

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

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

January 2024

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Appendices

Appendix JSu1	Area Maps
Appendix JSu2	Freedom of Information Correspondence (31 August, 17 and 20 October, 7 November, 14 December 2023)
Appendix JSu3	Planning Practice Guidance (March 2014, Ongoing Updates)
Appendix JSu4	Independent News Article (June 2020)
Appendix JSu5	Help to Buy Register (24 March 2023)
Appendix JSu6	Affordable Housing as a Separate Material Consideration

Introduction

Section 1

- 1.1 This updated Affordable Housing Proof of Evidence has been prepared by **James Stacey** of **Tetlow King Planning** on behalf of **Persimmon Homes Thames Valley**.
- 1.2 This appeal has been made following a High Court Judgement which quashed the original planning appeal decision granted at the site by Inspector Cridland in February 2022. I provided Affordable Housing Evidence for the appellant at the original planning appeal which can be seen at **C5F1/2**.
- 1.3 The revisited 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 Policy DM3 of the Worthing Local Plan (2023) which seeks 40% provision of affordable housing on greenfield sites of 10 or more dwellings.
- 1.4 The tenure split would be policy compliant at 75% affordable rent (up to 143 units) and 25% intermediate housing (up to 48 units) in accordance with the requirements of adopted Policy DM3 of the Worthing Local Plan (2023).
- 1.5 All 190 affordable units would be M4(2) compliant with a minimum of 3% (6 dwellings) M4(3) compliant to satisfy adopted policies DM1 and DM3 of the Worthing Local Plan (2023).
- 1.6 The appeal site is located within Castle Ward. A map of Castle Ward as well as the Worthing local authority area is contained at **Appendix JSu1**.
- 1.7 This Proof of Evidence deals specifically with affordable housing and the weight to be afforded to it in this planning decision¹ considering evidence of need in the area. It should be read alongside my original Affordable Housing Proof of Evidence (**C5F1/2**), as well as the appellant's main planning evidence and the housing land supply evidence.

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

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

- I hold a Bachelor of 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 (“RTPI”).
- I have over 28 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 am currently the Managing Director of Tetlow King Planning Ltd, having been previously a Director/Senior Director for the past ten years.
- During the course of my career, I have presented evidence in more than 130 Section 78 appeal inquiries and hearings, including a number in the South East. I act for a cross-section of clients and advise upon a diverse range of planning and housing related matters.
- Both Tetlow King generally, and I, have acted on a wide range of housing issues and projects for landowners, house builders and housing associations throughout the country. Tetlow King Planning has been actively engaged nationally and regionally to comment on emerging development plans, including Local Development Framework Core Strategies and many specific development plan and supplementary planning documents on affordable housing throughout the UK.

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

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

1.10 Providing a significant boost in the delivery of housing, and in particular affordable housing, is a key priority for the Government. This is set out in the most up-to-date version of the National Planning Policy Framework (“NPPF”), the Planning Practice Guidance (“PPG”), the National Housing Strategy and the Government’s Housing White Paper.

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

1.12 As part of my evidence, I have sought data from the Council, upon which I rely, through a Freedom of Information (“FOI”) request submitted to Worthing Borough Council on 31 August 2023. Partial responses were received on 17 October and 7 November 2023. A second FOI request was submitted on 20 October 2023 for which a response was received on 14 December 2023. The full FOI correspondence is attached at **Appendix JSu2**.

1.13 This proof of evidence comprises the following nine sections:

- Section 2 establishes the importance of affordable housing as an important material consideration;
- Section 3 considers the consequences of failing to meet affordable housing needs;
- Section 4 analyses the development plan and related policy framework including corporate documents;
- Section 5 sets out the identified affordable housing needs;
- Section 6 examines past affordable housing delivery against identified needs;
- Section 7 covers a range of affordability indicators;
- Section 8 considers the future supply of affordable housing;
- Section 9 identifies the benefits of the proposed affordable housing at the appeal site; and
- Section 10 considers the weight to be attached to the proposed affordable housing provision.

Affordable Housing as an Important Material Consideration

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 NPPF.
- 2.2 It has been reflected in a number of court cases including *Mitchell v Secretary of State for the Environment and Another* (1995) 69 P&CR 60; *ECC Construction Limited v Secretary for the Environment and Carrick District Council* (1995) 69 P&CR 51; and *R v Tower of Hamlets London District Council, ex parte Barratt Homes Ltd* [2000] JPL 1050.

National Planning Policy Framework (December 2023)

- 2.3 The NPPF was last updated on 19 December 2023 and is 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 (including those who require retirement housing, housing-with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes*” (paragraph 63).

- 2.7 The national guidance places a cornerstone responsibility on all major developments (involving the provision of housing) to provide an element of affordable housing. In particular, paragraph 66 establishes that “*Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership*”.
- 2.8 Affordable housing is defined within the revised NPPF’s Annex 2 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 JSu3** 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.

Consequences of Failing to Meet Affordable Housing Needs

Section 3

3.1 The National Housing Strategy² sets out that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.

3.2 A debate took place in the House of Commons on 24 October 2013 concerning the issue of planning and housing supply. Despite the debate taking place almost a decade ago the issues remain, and the commentary is sadly still highly pertinent to the issues surrounding affordable housing in Worthing.

3.3 The former Planning Minister, Nick Boles, provided a comprehensive and robust response to the diverse concerns raised, emphasising the pressing need for more housing, and in particular affordable housing, across the country (**CD.18**). He opened by stating:

“I need not start by underlining the scale of the housing crisis faced by this country, the extent of the need for housing or the grief and hardship that the crisis is visiting on millions of our fellow citizens.”

3.4 When asked to clarify the word “*crisis*” by the Member for Tewkesbury, Nick Boles commented that in the past year the percentage of first-time buyers in England who were able to buy a home without their parents’ help had fallen to the lowest level ever, under one third. He also commented that the first-time buyer age had crept up and up and was now nudging 40 in many parts of the country. He stated that the crisis “*is intense within the south-east and the south, but there are also pockets in parts of Yorkshire*”.

3.5 In response to questions, Nick Boles reaffirmed that:

“Housing need is intense. I accept that my hon. Friend the Member for Tewkesbury (Mr Robertson) does not share my view, but many hon. Members do, and there are a lot of statistics to prove it”.

² Laying the Foundations: A Housing Strategy for England (November 2011)

- 3.6 He went on to say: *“It is not unreasonable, however, for the Government to tell an authority, which is representing the people and has a duty to serve them, “Work out what’s needed, and make plans to provide it”. That is what we do with schools. We do not tell local authorities, “You can provide as many school places as you feel like”; we say, “Provide as many school places as are needed”. We do not tell the NHS, “Provide as many GPs as you feel you can afford right now”; we say, “Work out how many GPs are needed.” The same is true of housing sites: we tell local authorities, “Work out how many houses will be needed in your area over the next 15 years, and then make plans to provide them.”*
- 3.7 Mr Boles’ full response highlighted the Government’s recognition of the depth of the housing crisis and continued commitment to addressing, in particular, affordable, housing needs. The final quote above also emphasised the importance of properly assessing and understanding the needs; and planning to provide for them.
- 3.8 Mr Boles indicates that there are *“a lot of statistics to prove it”*. My evidence in subsequent sections sets out an array of statistics which I consider demonstrates that the crisis remains as prominent now as it did in 2013.

Consequences of Failing to Meet Affordable Housing Need

- 3.9 This section highlights some of the evidence gathered in recent years demonstrating the significant consequences of failing to meet affordable housing needs.
- 3.10 In August 2019 the Children’s Commissioner produced a report titled *“Bleak Houses: Tackling the Crisis of Family Homelessness in England” (CD.19)* to investigate the impact of homelessness and, in particular, the effect of this upon children.
- 3.11 The report identified that family homelessness in England today is primarily a result of structural factors, including the lack of affordable housing and recent welfare reforms³.
- 3.12 It stated that the social housing sector has been in decline for many years and that between the early 1980s and early 2010s, the proportion of Britons living in social housing halved because of losses to stock through the Right to Buy and a drop in the amount of social housing being built.

³ The Children’s Commissioner Report references a National Audit Office Report titled ‘Homelessness’ (2017) which concludes that government welfare reforms since 2011 have contributed towards homelessness, notably capping, and freezing Local Housing Allowance.

