planning and decision-making process.
- 2.4 The document sets a strong emphasis on the delivery of sustainable development, an element of which is the social objective... to "*support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations*" (paragraph 8).
- 2.5 Chapter 5 / paragraph 60 of the revised NPPF confirms the Government's objective of "*significantly boosting the supply of homes*".
- 2.6 The revised NPPF is clear that local authorities should deliver a mix of housing sizes, types and tenures for different groups, which include "*those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes*" (paragraph 62).
- 2.7 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 65 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*”.

- 2.8 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 local market value) and other affordable routes to home ownership including shared ownership, relevant equity loans, other low-cost homes for sale (at least 20% below local market value) and rent to buy (which includes a period of intermediate rent).

### **Planning Practice Guidance (March 2014, Ongoing Updates)**

- 2.9 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 JS2** sets out the paragraphs of the PPG of particular relevance to affordable housing.

### **Summary**

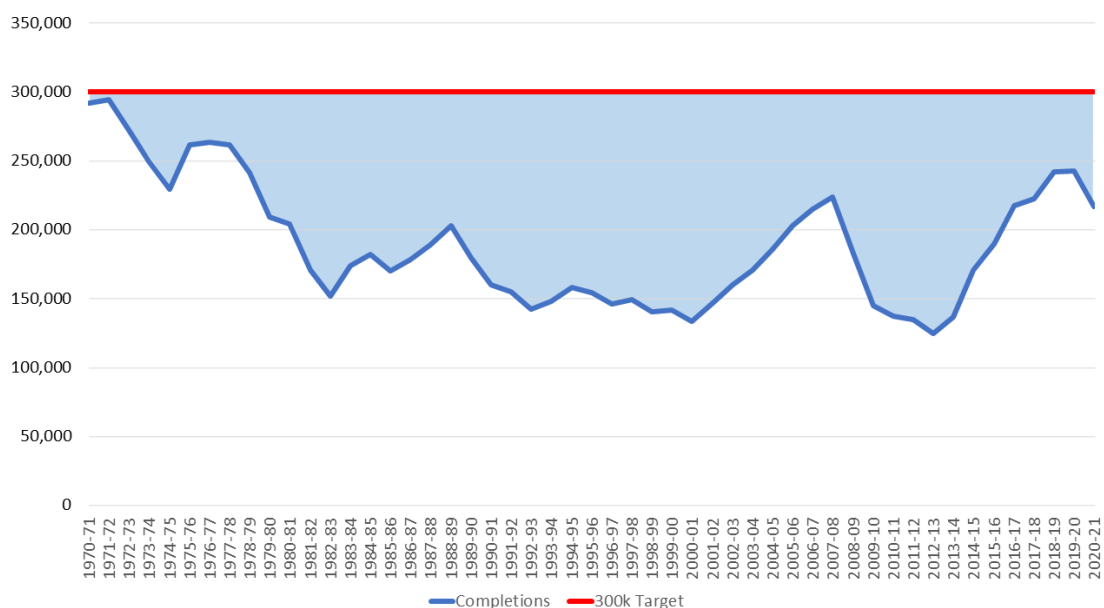
- 2.10 This section clearly demonstrates that, within national policy, providing affordable housing has long been established as, and remains, a key national priority; it is a fundamental element in the drive to address and resolve the national housing crisis.

# The National Housing Crisis and the Extent of the National Shortfall in Housing Delivery

## 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. The housing crisis is felt acutely in the South East. This section highlights some of this evidence and the Government's response to grappling with this issue.
- 3.2 There is an ever-increasing wealth of evidence, including from the current Conservative Government, that unaffordability and inability to get on the housing ladder is a significant problem. I set this out in more detail in **Appendix JS3**.
- 3.3 It is widely accepted that 300,000 new homes are needed per annum and have been for quite some considerable time. However, the last time the country built more than 300,000 homes was in 1969. Since that time there has arisen an accumulated shortfall of 5,626,760 dwellings. This 50-year duration accumulated shortfall is set out in Figure 3.1 below.

Figure 3.1 National Housing Shortfall since 1970/71



Source: DLUHC Live Tables 122 and 209

- 3.4 On 6 August 2020 the Government published its consultation on the future of the planning system, entitled 'White Paper: Planning for the Future' (CD I1).
- 3.5 The Planning White Paper identifies the need for radical reform. The Foreword from the Prime Minister, Boris Johnson, makes clear on page 6 the need for a whole new planning system... *"above all, that gives the people of this country the homes we need in the places we want to live at prices we can afford, so that all of us are free to live where we can connect our talents with opportunity"* (my emphasis).
- 3.6 In his foreword, the Secretary of State for Housing, Communities and Local Government, Robert Jenrick, states that the government's proposals for the planning system seek a significantly simpler, faster and more predictable system. They aim to facilitate a more diverse and competitive housing industry providing, inter alia, the *"affordable housing existing communities require"* (page 8).
- 3.7 The White Paper's introduction at page 8 identifies the shortcomings of the current system, including that there is a *"shortage of beautiful, high-quality homes...and our capacity to house the homeless and provide security and dignity"*, giving particular reference to the shortage of affordable homes.
- 3.8 It goes on to say (page 12) that the current system *"simply does not lead to enough homes being built"* and that *"the result of long-term and persisting undersupply is that housing is becoming increasingly expensive"*.
- 3.9 The Government's desires for initiating the new planning system include the stated ambition to... *"increase the supply of land available for new homes where it is needed to address affordability pressures, support economic growth and the renewal of our towns and cities, and foster a more competitive housing market"* (page 14) and to create a virtuous circle of prosperity.
- 3.10 One of the Government's proposals (number 21) is to reform the Infrastructure Levy, so that it also provides affordable housing. At paragraph 4.21, the Government states its commitment to deliver on-site affordable housing at least at present levels (this is one of its questions). The consultation however proposes that this would be secured through in-kind delivery on-site, with it being considered through the delivery of the reformed Levy.
- 3.11 The Government's approach is perhaps best crystallised in the summary of the press release that accompanied the launch of the consultation – *'PM: Build, Build, Build'*.

- 3.12 That expressed ethos is hardly surprising, it is clear that successive Governments have failed to ensure that anything like enough new homes, especially affordable homes, are being built.
- 3.13 On a national level, in every scenario, against every annual need figure identified since the publication of the seminal Barker Review in 2004, the extent of the shortfall in housing delivery in England is staggering. It ranges from a shortfall of -1,140,069 to a shortfall of -2,760,069 homes over the past 18 monitoring years (i.e. since 2004), depending on which annual target actual housing completions are measured against. The Barker Review and a wealth of other evidence regarding the extent of the national shortfall in housing delivery is included at **Appendix JS4**.
- 3.14 Several voluntary and non-governmental organisations have raised concerns about the extent of the housing crisis. Most recently, a report in May 2021 by Shelter entitled “*Denied the Right to a Safe Home; Exposing the Housing Emergency*” (**CD I2**) sets out how the country is experiencing a ‘housing emergency’ - and explains its effects in stark terms. Page 4 highlights that an estimated 17.5 million people in the UK are affected by the housing crisis, for reasons of cost, insecurity of tenure, poor conditions and discrimination.
- 3.15 Page 10 explains that Shelter is calling for 90,000 social homes to be built each year<sup>2</sup>. This is vital if the social consequences of poor and insufficient housing are to be addressed: pages 25 and 26 detail the particular challenges faced by children through housing instability, which include deteriorating mental health and development.
- 3.16 Page 33 sets out Shelter’s conclusions, making clear that...

*“when it comes down to it, there’s only one way to end the housing emergency. Build more social housing” (my emphasis).*

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<sup>2</sup> MHCLG data shows that in 2019/20, only 57,644 affordable houses were completed.



### **Conclusions on the National Housing Crisis and Extent of the National Shortfall in Housing Delivery**

- 3.17 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. A shortfall of over 5.5 million homes is nothing short of a national scandal. The evidence suggests that failure to do so will present a risk to the future economic and social stability of the United Kingdom. But undoing years of neglect in securing new housing will rely on local commitments; this appeal is a microcosm of the supply conundrum.

# The Development Plan and Related Policies

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## Section 4

### Introduction

- 4.1 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.
- 4.2 The Development Plan for Worthing Borough currently comprises the Worthing Core Strategy 2006 – 2026 (2011) and the Saved policies of the Worthing Local Plan 2003.
- 4.3 Other material considerations include the NPPF (2021), the PPG, the Worthing Developer Contributions Supplementary Planning Document (2015) (“SPD”), and the emerging Worthing Local Plan.

### The Development Plan

#### Worthing Core Strategy 2006 – 2026 (2011) (CD E1)

- 4.4 The Core Strategy was adopted in April 2011 and guides development until 2026. It partially replaces some of the Saved policies of the Worthing Local Plan 2003.
- 4.5 Paragraph 2.21 recognises that *“There is a considerable demand for housing in the borough and, as a result, house prices in Worthing are relatively high. Furthermore, the ratio of house prices to incomes is high in regional terms<sup>3</sup>. In common with most areas where house prices are high in relation to income there is a shortage of affordable housing in the borough, especially social rented accommodation”* (my emphasis).
- 4.6 Paragraph 3.43 of the Strategy sets out that *“Finding a place to live which is affordable is a key challenge for many residents in Worthing. The ratio of house prices to incomes is high in regional terms and maintaining an adequate and suitable supply of affordable housing for people on low incomes and first-time buyers presents a particular challenge. While house prices relative to earnings are now falling and interest rates are low, there remain significant barriers to home ownership. In the short-term it is likely that the polarisation between those ‘equity-rich’ households with a stake in the*

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<sup>3</sup> See Section 7 of this evidence

market and those without will continue. To help address this, housing proposals will need to maximise the delivery of an appropriate range of affordable housing and tenures, taking into account wider infrastructure requirements and the economic viability of developments.” (My emphasis).

- 4.7 Strategic Objective 4 ‘Meet Worthing’s Housing Needs,’ on page 36 of the Strategy sets out that:

*“The importance of providing the right mix of homes to serve Worthing’s identified needs will require improvements to the existing housing stock, the retention of family homes, the provision of housing to serve younger and older age groups and a commitment that all new homes should be adaptable to changing life circumstances.*

*Across the borough new residential developments will be built to a high standard, contribute to the achievement of a balanced housing stock and support the provision of affordable homes. This will be achieved through joint working with housing associations and neighbouring authorities to address cross-boundary housing market issues.”* (My emphasis).

- 4.8 Strategic Objective 4 also sets out, among others, the following key outcomes:

- *“The choice of housing types (both affordable and market housing) meets the needs of all members of the community now and in the future; and*
- *Affordable housing is provided that helps to meet identified need.”*

- 4.9 Paragraph 7.18 sets out the PPS3 affordable housing definition. This has now been superseded by the affordable housing definitions set out in the Annex to the NPPF (2021).

- 4.10 Paragraph 7.21 highlights that *“The Strategic Housing Market Assessment (SHMA) identified that there is an acute affordable housing need.”*<sup>4</sup> Paragraph 7.22 goes on to note that the 2009 SHMA estimated that *“the net annual housing need in Worthing is between 161 and 261 households. This compares to an annual housing requirement for 200 homes per annum (for Worthing Borough) in the South East Plan. The lower estimate is based on acute need for social rented housing from those in reasonable preference groups. The higher estimate is based on meeting the need of all those on the Council’s waiting list. These estimates assume that the backlog of need is met over*

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<sup>4</sup> Coastal West Sussex SHMA - 2009

*a 10-year period which seems realistic, but is longer than assumed in other needs assessments.”*

- 4.11 On page 90 of the Strategy, **Policy 10 ‘Affordable Housing’** seeks between 10% and 30% affordable housing provision - depending on the number of units provided on site. The full text of Policy 10 is reproduced below.

