

Affordable Housing Statement

Introduction

In accordance with local and strategic planning policy requirements this Affordable Housing Statement has been prepared and is submitted in support of a Reserved Matters Application for 41 dwellings at Crease Drove, Crowland. The Applicant is Longhurst Group. A further Full Application has been submitted alongside this one for a further 14 dwellings taking the overall number proposed to 55.

This statement should be read in conjunction with the supporting documents that accompany this planning submission, including the Planning Statement.

Planning Policy Context

Local Plan

The South East Lincolnshire Local Plan 2011-2036, was adopted on 8th March 2019. Policy 18 of the Local Plan indicates that affordable housing will be sought on “market housing sites of 11 or more dwellings”.

Policy 18 requires provision of 25% affordable homes on sites of 11 dwellings or more. Within this 70% should be for Affordable Rent and the remaining 30% as Shared Ownership or other Intermediate products for sale.

Since this policy was finalised, the Government has published the National Planning Policy Framework, and paragraph 63 of this document indicates that “provision of affordable housing should not be sought for residential developments that are not major developments ...” Annex 2: Glossary of the NPPF indicates that, for housing, ‘major development’ is “development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more”. These provisions of the NPPF are considered to be a significant material consideration which outweigh these particular provisions of Policy 18. Thus, affordable housing provision will be sought on market housing sites of 10 or more dwellings, sites with an area of 0.5 hectares or more, and residential developments with an internal floor area of 1,000sqm or more.

National Planning Policy Framework

The revised National Planning Policy Framework was updated on 19 February 2019 and sets out the government’s planning policies for England and how these are expected to be applied. Annex 2: of the NPPF defines affordable housing as:

Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

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(a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

(b) Starter homes: is as specified in sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

(c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

(d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to government or the relevant authority specified in the funding agreement.

This scheme proposes to deliver Affordable Rent and Shared Ownership tenures.

SHMA and Objectively Assessed Needs

In 2017 a report update to the previous Strategic Housing Market Assessments (SHMA) for the Peterborough sub-region (Peterborough, Rutland, South Holland and South Kesteven) and Boston was produced. In particular, the report considers the objectively assessed housing need (OAN) updating previous assessments to take account of new demographic and economic data.

Overall, the analysis identifies a demographic based need for between 2,128 and 2,390 dwellings per annum across the entire SHMA (these figures being the range of the latest (2014-based) official projections and a 10- year trend based projection with an uplift to HRRs in Rutland):

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Figure 3: Annual housing need (2011-36) – range of demographic scenarios		
	Official household projections	10-year trends (+ Rutland uplift)
Peterborough	851	948
Rutland	102	159
South Holland	345	433
South Kesteven	601	569
Peterborough HMA	1,899	2,109
Boston	229	281
Study area	2,128	2,390
Boston & South Holland	574	714

Within the SHMA update the main overall conclusion is around the objective assessment of housing need (OAN). On the basis of the analysis carried out, this is concluded (annually over the 2011-36 period) to be for 2,504 dwellings per annum across the study area. This figure is based on taking the highest of the needs for each local authority (i.e. either demographic or economic-led) thus the annual OAN figure for South Holland has been identified as being for **445 total new dwellings per annum**.

The SHMA includes an assessment of affordable housing need to identify whether there is a shortfall or surplus of affordable housing in the Peterborough and Boston HMAs. Notionally, the need represents around 58% of the estimated overall need (from demographic projections) [and] “there is thus a requirement for new affordable housing and the Councils are justified in seeking to secure additional affordable housing” (para 21, page 5 SHMA Update, 2017). The following table details the annual affordable housing requirements across the SHMA area:

Figure 5: Estimated Annual Need for Affordable Housing – by location (2016-36)						
	Current need	Newly forming households	Existing households falling into need	Total Need	Supply from existing stock	Net Need
Peterborough	136	724	598	1,457	898	559
Rutland	10	90	60	160	120	41
South Holland	50	332	121	502	220	282
South Kesteven	45	385	265	695	457	238
Peterborough HMA	240	1,532	1,043	2,814	1,694	1,120
Boston	54	302	170	525	263	263
Study area	293	1,833	1,213	3,340	1,957	1,383
Boston & South Holland	103	634	290	1,028	483	545

As can be seen from the above table, Within South Holland **there is a net annual need for 282 affordable dwellings**. The SHMA concludes that “...The evidence does however suggest that affordable housing delivery in all areas should be maximised where opportunities arise” (para 24, page 6, SHMA Update 2017).

Proposed Affordable Housing

The scheme provides for 100% of the proposed residential units to be affordable housing in accordance with the definition set out at Annex 2 of the NPPF.

Discussions have taken place with the Council's Housing Strategy and Enabling Officer to help determine the affordable housing mix proposed. The Council indicated that the SHMA recommends an affordable housing mix requirement of approximately 25% one beds, 40% two beds, 30% as three beds and 5% as four beds would meet local needs over the course of the Plan period. This scheme provides a mix of property sizes and types.

As mentioned earlier, this application along with a further outline proposes a total of 55 dwellings on this site. The tenure split, of the entire 55 dwelling scheme is, 60% Affordable Rent and 40% Shared Ownership. The table below shows the overall proposed affordable housing tenure mix and demonstrates that some smaller 1 bed cluster houses have been introduced into the scheme:

Type	Affordable Rent	Shared Ownership	Total
1B2P House	4		4
2B4P House	18	7	25
3B5P House	12	14	26
Total	34	21	55

The affordable housing tenure mix for this reserved matters application as a stand-alone scheme is as follows:

Type	Affordable Rent	Shared Ownership	Total
2B4P House	13	7	20
3B5P House	10	11	21
Total	23	18	41

Whilst surrounding sites are delivering an element of affordable housing, within South Holland there has been an under delivery of affordable housing over the past couple of years, as demonstrated in published Annual Monitoring Reports, thus this application should be considered in this context.

Longhurst Group

The scheme is being delivered for Longhurst Group - an independent charitable registered provider of social housing. One of the largest housing groups in the Midlands and East of England, Longhurst Group provides over 23,000 homes and delivers a wide range of care and support services across

50 local authority areas. Longhurst Group currently provides over 760 affordable homes in South Holland thus has a strong presence in the area.

Conclusion

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The proposed scheme satisfies local and national planning policy with respect to the provision of affordable housing. This site complements those surrounding it and contributes to delivery of required affordable housing.