- 3.13 The research found that the decline in social housing has forced many households, including families, into the private rented sector. High rents are a major problem: between 2011 and 2017 rents in England grew 60% quicker than wages. It stated that *“Simply put, many families cannot afford their rent. It is telling that over half of homeless families in England are in work”*.
- 3.14 The report particularly focused on the effect on children. The report revealed that many families face the problem of poor temporary accommodation and have no choice but to move out of their local area, which can have a *“deeply disruptive impact on family life”*. This can include lack of support (from grandparents, for example) and travel costs.
- 3.15 It found that a child’s education can suffer, even if they stay in the same school, because poor quality accommodation makes it difficult to do homework and that younger children’s educational development can also be delayed.
- 3.16 Temporary accommodation also presents serious risks to children’s health, wellbeing, and safety. This is particularly so for families in B&Bs where they are often forced to share facilities with adults engaged in crime, anti-social behaviour, or those with substance abuse issues.
- 3.17 Other effects include lack of space to play (particularly in cramped B&Bs where one family shares a room) and a lack of security and stability. The report found (page 12) that denying children their right to adequate housing has a *“significant impact on many aspects of their lives”*.
- 3.18 More recently, in May 2021, Shelter published its report *“Denied the Right to a Safe Home – Exposing the Housing Emergency”* (CD.I2) which sets out in stark terms the impacts of the affordable housing crisis. The report affirms that affordability of housing is the main cause of homelessness (page 15) and that *“we will only end the housing emergency by building affordable, good quality social homes”* (page 10).
- 3.19 In surveying 13,000 people, the research found that one in seven had to cut down on essentials like food or heating to pay the rent or mortgage. In addition, over the last 50 years the average share of income young families spend on housing has trebled. The following statements on the impacts of being denied a suitable home are also made in the report:
- “Priced out of owning a home and denied social housing, people are forced to take what they can afford – even if it’s damp, cramped, or away from jobs and support networks.”* (Page 5)

“... people on low incomes have to make unacceptable sacrifices to keep a roof over their head. Their physical and mental health suffers because of the conditions. But because of high costs, discrimination, a lack of support, and fear of eviction if they complain to their landlord, they are left with no other option.” (Page 5)

The high cost of housing means the private-rented sector has doubled in size over the last 20 years. [...] Most private rentals are let on tenancies of 6 to 12 months, and renters can be evicted for no reason because of section 21. This creates a permanent state of stress and instability. (Page 6)

If you live in an overcrowded home, you’re more likely to get coronavirus. If you live in a home with damp and black mould on the walls, your health will suffer. (Page 9)

“14% of people say they’ve had to make unacceptable compromises to find a home they can afford, such as living far away from work or family support or having to put up with poor conditions or overcrowding” (Page 12)

“Spending 30% of your income on housing is usually the maximum amount regarded as affordable. Private renters spend the most, with the average household paying 38% of their income on rent, compared to social renters (31%) and owner-occupiers (19%).” (Page 14)

“19% of people say their experiences of finding and keeping a home makes them worry about the likelihood they will find a suitable home in the future.” (Page 15)

“Families in temporary accommodation can spend years waiting for a settled home, not knowing when it might come, where it might be, or how much it will cost. It’s unsettling, destabilising, and demoralising. It’s common to be moved from one accommodation to another at short notice. Meaning new schools, long commutes, and being removed from support networks. Parents in temporary accommodation report their children are ‘often unhappy or depressed’, anxious and distressed, struggle to sleep, wet the bed, or become clingy and withdrawn.” (Page 25)

“Landlords and letting agents frequently advertise properties as ‘No DSS’, meaning they won’t let to anyone claiming benefits. This practice disproportionately hurts women, Black and Bangladeshi families, and disabled people.” (Page 29)

“The situation is dire. A lack of housing means landlords and letting agents can discriminate knowing there is excess demand for their housing.” (Page 30)

- 3.20 Shelter estimate that some 17.5 million people are denied the right to a safe home and face the effects of high housing costs, lack of security of tenure and discrimination in the housing market (Page 32).
- 3.21 The Report concludes (page 33) that for change to happen, *“we must demand better conditions, fight racism and discrimination, end unfair evictions, and reform housing benefit. But when it comes down to it, there’s only one way to end the housing emergency. **Build more social housing**”* (emphasis in original).

The Cost of Living Crisis

- 3.22 On 21 November 2022, the House of Commons published its ‘Rising Cost of living in the UK’ briefing report (**CD.I10**) which highlights that the annual rate of inflation reached 11.1% in October 2022, a 41-year high, affecting the affordability of goods and services for households.
- 3.23 The briefing report details at Section 5.1 that:

“91% of adults in Great Britain reported an increase in their cost of living in October-November 2022 since the same period in 2021”. Moreover, Section 5.1 further specifies that “65% of those who reported a rise in the cost of living between 26 October - 6 November 2022 say they are spending less on non-essentials as a result, while 63% report using less energy at home and 44% report cutting back on essentials like food shopping. 2% were being supported by a charity, including food banks.” (My emphasis).

- 3.24 Additionally, page 45 of the House of Commons report recognises that renting in the private sector is becoming more unaffordable to people receiving benefits. Shelter published a briefing report in September 2022 titled ‘Briefing: Cost of Living Crisis and the Housing Emergency’ (**CD.I11**) which further explains the private rented sector problem on page one:

“LHA which determines the amount of housing benefit private renters receive has been frozen since March 2020 while private rents have risen 5% in England – and even more in some parts of the country. The freeze has left low-income private renters in an incredibly precarious position. 54% of private renters claiming housing benefit have a shortfall to their rent.” (My emphasis).

3.25 The Shelter briefing sets out that low-income households (including those at risk of homelessness) have no choice but to turn to the private rented sector due to a severe shortage of affordable housing, and concludes on page two that *“the only sustainable solution is to address the causes of the housing emergency by investing in truly affordable social homes”*.

Conclusions

3.26 Evidently, the consequences of failing to meet affordable housing needs in any local authority are significant. Some of the main consequences of households being denied a suitable affordable home have been identified as follows:

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

3.27 These harsh consequences fall upon real households, and unequivocally highlight the importance of meeting affordable housing needs. These are real people in real need. An affordable and secure home is a fundamental human need, yet households on lower incomes are being forced to make unacceptable sacrifices for their housing.

3.28 I am strongly of the opinion that a step change in the delivery of affordable housing is needed now.

3.29 The acute level of affordable housing need in Worthing, 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.

The Development Plan and Related Policies

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 Local Plan (2023).
- 4.3 Other material considerations include the NPPF (December 2023), the PPG, and the Worthing Developer Contributions Supplementary Planning Document (2015) (“SPD”).

The Development Plan

Worthing Local Plan 2020 – 2036 (2023) – CD.E38

- 4.4 The Worthing Local Plan was adopted in March 2023 and guides development in Worthing until 2036. On adoption, it replaced the Worthing Core Strategy (2011) and the Saved policies of the Worthing Local Plan (2003).
- 4.5 In setting out the ‘Characteristics of the Borough’ on page 16, the Local Plan states that:

“In July 2020 there were 1,425⁴ households on the Housing Register. This high level of affordable housing need is further evidenced within the Worthing Strategic Housing Market Assessment (2020) which calculates an affordable housing need of 490 dwellings per annum up until 2039.”

- 4.6 The Issues and Challenges for the Borough are set out from page 19. Paragraph 1.39 sets out that

“An increasing population, alongside the special qualities of the area, creates a high demand for housing. This demand has caused a widening gulf between local incomes and house prices which has resulted in difficulties for many people (particularly younger people) to get onto the housing ladder.”

⁴ This figure has since risen to 1,771 at 31 March 2023 – See **Appendix JSu2**.

- 4.7 Paragraph 1.39 clarifies that the Council aims to *“improve the level of affordable housing supply”* in line with their Housing Strategy 2020-2023.
- 4.8 At paragraph 1.40 the Council recognises that it must plan to meet current and future housing needs. More specifically, the Council states that: *“the Council will need to increase the amount and availability of affordable housing to take account of relatively high house prices and below average wages.”*
- 4.9 A number of social Strategic Objectives are set out on page 28, including:
- *“SO1 - Deliver high quality accessible and sustainable new homes that best reflect the identified needs within the borough (in terms of size, type and tenure); and*
 - *SO2 - Ensure that developments provide an appropriate level of affordable housing to help those in housing need.”*
- 4.10 **Policy DM1 ‘Housing Mix’** on page 103 states that applications should *“consider the most up-to-date evidence of housing needs and demands to help determine the most appropriate housing mix based on the character and location of the individual site.”*
- 4.11 Supporting paragraph 5.3 notes that *“New housing must support the needs of the community as a whole by including affordable and market homes of the type, size and tenure needed by residents.”*
- 4.12 **Policy DM3 ‘Affordable Housing’** on page 109 provides the main affordable housing policy for Worthing. Policy DM3 seeks **40% provision of affordable housing** on greenfield sites of 10 or more dwellings such as the appeal site. It also requires that the affordable housing is delivered in a mix of tenures and sizes, and that affordable housing should be delivered on site.
- 4.13 Supporting paragraph 5.40 asserts the following:
- “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.”*

4.14 Referring to the 2020 Strategic Housing Market Assessment⁵ at paragraph 5.43, the Worthing Local Plan (2023) declares that there is “a substantial need for additional affordable housing with a total need for 490 dwellings per annum in Worthing” (My emphasis).

4.15 Additionally at paragraphs 5.44 and 5.45:

“...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... 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.”

4.16 In discussing the need for different sizes and tenures of affordable homes in Worthing, the Local Plan sets out at paragraph 5.48 that:

“The need for affordable housing of different sizes may vary by area and over time. In considering the mix of homes to be provided within specific development schemes, this information should be brought together with details of households currently on the Council’s Housing Register and the stock and turnover of existing properties. Similarly, on individual sites, the preferred affordable housing mix will be determined through negotiation and informed by up to date assessments of local housing needs and site / neighbourhood characteristics.”

Other Material Considerations

The Worthing Developer Contributions Supplementary Planning Document (2015) – CD.E5

4.17 Please refer to Section 4 of my original Affordable Housing Proof of Evidence for a summary of the Worthing Developer Contributions SPD (2015).

Corporate Documents

4.18 The Council’s corporate documents identify the delivery of affordable housing as a high corporate priority in Worthing.

⁵ The findings of the 2020 SHMA are set out in Section 5 of this Proof of Evidence.

4.19 At a meeting of the Joint Strategic Sub-Committee in March 2023 it was decided that the applicable periods for the following corporate documents would be extended until the end of March 2024:

- Adur & Worthing Community Homelessness Prevention Strategy 2017 to 2022 – **CD.E9**
- Adur & Worthing Housing Strategy 2020 – 2023 – **CD.E10**

4.20 Please refer to section 4 of my original Affordable Housing Proof of Evidence for a summary of each of these corporate documents.