<b>Policy 10 - AFFORDABLE HOUSING</b>
<p>A mix of affordable housing, including social rent and intermediate housing will be sought to meet local needs on all but the smallest sites:</p> <ul style="list-style-type: none"> <li>• on all sites of 6 to 10 dwellings, 10% affordable housing will be sought via a financial contribution</li> <li>• on all sites of 11 to 14 dwellings, 20% affordable housing will be sought via a financial contribution</li> <li>• on all sites of 15 or more dwellings, 30% affordable housing will be sought</li> </ul> <p>The policy approach is to seek to secure on-site provision on sites of 15 dwellings or more, with financial contributions for sites of 6-14 units. This is subject to:</p> <ul style="list-style-type: none"> <li>• the economics of providing affordable housing</li> <li>• the extent to which the provision of affordable housing would prejudice other planning</li> <li>• objectives to be met from the development of the site the mix of units necessary to meet local needs and achieve a successful development.</li> </ul> <p>Where the Council accepts that there is robust justification, the affordable housing requirement may be secured through off-site provision.</p> <p>The appropriate mix in terms of housing tenures, house sizes of affordable housing and spread within a development will be determined in response to identified needs, funding priorities and housing strategy targets at the time of the development.</p>

- 4.12 It is important to note that the above thresholds have now been superseded in national policy by paragraph 64 of the NPPF (2021) which is clear that *“Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer).”* Annex 2 of the NPPF (2021) defines ‘major development’ for housing as sites where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more.
- 4.13 The council produced an Affordable Housing Interim Position Statement in August 2019 (**CD E7**) to address the aforementioned changes to national policy. The statement sets out that:

*“To reflect the national policy position set out in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) the Council will only seek*

*contributions from major developments (10+ dwellings). To reflect this change, and the policy being taken forward in the emerging Worthing Local Plan, the affordable housing policy established in the Core Strategy (Policy 10) will apply to developments as follows:*

***New residential development (including conversions and changes of use with the capacity to provide 10 or more self-contained units will be expected to provide an appropriate mix of affordable housing according to the following site size thresholds:***

- i. on sites of 10-14 dwellings (gross) 20% affordable housing will be sought via a financial contribution***
- ii. on sites of 15 (gross) dwellings or more 30% affordable housing will be sought***

*Calculations for affordable housing contributions (including any Vacant Building Credit that might apply) will be made in line with the NPPF, PPG and the above draft policy position and will be informed by the Councils Developer Contributions SPD (2015)."*

- 4.14 Monitoring indicators are set out at Appendix 1 of the Core Strategy; however, it does not set any details on the quantum of new affordable housing, merely stating... *"Total Number of gross affordable housing completions"* as a target/outcome for monitoring of Core Indicator 5 and the following targets for local indicators:

*"Targets are on-site provision on sites of 15+ WBC dwellings and a financial contribution for 6-14 dwellings.*

- *6-10 dwellings - 10%*
- *11-14 dwellings - 20%*
- *15+ dwellings - 30%"*

**Saved policies of the Worthing Local Plan 2003 (CD E8)**

- 4.15 Preceding the Local Development Framework, Worthing's Local Plan was adopted in September 2003 to provide the main planning framework for the Borough to 2006.
- 4.16 Appendix 6 of the Core Strategy (2011) sets out the Local Plan policies that remain 'saved'. On adoption of the Core Strategy, 13 of the 29 previously saved polices were superseded.
- 4.17 None of the saved polices relate to affordable housing.

## Other Material Considerations

### Worthing Borough Council Submission Draft Local Plan 2020 – 2036 (June 2021) (CD E2)

- 4.18 The emerging Worthing Local Plan was formally submitted to the Secretary of State on Friday 11th June 2021 for independent examination.
- 4.19 At paragraph 5.41 on page 111, the Plan is clear that *“The Council is committed to helping to support, enable and sometimes enforce the right conditions for people to have a secure and safe home. The provision of affordable housing plays an important role in this process as it helps to prevent homelessness and ensure that those who are unable to afford market housing have access to suitable homes to rent and buy.”* (My emphasis).
- 4.20 Paragraph 5.44 of the Plan recognises that the 2020 SHMA identifies a *“substantial need for additional affordable housing with a total need for **490 dwellings per annum in Worthing**”*. In response to this stated requirement the Plan sets out in the following paragraph (5.45) that...
- “the Council is committed to taking all opportunities to deliver high quality affordable housing for people who are unable to access or afford market housing as well as helping people make the step from social or affordable-rented housing to home ownership”*.
- 4.21 Paragraph 5.45 goes on to note that...
- “To achieve this aim the Council will continue to work with public bodies and Registered Providers to maximise development of affordable housing on sites. However, despite the efforts to maximise housing delivery, the lack of land available means there will still be a significant shortfall in the ability to meet the needs identified.”* (My emphasis).
- 4.22 The Plan is clear at paragraph 5.46 that *“Given the lack of opportunities for large scale development in Worthing it is particularly important that smaller medium sized residential developments contribute towards meeting the very significant affordable housing needs. Therefore, the policy requires affordable housing to be provided for all liable residential developments of 10 or more dwellings.”* (My emphasis).
- 4.23 In respect of affordable housing emerging Policy DM3 ‘**Affordable Housing**’ seeks at least 20% affordable housing provision by the number of units on sites above 10 or more dwellings. The full text of emerging Policy DM3 is reproduced below.

### Emerging Policy DM3 - AFFORDABLE HOUSING

a) New residential development (including conversions and changes of use) with the capacity to provide 10 or more self-contained units will be expected to provide an appropriate mix of affordable housing according to the following site size thresholds:

- i. Sites on previously developed land involving the development of flats there will be a requirement for 20% affordable housing;
- ii. For all housing schemes on previously developed land there would be a requirement for 30%;
- iii. For all development on greenfield sites there would be a requirement for 40%;

b) Affordable housing should be delivered on-site. In exceptional circumstances a financial contribution may be accepted by the Council in order to provide affordable housing off-site where the other sites may be more appropriate to provide affordable housing than the site of the proposed development.

c) Affordable housing should incorporate a mix of tenures and sizes prioritising rented affordable homes at social rent levels. The exact tenure split and size of units on each site will be a matter for negotiation, taking account of up-to-date assessments and the characteristics of the area. However, to most effectively meet the borough's housing needs the Council will require the following mix of tenure as a minimum: 75% social / affordable rented housing and 25% intermediate housing.

d) Where there is an identified need for a wheelchair accessible dwelling, the provision of affordable homes constructed to Building Regulation Standard M4(3) Category 3: Wheelchair Accessible Standards, will be a matter for negotiation taking account of suitability and viability of the site.

e) Affordable housing should be appropriately distributed throughout a new development and should be designed to a high quality, with the same or a consistent external appearance as for market housing.

f) Where a developer states that exceptional development costs mean it is not possible to meet the full requirements for the delivery of affordable housing the onus will be on them to demonstrate this to the Council and this must be supported by robust financial viability evidence (through an open book approach).

4.24 The table on page 51 of the Plan sets out 'Sources of Housing Supply' for the period 2020 to 2036, identifying an aggregate supply from the listed sites of 3,672 dwellings over the 16-year Plan period.

4.25 Reasonably, the next step is to convert that overall figure to reveal the expected number of affordable dwellings. Even if we were to assume very generously that all 3,672 dwellings were provided/ derived from sites that qualify for 40% affordable housing provision, as a proportion of overall housing completions, this would (create) only 1,469<sup>5</sup> new affordable dwellings yielded over the 16-year Plan period. Fundamentally that equates to a gross average of just 92<sup>6</sup> units per annum. This figure

<sup>5</sup> 40% of 3,672 = 1,468.8

<sup>6</sup> 1,468.8 / 16 years = 91.8



also assumes that no affordable units will be lost through the Right to Buy over the 16-year period.

- 4.26 When this is viewed in the context of the fact that the 2020 SHMA identifies a net annual need for **490 affordable homes per annum** between 2019 and 2026 it is evident that the emerging Local Plan consciously fails to plan to address affordable housing needs across the borough. This is despite the Plan clearly recognising at paragraph 5.44 that there is a “**substantial need for additional affordable housing with a total need for 490 dwellings per annum in Worthing**” (my emphasis). In essence, the draft Plan condones only one fifth of the Borough’s affordable housing needs being realised.

**Worthing Developer Contributions Supplementary Planning Document (2015) (CD E5)**

- 4.27 The Developer Contributions Supplementary Planning Document (“SPD”) was adopted in July 2015 and sets out the Council’s overall approach to developer contributions, including affordable housing, as well as setting out the types of obligations that the Council may seek to secure from development.
- 4.28 On page 21 the SPD sets out that “*Housing is a fundamental need that helps to support the local economy. It is well documented that unsuitable housing conditions or being unable to access affordable housing can negatively affect quality of life. Local housing evidence demonstrates that Worthing has very significant levels of affordable housing need.*” (My emphasis).
- 4.29 The page goes on to set out the 2012 NPPF definitions of affordable housing. However, it is important to highlight that these definitions have been superseded by the definitions set out in Annex 2 of the NPPF.
- 4.30 Pages 23 to 24 consider Worthing Planning policy in respect of affordable housing. However, this position has been superseded by the Affordable Housing Interim Position Statement published in August 2019 (**CD E7**).
- 4.31 The SPD goes on to consider funding of affordable housing, transfer prices, management and nominations, type and tenure, affordability, provision of specialist units, design standards and calculating financial contributions. However, in a sense we can by-pass this as Persimmon Homes is committed to 40% affordable housing provision being satisfied within the subject site.



## Corporate Documents

### Adur & Worthing Community Homelessness Prevention Strategy 2017 to 2022 (CD E9)

- 4.32 The introduction to the Homelessness Prevention Strategy sets out in the first paragraph that *“Homelessness is not just a housing problem. Not having a decent home adversely affects all areas of a person’s life - from their health, to their achievement at school if they are a child, and their ability to get work if they are an adult. Conversely, if they are struggling with their health or their employment, this may in turn affect their housing needs and the security of their home.”*
- 4.33 The following paragraph goes on to note that *“Homelessness can affect everyone. Stable situations can quickly change due to domestic violence and abuse, unemployment and relationship breakdowns, to name a few. In many cases people find their own solutions, often with the help of friends and family, whilst others need support due to underlying health problems and lack of financial resources.”*
- 4.34 The third paragraph of the introduction is also clear that *“Tackling homelessness remains a key priority in Adur and Worthing. Compared with prevention, homelessness is costly. Not only in terms of the consequences for the individuals involved but also to local communities and the taxpayer. Early identification and intervention is important to increase the chances of successfully preventing homelessness.”* (my emphasis)
- 4.35 Section 3 of the Strategy sets out the ‘Local Context’. Subsection 3.1 highlights that *“In recent years we have seen an increase in the demand for and the cost of housing in the private rental sector, private ownership, and public/social housing sector across Adur and Worthing. Market pressures (in particular growing house and rental prices)<sup>7</sup> and government policies are presenting challenges for the Councils and our partners to meet this growing need within our community. Population increases and migration, combined with limited supply have seen rents and house prices increase.”* (My emphasis)
- 4.36 The subsection goes on to note that *“Adur & Worthing Councils (AWC) have attempted to address this through their respective Local Plans - however land constraints mean that the Councils are not in the position to meet Objectively Assessed Need (OAN).”*
- 4.37 Subsection 3.2 considers homelessness highlighting that *“Adur and Worthing have seen a rise in the number of people presenting homeless”*. The table in the subsection

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<sup>7</sup> See Section 7 of this evidence

highlights that between April 2016 and March 2017, 88 households in Worthing Borough were accepted as homeless compared to just 31 households in Adur District over the same period.

- 4.38 Subsection 3.3 sets out the ‘Demand for social housing’ noting that *“Housing Services processed 576 new applications for the housing register in 2016/17. Of these applications, 183 were from Adur and 393 were from Worthing.”* The subsection also highlights that as at 23 May 2017 *“There were 786 households on Adur District’s register and 1,277<sup>8</sup> on Worthing Borough’s housing register.”*
- 4.39 Subsection 3.4 takes account of temporary accommodation highlighting that *“There has been a significant increase in the number of households presenting homeless on the day, resulting in an increase in demand for emergency accommodation<sup>9</sup>. For these households, prevention is almost too late when they present. Households in emergency accommodation have increased by an average of 35% over a 14 month period for both Adur and Worthing.”*
- 4.40 The subsection also sets out that *“Households are staying longer in temporary accommodation while they wait for social housing. The demand for social housing is significantly more than the supply available. Some households only bid on a limited choice of areas, while some will only bid for houses but not flats.”* (my emphasis).
- 4.41 Rough sleeping is considered at subsection 3.5 which highlights that *“A rough sleeper count done on 08 November 2017, identified 19 people sleeping rough in Worthing and none in Adur. However, based on intelligence we believe there are 35 in Worthing and 2 in Adur.”*
- 4.42 Section 4 of the Strategy provides findings of the Homelessness Review which are summarised as:
- *“All agencies need to be involved in early identification and early intervention to increase the chances of preventing homelessness*
  - *First points of contacts need better and quicker access to the homeless prevention assistance the Councils’ provide and AWC Housing service’s specialist knowledge on housing regulations*
  - *Proactive homeless prevention should be rewarded or incentivised rather than statutory homeless solutions*

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<sup>8</sup> See Section 7 of this evidence

<sup>9</sup> See Section 7 of this evidence

- *An evictions reduction protocol is required to reduce evictions from social housing and supported accommodation*
- *A pathway style approach to joined up working will create a structured and clearer method of preventing homelessness*
- *An open minded approach is required to utilising all forms of housing supply e.g. Containers, dormitories in universities during off season*
- *MARAC style meetings are useful for complex cases that require multi-agency intervention*
- *Incentives and support are needed to assist households relocate to affordable accommodation out of the Councils' area*
- *AWC and all agencies need to collate and share data to better understand key issues and trends on housing demand and supply and also to help manage expectation within the community”*

4.43 Section 5 sets out that Prevention, Partnership and Pathways are the three key priorities for the next five years. Highlighting that *“These key priorities contribute towards achieving Platform 4 (Services and Solutions for our Places) of Platforms for our places and the Councils’ Housing Matters Strategy 2017- 2020. The Councils’ social housing allocation policies, which will also be reviewed, will encourage and support households to proactively prevent homelessness.”*

4.44 Under the prevention priority the Strategy sets out that one of the ways this will be achieved will be to *“Ensure the limited supply of social housing is used effectively to maximise homelessness prevention.”* (my emphasis).