Conclusion on the Development Plan and Related Policies

4.21 It is my opinion that the evidence set out within this section clearly highlights that within adopted policy and a wide range of other plans and strategies, providing affordable housing has long been established as, and remains, a key priority for Worthing.

4.22 Given the recognised need for affordable housing across the authority, the up to 190 affordable homes at the appeal site will make a substantial contribution towards the annual affordable housing needs of the Borough, particularly when viewed in the context of past rates of affordable housing delivery which is considered in more detail in Section 6 of my evidence.

Affordable Housing Needs

Section 5

The Development Plan

- 5.1 The adopted Development Plan does not define a numerical target for the provision of affordable homes. Instead, the adopted Worthing Local Plan (2023) seeks 40% affordable housing provision from qualifying developments.
- 5.2 It does, however, acknowledge the findings of the 2020 Strategic Housing Market Assessment (“SHMA”) on page 16 of the Worthing Local Plan (2023) which identifies a need for 490 affordable dwellings per annum between 2019/20 and 2038/39.
- 5.3 In the absence of a defined affordable housing target figure in adopted and/or emerging policy, it is important to consider the objectively assessed need for affordable housing within the most up-to-date assessment of local housing need.

Housing Market Assessments

- 5.4 The most recent assessment of affordable housing need for the Worthing administrative area is contained within the 2020 SHMA for Adur District Council and Worthing Borough Council.

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

- 5.5 The 2020 SHMA was prepared to support the adopted Worthing Local Plan (2023) 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.
- 5.6 The SHMA addresses housing needs over the period 2019/20 to 2038/39, however, the core reporting applies to the 2019/20 to 2035/36 period, in order to align with the Worthing Local Plan period.
- 5.7 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 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.”

- 5.8 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.
- 5.9 Table 10.3 titled ‘Total Net Need for Affordable Housing (p.a.) 2019-36’ on page 136 of the 2020 SHMA identifies a need of **490 affordable homes per annum over the 17-year period between 2019/20 and 2035/36** in Worthing Borough, equivalent to 8,330 net affordable dwellings.
- 5.10 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.**
- 5.11 The 2020 SHMA goes on to note at paragraph 10.13 that *“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”.*
- 5.12 The 2020 SHMA also includes an assessment of the need for specialist accommodation for older people and the potential requirements for housing to be built to M4(2) and M4(3) housing technical standards (accessibility and wheelchair standards). Paragraph 10.18 concludes that:

“Many older households will continue to live in mainstream housing but given the substantial growth in the population of older persons and associated increases in those with a disability, it is appropriate for new housing to be delivered to meet Part M4(2) accessible and adaptable home standards, subject to viability testing and site suitability.”

“... there is sufficient evidence to justify that new build dwellings should be delivered to Part M4(2) ‘accessible and adaptable’ standards...”

Conclusions on Affordable Housing Needs in Worthing Borough

- 5.13 There is a clear and pressing need for more affordable homes across the borough, both for rent and for affordable home ownership, to help address the persistent, long-standing shortfalls in delivery⁶.
- 5.14 The 2020 SHMA recommends that all new dwellings should be delivered to Part M4(2) 'accessible and adaptable' standards in Worthing Borough. This position was adopted by Worthing Borough Council and is a requirement of Policy DM1 of the Worthing Local Plan (2023). All of the 190 affordable homes on the appeal site are to be provided as M4(2) compliant accessible homes and minimum of six affordable homes (3%) to be M4(3) compliant.

⁶ See Figures 6.1, 6.2 and 6.3 of this Proof of Evidence

Affordable Housing Delivery

Section 6

Past Affordable Housing Delivery

6.1 Figure 6.1 illustrates the delivery of affordable housing (“AH”) in Worthing since the start of the Local Plan period in 2020/21.

Figure 6.1: Gross Additions to Affordable Housing Stock, 2020/21 to 2022/23

Monitoring Period	Total Housing Completions (Net)	Additions to AH Stock (Gross)	Gross AH as a %age of total completions
2020/21	107	11	10%
2021/22	247	47	19%
2022/23	269	53	20%
Total	623	111	18%
Avg. Pa.	208	37	18%

Source: Worthing Borough Council Annual Monitoring Reports; DLUHC Live Tables 122 and 1008c (2022/23 only)

6.2 Between 2020/21 and 2022/23 a total of 623 dwellings were delivered in Worthing, equivalent to 208 per annum. Of these, 111 dwellings were affordable tenures, equivalent to 37 per annum. This equates to 18% gross affordable housing delivery.

6.3 However, it is important to note that the gross affordable completions figure does not take into account any losses from the affordable housing stock through demolitions nor through Right to Buy (“RtB”) sales from existing Registered Provider⁷ (“RP”) affordable housing stock.

6.4 Figure 6.2 below calculates the affordable housing delivery per annum since the start of the Local Plan period in 2020/21, net of Right to Buy sales. A net loss of 12 affordable dwellings over this period equates to 11% of the gross affordable housing completions of 111 affordable dwellings over the three-year period.

⁷ RtB data on RP sales of affordable housing to RP tenants is contained in the annual Statistical Data Returns (‘SDR’) data sets for the period 2011/12 to 2021/22 published by the Regulator of Social Housing. These figures have been combined on an annual basis to produce total Right to Buy sales.

Figure 6.2: Net of Right to Buy Additions to Affordable Housing Stock, 2020/21 to 2022/23

Monitoring Period	Total housing completions (Net)	Additions to AH Stock (Gross)	RP RtB sales	Additions to AH Stock (Net of RtB)	Additions to AH Stock (Net of RtB) as a %age of total completions
	A	B	C	D (B – C)	E (F / A) X 100
2020/21	107	11	3	8	7%
2021/22	247	47	6	41	17%
2022/23	269	53	3	50	19%
Total	623	111	12	99	16%
Avg. Pa.	208	37	4	33	16%

Source: Worthing Borough Council Annual Monitoring Reports; DLUHC Live Tables 122 and 1008c (2022/23 only); Private Registered Provider Social Housing Stock in England: Statistical Data Returns.

- 6.5 Figure 6.2 demonstrates that on average between 2020/21 and 2022/23, the Council has added just 33 affordable dwellings per annum net of Right to Buy sales and additions from acquisitions, equivalent to 16% of the total average number of net housing completions.
- 6.6 The above evidence clearly demonstrates that Right to Buy sales are depleting the affordable housing stock across Worthing faster than the replacements from acquisitions.
- 6.7 The impact of losses as a result of Right to Buy was acknowledged by the Inspector presiding over the appeal at land at the site of the former North Worcestershire Golf Club Ltd, Hanging Lane, Birmingham which was allowed in July 2019 (CD.J17). Paragraph 14.108 of the Inspector’s Report sets out that:
- “Mr Stacey’s unchallenged evidence shows that only 2,757 new affordable homes were provided in the City over the first 6 years of the plan period. This represents less than half of the target provision and a net increase of only 151 affordable homes if Right to Buy sales are taken into account. On either measure there has been a very low level of provision against a background of a pressing and growing need for new affordable homes in Birmingham” (my emphasis).*
- 6.8 This was later endorsed by the Secretary of State who stated that the 800 family homes, including up to 280 affordable homes, is a benefit of significant weight.

- 6.9 The seriousness of the impact was considered in an article in the Independent newspaper in June 2020. The article is attached as **Appendix JSu4**. The reporter considered how Council housing sell-off continues as government fails to replace most homes sold under Right to Buy.
- 6.10 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”.*
- 6.11 The articles 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.”*
- 6.12 It is important, therefore, that gains and losses to affordable housing stock through the Right to Buy and acquisitions are taken into account to reflect the actual level of affordable houses available.
- 6.13 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. For the purposes of subsequent analysis, the net of Right to Buy figures have been applied.

Affordable Housing Delivery Compared to Affordable Housing Needs

- 6.14 Figure 6.3 illustrates net of Right to Buy affordable housing delivery compared to the affordable housing need of 490 net affordable dwellings per annum between 2020/21 and 2022/23, as set out in the 2020 SHMA.

Figure 6.3: Net of Right to Buy Additions to Affordable Housing Stock vs Needs Identified in the 2020 SHMA, 2020/21 to 2022/23

Monitoring Period	Additions to AH Stock (Net of RtB)	2020 SHMA AH Needs Per Annum (Net)	Annual Shortfall	Cumulative Shortfall	Additions as a %age of Needs
2020/21	8	490	-482	-482	2%
2021/22	41	490	-449	-931	8%
2022/23	50	490	-440	-1,371	10%
Total	99	1,470	-1,371	-1,371	7%
Avg. Pa.	33	490	-457	-457	7%

Source: Worthing Borough Council Annual Monitoring Reports; DLUHC Live Tables 122 and 1008c (2022/23 only); Private Registered Provider Social Housing Stock in England: Statistical Data Returns; 2020 SHMA

- 6.15 Since the start of the 2020 SHMA period in 2019/20, affordable housing completions (net of Right to Buy) have averaged just 99 net affordable dwellings per annum against a need of 1,470 net affordable dwellings per annum. A shortfall of 1,371 affordable dwellings has arisen over the four-year period, equivalent to an average annual shortfall of -457 affordable dwellings.
- 6.16 As demonstrated by Figure 6.3, delivery of only 99 affordable homes net of Right to Buy over the period means that just 7% of identified affordable housing needs were met. Put another way, 93% households in need of an affordable home were let down by the Councils inability to deliver.

Conclusions on Affordable Housing Delivery

- 6.17 The above evidence demonstrates that across Worthing, the delivery of affordable housing has fallen persistently short of meeting identified needs.
- 6.18 In the three-year period since the start of the Local Plan period in 2020/21, net of Right to Buy affordable housing delivery represented just 16% of overall housing delivery, equating to just 33 affordable dwellings per annum.