#### **Adur & Worthing Housing Strategy 2020 – 2023 (CD E10)**

4.45 The introduction to the Strategy is clear that *“Our ambition for this strategy fundamentally builds upon the vision and strategic foundations outlined in our last strategy - that is, for everyone to have a place they can call home, whether it is owned, shared or rented. Having a secure and safe home, not just a place to sleep, is one of the most important factors in enabling our communities to thrive.”* (my emphasis).

4.46 The introduction also sets out the following four ambitions of the Strategy:

- *“delivers secure and appropriate housing for the people of Adur and Worthing*
- *supports aspiration, individual and community resilience, and economic growth*

- *enables all sectors within our communities to live healthy, secure and purposeful lives*
- *is delivered in partnership with businesses, people, and statutory and voluntary sector agencies”*

4.47 Chapter 2 entitled ‘A Connected Strategy’ notes that the Strategy *“is a core part of delivering upon the ambitions set out within Platforms for Our Places: Going Further and supports our strategic priorities of:*

- *Prosperous Places*
- *Thriving People and Communities*
- *Tackling Climate Change and Supporting our Natural Environment*
- *Delivering Good Services and New Solutions*
- *Leadership in our Places”*

4.48 Chapter 3 sets out the ‘Strategic Context’ of the Strategy, with page 7 considering ‘Local Housing need’ highlighting that:

*“House prices have continued to rise, with median house prices reaching £305,000 in Adur and £295,000<sup>10</sup> in Worthing. Notably, entry-level house prices are now 13.41 times the average earnings of younger households in Adur and 12.04 times in Worthing, pointing to significant barriers to younger households in being able to buy a home.*

*The growth in rental values across all property sizes has been strong for both authority areas when set against the South East and England – particularly for three and four bedroom homes. Median rental values in Adur are close to the South East average at £875PCM whilst values are lower in Worthing at £775 PCM<sup>11</sup>.*

*Based on demographic projections, there is a need for 653 additional affordable housing units per annum across Adur and Worthing for those who cannot afford to rent. There is also a need for an additional 146 affordable homes per annum to buy across both areas.”*

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<sup>10</sup> See Section 7 of this evidence

<sup>11</sup> See Section 7 of this evidence

4.49 The page goes on to clearly state that:

*“It is important to note that the demographic projections of the number of families and younger people across Adur and Worthing are affected by the lack of suitable and affordable homes. That is, rather than reflecting the number of households who would want to live in Adur and Worthing if they could afford it, it indicates that many families have to look for affordable homes outside of the area.*

*The implication of this is that **the delivery of (and access to) affordable housing is very important** in ensuring that a balanced population profile is maintained in the authority areas. If housing accessibility for younger households and families continues to be constrained, thus inhibiting their ability to move to or stay within the local area; this could harm the economy (through affecting the ability of employers to recruit) and may lead to unsustainable longer-distance commuting patterns.”* (my emphasis).

4.50 Page 8 considers homelessness setting out that *“In the first three quarters of 2019/20, there were 143 homeless applications in Adur and 399 in Worthing. In addition there were 63 cases where advice only was sought in Adur and 168 in Worthing. Of these, interventions led by the Homelessness Teams resulted in 81 households in Adur and 186 in Worthing being prevented from becoming homeless.”*

4.51 In considering affordable housing supply, page 10 is clear that... *“The constrained nature of both Adur and Worthing and the inability to deliver their future housing needs, accentuates the affordable housing need and clearly demands a more proactive approach to meet the needs of those in greatest housing need.”* (my emphasis)

4.52 Chapter 4 sets out the three priorities for the Housing Strategy. Priority 3 on page 33 concerns ‘Improving the levels of affordable housing supply’ stating that *“We recognise that access to affordable and suitable housing is very important in ensuring that a balanced population profile is maintained across Adur and Worthing.”*

4.53 Page 33 also highlights that *“In recognition of the increasing need for affordable homes and the issues faced in their delivery, the Councils are creating a Development Strategy which details how it intends to increase the number of affordable homes across Adur and Worthing through self-delivery and by working closely with developers.”*

4.54 One of the five objectives to be outlined in the Development Strategy is to *“Deliver 1,000 affordable homes by 2025, of which 250 homes will be delivered directly by Adur & Worthing Councils”*

- 4.55 In respect of ‘Local Plans and Development Management,’ page 34 sets out that *“The emerging Worthing Local Plan will include a range of affordable housing policies to deliver affordable housing of the most appropriate tenure and mix to meet local needs. These emerging policies highlight the need for affordable rent and we will explore the opportunity to deliver rent levels at less than 80% of market rent to meet the needs on the housing waiting list.”*
- 4.56 Page 34 also sets out the ‘Development Programme’ highlighting that *“Since starting the programme, two sites have been purchased and planning permission gained to deliver 42 homes for temporary accommodation. Three further sites have been granted to provide 49 homes within the HRA for general needs rent (affordable and social rent). A further 10 sites have been identified as part of the Small Sites programme with design having commenced in Feb 2020. Of the above, 103 homes are due to be delivered by 2021/22”*
- 4.57 Under the heading ‘Exploring and Developing Innovative Partnerships’ page 35 notes that:

*“The Government’s 2017 White Paper “Fixing our Broken Housing Market” identified a series of interventions aimed at addressing issues in the UK’s housing system. The white paper makes apparent that the existing system of interests and actors needs to change, innovate and develop new approaches. As a central player in the housing system, Councils, as both developer, landowner and planning authority have a critical role in supporting, designing and delivering new and innovative approaches. The Councils are committed to working with developers, investors, and community groups to develop these new approaches within Adur and Worthing.”*

### **Conclusions on the Development Plan and Related Policies**

- 4.58 The adopted Development Plan for Worthing Borough currently comprises the Worthing Core Strategy 2006 – 2026 (2011) and the Saved policies of the Worthing Local Plan 2003.
- 4.59 The evidence set out in this section clearly highlights that within adopted policy and emerging policy as well as a wide range of other plans and strategies, providing affordable housing has long been established as, and remains, a key priority for Worthing Borough Council.

- 4.60 Unfortunately, the emerging Local Plan consciously fails to plan to address affordable housing needs identified in the 2020 SHMA - despite recognising that its findings demonstrate a substantial need for additional affordable housing across the borough.
- 4.61 There is a simple base-line position written into the Local Plan: there is a need for 490 affordable units to be delivered per year, but at paragraph 4.55 of my evidence I have shown that, at best, only 92 affordable dwellings are likely to be realised per year during the life of the Plan.
- 4.62 Yet the narrative I have presented above gives no reason to accept that shortfall. The Core Strategy, the SHMA, the Emerging Local Plan, the SPA/ Developer Contributions, the Homelessness Strategy, the Adur & Worthing Housing Strategy (all) express the same common theme: the supply of affordable housing must be boosted. This appeal must consider whether (endorsing) a fifth of the affordable housing needs of the Borough is credible, socially justified and sustainable.
- 4.63 In light of the need to “maximise the delivery,” and given the recognised shortfalls in affordable housing across Worthing Borough, the appeal proposals provide an affordable housing contribution which would contribute substantially towards addressing this key corporate priority.



# Affordable Housing Need in Worthing Borough

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## Section 5

### **Affordable Housing Needs**

- 5.1 The adopted Core Strategy does not define a numerical target for the provision of affordable homes, instead Policy 10 seeks to ensure that a 20% financial contribution towards affordable housing provision is provided on sites of 10 to 14 dwellings and 30% onsite affordable housing provision is made from sites of 15 dwellings or more, as amended by the Affordable Housing Interim Position Statement (**CD E7**).
- 5.2 The Core Strategy does however recognise at paragraph 7.22 that the Coastal West Sussex Strategic Housing Market Assessment (“SHMA”) published in 2009 estimated that *“the net annual housing need in Worthing is between 161 and 261 households. This compares to an annual housing requirement for 200 homes per annum in the South East Plan.”* Of course, the provenance of the South East housing requirements in the Regional Spatial Strategy (RSS) have long gone with the abolition of the RSS’s.
- 5.3 In the absence of a defined affordable housing target in adopted policy it is important to consider the objectively assessed need for affordable housing within the most up-to-date assessments of local housing need.

### **Affordable Housing Needs Evidence Base**

- 5.4 Worthing Borough Council has published five assessments of housing need in the past twelve years, the first of which being the Coastal West Sussex SHMA published in 2009 by GVA Grimley. It provided key evidence for developing the approach to affordable housing policy in the adopted Core Strategy. This is the only assessment of housing need for the Borough that has been tested at examination.
- 5.5 The Coastal West Sussex SHMA Update produced by GL Hearn was published in November 2012 and provides an update to the 2009 SHMA. In 2014 GL Hearn published the Assessment of Housing Development Needs Study: Sussex Coast HMA and in 2015 GL Hearn published the Worthing Housing Study.
- 5.6 The most recent assessment of housing need for the borough is the 2020 SHMA for Adur District Council and Worthing Borough Council, produced by Icení, and provides key evidence for developing the approach to affordable housing policy in the emerging



Local Plan - which at the time of writing is under examination. In my opinion this is the most relevant SHMA.

5.7 The council's 'Housing Need (SHMA)' webpage highlights that:

*“Prior to the publication of the 2020 SHMA the Council published a number of housing studies<sup>12</sup> that considered housing needs against land supply and constraints. This work has helped to build up an understanding that has, in turn, allowed the Council to assess the appropriate balance between potential supply and demand for market and affordable housing at a borough and Housing Market Area level.”*

5.8 As such, this evidence seeks to rely upon the findings of the 2009 SHMA, as it forms the evidence base for the adopted development plan, and the 2020 SHMA, as it forms the evidence base for the emerging Local Plan. The findings of each of these SHMA's are summarised below.

#### **Costal West Sussex Strategic Housing Market Assessment (2009) (CD E11)**

5.9 The Costal West Sussex SHMA (2009) was used to inform the housing figures included in the adopted Core Strategy. Consequently, the Objectively Assessed Need figure identified has been tested at examination, along with the annual need for affordable housing.

5.10 Paragraph 9.12 of the 2009 SHMA sets out that the Project Steering Group agreed that:

*“In recognition of potential questions regarding the robustness of housing waiting lists, **the assessment will include high and low estimates of current households in housing need.** The high estimate will include all those registered on local authority waiting lists. The **low estimate will be based on an assessment of those households in reasonable preference groups.**”*

5.11 In respect of the 'high estimate' paragraph 9.14 goes on to set out that:

*“The high estimate recognises that while waiting lists may include some households who would not be found as in need by traditional surveys or may have found suitable housing, equally not all households in need will have registered with a local authority with a potential undercount of concealed and overcrowded households. It is based on the assumption that it is unlikely that*

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<sup>12</sup> As set out in paragraph 5.5 of this section

any of those on waiting lists will be able to meet their housing requirements in the open market.” (My emphasis)

- 5.12 Whilst paragraphs 9.14 and 9.15 go on to note the following in respect of the ‘low estimate’:

*“9.15 The purpose of the low estimate is particularly to demonstrate that there is a continued need for substantial new affordable housing provision even when only those households with a current acute housing need are considered. It is a lower estimate of housing need than is set out in Government policy.*

*9.16 The low estimate includes current households in housing need only where they are considered to fall within defined reasonable preference groups. The Housing Act 1996, as amended by the Homelessness Act 2002 provides the statutory basis for this, stating that local authorities must give preference to the following groups. The low estimate looks specifically at social rented housing. This is a more narrow definition than the Government’s definition.” (My emphasis)*

- 5.13 Given that the 2009 SHMA itself recognises that the ‘low estimate’ did not meet the then government definition of affordable housing nor does it meet the current government definition of affordable housing as set out at Annex 2 of the NPPF (2021); it is evident that the ‘high estimate’ figure is the appropriate affordable housing needs figure. This is because the low estimate does not capture all households considered to be in need of affordable housing tenures as defined by national policy.

- 5.14 In respect of income thresholds used to assess affordable housing need, page 180 of the 2009 SHMA sets out at paragraph 9.39 that:

*“We have assessed entry-level housing costs for house purchase using lowest quartile house prices in Q4 2007 and average private sector rents given these are reflective of the market prior to the short-term price declines in 2008. We have established income thresholds for access to the market sector assuming that households have a 10% deposit and that monthly costs are based on a 6.3% interest rate with mortgage cost not exceeding 25% of gross household income. We have established income thresholds for access to the private rental market by assuming again that housing costs should not exceed 25% of gross household income. These assumptions are consistent with the Government’s guidance.” (My emphasis)*

- 5.15 Figure 9.17 on page 187 of the 2009 SHMA identifies the ‘Net Annual Housing Need – High Estimate’ for Worthing Borough to be **261 affordable homes per annum over a 10-year period**, equivalent to 2,610 net affordable dwellings. Unfortunately, the SHMA does not set out what 10-year period the assessment of need covers.
- 5.16 Figure 9.18 on page 188 of the 2009 SHMA identifies the ‘Net Annual Housing Need – Low Estimate’ for Worthing Borough to be **161 affordable homes per annum over a 10-year period**, equivalent to 1,610 net affordable dwellings. As with the ‘high estimate’ the SHMA does not set out what 10-year period the assessment of need covers.
- 5.17 In respect of identifying the 10-year period the assessment covers, Figure 9.1 of the 2009 SHMA provides a summary of the ‘Housing Needs Model & Data Sources’ used to assess affordable housing need. Unfortunately, this table does not set out the assessment period other than stating at step 5.2 that the backlog will be addressed over a 10-year period.
- 5.18 However, at step 2.3, Figure 9.1 sets out that annual estimates have been derived from CORE<sup>13</sup> lettings data for the 2005/06, 2006/07 and 2007/08 monitoring periods. As such it is reasonable to assume that the 10-year assessment period starts in 2008/09 and ends in 2017/18. As such this is the assessment period I will apply in this evidence.

### **Strategic Housing Market Assessment - Adur District Council and Worthing Borough Council (2020) (CD E12)**

- 5.19 The 2020 SHMA was prepared to support the emerging Worthing Local Plan and a future review of policies within the Adur Local Plan; as well as to inform development management activities including the housing mix sought through planning applications. It addresses housing needs over the period from 2019 to 2036 and 2039.
- 5.20 Paragraphs 5.16 to 5.24 of the 2020 SHMA consider the appropriate affordability test to apply in order to understand a household’s ability to afford either home ownership or private rented housing. Paragraph 5.18 notes that:

*“A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than a particular percentage of gross income. The choice of an appropriate threshold is an important aspect*

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<sup>13</sup> The Continuous Online Recording System (CORE) is a national information source funded jointly by the Homes and Communities Agency and the CLG that records information on the characteristics of both housing association and local authority new social housing tenants and the homes they rent and buy.

*of the analysis. CLG 2007 SHMA Practice Guidance suggested that 25% of income is a reasonable start point but also noted that a different figure could be used.”*

- 5.21 Following the analysis in paragraphs 5.21 to 5.22, paragraph 5.23 concludes that *“It has therefore been estimated that a threshold of around 30% - 31% would be appropriate (i.e. 30% in Adur and 31% in Worthing).”* Paragraph 5.67 goes on to note that a 10% deposit and 4.5 times mortgage multiples have also been assumed in respect of affordable home ownership.
- 5.22 Table 10.3 on page 136 of the 2020 SHMA identifies the ‘Total Net Need for Affordable Housing (p.a.) 2019-36’ for Worthing Borough to be **490 affordable homes per annum** over the 17-year period, equivalent to 8,330 net affordable dwellings.
- 5.23 Table 10.3 also breaks the 490 per annum need down into rented affordable housing need and affordable home ownership need; for Worthing Borough this is 418 net affordable rented homes per annum and 72 net affordable home ownership homes respectively. The 2020 SHMA goes on to note at paragraph 10.13 that the *“our analysis suggests a tenure split of 85% rented to 15% affordable home ownership. This tenure split should be tested through the emerging Local Plan process on the basis of viability”*.

### **Conclusions on Affordable Housing Needs in Worthing Borough**

- 5.24 There is a clear and pressing need for more affordable homes: for affordable home ownership and affordable homes for rent across the borough to help address the persistent, long-standing shortfalls in delivery<sup>14</sup>.
- 5.25 The 2009 SHMA identified a ‘high estimate’ objectively assessed need for 261 net affordable homes per annum between 2008/07 to 2017/18 when applying the Liverpool approach to backlog needs. The 2009 SHMA also identified a ‘low estimate’ objectively assessed need for 161 net affordable homes per annum over the same period.
- 5.26 By contrast the most recent and up to date evidence contained within the 2020 SHMA (albeit not fully tested) identified a net need for 490 affordable homes per annum over the period 2019/20 to 2035/36 when using the Liverpool approach to back-log needs. This per-annum figure is 88% higher than the 2009 SHMA ‘high estimate’ of 216 net affordable homes per annum and also seeks to clear the backlog over 17 years instead of the 10 years used in the 2009 SHMA.

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<sup>14</sup> See Figures 6.4, 6.5 and 6.6 of this evidence

# Affordable Housing Delivery in Worthing Borough

## Section 6

### Past Affordable Housing Delivery in Worthing Borough

6.1 Figure 6.1 illustrates the delivery of affordable housing in Worthing Borough since the start of the Core Strategy (2011) period in 2006.

*Figure 6.1: Worthing Borough Gross Additions to Affordable Housing Stock 2006/07 to 2020/21*

Monitoring Year	Total housing completions (Net)	Additions to Affordable Housing Stock (Gross)	Gross affordable additions as a %age of total completions
2006/07	324	50	15%
2007/08	318	70	22%
2008/09	438	64	15%
2009/10	310	100	32%
2010/11	299	96	32%
2011/12	143	13	9%
2012/13	172	54	31%
2013/14	245	11	4%
2014/15	351	72	21%
2015/16	478	12	3%
2016/17	347	56	16%
2017/18	482	27	6%
2018/19	292	105	36%
2019/20	396	141	36%
2020/21	107	25	23%
<b>Total</b>	<b>4,700</b>	<b>896</b>	<b>19%</b>
<b>Ave PA.</b>	<b>313</b>	<b>60</b>	<b>19%</b>

Source: DLUHC LT 122 and 1008C

- 6.2 Figure 6.1 demonstrates that on average in the 15-year period between 2006/07 and 2020/21, Worthing Borough Council has added just 60 gross affordable dwellings per annum, equivalent to 19% of the total number of net housing completions.
- 6.3 It is important to note that the gross affordable completions figure does not take into account any losses from the affordable housing stock through the Right to Buy. As set out below once such losses are taken in to account the councils' gross completions figures falls by 4% to 858 net affordable dwellings over the 10-year period (see Figure 6.3 below).

### **Accounting for the Right to Buy**

- 6.4 At a national level almost two million households have exercised their Right to Buy since it was introduced in 1980. In July 2015, the Conservative Government published 'Fixing the Foundations: Creating a More Prosperous Nation' which confirms that the Government is committed to extending the Right to Buy to housing association tenants, noting that "*since the Right to Buy for council tenants was reinvigorated in the last Parliament, the number of sales has increased by nearly 320%*".
- 6.5 In my opinion the extension of Right to Buy to Housing Association tenants will further increase the loss of existing affordable housing stock, putting increasing pressure on the need to deliver more affordable homes in Worthing in the future.
- 6.6 The Government's Housing White Paper (February 2017) (**CD I1**) sets out at paragraph 4.22 that the reinvigoration of the Right to Buy scheme in 2012 which increased discounts significantly, has resulted in over 60,000 affordable homes being sold. This is equivalent to an average of 12,000 affordable homes lost per year, every year, on a national basis for the five-year period between 2012 and 2017.
- 6.7 Worthing Borough Council confirmed in its Freedom of Information response of 28 October 2021 (**Appendix JS1**) that all their affordable housing stock was transferred to a Registered Provider in 1999.
- 6.8 Data on Registered Provider sales of affordable housing to Registered Provider tenants is contained in the annual Statistical Data Returns ('SDR') data sets for the period 2011/12 to 2020/21 published by the Regulator of Social Housing. Figure 6.2 below sets out the recorded Right to Buy sales in Worthing Borough Council for this period.

6.9 Figure 6.2 below demonstrates that a total of 38 Right to Buy sales were recorded, an average of 4 dwellings per annum over the 10-year period between 2011/12 and 2020/21.

*Figure 6.2: Registered Provider Right to Buy Sales in Worthing Borough, 2011/12 to 2020/21*

Monitoring Year	Registered Provider Right to Buy sales
2011/12	3
2012/13	8
2013/14	3
2014/15	7
2015/16	0
2016/17	2
2017/18	3
2018/19	4
2019/20	5
2020/21	3
<b>Total</b>	<b>38</b>
<b>Ave PA.</b>	<b>4</b>

*Source: Private Registered Provider Social Housing Stock in England: Statistical Data Returns (2012 to 2021)*

6.10 Figure 6.3 below calculates the net affordable housing delivery per annum since the start of Core Strategy period in 2006. The loss of 38 affordable dwellings over this period equates to 4% of the gross affordable housing completions of 896 affordable dwellings over the 10-year period.

6.11 Figure 6.3 demonstrates that on average in the 15-year period between 2006/07 and 2020/21, Worthing Borough Council has added just 57 (net) affordable dwellings per annum, equivalent to 18% of the total number of net housing completions. Expressed from another perspective, Worthing with its 110,000 population has added, on average, just 57 affordable dwellings per year over the last 15 years; not an impressive figure in the context of the acute needs I have identified.



Figure 6.3: Worthing Borough Net Additions to Affordable Housing Stock 2006/07 to 2020/21

Monitoring Year	Total housing completions (Net)	Additions to Affordable Housing Stock (Gross)	Registered Provider Right to Buy sales	Additions to Affordable Housing Stock (Net)	Net affordable additions as a %age of total completions
2006/07	324	50	n/a	50*	15%
2007/08	318	70	n/a	70*	22%
2008/09	438	64	n/a	64*	15%
2009/10	310	100	n/a	100*	32%
2010/11	299	96	n/a	96*	32%
2011/12	143	13	3	10	7%
2012/13	172	54	8	46	27%
2013/14	245	11	3	8	3%
2014/15	351	72	7	65	19%
2015/16	478	12	0	12	3%
2016/17	347	56	2	54	16%
2017/18	482	27	3	24	5%
2018/19	292	105	4	101	35%
2019/20	396	141	5	136	34%
2020/21	107	25	3	22	21%
<b>Total</b>	<b>4,700</b>	<b>896</b>	<b>38</b>	<b>858</b>	<b>18%</b>
<b>Ave PA.</b>	<b>313</b>	<b>60</b>	<b>3</b>	<b>57</b>	<b>18%</b>

Source: DLUHC LT 122, DLUHC LT 1008C and Private Registered Provider Social Housing Stock in England: Statistical Data Returns (2012 to 2021)

\*Gross figure

- 6.12 The impact of Right to Buy losses was considered by the Secretary of State at the recovered appeal at North Worcestershire Golf Course, Birmingham (**CD J17**). In that case, Right to Buy losses were substantial and almost counteracted the new (gross) affordable houses in its entirety, resulting in an overall increase of affordable provision



of just 1% of total completions and 3% of affordable housing need. The Inspector noted at paragraph 9.49 of their report that:

*“When the losses of social rented dwellings through right to buy purchases is taken into account that equates to a net provision of only 151 new affordable homes over that period [...] against an identified need for 970 affordable homes each year. This represents only 1% of all completions over those 6 years and 3% of the affordable housing need for that period”.*

- 6.13 The seriousness of the impact was considered in a Newspaper article in the Independent newspaper in June 2020. The article is attached as **Appendix JS5**. The reporter considered how the Council housing sell-off continues as the government fails to replace most homes sold under Right to Buy.
- 6.14 It advised that, *“Two-thirds of the council homes sold off under Right to Buy are still not being replaced by new social housing despite a promise by the government, official figures show.”* It went on to say that *“Housing charities warned that enough “desperately needed” genuinely affordable housing is simply not being built, with an overall net loss of 17,000 homes this year from social stock. Since the policy was updated in 2012-13, 85,645 homes have been sold through the policy, but only 28,090 built to replace them, statistics from the Ministry of Housing, Communities and Local Government show”.*
- 6.15 The article goes on to quote Jon Sparkes, chief executive at homelessness charity Crisis, who said: *“These statistics demonstrate just how serious the current housing crisis is. What few social homes that are available are largely being removed from the market as part of Right to Buy, and the supply is not being replenished in line with this. People in desperately vulnerable circumstances are being left with dwindling housing options as a consequence of our threadbare social housing provision. This is all the more worrying considering the rise we expect in people being pushed into homelessness as a result of the pandemic.”*
- 6.16 Right to Buy losses are depleting the affordable housing stock in Worthing Borough. The impact of Right to Buy losses is a matter that has been acknowledged by the Secretary of State. The recent comments of Crisis underline the serious effect this is having upon the supply of affordable homes and for those people in housing need.

### **Affordable Housing Delivery Compared to Affordable Housing Needs**

- 6.17 When comparison is drawn between affordable housing delivery and the ‘high estimate’ needs identified in the 2009 SHMA for the period 10-year period between

2008/09 and 2017/18, it can be seen in Figure 6.4 that there has been an accumulated shortfall in the delivery of affordable housing of some -2,131 affordable homes against an identified need for 2,610 net new affordable homes over the same period.

*Figure 6.4: Affordable Housing Delivery Compared to the 2009 SHMA Affordable Housing Needs Per Annum 'High Estimate' (Net)*

Monitoring Year	2009 SHMA Affordable Housing Needs Per Annum 'High Estimate' (Net)	Additions to Affordable Housing Stock (Net)	Shortfall
2008/09	261	64*	-197
2009/10	261	100*	-161
2010/11	261	96*	-165
2011/12	261	10	-251
2012/13	261	46	-215
2013/14	261	8	-253
2014/15	261	65	-196
2015/16	261	12	-249
2016/17	261	54	-207
2017/18	261	24	-237
<b>Total</b>	<b>2,610</b>	<b>479</b>	<b>-2,131</b>
<b>Ave PA.</b>	<b>261</b>	<b>48</b>	<b>-213</b>

*Source: 2009 SHMA, DLUHC LT 1008C and Private Registered Provider Social Housing Stock in England: Statistical Data Returns (2012 to 2021)*

\*Gross figure

- 6.18 Similarly, when comparison is drawn between affordable housing delivery and the 'low estimate' needs identified in the 2009 SHMA since its 2008 base date, it can be seen in Figure 6.5 that there has been an accumulated shortfall in the delivery of affordable housing of some -1,131 affordable homes against an identified need for 1,610 over the same period.