- 6.19 Against the 2020 SHMA identified need of 490 affordable homes per annum, in the three-year period between 2020/21 and 2022/23 the Council has delivered just 99 affordable homes against an identified need for 1,470 homes over the same period. This has led to a shortfall in delivery of 1,371 affordable dwellings, equivalent to an average annual shortfall of -457 affordable dwellings.
- 6.20 It is clear that a 'step change' in affordable housing delivery is needed now in Worthing to address these shortfalls and ensure that the future authority-wide needs for affordable housing can be met.
- 6.21 In light of the identified level of need there can be no doubt 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.

Affordability Indicators

Section 7

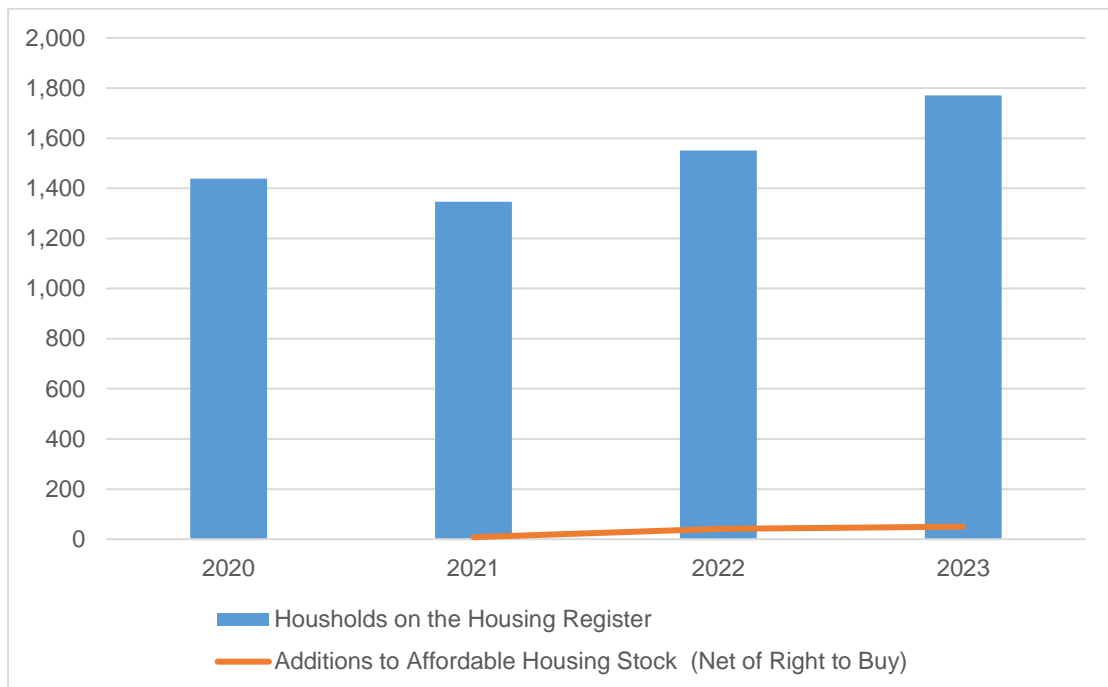
Market Signals

- 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.
- 7.2 Much of the data in this section is presented as an update to the housing affordability indicators set out in my original Affordable Housing Proof of Evidence (**C5F1/2**).
- 7.3 This section highlights that housing affordability in Worthing has continued to worsen since 2020/21 and that the number of households in need of an affordable home has increased substantially in recent years.

Housing Register

- 7.4 The Council's Freedom of Information response (**Appendix JSu2**) confirms that as at 31st March 2023 there were 1,771 households on the Housing Register. This represents a 14% increase in a single year from 1,551 households at 31 March 2022 (which itself was a 9% increase from 1,347 households at 31 March 2021).
- 7.5 Figure 7.1 provides a comparative analysis of the number of households on the Housing Register and affordable housing delivery (net of Right to Buy) across Worthing since the start of the Local Plan period in 2020.

Figure 7.1: Number of Households on the Housing Register Compared with Additions to Affordable Housing Stock (Net of Right to Buy), 2020 to 2023



Source: Worthing Borough Council Annual Monitoring Reports; DLUHC Live Tables 122 and 1008c (2022/23 only); Freedom of Information response (17 October 2023)

7.6 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 in Worthing since 2020.

7.7 The number of households on the Worthing Housing Register has continued to grow year on year since 2021. My original Affordable Housing Proof of Evidence (**C5F1/2**) details that there were 1,347 households on the Worthing Housing Register at 31 March 2021 according to the Council. This figure has since increased by a concerning 31% in just two years to 1,771 households at 31 March 2023. This is a clear indication of an acute affordable housing crisis in Worthing.

Waiting Times

7.8 The FOI request submitted to the Council (**Appendix JSu2**) sought the average waiting times at 31 March 2022 and 31 March 2023 for a range of affordable property types. The Council's response set out that:

“We are unable to provide average waiting times for applicants to be successful in bidding for a property through the Housing Register. We do not record our data in a way that measures waiting times accurately. There are many variables that can impact the amount of time a household waits to have a successful bid

on the Choice Based Lettings scheme: there is an approximate 5 - 7 year wait for households in band C (the largest priority group) but this may be less if waiting for a one bed property and could be longer if waiting for a four bed property. Another consideration can be the number of new build properties, with larger developments reducing waiting times for a period, or the number of void properties becoming available that are ready to let.” (My emphasis)

- 7.9 Comparing this FOI response to the 2021 FOI response from the Council at paragraph 7.24 of my original Affordable Housing Proof of Evidence (**C5F1/2**), it appears that waiting times for an affordable home (at least for those in band C) have not improved in the last few years in Worthing.

Housing Register Preferences

- 7.10 The FOI request submitted to the Council sought the number of households seeking an affordable home in Castle Ward (within which the site lies), over the 2022/23 monitoring period.
- 7.11 The Council’s response (**Appendix JSu2**) states that, *“We do not collect Housing Register data by ward and, therefore, cannot provide this information.”*

Housing Register Bids and Lettings

- 7.12 The FOI request also sought the average number of bids per property in Castle Ward and neighbouring Ferring Ward, Northbrook Ward and Goring Ward over the 2022/23 monitoring period for a range of types of affordable property.
- 7.13 The Council’s response (**Appendix JSu2**) on 17 October stated that *“We do not hold this information by ward but, if required, we can provide the number of properties advertised in the area of Worthing Borough Council and the number of bids for each property.”* As such the Council does not know how many households on its housing register have bid for properties in the wards.
- 7.14 TKP accepted the offer of receiving data in relation to the total number of properties advertised in the area of Worthing Borough Council and the number of bids for each property on 18 October 2023, which was subsequently provided by the Council on 7 November 2023. The further FOI response shows that there were 145 properties advertised for let across Worthing in the 2022/23 monitoring period. The response also shows that these properties collectively received an enormous 6,473 bids from households in need of an affordable home (my emphasis).

- 7.15 It should be noted that 50 of the 145 properties advertised for let were let through direct lets (as opposed to open bidding), meaning that open bidding was only available on 95 affordable homes across Worthing in 2022/23.
- 7.16 It is very clear that hundreds, if not thousands, of households across Worthing have missed out and are left waiting for an affordable home. Evidently, there is a clear and pressing need for affordable homes within the ward. This is not being met.

Help to Buy Register

- 7.17 Further evidence in respect of the need across Worthing for affordable housing is provided in information from Help to Buy South, at **Appendix JSu5**.
- 7.18 Help to Buy South was one of three agents appointed by the Government to help provide Help to Buy schemes across England. They covered the South of England. Households who were seeking shared ownership homes are required to register with Help to Buy South so that they may apply for properties.
- 7.19 The Help to Buy Register provides details of those seeking shared-ownership accommodation in the South of England. This demonstrates that as of 24 March 2023, 491 households were seeking a shared ownership home in Worthing. This is clearly a significant proportion of those seeking assistance with their housing.

Temporary Accommodation

- 7.20 The extent of the affordable housing crisis within Worthing Borough is such that the number of households being housed in temporary accommodation has increased by 34% in one year from 262 households at 31 March 2022 to 351 households at 31 March 2023, as illustrated in Figure 7.2.

Figure 7.2: Households in Temporary Accommodation, 2022 to 2023

Households in Temporary Accommodation	31 March 2022	31 March 2023	% Change
Households Housed within Worthing	131	136	+4%
Households Housed outside Worthing	131	215	+64%
Total Households	262	351	+34%

Source: Freedom of Information response (17 October 2023)

- 7.21 Figure 7.2 shows that 136 households were housed in temporary accommodation within the Worthing region at 31 March 2023. Worthing Borough Council has a responsibility to house these households.

- 7.22 Furthermore, an additional 215 households were housed in temporary accommodation outside the Worthing region at 31 March 2023. This figure increased by 64% between 2022 and 2023.
- 7.23 Not only does this mean that those in need of affordable housing are being housed in temporary accommodation, which is unlikely to be suited to their needs, but they may also be located away from their support network.
- 7.24 The FOI response (dated 14 December) details that between 1 April 2022 and 31 March 2023 the Council spent **£4,213,962** on temporary accommodation. Furthermore, the Council has so far spent **£3,376,144** on temporary accommodation in the 2023/24 monitoring period⁸ with the projected total spend for the 2023/24 monitoring period totalling **£5,006,570**.
- 7.25 If the Council's projected spend of £5,006,570 over the 2023/24 monitoring period does transpire, this would be an 18% increase in expenditure on temporary accommodation compared to the 2022/23 monitoring period.
- 7.26 The *“Bleak Houses: Tackling the Crisis of Family Homelessness in England”* report published in August 2019 by the Children's Commissioner found that temporary accommodation presents serious risks to children's health, wellbeing and safety; particularly for families in B&Bs where they are often forced to share facilities with adults engaged in crime, anti-social behaviour or those with substance abuse issues.
- 7.27 Other effects include lack of space to play (particularly in cramped B&Bs where one family shares a room) and a lack of security and stability. The report found (page 12) that denying children their right to adequate housing has a *“significant impact on many aspects of their lives”*.