Figure 6.5: Affordable Housing Delivery Compared to the 2009 SHMA Affordable Housing Needs Per Annum 'Low Estimate (Net)

Monitoring Year	2009 SHMA Affordable Housing Needs Per Annum 'Low Estimate (Net)	Additions to Affordable Housing Stock (Net)	Shortfall
2008/09	161	64*	-97
2009/10	161	100*	-61
2010/11	161	96*	-65
2011/12	161	10	-151
2012/13	161	46	-115
2013/14	161	8	-153
2014/15	161	65	-96
2015/16	161	12	-149
2016/17	161	54	-107
2017/18	161	24	-137
<b>Total</b>	<b>1,610</b>	<b>479</b>	<b>-1,131</b>
<b>Ave PA.</b>	<b>161</b>	<b>48</b>	<b>-113</b>

Source: 2009 SHMA, DLUHC LT 1008C and Private Registered Provider Social Housing Stock in England: Statistical Data Returns (2012 to 2021)

\*Gross figure

- 6.19 When this same exercise is undertaken using the most recent affordable housing needs for the borough identified in the 2020 SHMA since its 2019 base date, it can be seen in Figure 6.6 that there has already been an accumulated shortfall in the delivery of affordable housing of some -822 affordable homes against an identified need for 980 net new affordable homes over the same period. This is within a two period and represents an 84% shortfall. Or put another way, in the last two years the council have delivered just 16% of their net affordable housing needs.

Figure 6.6: Affordable Housing Delivery Compared to the 2020 SHMA Affordable Housing Needs Per Annum (Net)

Monitoring Year	2020 SHMA Affordable Housing Needs Per Annum (Net)	Additions to Affordable Housing Stock (Net)	Shortfall
2019/20	490	136	-354
2020/21	490	22	-468
<b>Total</b>	<b>980</b>	<b>158</b>	<b>-822</b>
<b>Ave PA.</b>	<b>490</b>	<b>79</b>	<b>-411</b>

Source: 2020 SHMA, DLUHC LT 1008C and Private Registered Provider Social Housing Stock in England: Statistical Data Returns (2012 to 2021)

\*Gross figure

### Future Supply of Affordable Housing

- 6.20 I consider that any shortfall in delivery should be dealt with within the next five years. This is also an approach set out within the PPG<sup>15</sup> and endorsed at appeal.
- 6.21 The Inspector presiding over the appeal at land off Aviation Lane, Burton-upon-Trent, where I presented evidence in respect of future affordable housing supply, which was allowed in October 2020 (**CD J18**) set out at paragraph 5 that:

*“The annual requirement for new affordable housing contained within the East Staffordshire Borough Council Local Plan 2015 (Local Plan) is 112 units. This is based on the findings of the Strategic Housing Market Assessment 2013, updated 2014 (SHMA). It is agreed within the Affordable Housing Statement of Common Ground (AHSOCG) that since the start of the plan period, 638 affordable dwellings have been completed, equating to 80 dwellings per annum, leaving a shortfall of 258 dwellings.”*

- 6.22 At paragraph 8 of her decision, the Inspector found that:

*“In my view, the extent of the shortfall and the number of households on the Council’s Housing Register combine to demonstrate a significant pressing need for affordable housing now. As such, I consider that, the aim should be to meet the shortfall as soon as possible” (my emphasis).*

<sup>15</sup> Paragraph: 035 Reference ID: 3-035-20140306

6.23 The Inspector went on to set out at paragraph 11 that:

*“My concern, given the nature of the development proposed, is whether the affordable housing needs of the Borough are being met. These are households in need of a home now. While the Council is of the view that there is not an overwhelming need for affordable housing which cannot be met within the settlement boundary, on allocated sites or through current planning permissions, just by excluding these three sites from its five-year housing supply, the Councils expectation of 884 houses coming forward within five years is reduced to 768 which would be below the five-year requirement of 818 dwellings including the existing shortfall” (my emphasis).*

6.24 As such, if the accrued shortfall against the needs identified in the 2020 SHMA was to be removed in the next 5 years i.e. 2021/22 to 2025/26 (the PPG approach to removing backlog), the annual need within Worthing Borough would increase to 655 affordable homes per annum<sup>16</sup>. Notably, this assumes there are no further losses through the Right to Buy over the five-year period.

6.25 In respect of the future supply of affordable housing the council published a Housing Implementation Strategy Topic Paper in June 2021 (**CD E13**) which contains the latest five-year housing land supply position (5YHLS) for the borough, covering the period 2020 to 2025.

6.26 If we were to generously assume that (i) all 2,068 dwellings in the supply statement will come forward on sites eligible for on-site affordable housing and that (ii) all of these sites would provide the highest adopted policy-compliant levels of affordable housing (i.e. 30%) as a proportion of overall housing completions this is likely to deliver only, at best, 620 affordable dwellings over the period. This equates to a gross average of just 124 per annum. This figure also assumes that no affordable units will be lost through the Right to Buy over the period.

6.27 Given the approach to thresholds this annual figure is highly unrealistic, but I show it because it demonstrates the sheer scale of the problem in respect of future need. I have already set out that the Local Plan fails to adequately provide sufficient quantities of affordable housing over the plan period and now the latest 5-year supply trajectory, based on my wholly over-optimistic/unrealistic assumptions, shows that the best-case

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<sup>16</sup> 823 / 5 years + 490 pa = 654.6

scenario for the council (not taking into account any of the work undertaken by Mr Tiley) is also inadequate.

- 6.28 The council is actively failing to provide for the needs of people in the community needing assistance with their housing. And this is precisely why sites, like the appeal site, need to be advanced now to address the real and urgent need for more affordable homes. This is not a speculative or unfounded commentary, the needs-based evidence is there consistently across a raft of local authority documents: the Core Strategy, the SHMA, the Emerging Local Plan, the SPA Developer Contributions, the Homelessness Strategy, the Adur & Worthing Housing Strategy.
- 6.29 Manifestly, the 124 homes per annum falls substantially short of both the 490 net affordable homes per annum 2020 SHMA figure, and the 655 net per annum figure required when back log needs are addressed in the first five years in line with the Sedgefield approach.
- 6.30 I have no confidence that the council can address this serious and grave situation, without the injection of new sites, particularly those where a 30% affordable housing threshold is attached.

#### **Conclusions on Affordable Housing Delivery in Worthing Borough**

- 6.31 In light of the identified level of need there can be no doubt in my mind that the delivery of up to 190 affordable dwellings on the proposed site will make an important contribution to the affordable housing needs of Worthing Borough and should be afforded **very substantial weight** in the determination of this appeal. In that respect I reiterate the comments of the Inspector in the East Staffs appeal set out in para. 6.21, above: *“My concern is... whether the affordable housing needs of the Borough are being met. These are households in need of a home now.”*

# Affordability Indicators

## Section 7

### Market Signals

7.1 The PPG recognises the importance of giving due consideration to market signals as part of understanding affordability. I acknowledge that this is in the context of plan making.

### Worthing Borough Housing Register

7.2 The Council’s Freedom of Information response (**Appendix JS1**) confirms that as at 1 April 2021 there were 1,347 households on the Housing Register.

7.3 Figure 7.1 provides a comparative analysis of the number of households on the Housing Register and net affordable housing delivery in the borough since the start of the Core Strategy period in 2006.

*Figure 7.1: Number of Households on the Housing Register Compared with Net Affordable Housing Delivery*



Source: DLUHC LT 122, DLUHC LT 1008C, DLUHC LT 600 and Private Registered Provider Social Housing Stock in England: Statistical Data Returns (2012 to 2021)

- 7.4 As Figure 7.1 clearly illustrates, affordable housing delivery has failed to keep pace with identified need on the housing register by a considerable margin for every single year over the past 15 years in Worthing Borough.
- 7.5 As a result of changes introduced by the Localism Act 2011, Local Housing Authorities have been able to set their own Housing Register criteria from June 2012. For many authorities this has meant excluding applicants already on the list who no longer meet their new narrower criteria but who were still in need of affordable housing.
- 7.6 The councils FOI response (**Appendix JS1**) states that *“There are no changes yet, but a new policy will soon be launched in the near future, a draft of which can has been published on our website”*, however Figure 7.1 above indicates that changes to the policy occurred sometime between 2011 and 2012 given that the drop in households cannot be attributed to increase affordable housing delivery<sup>17</sup>.
- 7.7 This is also corroborated by the fact that Figure 7.2 below demonstrates that council currently applies local connection criteria which was only allowed as a result of changes introduced by the Localism Act 2011.
- 7.8 Clarification on this point was sought from the council 9 December 2021 (**Appendix JS1**) however at the time of writing the council had not provided a response.
- 7.9 In respect of the draft Housing Allocations Policy published on the councils website Figure 7.2 below summarises the proposed changes to the current allocations policy.

*Figure 7.2: Proposed changes to Housing Allocations Policy*

Current	Proposed
Four Bands: A, B, C and D	Three Bands: A, B and C Band D to be removed. Band D was for those who wished to join the Housing Register with no housing need. In addition, currently those who are unable to bid, eg due to rent arrears are placed in Band D. With the removal of Band D, these cases will be suspended in their assessed Band.
Local connection criteria: 2 years	Change to 5 years in line with our neighbouring authorities. This will be applied to new applications when each policy goes live. It will not affect those already on the register. NB will not apply to Reasonable Preference Groups.

<sup>17</sup> See Section 6 of this evidence



No current prevention banding	Inclusion of Band B for qualifying prevention cases to encourage and ensure households who work with the Council to prevent themselves from becoming homeless and needing temporary accommodation are not disadvantaged.
No current category for reciprocal arrangements	A new category in Band A to represent reciprocal arrangements with other authorities and Registered Social Landlords. This is necessary to assist households fleeing violence who can not reside anywhere in the Council's area, or where households need to move out of the area for exceptional reasons.
No current 'one reasonable offer' provision	One reasonable offer for high priority categories (defined in section 13). This is to reduce the increasing number of households turning down suitable social housing.
No current provision for those in high priority categories not bidding	Introduction of the option to suspend or remove applicants who do not make bids on suitable properties within defined time frames as outlined in section 3.6 of the draft Allocations Policy.
Reasonable preference not catered for or defined in the current policy	Reasonable Preference to recognise those eligible under the Homelessness Reduction Act. These include: Armed Forces Personnel for whom we had regard to under the Armed Forces protocol, those fleeing violence and Gypsies and Travellers.
Band B for Rough Sleepers	Removal of this category as it is underutilised. Housing providers are unwilling to accept a rough sleeper from the street into a general needs tenancy because of concerns about their ability to sustain a tenancy. To replace this, the introduction of an annual allocation to the Single Persons Pathway for move on from supported accommodation to free up spaces in supported accommodation for rough sleepers.
Income and savings cap the same for all households.	Introduction of income scale dependent on household size, with discretion for those in need of sheltered accommodation who are threatened with homelessness. 3.4(e) in the draft allocations policy.

Source: <https://www.adur-worthing.gov.uk/housing-allocations-policy-review/> [Accessed 16 December 2021]

- 7.10 Whilst restricting the entry of applicants on to the Housing Register may temporarily reduce the number of households on the waiting list, this does not reduce the level of need, it merely displaces it. It may also have other negative impacts when you consider that those who are excluded from the register may be forced to move away from

Worthing to cheaper more affordable areas but due to their connections to the area, they still have to commute back into the area to visit friends, family and travel to their place of work. One clear impact of this is that such an eventuality would generate extra traffic which brings in to question the sustainability of such an approach.

- 7.11 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 (**CD J22**). 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).*

- 7.12 Furthermore, in the recent appeal decision at Oxford Brookes University Campus at Wheatley, (**CD J15**) Inspector DM Young asserted at paragraph 13.101 of their 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).*

- 7.13 The Inspector went on to state at paragraph 13.102 that:

*“Although affordable housing need is not unique to this district, that argument is of little comfort to those on the waiting list” before concluding that “Given the importance attached to housing delivery that meets the needs of groups with specific housing requirements and economic growth in paragraphs 59 and 80 of the Framework, these benefits are considerations of substantial weight”. (My emphasis)*

- 7.14 In undertaking the planning balance, the Inspector stated at paragraph 13.111 of their report that:

*“The Framework attaches great importance to housing delivery that meets the needs of groups with specific housing requirements. In that context and given the seriousness of the affordable housing shortage in South Oxfordshire, described as “acute” by the Council, the delivery of up to 500 houses, 173 of which would be affordable, has to be afforded very substantial weight”.*

- 7.15 In determining the appeal, the Secretary of State concurred with these findings, thus underlining the importance of addressing needs on the Housing Register, in the face of acute needs, twinned with persistent under delivery.
- 7.16 It is important to note that the Housing Register is only part of the equation relating to housing need. The housing register does not constitute the full definition of affordable housing need as set out in the NPPF – Annex 2 definitions i.e. affordable rented, starter homes, discounted market sales housing and other affordable routes to home ownership including shared ownership, relevant equity loans, other low-cost homes for sale and rent to buy, provided to eligible households whose needs are not met by the market.
- 7.17 There is no “Housing Register” for households who do not meet the Council’s qualification criteria for social or affordable rented dwellings but still need assistance with their accommodation because they cannot afford a property on the open market, the so-called “squeezed middle”. Intermediate housing is an important part of the affordable housing needs of the borough, however there is no Housing Register for those needing an intermediate or shared ownership dwelling.
- 7.18 In short there remains a group of households who fall within the gap of not being eligible to enter the housing register but who also cannot afford a market property and as such are in need of affordable housing. It is those in this widening affordability gap who, I suggest, the Government intends to assist by increasing the range of affordable housing types in the most recent NPPF.
- 7.19 The Franklands Drive Secretary of State appeal decision in 2006 (**CD J16**) underlines how the Housing Register is a limited source for identifying the full current need for affordable housing. At paragraph 7.13 of the Inspector’s report the Inspector drew an important distinction between the narrow statutory duty of the Housing Department in meeting priority housing need under the Housing Act, and the wider ambit of the planning system to meet the much broader need for affordable housing.
- 7.20 As such the number of households on the Housing register will only be an indication of those in priority need and whom the Housing Department have a duty to house. But

it misses thousands of households who are in need of affordable housing, a large proportion of whom will either be living in overcrowded conditions with other households or turning to the private rented sector and paying unaffordable rents.

### **Housing Register Preferences**

- 7.21 The FOI request submitted to the council sought the total number of households on the Council's Housing Register at 1st April 2021 specifying Castle Ward, Ferring Ward, Northbrook Ward and Goring Ward as their preferred choice of location.
- 7.22 The council's response (**Appendix JS1**) stated that *"The Council's housing register is not broken down into wards and therefore the information is not held"*.

### **Housing Register Waiting Times**

- 7.23 The FOI request submitted to the council sought the average waiting times at 1 April 2020 and 1 April 2021 for a range of affordable property types.
- 7.24 The council's response set out that:

*"We operate a choice based lettings system meaning that people wait varying times depending on their band and how many bids they place. Its only possible to provide an estimated waiting time per band. Those in band A can wait anything from 0-6 months, Band B 12-18 months+, Band C 5-7 years, The waiting times in April 2020 are the same as the current time. Until the impact of Covid 19 is known, we are continuing to estimate the same waiting times"*.

### **Housing Register Bids per Property**

- 7.25 The FOI request submitted to the council sought the average number of bids per property in Castle Ward, Ferring Ward, Northbrook Ward and Goring Ward over the 2020/21 monitoring period for a range of types of affordable property.
- 7.26 The council's response (**Appendix JS1**) stated that *"The Council's housing register is not broken down into wards and therefore the information is not held"*. As such the council does not know how many households on the councils housing register have bid for properties in the wards.

### **Social Housing Stock and Lettings in Castle Ward, Ferring Ward, Northbrook Ward and Goring Ward**

- 7.27 The FOI request submitted to the council sought the total number of social housing dwelling stock at 1st April 2021 in Castle Ward, Ferring Ward, Northbrook Ward and Goring Ward. The council's response stated that *'Worthing borough council does not*

*hold any social housing stock*'. As such the council does not know the amount of existing of social housing stock in any of the aforementioned wards.

- 7.28 The FOI request as sought the number of social housing lettings in the period between 1 April 2019 and 31 March 2020; and between 1 April 2020 and 31 March 2021 in the four aforementioned wards. The council's response stated that *"The Council's housing register is not broken down into wards and therefore the information is not held"*. As such the council does not know the number social housing lettings, if any, that have occurred in any of the four wards for the 2019/20 and 2020/21 monitoring periods.

### Temporary Accommodation

- 7.29 The extent of the affordable housing crisis within Worthing Borough is such that the number of households being housed in temporary accommodation within the borough has increased by 53% in one year from 142 households at 1 April 2020 to 217 households at 1 April 2021, as illustrated in Figure 7.2.

*Figure 7.2: Households in Temporary Accommodation*

Households in Temporary Accommodation	1 April 2020	1 April 2021	%Age Change
Households Housed within Worthing	142	217	+53%
Households Housed outside Worthing	58	Unknown	<b>Unknown</b>
<b>Total Households</b>	<b>200</b>	Unknown	<b>Unknown</b>

*Source: FOI response*

- 7.30 Unfortunately the FOI response provided by the council did not provide a response to Question 19 which sought *"The number of households on the Housing Register housed in temporary accommodation outside the Worthing Borough Council region at 1st April 2021"* despite providing responses to the other questions on this subject.
- 7.31 An email was sent to the council on 9 December 2021 seeking a response to the Question 19 however at the time of writing the council still had not responded.

### Average House Prices

- 7.32 The NHF produces an annual report for each of the regions in England, looking at various elements of the housing market across each area.

- 7.33 The 2019/20<sup>18</sup> Home Truths report (**Appendix JS6**) for the South East reported that the ratio of average house prices to average incomes in Worthing stood at 10 in 2018/19. This means that average house prices in Worthing are 10 times average incomes.
- 7.34 A figure of 8 times average incomes was described as problematic by the former Prime Minister in the foreword to the White Paper entitled – ***Fixing our broken housing market*** (CD I1). Here, the affordability ratio is some 25% higher than that.
- 7.35 The NHF also reported that in 2018/19 an income of £70,698 per annum would be required in order to obtain an 80% mortgage<sup>19</sup> in Worthing. This represents a 41% increase since the first NHF Home Truths South East report was produced in 2013/14, covering the 2012/13 monitoring period (**Appendix JS7**) where the figure stood at £50,045 per annum.
- 7.36 By comparison the average annual earnings in the borough in 2018/19 were £29,728<sup>20</sup>, a 38% increase from 2012/13 where the figure stood at £21,466. In terms of house prices themselves, the NHF reported that the average house price within Worthing in 2018/19 was £309,304, a 41% (£218,949) increase since 2012/13.

#### **Lower Quartile House Prices**

- 7.37 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 Worthing now stands at 9.97, a 14% increase since the start of the Core Strategy period in 2006/07 where it stood at 8.77.
- 7.38 This means that those on the lowest incomes in the borough, seeking to purchase a home in the lower end of the property market, now need to find almost 10 times their annual income to do so.
- 4.64 In terms of lower quartile house prices themselves, within the Castle ward where the site is located, the lower quartile house price has risen from £151,000<sup>21</sup> in 2006/07 to £266,750 in 2020/21; an increase of 50%.

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<sup>18</sup> Covering the year 2018/19 – the 2020/21 South East report covering the year 2019/20 does not include data for Worthing.

<sup>19</sup> Based on 3.5 x income multiples

<sup>20</sup> Based on Valuation Office Agency data

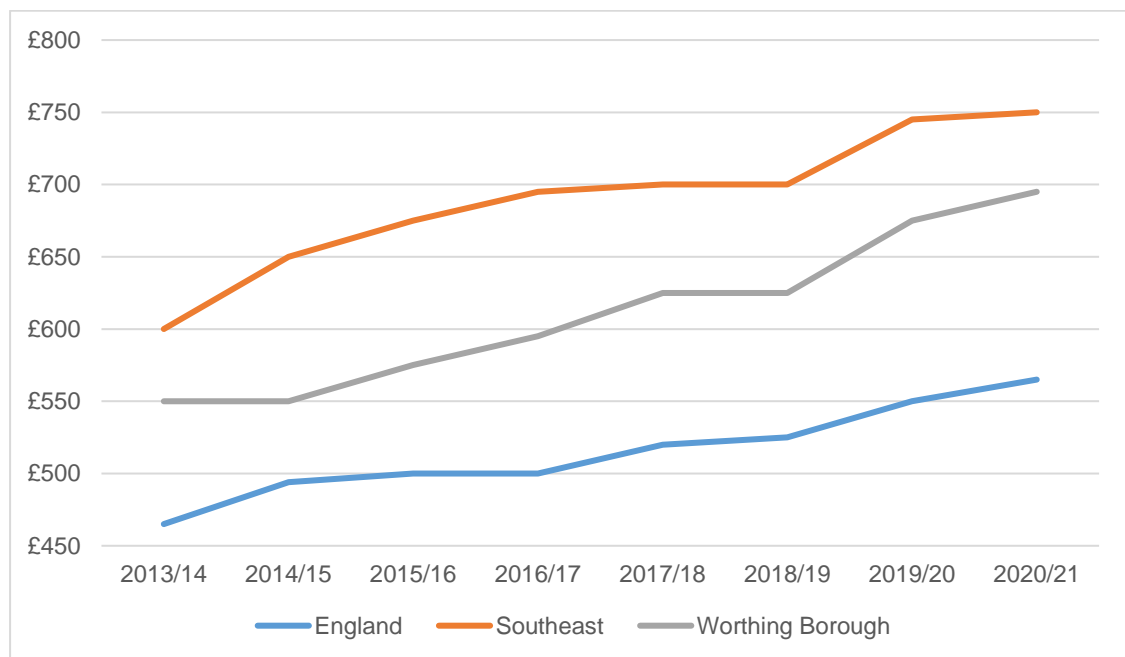
<sup>21</sup> ONS Ratio of house price to workplace-based earnings

4.65 This should also be viewed in the context of the fact that in 2020/21 the lower quartile gross annual workplace-based earnings for Worthing stood at just £21,764<sup>22</sup>.

### Private Rental Market in Worthing Borough

4.66 Figure 7.3 demonstrates that the average lower quartile monthly rent in Worthing Borough in 2020/21 was £695 per calendar month (pcm). This represents a 26% increase from the figure reported in 2013/14<sup>23</sup> where average lower quartile monthly rents stood at £550 pcm.

Figure 7.3: Lower Quartile Private Sector Rents 2013/14 to 2020/21



Source: VOA and ONS Private Rental Market Statistics

### Market Conditions in Worthing Borough and Castle Ward

7.39 Figure 7.4 illustrates the median house sale prices for England, the South East, Worthing Borough and Castle Ward. It demonstrates that they have increased dramatically between the start of the Core Strategy period in 2006/07 and 2020/21.

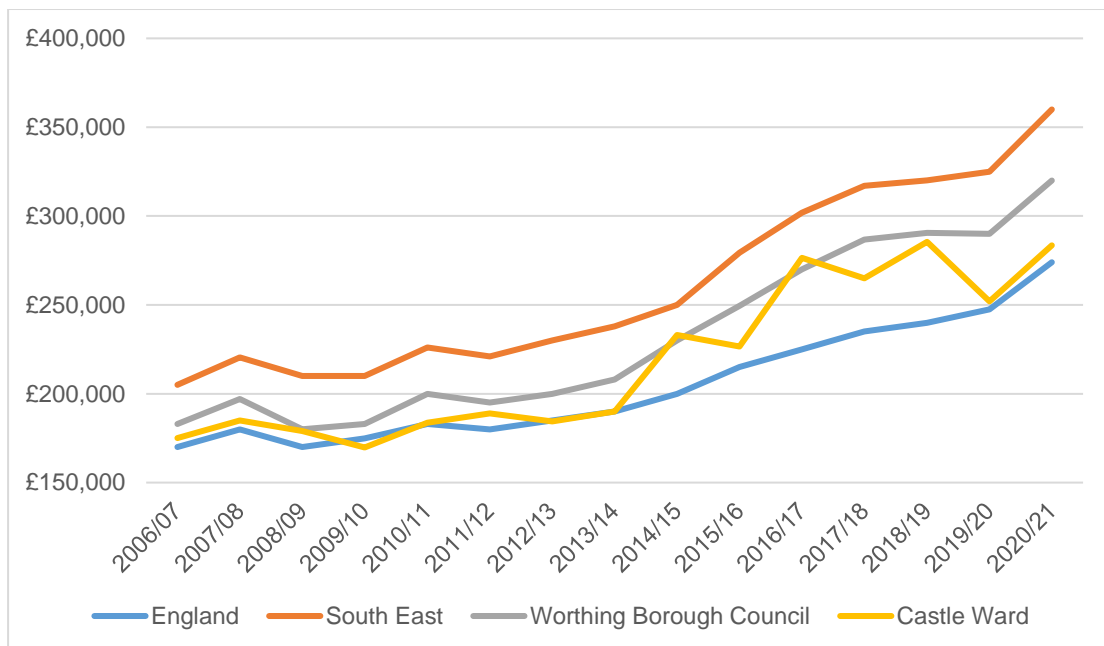
7.40 The median house price in Castle Ward has risen by 62% from £175,000 to £283,500 since 2006/07, compared to a 75% increase across Worthing Borough, a 76% increase in the South East region and a national increase of 61% over the same period.