Homelessness

- 7.28 DLUHC statutory homelessness data shows that in the 12 months between 1 April 2022 and 31 March 2023, the Council accepted 160 households in need of homelessness prevention duty⁹, and a further 381 households in need of relief duty¹⁰ from the Council.

⁸ Applicable to the period 1 April 2023 to 13 December 2023.

⁹ The Prevention Duty places a duty on housing authorities to work with people who are threatened with homelessness within 56 days to help prevent them from becoming homeless. The prevention duty applies when a local authority is satisfied that an applicant is threatened with homelessness and eligible for assistance.

¹⁰ The Relief Duty requires housing authorities to help people who are homeless to secure accommodation. The relief duty applies when a local authority is satisfied that an applicant is homeless and eligible for assistance.

7.29 Furthermore a 2017 Homelessness Report by the National Audit Office (“NAO”) found that:

“The ending of private sector tenancies has overtaken all other causes to become the biggest single driver of statutory homelessness in England. The proportion of households accepted as homeless by local authorities due to the end of an assured shorthold tenancy increased from 11% during 2009-10 to 32% during 2016-17. The proportion in London increased during the same period from 10% to 39%. Across England, the ending of private sector tenancies accounts for 74% of the growth in households who qualify for temporary accommodation since 2009-10. Before this increase, homelessness was driven by other causes. These included more personal factors, such as relationship breakdown and parents no longer being willing or able to house children in their own homes. The end of an assured shorthold tenancy is the defining characteristic of the increase in homelessness that has occurred since 2010.” (Emphasis in original).

7.30 The NAO report also noted that *“The affordability of tenancies is likely to have contributed to the increase in homelessness”* and that *“Changes to Local Housing Allowance are likely to have contributed to the affordability of tenancies for those on benefits, and are an element of the increase in homelessness.”*

Private Rental Market

7.31 Valuation Office Agency (“VOA”) and Office for National Statistics (“ONS”) data show that median private rents in Worthing stood at £950 per calendar month (“pcm”) in 2022/23. This represents an alarming 15% increase in just two years from 2020/21 where median private rents stood at £825 pcm.

Figure 7.3: Median Private Sector Rents, 2020/21 to 2022/23

Area	Median rent in 2020/21	Median rent in 2022/23	% change
England	£730	£825	13%
South East	£900	£998	11%
Worthing	£825	£950	15%

Source: VOA and ONS Private Rental Market Statistics

7.32 Observing Figure 7.3 it is clear that median private sector rents in Worthing have been increasing over the past few years at a faster rate than those across the South East or indeed nationally.

- 7.33 A median private rent of £950 pcm in 2022/23 is 15% higher than the national figure of £825 pcm, while slightly below (5%) the regional average of £998 pcm.
- 7.34 Lower quartile private sector rents are representative of the ‘entry level’ of the private rented sector and include dwellings sought by households on lower incomes.
- 7.35 The average lower quartile monthly rent in Worthing in 2022/23 was £800 pcm. Comparable to the increase in median rents, this statistic also represents an alarming 15% increase in just two years from 2020/21 where average lower quartile monthly rents stood at £695 pcm.

Figure 7.4: Lower Quartile Private Sector Rents, 2020/21 to 2022/23

Area	Median rent in 2020/21	Median rent in 2022/23	% change
England	£565	£625	11%
South East	£750	£810	8%
Worthing	£695	£800	15%

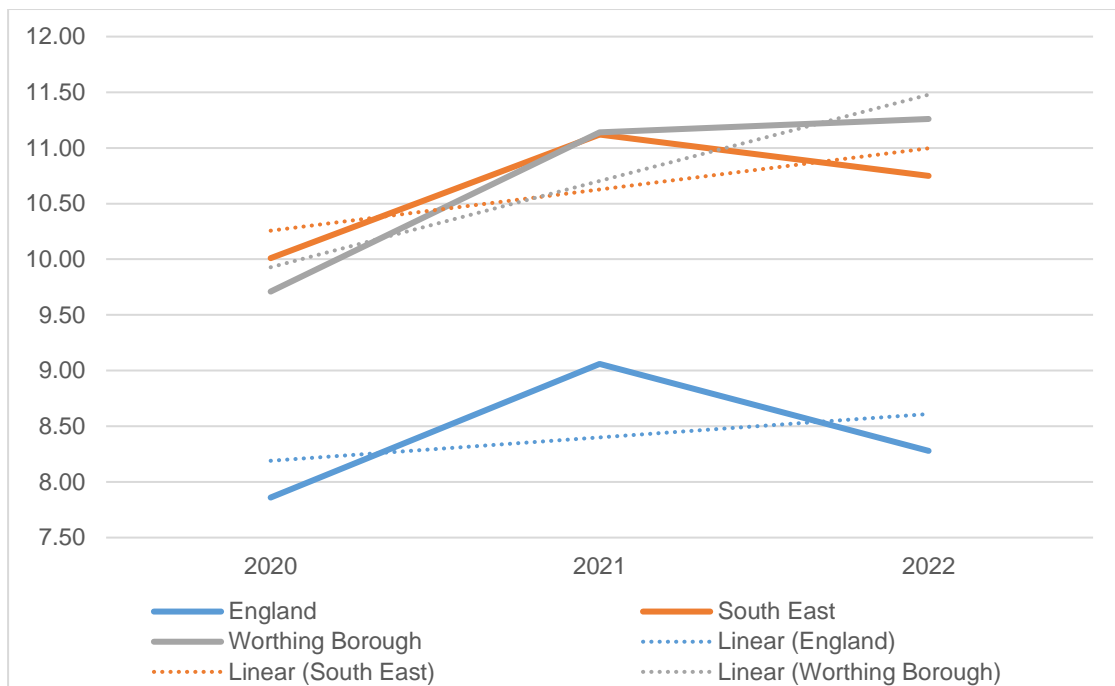
Source: VOA and ONS Private Rental Market Statistics

- 7.36 A lower quartile rent of £800 pcm in 2022/23 is a concerning 28% higher than the national figure of £625 pcm and just 1% below the South East figure of £810 pcm.

Median House Prices

- 7.37 The ratio of median house prices to median incomes in Worthing now stands at 11.26, a shocking 16% increase since the start of the Local Plan period in 2020 where it stood at 9.71. This means that those on median incomes in Worthing, seeking to purchase a median priced property, now need to find more than 11 times their annual income to do so.
- 7.38 As demonstrated by Figure 7.4, there is no clear trend of improvement in the median affordability ratio in Worthing, the South East or England, with the linear lines for each area clearly trending upwards.
- 7.39 While the affordability ratio fell in the South East and across England between 2021 and 2022, Figure 7.4 shows that the affordability ratio continued to increase in Worthing. This is reflected in the trend line which is much steeper than those illustrated for the South East and England.

Figure 7.5: Median Workplace-Based Affordability Ratio comparison, 2020 to 2022

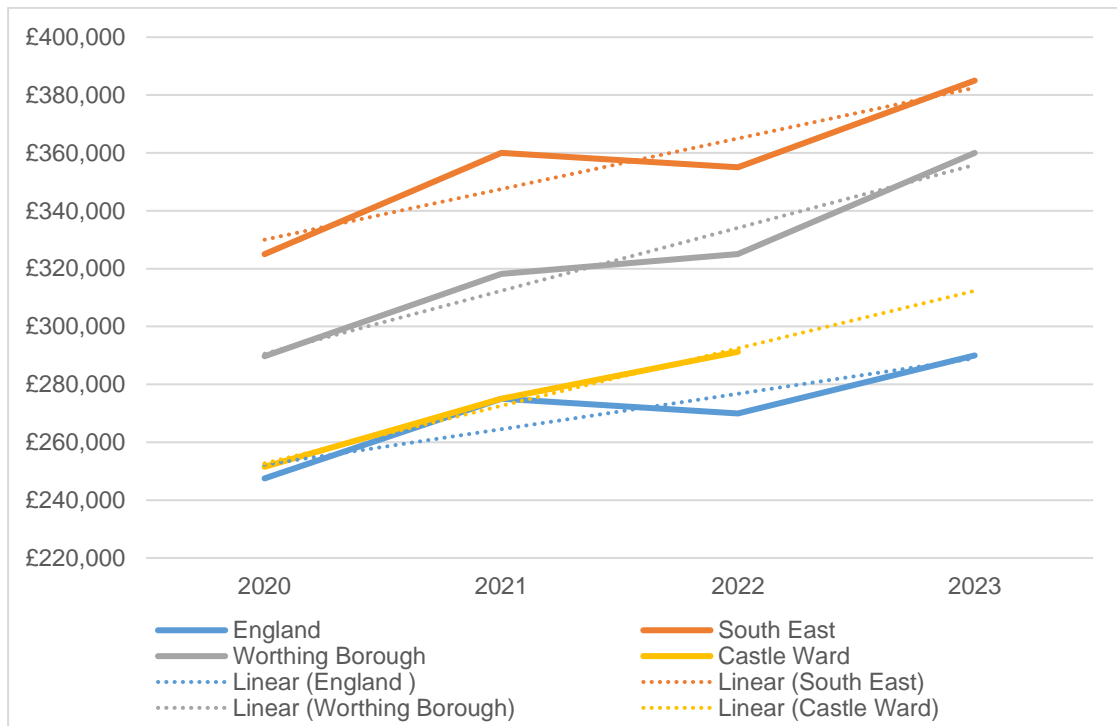


Source: ONS Ratio of House Price to Work-place Based Earnings

- 7.40 A ratio of 11.26 in Worthing stands significantly above the national average of 8.28 (+36%) and just above the South East average of 10.75 (+5%).
- 7.41 It is worth noting that 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 median affordability ratio is some 41% higher than that and rising.
- 7.42 The ONS March 2023 median affordability ratios have not been published at the time of writing. However, as seen from my analysis below in Figure 7.5, house prices have risen significantly in 2023 and so I would expect to see an increase in the median affordability ratio for 2023.
- 7.43 Figure 7.5 illustrates the median house sale prices for England, the South East, Worthing Borough and Castle Ward. It demonstrates that they have increased considerably in just the three years between the start of the Local Plan period in 2020 and 2023.
- 7.44 The median house price across the Borough has risen by 24% from £289,725 in 2020 to £360,000 in 2023. This compares to a 18% increase across the South East and a national increase of 17% over the same period.