<sup>22</sup> ONS Ratio of house price to workplace-based earnings

<sup>23</sup> When current records began



Figure 7.4: Median House Price Comparison (2006/07 to 2020/21)



Source: ONS Dataset 9. Median price paid for administrative geographies and ONS Dataset 37. Median house prices by ward

- 7.41 Data taken from Zoopla<sup>24</sup> indicates that the average price paid for a home in Goring-by-Sea (where the appeal site is located) over the past 12 months ranged from £294,808 for a terraced property, £384,443 for a semi-detached property and £547,153 for a detached property. Evidently house prices in Goring-by-Sea are proportionally higher than the rest of the ward and the authority is further constraining opportunities for first time buyers to purchase a home in this area of Worthing.

### Conclusions on Affordability Indicators

- 7.42 As demonstrated through the analysis in this section, affordability in the borough has been and continues to be in crisis.
- 7.43 House prices and rent levels in both the average 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 Worthing out of the reach of more and more people.
- 7.44 Analysis of market signals is critical in understanding the affordability of housing. It is my opinion that there is an acute housing crisis in Worthing Borough, with an average house price to average income ratio of 10. This multiple has increased by 14% since

<sup>24</sup><https://www.zoopla.co.uk/market/goring-by-sea/?q=Goring-by-Sea%2C%20West%20Sussex> [Accessed: 12 December 2021]



the start of the Core Strategy in 2006/ 07. In my analysis above, I have shown that, for younger households, entry level median house prices (£295,000) are 12.04 times earnings.

- 7.45 In short, market signals indicate a worsening trend in affordability in Worthing and within Castle Ward, and by any measure of affordability, this is a borough in the midst of an affordable housing crisis, and one through which urgent action must be taken to deliver more affordable homes.

# Weight to be Attributed to the Proposed Affordable Housing

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## Section 8

- 8.1 The Government attaches weight to achieving a turnaround in affordability to help meet affordable housing needs. The revised NPPF (2021) is clear that the Government seeks to significantly boost the supply of housing.

### **The Need for Affordable Housing**

- 8.2 The National Housing Strategy sets out that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.
- 8.3 The adopted Development Plan for Worthing Borough currently comprises the Worthing Core Strategy 2006 – 2026 (2011) and the Saved policies of the Worthing Local Plan 2003.
- 8.4 The evidence clearly highlights that within adopted policy and emerging policy, as well as a wide range of other plans and strategies, providing affordable housing has long been established as, and remains, a key priority for Worthing Borough Council.
- 8.5 Page 51 of the emerging Local Plan proposes to deliver of 3,672 dwellings over the 16-year Plan period. However even if we were to generously assume that all 3,672 dwellings were provided on sites that qualify for 40% affordable housing provision, as a proportion of overall housing completions, this would only an average of 1,469 new affordable dwellings over the 16-year Plan period, equating to a gross average of just 92 per annum. This figure also assumes that no affordable units will be lost through the Right to Buy over the period.
- 8.6 Unfortunately, the emerging Local Plan consciously fails to plan to address affordable housing needs identified in the 2020 SHMA - despite recognising that its findings demonstrate a substantial need for additional affordable housing across the borough<sup>25</sup>.

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<sup>25</sup> Worthing Borough Council Submission Draft Local Plan 2020 – 2036 (June 2021) paragraph 5.44

- 8.7 The 2020 SHMA identified a net need for 490 affordable homes per annum over the 10-year period from 2019/20 to 2035/36 when using the Liverpool approach for assessing back-log needs. This per annum figure is 88% higher than the 2009 SHMA 'high estimate' of 216 net affordable homes per annum and also seeks to clear the backlog over 17 years instead of the 10 years used in the 2009 SHMA.
- 8.8 Comparative analysis of recorded net completions between 2019/20 and 2020/21 demonstrate a shortfall in the delivery of affordable housing of some -822 affordable homes, against an identified need for 980<sup>26</sup> that has already arisen in the past two years alone.
- 8.9 When consideration is given to the needs identified in the 2009 SHMA for the 10-year period between 2008/09 and 2017/18, against the 'high estimate' of 261 net affordable dwellings per annum there has been an accumulated shortfall in the delivery of affordable housing of some -2,131 affordable homes, against an identified need for 2,610 net new affordable homes.
- 8.10 Similarly, against the 2009 SHMA 'low estimate' affordable needs of 161 net affordable dwellings per annum over the same period there has been an accumulated shortfall in the delivery of affordable housing of some -1,131 affordable homes against an identified need for 1,610 net new affordable homes.
- 8.11 Given the recognised shortfalls in affordable housing across Worthing, the appeal proposals provide an affordable housing contribution which would contribute significantly towards addressing this key corporate priority.
- 8.12 The Council's record of past delivery should be viewed in the context that at 1 April 2021 there were a total of 1,347 households on the Housing Register with an identified affordable housing need within the borough. As a rider to that figure, as I have explained above, it conceals the true number of households in housing need, which is much greater, because it does not include those people who are not entitled to register.
- 8.13 The acute level of affordable housing need will detrimentally affect the ability of people to lead the best lives they can. The National Housing Strategy requires urgent action to build new homes, acknowledging the significant social consequences of failure to do so. And it is a blight on the lives of young households to pay 12.04 times their earnings to secure an entry-level property purchase, assessed at £295,000.

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<sup>26</sup> 490 x 2 = 980

- 8.14 In addition to the shortfall in delivery against the objectively assessed need for affordable housing identified in the 2009 SHMA and 2020 SHMA, other indicators further point to an affordability crisis in the borough<sup>27</sup>.
- 8.15 Affordability in the borough has been and continues to be, in crisis. House prices and rent levels in both the average 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 Worthing out of the reach of more and more people.
- 8.16 On average just 57 net affordable dwellings have been achieved per annum since the start of the Core Strategy period in 2006. This figure falls significantly below the needs identified in 2009 SHMA and the 2020 SHMA. Looking ahead, just 124 gross affordable dwellings per annum are considered likely to come forward for each of the next five years between 2020 to 2025.
- 8.17 This figure generously assumes that all sites included in the WBC supply statement are eligible for affordable housing and that all of these sites would qualify for on-site policy compliant levels of affordable housing (i.e. 30%) as a proportion of overall housing completions. The figure also assumes that no affordable units will be lost through the Right to Buy over the period. As such, actual delivery over the five-year period is likely to be significantly lower than the 124 gross figure, which in any case falls significantly short of addressing identified needs.
- 8.18 Analysis of market signals is critical in understanding the affordability of housing. It is my opinion that there is an acute housing crisis in Worthing Borough, with an average house price to average income ratio of 10. Yet, a figure of 8 times average incomes was described as problematic by the former Prime Minister in the foreword to the White Paper entitled – Fixing our broken housing market. Here, the affordability ratio is some 25% higher than that, and 50% higher for younger households.
- 8.19 This demonstrates an acute need for affordable housing in Worthing Borough and one which the Council and decision makers need to do as much as possible to seek to address. Indeed, they are required to do so, and proactively, by the revised NPPF (2021); this is an obligation, it is not a local authority choice.
- 8.20 Against the recognised shortfalls in affordable housing delivery, scale of current and future needs identified and the poor prospects for early resolution, there can be no

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<sup>27</sup> See Section 7 of this evidence

doubt in my mind that the provision of up to 190 affordable homes on the appeal site should be afforded substantial weight in the determination of this appeal.

### **Weight to be Afforded to the Proposed Affordable Housing**

- 8.21 The NPPF (2021) is clear at paragraph 31 that policies should be underpinned by relevant up-to-date evidence which is adequate and proportionate and takes into account relevant market signals.
- 8.22 Paragraph 60 of the NPPF sets out the Government’s clear objective of “*significantly boosting the supply of homes*” with paragraph 61 setting out that in order to “*determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment*”.
- 8.23 The NPPF requires local authorities at paragraph 62 to assess and reflect in planning policies the size, type and tenure of housing needed for different groups, “*including those who require affordable housing*”.

### **Councils’ assessment of the application**

- 8.24 The application was refused on 11 March 2021 (**CD A25**). The Report by the Director for Economy to the Planning Committee held on 10 March 2021 can be seen under **CD A24**.
- 8.25 In considering the provision of affordable housing at the appeal site, page 3 of the report states that “*The applicant states that the proposals would make provision for a ‘range of tenures’ and this will include a significant proportion of affordable housing (30%), in accordance with Policy 10 of the Core Strategy*”.
- 8.26 In considering ‘Planning Obligations’ at the appeal site page 78 states that:
- “Whilst your Officers are opposed to the principle of development on this site it will be important to have regard to what matters would need to be covered by a legal agreement if this application is refused and is considered at a subsequent appeal. Attached to the report as Appendix II is a list of matters that would need to be covered by a legal agreement. In terms of affordable housing the applicant has been requested to consider the provision of 40% affordable housing in line with the emerging Local Plan.”*
- 8.27 As such it is pertinent to highlight that the appellants have committed to providing 40% of the units on site as affordable tenures equivalent to up to 190 affordable units.

8.28 Unfortunately, the report does not make any meaningful comments in respect of the weight to be afforded to the provision of up to 190 affordable dwellings at the appeal, yet the decision notice (**CD A25**) goes on to set out at Reason for Refusal 6 that:

*“6) It has not been demonstrated to the satisfaction of the Local Planning Authority that the infrastructure requirements of the development can be adequately met in respect of the provision of affordable housing, public and open space, highways.”*

8.29 In light of the above I do not consider that the Council sufficiently assessed the substantial benefits, such as affordable housing, that the scheme would achieve.

8.30 By contrast in December 2017 the council in the committee report for an application in West Durrington (**CD J49**) set out on page 49 that:

*“When measured against the Objectively Assessed Needs figure, Worthing cannot demonstrate a five-year supply of available land for development. The latest housing land supply position (as set out in the Council’s Annual Monitoring Report) demonstrates a 2.4-year supply of deliverable sites and therefore a chronic lack of housing sites to meet both affordable housing and private sector housing needs.”* (My emphasis).

8.31 The report goes on to note on page 49 that:

*“Against the backdrop of significant and growing housing need (particularly affordable housing) the Council must, where possible, continue to take positive steps to bring forward sustainable opportunities to deliver new development. Whilst the progression of the Local Plan provides the main mechanism through which sites will be allocated the Council must also consider ways in which housing delivery can be increased in advance of plan adoption.”* (My emphasis).

8.32 In considering the provision of up to 72 affordable housing units at the application site the report is clear on page 52 that:

*“The proposed development would clearly make a welcome contribution toward addressing the acute need for affordable housing in the town.”* (My emphasis).

8.33 The above statements in respect of West Dennington should be viewed in context of the fact that the councils Five Year Housing Land Supply position has deteriorated further since December 2017 (see Table 7.7 of Neil Tilley’s Proof of Evidence) and the

councils affordable housing need has increased to 490 new affordable dwellings per annum between 2019 and 2026, against which a shortfall of -411 net affordable dwellings has already arisen.

8.34 Similarly when the above statements in respect of West Dennington are viewed in light of the following worsening affordability indicators since 2017, it is clear that the council has sought to downplay the weight to be afforded to the provision of affordable housing in the planning balance for the appeal site.

- The median house price in Worthing Borough has increase by 12% from £286,750 in 2017/18 to £320,000 in 2020/21;
- The lower quartile house price in Worthing Borough has increase by 13% from £215,000 in 2017/18 to £242,500 in 2020/21;
- The average (mean) private rent in Worthing Borough has increase by 6% from £817 PCM in 2017/18 to £868 PCM in 2020/21;
- The median private rent in Worthing Borough has increase by 6% from £775 PCM in 2017/18 to £825 PCM in 2020/21; and
- The lower quartile private rent in Worthing Borough has increase by 11% from £625 PCM in 2017/18 to £695 PCM in 2020/21

8.35 In light of my findings, I concur that there is an acute need for affordable housing across Worthing Borough and a chronic lack of sites to meet this need.

### **Relevant Secretary of State and Appeal Decisions**

8.36 The importance of affordable housing as a material consideration has been reflected in a number of Secretary of State (“SoS”) and appeal decisions. Of particular interest is the amount of weight which has been afforded to affordable housing relative to other material considerations. Brief summaries are outlined below, and the full decisions are included as Core Documents.