7.45 In just the 12-month period between March 2022 and March 2023, the median house price across Worthing has increased by a substantial 11% from £325,000 to £360,000. This compares to an increase of 8% from £355,000 to £385,000 across the South East and an increase of 7% from £270,000 to £290,000 nationally.

Figure 7.6: Median House Price Comparison, 2020 to 2023



Source: ONS HPSSA Datasets

7.46 In reviewing the changes in the median house price in Castle Ward (within which the appeal site is located), it is clear that local house prices are also rising steeply, with an increase of 16% observed from £251,500 in 2020 to £291,250 in 2022¹¹.

Lower Quartile House Prices

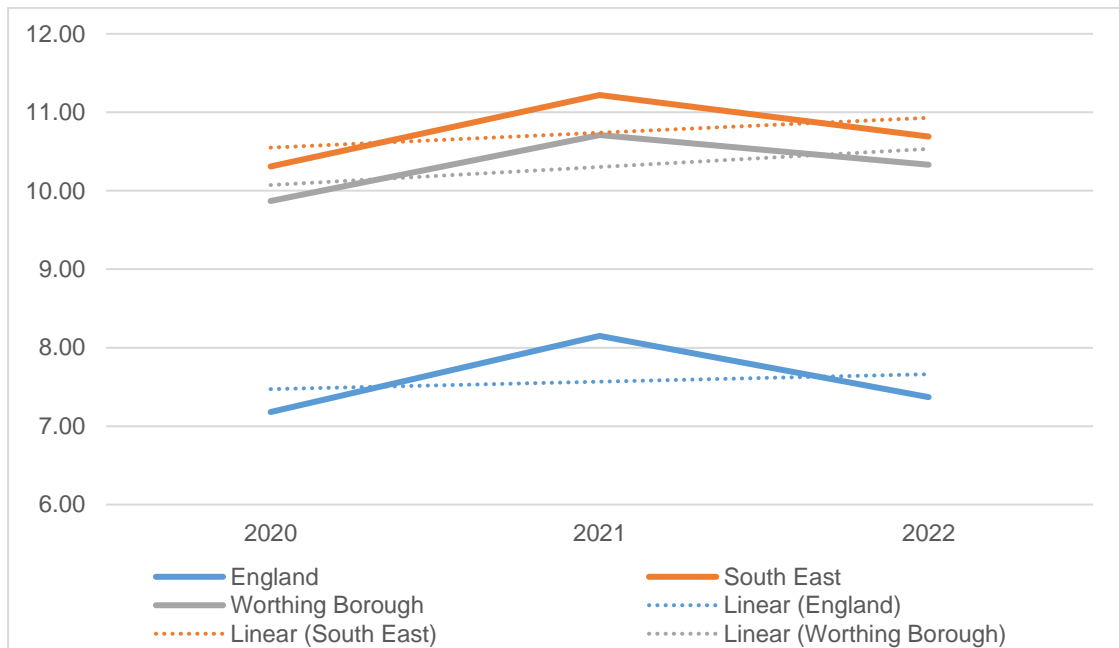
7.47 For those seeking a lower quartile priced property (typically considered to be the 'more affordable' segment of the housing market), the ratio of lower quartile house price to incomes in Worthing now stands at 10.33, a notable 5% increase since the start of the Worthing Local Plan period in 2020 where it stood at 9.87.

7.48 As demonstrated by Figure 7.6, there is no clear trend of improvement in the lower quartile affordability ratio, with the linear lines for each area clearly trending upwards.

¹¹ Please note that ONS lower quartile house prices for wards at March 2023 are not yet available at the time of writing.

7.49 It remains the case that the lower quartile ratio in Worthing stands significantly above the national average of 7.37 (+40%) and just below the South East average of 10.69 (-3%).

Figure 7.7: Lower Quartile Workplace-Based Affordability Ratio comparison, 2020 to 2022



Source: ONS Ratio of House Price to Work-place Based Earnings

7.50 This means that those on lower quartile incomes in Worthing, seeking to purchase a lower quartile priced property, now need to find more than 10 times their annual income to do so.

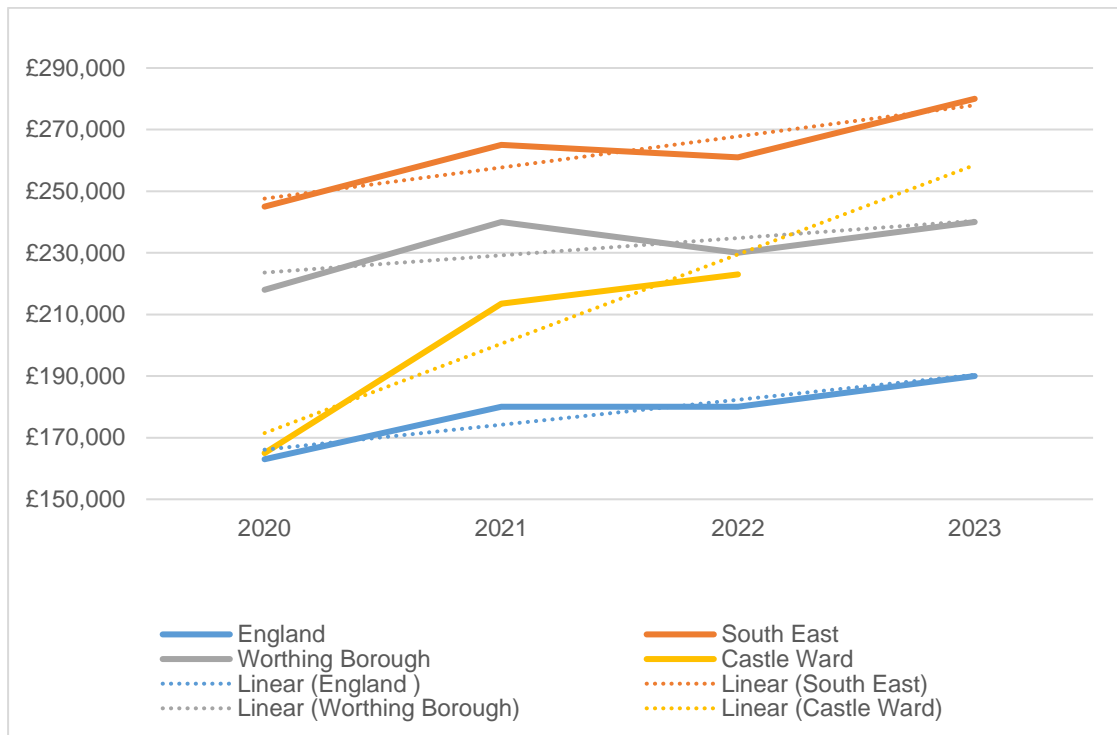
7.51 It is also worth noting that mortgage lending is typically offered on the basis of up to 4.5 times earnings (subject to individual circumstances). Here, the lower quartile affordability ratio is some 130% higher than that.

7.52 Figure 7.7 illustrates the lower quartile house sale prices for England, the South East and Worthing. It demonstrates that they have increased substantially between the start of the Local Plan period in 2020 and 2023.

7.53 The lower quartile house price across Worthing has risen by a concerning 10% over the Local Plan period from £218,000 in 2020 to £240,000 in 2023. This compares to a 14% increase across the South East and a national increase of 17% over the same period.

7.54 In just the 12-month period between March 2022 and March 2023, the lower quartile house price across Worthing has increased by 4% from £230,000 to £240,000. This compares to an increase of 7% from £261,000 to £280,000 across the South East and an increase of 6% from £180,000 to £190,000 nationally.

Figure 7.8: Lower Quartile House Prices, 2020 to 2023



Source: ONS HPSSA Datasets

7.55 Within Castle Ward (within which the appeal site is located), it is clear that the lower quartile house price is rising at an even faster rate than the median segment of the market, with an alarming 35% increase observed from £165,000 in 2020 to £223,000 in 2022¹².

7.56 This troubling increase in lower quartile house prices in Castle Ward is illustrated by the trend line which is far steeper than those observed for the Borough, the South East or indeed nationally. Such steep increases in lower quartile house prices in Castle Ward will only assist in preventing those in need who live locally on lower incomes from securing their own home in the area.

¹² Please note that ONS lower quartile house prices for wards at March 2023 are not yet available at the time of writing.

Conclusions on Affordability Indicators

- 7.57 As demonstrated through the analysis in this section, affordability across Worthing has been, and continues to be, in crisis.
- 7.58 House prices and rent levels in both the median and lower quartile segments of the market are increasing at alarming rates while 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.
- 7.59 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, with a lower quartile house price to average income ratio of 10.33.
- 7.60 Market signals indicate a worsening trend in affordability in Worthing since start of the Local Plan period in 2020. By any measure of affordability, this is an authority in the midst of an affordable housing crisis, and one through which urgent action must be taken to deliver more affordable homes.

Future Supply of Affordable Housing

Section 8

Future Affordable Housing Supply

- 8.1 The future delivery of affordable housing is highly uncertain. Within Worthing the delivery of affordable homes has fluctuated considerably since the start of the Local period in 2020/21, as illustrated in Figure 6.3.
- 8.2 The delivery of a higher number of affordable homes in one year obviously does not guarantee that this will continue for future years. The supply of affordable housing is affected by the local market factors, including the number of sites with planning permission and also wider national factors including availability of public funding.

Addressing the Shortfall in Affordable Housing Delivery

- 8.3 The 2020 SHMA identifies an objectively assessed need for 490 net affordable homes per annum between 2019/20 and 2035/36. Over the 17-year period this equates to a total need for 8,330 net affordable homes.
- 8.4 Since the start of the Local Plan monitoring period, the Council have overseen the delivery of 99 affordable homes (net of Right to Buy) against a need of 490 net new affordable homes which has resulted in a shortfall of -1,371 affordable homes over the three-year period.
- 8.5 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 PPG¹³ and endorsed at appeal.
- 8.6 The critical importance of understanding the ability of the Council to meet future need has been considered in a recent appeal at Sondes Place Farm, Dorking (**CD.J83**) where I provided the written affordable housing evidence. The Inspector accepted the findings of my 'future supply of affordable housing' evidence and endorsed the use of the Sedgefield approach to clear a previous backlog of affordable housing delivery (paragraphs 85 to 86 of the appeal decision). It should be noted that the oral evidence was presented by a colleague, as I was unable to attend the inquiry.

¹³ Paragraph: 031 Reference ID: 68-031-20190722

“Compared to the Core Strategy Policy CS4 target a shortfall of 234 affordable homes has arisen across the current development plan period. The most recent evidence of need points to an increased need for affordable homes (143 dpa). However, in the last three years alone, there has been a shortfall of 396 affordable homes due to the delivery of only 33 dpa in those years.

To clear the backlog 222 affordable homes would need to be delivered each year for the next five years. The number of affordable homes coming forward looks to be substantially below that level of delivery. This will mean the existing shortfall will only become worse. (my emphasis).

- 8.7 The Inspector went on to outline the consequences of not providing sufficient affordable housing (paragraph 88):

“The consequences of not providing enough affordable homes affect people. Being able to access good housing has a bearing upon everyday life and there are socio-economic effects such as financial security and stability, physical and mental health, decreased social mobility and adverse effects on children’s education and development. In Mole Valley the number of people on the housing register has risen, there are increasing affordability ratios and people are paying significantly over 30% of their income on rent.”

- 8.8 It is therefore imperative that the -1,371 dwelling affordable housing shortfall accumulated since 2019/20 in Worthing is addressed as soon as possible and in any event within the next five years.
- 8.9 When the shortfall is factored into the 2020 SHMA identified need of 490 affordable homes per annum for the period 2019/20 to 2035/36, the number of affordable homes the Council will need to complete substantially increases to 764 net affordable homes per annum for the period 2023/24 to 2027/28.
- 8.10 This would ensure that for the remainder of the period up to 2035/36 the annual affordable housing need reduces to 490 per annum to deal solely with newly arising needs. This is illustrated in Figures 8.1 and 8.2.

Figure 8.1: Annual Affordable Housing Need incorporating Backlog Needs since the 2019/20 base date of the 2020 SHMA

A	Affordable housing need per annum for the period 2019/20 to 2035/36 identified in the 2020 SHMA	490
B	Net Affordable housing need for the period 2020/21 to 2022/23 (A x 3)	1,470
C	Net of Right to Buy sales Affordable housing completions for the period 2020/21 to 2022/23	99
D	Shortfall/backlog of affordable housing need for the period 2020/21 to 2022/23 (B – C)	1,371
E	Backlog affordable housing need per annum required over the period 2023/24 to 2027/28 (D/5)	274
F	Full affordable housing need per annum for the period 2023/24 to 2027/28 (A + E)	764
G	Full affordable housing need for the period 2023/24 to 2027/28 (F x 5)	3,820

8.11 Further illustration of the severity of the situation can be seen in Figure 8.2 below which illustrates that the Council need to deliver 3,820 net affordable homes over the next five years to address backlog needs in line with the Sedgefield approach.

Figure 8.2: Annual Affordable Housing Need 2023/24 to 2027/28 incorporating Backlog Needs Accrued between 2020/21 and 2022/23 when applying the Sedgefield Approach

Monitoring Period	2020 SHMA Net Affordable Housing Need	Net Affordable Housing Need When Addressing Backlog Within Next Five Years
2023/24	490	764
2024/25	490	764
2025/26	490	764
2026/27	490	764
2027/28	490	764
Total	2,450	3,820

8.12 It is clear that the backlog affordable housing needs within Worthing will continue to grow unless the Council takes urgent and drastic action to address needs and deliver more affordable homes (my emphasis).

The Future Supply of Affordable Housing

- 8.13 The Council's latest published Five Year Housing Land Supply Statement ("5YHLS") is available in the Worthing Annual Monitoring Report 2021-22 (**CDE.39**), covering the period 1 April 2022 to 31 March 2027.
- 8.14 If we were to generously assume that all 1,951 dwellings included in the 5YHLS will come forward on sites eligible for affordable housing, and that all of these sites would provide policy compliant levels of affordable housing (i.e. 40%) as a proportion of overall housing completions, this is likely to deliver only 780 affordable dwellings over the period, equating to just 156 new affordable dwellings per annum.
- 8.15 This figure falls very substantially short of the 764 per annum figure required when back log needs are addressed in the first five years in line with the Sedgefield approach and significantly short of the 490 net affordable housing needs per annum identified in the 2020 SHMA.
- 8.16 As Figures 6.1 and 6.2 of this evidence highlight, affordable housing provision has slipped far below the policy compliant 40% since the start of the plan period in 2020/21 up to 2022/23. Average delivery on a per annum basis over the same period has been just 33 affordable homes net of Right to Buy.
- 8.17 Consequently, I have no confidence that the Council can see a sufficient step change in the delivery of affordable housing to meet annual needs. This makes it even more important that suitable sites, such as the appeal site, are granted planning permission now in order to boost the supply of affordable housing.

Conclusions on Future Affordable Housing Supply

- 8.18 In light of the Council's poor record of affordable housing delivery, the volatility of future affordable housing delivery and the level of affordable housing needs identified, there can be no doubt that the provision of up to 190 affordable dwellings on this site to address the district-wide needs of Worthing should be afforded an appropriate weight at the uppermost end of the spectrum in the determination of this appeal. In relation to my own scale of weightings, this would be very substantial weight.

Benefits of the Proposed Affordable Housing at the Appeal Site

Section 9

- 9.1 The Government attaches weight to achieving a turnaround in affordability to help meet affordable housing needs. The NPPF is clear that the Government seeks to significantly boost the supply of housing, which includes affordable housing.
- 9.2 As set out in the previous chapter there are significant social and economic consequences for failing to meet affordable housing needs at both national and local authority level. Worthing is no exception to this.
- 9.3 The wider social and economic benefits of affordable housing per se are commonly recognised.
- 9.4 As set out in Section 2 of this evidence, the benefit of affordable housing is a strong material consideration in support of development proposals.

Persimmon Affordable Housing in Worthing

- 9.5 The Appellant, Persimmon Homes, has a strong track record of delivering affordable homes for local residents in Worthing. Statistics show that:
- 85% of Persimmon Homes built in Worthing are sold to households with a local postcode;
 - 65% of sales in Worthing are to households within 10km of development (COINS analysis on previous sale sites in Worthing); and
 - 92% of new homes reserved or completed so far in Worthing have gone to first time buyers (*Source: Ibid*).

Benefits of the proposed Affordable Housing at the appeal site

- 9.6 The offer meets the requirements of adopted Policy DM3 (40%) of the Worthing Local Plan (2023). It should be noted that these policies were drafted to capture a benefit rather than to ward off harm or be needed in mitigation.

9.7 This fact was acknowledged by the Inspector presiding over two appeals on Land to the west of Langton Road, Norton (**CD.J84**) in September 2018 who was clear at paragraph 72 of their decision that:

“On the other hand, in the light of the Council’s track record, the proposals’ full compliance with policy on the supply of affordable housing would be beneficial. Some might say that if all it is doing is complying with policy, it should not be counted as a benefit, but the policy is designed to produce a benefit, not ward off a harm and so, in my view, compliance with policy is beneficial and full compliance as here, when others have only achieved partial compliance, would be a considerable benefit”. (my emphasis).

9.8 The affordable housing benefits of the appeal scheme are therefore:

- Policy compliant offer of 40% (up to 190 dwellings) of the scheme provided as affordable housing;
- An addition of up to 143 (75%) affordable rented homes;
- An addition of up to 48 (25%) intermediate/shared ownership homes;
- All of the 190 affordable homes to be provided as M4(2) compliant accessible homes and minimum of 6 affordable homes (3%) to be M4(3) compliant;
- A deliverable scheme which provides much needed affordable homes;
- In a sustainable location;
- With the affordable homes managed by a Registered Provider;
- Which provide better quality affordable homes with benefits such as improved energy efficiency and insulation; and
- Greater security of tenure than the private rented sector.