#### **Secretary of State Decision: Pulley Lane, Droitwich Spa (July 2014) (CD J19)**

8.37 The Inspector recognised that the contribution of the scheme in meeting some of the affordable housing deficit in the area cannot be underestimated (Inspector’s Report, Page 89). The Inspector set out under paragraph 8.123 of their Report that:

*“The SOS should be aware that a major plank of the Appellant’s evidence is the significant under provision of affordable housing against the established*



*need Figure and the urgent need to provide affordable housing in Wychavon. If the position in relation to the overall supply of housing demonstrate a general district-wide requirement for further housing, that requirement becomes critical and the need overriding in relation to the provision of affordable housing. The most recent analysis in the SHMA (found to be a sound assessment of affordable housing needs) demonstrates a desperate picture bearing hallmarks of overcrowding, barriers to getting onto the housing ladder and families in crisis.”*

8.38 The Inspector continued under paragraph 8.123 of his report to state that

*“the SHMA indisputably records that affordability is at crisis point. Without adequate provision of affordable housing, these acute housing needs will not be met. In terms of the NPPF’s requirement to create inclusive and mixed communities at paragraph 50, this is a very serious matter. Needless to say, these socially disadvantaged people were not represented at the Inquiry.”*

8.39 The level of significance attached to affordable housing provision was addressed through paragraph 8.124 of the Inspectors Report where he stated that:

*“These bleak and desperate conclusions are thrown into even sharper focus by an examination of the current circumstances in Wychavon itself. Over the whole of the District’s area, there is presently a need for 268 homes per annum. These are real people in real need now. Unfortunately, there appears to be no early prospect of any resolution to this problem...Given the continuing shortfall in affordable housing within the District, I consider the provision of affordable housing as part of the proposed development is a clear material consideration of significant weight that mitigates in favour of the site being granted planning permission” (Inspectors Report, page 111).*

8.40 This statement is supplemented at paragraph 8.125 by the Inspector considering that *“from all the evidence that is before me the provision of affordable housing must attract very significant weight in any proper exercise of planning balance.”*

8.41 The Secretary of State concluded that both schemes delivered *“substantial and tangible” benefits (my emphasis), including the delivery of 40% “much needed” affordable housing.*



**Secretary of State Decision: Land at Sketchley House, Burbage (November 2014) (CD J20)**

- 8.42 The Secretary of State concluded that the need for affordable housing was “acute” and “warrants the provision offered by the appeal proposals” (paragraph 13) and weighed this as a substantial “benefit” in the overall planning balance (paragraph 23).
- 8.43 The Inspector recognised that the provision of affordable housing is tied to the delivery of market housing and that a failure in the provision of the latter must inevitably lead to a failure to provide for the former (Inspector’s Report, paragraph 11.20). The Inspector acknowledged that the result is that there was now an acute need for affordable dwellings and that, in that context, the proposal would help towards satisfying a need that would not otherwise be met (Inspector’s Report, paragraph 11.22).
- 8.44 The Inspector also noted the following at paragraph 5.23:

*“The Council’s claim that further affordable housing is not needed, due to the role of the private rented sector and the provision of future commitments, is rejected. This ignores the scale of the problem, the suggestions in the emerging SHMA (2014) and the specific defects of private rented accommodation. But, although the private rented sector can serve as a valuable ‘stop-gap’, it does not offer the security of tenure inherent in some form of ownership and valued by families and endorsed by Government’s objective to encourage and widen home ownership. Nor is it the same as ‘affordable rented housing’ where provision by local authorities or Registered Social Landlords is offered with many safeguards.”*

- 8.45 In weighing the overall planning balance, the Inspector found that the proposed affordable housing delivery would represent the sort of “step-change” in the provision likely to be required and would contribute significantly to redressing the dearth in provision experienced hitherto (Inspector’s Report, paragraph 11.43).

**Appeal Decision: Land North of Upper Chapel, Launceston (April 2014) (CD J21)**

- 8.46 The Inspector acknowledged at paragraph 41 that the appeal proposal would have a very significant social role in bringing forward 40 affordable housing units, noting that there was an acute shortage of affordable housing in Launceston. The Inspector also noted that the need for additional affordable housing was all the greater having regard to other sites negotiating lower proportions of affordable housing in lieu of other planning obligation contributions.

8.47 At paragraph 52 of their report, the Inspector considered that *“there is an acknowledged acute need for affordable housing in this locality and the proposed scheme would bring forward 40 affordable units. This has to be a substantial benefit of the scheme”* (my emphasis). In concluding the Inspector found that the benefits of the proposals outweighed the small degree of policy conflict.

**Appeal Decision: Land at the Corner of Oving Road and A35, Chichester (August 2017) (CD J22)**

8.48 Within the consideration of the appeal which sought to provide 100 dwellings to the east of Chichester, the Planning Inspector acknowledged the provisions of the Localism Act 2011 which allowed for Local Housing Authorities to set their own set of qualification criteria in order to register on the respective housing waiting lists.

8.49 As discussed, Local Housing Authorities such as Chichester used these freedoms to generate a more rigid set of requirements, which inevitably resulted in a reduction on those on housing waiting lists. However, whilst this was acknowledged by the Inspector, it was noted at Paragraph 63:

*“Moreover, the provision of 35% 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).

8.50 The recognition by the Inspector presiding over the Chichester appeal highlights the impact of the freedoms brought by the Localism Act 2011, and the significant reduction in those households on Councils’ Housing Registers. The Inspector’s comments acknowledged that there is a wider cohort that have been conveniently wiped off such waiting lists as a result of the changes, and in my opinion, are still in desperate need for affordable housing. The appeal was allowed on 18 August 2017.

**Appeal Decision: Land east of Park Lane, Coalpit Heath, South Gloucestershire (September 2018) (CD J23)**

8.51 Paragraph 61 of the decision states that *“there are three different components of the housing that would be delivered: market housing, affordable housing (AH) and custom*

*build housing (CBH). They are all important and substantial weight should be attached to each component for the reasons raised in evidence by the appellants, which was not substantively challenged by the Council, albeit they all form part of the overall housing requirement and supply” (my emphasis).*

**Appeal Decisions: Sites at Kings Hill, Kent (February 2020) (CD J24)**

- 8.52 At Paragraph 65, the Inspector stated that *“The proposals would significantly contribute to the supply and mix of housing in the borough which, in the above context, particularly due to the extent of current under-supply, would amount to a substantial benefit. Furthermore, with 40% of the proposed dwellings being affordable, despite it being a development plan policy requirement, this would significantly add to the benefit, given that such housing is much needed in the borough”.* (My emphasis).

**Appeal Decision: Land adjacent to Cornerways, High Street, Twyning, Tewkesbury (13 July 2015) (CD J53)**

- 8.53 The appeal was in respect of a proposed development of 58 dwellings with 36% affordable housing in Tewkesbury Borough Council administrative area.
- 8.54 In allowing the appeal the Inspector commented at paragraph 63 of their report that:
- “Mr Smith agreed that the delivery of 21 affordable dwellings is a social benefit of the proposal to which it was appropriate to give substantial weight. There is a great deal of unchallenged evidence before the Inquiry to demonstrate that there is a housing crisis in this country that manifests itself in this Borough in terms of an acute shortage of affordable housing. Table 7.16 of the Strategic Housing Market Assessment [SHMA] Update [CDA17] identifies that the net annual need for affordable housing in Tewkesbury is 587 dwellings. This is more than twice the equivalent figure for the neighbouring District of Wychavon, despite the fact that Tewkesbury’s population is little more than two thirds of that in Wychavon. The Inspector in the Wychavon appeal found that the provision of affordable housing in that case: “...is a clear material consideration of significant weight that mitigates in favour of the site being granted planning permission”; the Secretary of State agreed. Given the much larger quantum of identified need in Tewkesbury and the magnitude of the accumulated shortfall in affordable housing delivery, it would be appropriate to attribute very substantial weight to this important benefit of the proposal”.* (My emphasis)
- 8.55 In allowing the appeal, the Inspector gave weight to the scheme’s significance in meeting the needs of different groups in the Borough. The Inspector highlighted, at

paragraph 65, this need which was “*underlined by the stark figure that this scheme alone would result in a 100 % increase in shared ownership properties in the Parish of Twyning, as well as a 27 % increase in social rented properties*”.

- 8.56 The Inspector described these figures as “*a powerful illustration of the extent to which the proposed development would contribute to creating a more mixed and balanced community, which is a key Government objective.*”

**Appeal Decision: Land West of Winterfield Lane, East Malling (22 March 2021) (CD J52)**

- 8.57 At paragraph 69, the Inspector stated that: “*The proposal would provide 250 homes. Furthermore, 100 of the 250 dwellings would be affordable housing units. Having regard to the impetus to increase the supply of housing of all types which is explicit in the Framework, and the identified need for such housing in the Borough, I attribute the provision of housing, including affordable housing, very substantial weight.*”

**Overview of Secretary of State and Appeal Decisions**

- 8.58 The decisions above emphasise the great weight which both Inspectors and the Secretary of State have, on various occasions, attached to the provision of affordable housing in the consideration of planning appeals.

- 8.59 Some of the key points I highlight from these examples are:

- 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 or 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.

**Conclusions on Weight to be attributed to the Proposed Affordable Housing Provision**

- 8.60 I consider that the evidence demonstrates that there is a very long-standing acute need for affordable housing in Worthing Borough. And this is an issue which the Council has repeatedly ignored. The deficit is very large and it cannot be ignored any longer: there is an objectively assessed need for 490 net affordable homes per annum between 2019 and 2036 in the 2020 SHMA. Yet projected gross completions comprise just 124

affordable homes per annum. The existing shortfall will only continue to grow without sites such as the appeal site.

- 8.61 There were 1,347 households on the Council's Housing Register on 1 April 2021 with an identified need for an affordable home in Worthing Borough. Moreover, I have explained that many households in housing need are barred from getting onto the Register – not least, younger households, who have to find 12.04 times their earnings multiple to reach the cost of an entry-level property in Worthing. The NPPF definition of affordable housing is much broader than meeting just those on the housing register. In my opinion there is a very substantial need for new affordable homes in Worthing.
- 8.62 The appeal proposals offer 40% affordable housing which meets the requirements of emerging Policy DM3 of the Worthing Borough Council Submission Draft Local Plan (2021) and exceeds the requirements of Policy 10 of the Worthing Core Strategy (2011). It is my view that this will make a substantial contribution to meeting the identified needs in Worthing Borough. And I am strengthened in that view by reference to the series of appeal decisions which I have cited above: the provision of affordable housing, especially in the context of a deficit in supply, has been judged to be an important material consideration, often carrying very substantial weight.
- 8.63 Given the Council's past poor performance towards meeting its identified housing needs across the borough, I consider that **very substantial weight** should be afforded to the delivery of affordable housing through the appeal scheme in the planning balance. Without the impetus of this appeal proposal Worthing Borough will continue to fail those households in need.

# Summary and Conclusions

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## Section 9

- 9.1 My evidence deals specifically with affordable housing and the weight to be afforded to its provision in the planning balance in the context of need in Worthing Borough.
- 9.2 Britain is in the midst of an undisputed housing crisis; the National Housing Strategy states that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.
- 9.3 The 2021 NPPF sets out the Government's clear objective of "*significantly boosting the supply of homes*".
- 9.4 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.
- 9.5 In this context, it is important to note the array of affordability indicators which show that housing affordability is a serious problem in Worthing Borough. House prices and private rents have increased since the start of the Core Strategy period in 2006.
- 9.6 It is important to recognise that these are real people, in real affordable housing need, now.
- 9.7 For those households wishing to buy their own home, high private rents make saving difficult and high prices present a significant hurdle to access the housing market. The appeal scheme offers affordable routes to home ownership helping households to take their first step onto the property ladder.
- 9.8 Affordable housing delivery has not met identified housing needs. Against the 'high estimate' need for 261 net affordable dwellings per annum in the 2009 SHMA between 2008/09 and 2017/18, the Council has accrued a shortfall of -2,131 dwellings. Similarly against the 'low estimate' need for 161 net affordable dwellings per annum in the 2009 SHMA between 2008/09 and 2017/18, the Council has accrued a shortfall of -1,131 dwellings. Against the need set out in the 2020 SHMA for 490 affordable dwellings per annum between 2019/20 and 2020/21 the Council has accrued a shortfall of -411 dwellings in just two years.

- 9.9 To address this shortfall in the next five years and to meet annually arising needs, the Council will need to achieve 655 net affordable dwellings per annum over the next five years 2020 to 2025. This should be viewed in context of the fact that just 124 gross affordable dwellings per annum are considered likely to come forward over the five-year period between 2020 to 2025.
- 9.10 It is also important to note that this figure generously assumes that all 2,068 dwellings included in the proposed supply will come forward on sites eligible for affordable housing and that all of these sites would provide the highest adopted policy-compliant levels of affordable housing (i.e. 30%) as a proportion of overall housing completions.
- 9.11 The figure also assumes that no affordable units will be lost through the Right to Buy over the period. In reality, actual delivery over the five-year period is likely to be lower than the 124 gross figure which in any case falls short of all identified needs.
- 9.12 The acute level of affordable housing need coupled with worsening affordability will detrimentally affect the ability of people to lead the best lives they can. The National Housing Strategy requires urgent action to build new homes, acknowledging the significant social consequences of failure to do so.
- 9.13 On a national level, in every scenario, against every annual need figure identified since the publication of the Barker Review in 2004, the extent of the shortfall in housing delivery in England is staggering and ranges from a shortfall of -1,140,069 to a shortfall of -2,760,069 homes over the past 18 years depending on which annual target actual housing completions are measured against. This merely serves to further compound the acute affordability problems that the country is facing.
- 9.14 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.
- 9.15 Against the scale of the unmet need there is no doubt in my mind that the provision of up to 190 affordable homes in full compliance with emerging local policy will make a substantial contribution.
- 9.16 In light of all the evidence I consider that the affordable housing provision through the appeal proposals should be afforded **very substantial weight** in the determination of this appeal.