9.9 In my opinion these benefits are substantial and a strong material consideration weighing heavily in favour of the proposal.

The Weight to be Attributed to the Proposed Affordable Housing Provision

Section 10

- 10.1 The NPPF is clear at paragraph 31 that policies should be underpinned by relevant up-to-date evidence which is adequate and proportionate and considers relevant market signals.
- 10.2 Paragraph 60 of the NPPF sets out the Governments clear objective of “*significantly boosting the supply of homes*” with paragraph 61 setting out that to “*determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment*”.
- 10.3 The NPPF requires local authorities at paragraph 63 to assess and reflect in planning policies the size, type and tenure of housing needed for different groups, “*including those who require affordable housing*”.
- 10.4 I also note the findings of Inspector Kevin Ward in July 2015 who considered (and subsequently allowed) an outline planning permission for the erection of up to 90 dwellings with vehicular access on to Hollybush Lane and associated public open space, landscaping, and drainage work on Land at Firlands Farm, Hollybush Lane, Burghfield Common, Reading, Berkshire (**CD.J85**).
- 10.5 Mr Ward identified that the individual benefits of a scheme are not transferable, as each development should be considered on its own merits. Mr Ward indicated at paragraph 58 that:
- “Whilst it may be that similar economic and social benefits could be achieved from other sites including the preferred option sites, I do not consider that this is relevant to the assessment of whether the particular proposal before me represents sustainable development in its own right.”*
- 10.6 The context of this decision is in relation to a previously determined appeal at Mans Hill also located within Burghfield Common (**CD.J86**). Mr Ward set out his comments in relation to the distinction between the two appeals at paragraphs 70 and 71, which I set out below:

“70. I have given careful consideration to the decision of the Inspector who dealt with the appeal at Mans Hill. It is worth emphasising that in that case the Inspector was considering a noticeably larger proposal adjoining a different part of the village. Whilst I have approached the issue of housing land requirements and supply from a different perspective, I reach the same conclusion that Policy HSG.1 of the Local Plan should not be considered up to date and the proposal should be assessed in the light of Paragraph 14 of the NPPF.

71. As explained above I take a different view as to the weight to be given to the emerging HSADPD and do not consider that the particular proposal before me would undermine the plan making process. I have also taken a different view of the weight to be attached to social and economic benefits as I consider that the proposal should be assessed in its own right in terms of sustainable development. Notwithstanding this, it is clear that the Inspector in the Mans Hill case had significant concerns regarding the adverse effect on the character and appearance of the area. I do not share such concerns in relation to the proposal before me.”

- 10.7 As can be seen, it is for each case to be considered on its individual merits.
- 10.8 Another appeal that considers the issue of benefits is the development for 71 dwellings, including affordable provision at 40%, equal to 28 affordable dwellings on site at Hawkhurst in Kent (**CD.J87**). In critiquing the Council’s views regarding the affordable housing benefits of the scheme, the Inspector made the following comments:

“The Council are of the view that the housing benefits of the scheme are ‘generic’ and would apply to all similar schemes. However, in my view, this underplays the clear need in the NPPF to meet housing needs and the Council’s acceptance that greenfield sites in the AONB are likely to be needed to meet such needs. Further, I agree with the appellant that a lack of affordable housing impacts on the most vulnerable people in the borough, who are unlikely to describe their needs as generic.” (Paragraph 118)

- 10.9 I agree, the recipients of 190 homes here will not describe their needs as generic.

Quashed Appeal Decision: Land North West of Goring Station, Goring-by-Sea, Worthing (February 2022) – CD.L1

- 10.10 The quashed appeal decision for the appeal site sets out a number of findings with relation to affordable housing in Worthing.

10.11 At paragraph 17, Inspector Cridland stated: “...the Council accepts that there is currently an exceptionally high unmet need for housing and a substantial unmet need for affordable housing within the borough.”

10.12 Later when assessing the overall planning balance, at paragraph 88, Inspector Cridland made the following comments on affordable housing:

“... I consider the appeal scheme would make a significant contribution to meeting the area’s substantial unmet need for affordable housing. While I also recognise the steps the Council is taking to address this unmet need, I am mindful of the considerable challenges it faces in doing so within the existing BUAB. The consequences that flow from this unmet need are considerable and affect real people, often in urgent need of affordable homes. A failure to meet these needs within the borough can create both social difficulties and affect community cohesion in the wider area. In the present case, the appeal site would contribute 40% affordable housing, which would equate to up to 190 affordable dwellings. This would make a significant contribution to meeting the unmet affordable housing need and would result in tangible benefits for real individuals whose needs may otherwise go unmet. As such, I afford it very significant weight.” (My emphasis).

10.13 While not discussing affordable housing explicitly, Inspector Cridland sets out at paragraph 87 that ‘very significant weight’ would fall at the uppermost end of the spectrum.

10.14 In relation to this first appeal on the appeal site, I advised that very substantial weight should be awarded to the affordable housing offer. Very substantial weight falls at the uppermost end of my scale of weightings (as disclosed at footnote 1, page 1, of this Proof of Evidence). Given that the affordable housing case has worsened in Worthing since 2020/21, I am of the view that no lesser weight should be awarded than what I proposed in my original Affordable Housing Proof of Evidence (C5F1/2). Notwithstanding any differences in weighting scales, I am in agreement with Inspector Cridland that the proposed affordable housing offer for the current appeal should be afforded an appropriate weight at the uppermost end of the spectrum in the determination of this appeal.

Other Relevant Secretary of State and Appeal Decisions

Appeal Decision: Land at Sondes Place Farm, Westcott Road, Dorking (November 2023) – CD.J83

- 10.15 At this recent appeal in Dorking, Surrey, the Inspector highlighted that the Council had experienced considerable shortfalls in its affordable housing delivery over the development plan period against multiple assessments of housing need (Paragraph 85).
- 10.16 As discussed above in Section 8 of my evidence the Inspector recorded, at paragraph 86, that the shortfalls in affordable housing delivery is expected to increase due to limited affordable housing supply.
- 10.17 The Inspector went on to say, at paragraph 88, in the context of considering the socio-economic effects arising from insufficient affordable housing, that “*being able to access good housing has a bearing upon everyday life*”, including “*financial security and stability, physical and mental health, decreased social mobility and adverse effects on children’s education and development.*”
- 10.18 The Inspector noted that the number of people on the housing register had risen over the plan period. The same can be said in Worthing¹⁴ in the context of this appeal and certainly since the previous appeal was determined.
- 10.19 In making their final comments on affordable housing at paragraph 89, the Inspector specified that:
- “The affordable homes would make a sizeable contribution to addressing the acute and long-established shortfall which will not be fully addressed in the short term. I give the affordable housing provision very substantial positive weight.”* (My emphasis)
- 10.20 The importance of affordable housing as a material consideration has been reflected in several Secretary of State (“SoS”) and appeal decisions.
- 10.21 Of particular interest is the amount of weight which has been afforded to affordable housing relative to other material considerations; many decisions recognise affordable housing as an individual benefit with its own weight in the planning balance. A collection of such SoS decisions can be viewed at **Appendix JSu6**.

¹⁴ See Figure 7.1 of this evidence

10.22 Some of the key points I would highlight from these relevant decisions are that:

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

Summary and Conclusion

10.23 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.

10.24 What is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is essential to arrest the housing crisis and prevent further worsening of the situation.

10.25 Market signals indicate a worsening trend in affordability across Worthing and, by any measure of affordability, this is an authority amid an affordable housing emergency, and one through which urgent action must be taken to deliver more affordable homes.

10.26 The need for affordable housing in Worthing has only increased since I prepared my original Affordable Housing Proof of Evidence (**C5F1/2**) in 2021. My evidence clearly shows that that housing affordability in Worthing has continued to worsen since 2020/21 and that the number of households in need of an affordable home has increased substantially in recent years:

- Against the 2020 SHMA identified need of 490 affordable homes per annum, in the three-year period between 2020/21 and 2022/23, the Council has delivered just 99 affordable homes against an identified need for 1,470 homes over the same period. This has led to a shortfall in delivery of 1,371 affordable dwellings, equivalent to an average annual shortfall of -457 affordable dwellings.
- My original Affordable Housing Proof of Evidence (**C5F1/2**) details that there were 1,347 households on the Worthing Housing Register at 31 March 2021. This figure has increased by a concerning 31% in just two years to 1,771 households at 31 March 2023.

- The number of households housed in temporary accommodation increased by 34% in one year from 262 households at 31 March 2022 to 351 households at 31 March 2023.
- The average lower quartile monthly rent in Worthing in 2022/23 was £800 pcm. This statistic represents an alarming 15% increase in just two years from 2020/21 where average lower quartile monthly rents stood at £695 pcm.
- The ratio of lower quartile house price to incomes in Worthing now stands at 10.33, a notable 5% increase since the start of the Worthing Local Plan period in 2020 where it stood at 9.87.
- The lower quartile house price across Worthing has risen by a concerning 10% over the Local Plan period from £218,000 in 2020 to £240,000 in 2023.
- Within Castle Ward (within which the appeal site is located), it is clear that the lower quartile local house prices are rising at an alarming rate with a 35% increase observed from £165,000 in 2020 to £223,000 in 2022¹⁵.

10.27 Against the scale of unmet need and the lack of suitable alternatives in the private rented sector across Worthing, there is no doubt in my mind that the provision of up to 190 affordable homes will make a substantial contribution. Considering all the evidence, I consider that this contribution should be afforded an appropriate weight at the uppermost end of the spectrum in the determination of this appeal. In relation to my own scale of weightings, this would be **very substantial weight**.

¹⁵ Please note that ONS lower quartile house prices for wards at March 2023 are not yet available at the time of writing.