

Affordable Housing Evidence of James Stacey BA Hons Dip TP MRTPI

Land at Junction with Carr Road and Hollin Busk Lane,
Deepcar

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Outline application for up to 85 residential dwellings including open space

Land at Junction with Carr Road and Hollin Busk Lane, Deepcar

Hallam Land Management

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Executive Summary

- i. This Proof of Evidence deals specifically with affordable housing and the weight to be afforded to it in the planning decision in light of the evidence of need in the area.
- ii. The appeal proposals seek permission for up to 85 dwellings, of which 10% of the dwellings (by floorspace) – are proposed as affordable homes. The provision of 9 affordable homes to be secured by way of a planning obligation accords with the provisions of Core Strategy Policy CS40.
- iii. There is irrefutable evidence of a national housing crisis for market and affordable housing. Government announcements - notably through the Housing White Paper in 2017 and Autumn Budget 2018 emphasise that the housing market in this country is “broken” because “for too long, we haven’t built enough homes” and that “we can’t resolve the productivity challenge or deliver the high standards of living the British people deserve without fixing our housing market”. As recently as March 2020, the Government anticipates further planning reforms; its *Planning for the Future* policy paper (the precursor to a further Planning White Paper in August 2020) explains that there are “many who are still trapped paying high rents and struggling to save for a deposit” and that “We also need to prevent people from falling into homelessness by building more affordable homes”

- iv. **Key Findings**

- **Corporate documents**

An array of corporate documents identify the delivery of affordable housing as a corporate priority of Sheffield City Council. These include the adopted and emerging Development Plan, the Council’s Corporate Plan, the Housing Strategy, and the Homelessness Strategy.

- **Affordable Housing Needs**

The Strategic Housing Market Assessment (SHMA) sets out an objective assessment of housing needs in the city of Sheffield. The 2013 SHMA identifies a need for 725 net additional affordable dwellings per annum for each of the five years between 2013/14 and 2017/18. The 2018 SHMA updates this figure and identifies an even higher need for 902 net additional affordable dwellings per annum for each of the five years between 2018/19 and 2022/23.

- **Affordable Housing Delivery**

Against the requirement identified in the 2013 SHMA of 725 dwellings per annum (applicable between 2013/14 and 2017/18) there has been a chronic and acute underperformance of 2,128 dwellings within that five year period, or put another way 2,128 households not having their housing needs met. Against the requirement identified in the 2018 SHMA of 902 dwellings per annum (applicable between 2018/19 and 2022/23) there has so far been an underperformance of 1,510 dwellings for the years 2018/19 and 2019/20.

In Stocksbridge and Upper Don Ward, a review of major planning applications reveals that just three additional affordable general needs homes have received planning permission since 2013.

- **Impact of Right to Buy**

The city of Sheffield is experiencing persistently high rates of Right to Buy losses across the entire Core Strategy period, which depletes the stock of affordable housing available to help households in need. These Right to Buy losses in Sheffield are having a very severe impact upon the overall stock of affordable housing in the City. So much so that the rate of losses has been higher than the rate of affordable housing delivery. Between 2013/14 and 2019/20, total Right to Buy losses have exceeded total new affordable housing delivery by 564 units – a desperate situation for those in need of an affordable home. This adds to the problem of affordable housing delivery identified above.

- **Affordability**

Sheffield has a lower quartile house price to lower quartile income ratio of 5.84, meaning that those earning lower salaries would need to find almost six times their annual income to be able to afford a home. A similar picture exists for those earning an average salary seeking to purchase an average prices property Sheffield with the median average house price to average income ratio standing at 5.79.

- **Housing Register**

At 25 March 2021 there were a total of 32,026 households on the Housing Register in Sheffield. This increased in just 12 months by 8,117 households, when the register stood at 23,009. Or put another way 676 new households a month or 22 new households a day. These are people actively looking for assistance with their housing needs and are in real need, now.

- **The forward supply of affordable housing**

The Council is seeking to bring forward affordable housing through its Stock Increase Programme, taking advantage of new freedoms in funding affordable housing delivery. However, such is the scale of affordable housing need, that the SIP will only make a limited impact in meeting the overall affordable housing need. Currently identified SIP sites are likely to contribute in total 894 additional affordable homes, equivalent to just one years' annually arising affordable housing need of 902 dwellings per annum. The timeframe for their delivery is unknown.

Affordable housing is coming forward on other development sites but my review of the affordable housing pipeline shows that an estimated 380 affordable dwellings are likely to be delivered through on-site delivery or through off-site financial contributions. This equates to around 0.4 years' annually arising affordable housing need of 902 dwellings per annum.

The future supply is clearly insufficient to deal with the affordable housing need. The prospects of circa 32,000 households having their housing needs met anytime soon appears bleak.

In light of the scale of the shortfall already amassed, and the limited contribution to be made to the affordable housing supply pipeline, it is essential that the Council takes every opportunity to maximise affordable housing delivery. In this sense every site contributing to affordable housing is making a valuable contribution to the enormous needs that are identified.

- **Weight to be attributed to the benefit of affordable housing**

Many appeal inspectors and Secretaries of State have each attached substantial weight or in some cases very substantial weight to the delivery of affordable housing. Past decision taking supports the principle that affordable housing delivery is not merely a 'numbers game' but benefits real households. Inspectors have recognised that affordable housing policies are drafted to deliver a benefit, rather than ward off a harm. Compliance with development plan policy for affordable housing carries an intrinsic benefit in the planning balance. This has been found to be the case at appeal on multiple occasions.

- v. In light of the key findings of my evidence and the chronic and acute need for affordable housing within Sheffield, coupled with the Council's actual record of delivery (when Right to Buy sales are considered) compared with identified needs and in light of the dismal future supply, I consider that **substantial weight** should be afforded to the delivery of 10% affordable homes through the appeal scheme in the planning balance.

Introduction

Section 1

- 1.1 My name is James Stacey and I am instructed by Hallam Land Management to examine the affordable housing need in the City of Sheffield and Stocksbridge and Upper Don ward, and to consider the weight to be given to affordable housing in the overall planning balance.
- 1.2 My credentials as an expert witness are summarised as follows:
- I hold a Bachelor of Arts (Hons) degree in Economics and Geography from the University of Portsmouth (1994) and a post-graduate diploma in Town Planning from the University of the West of England (UWE) (1997). I am a member of the Royal Town Planning Institute.
 - I have over 26 years' professional experience in the field of town planning and housing. I was first employed by two Local Authorities in the South West and have been in private practice since 2001. I have been a Director of Tetlow King Planning Ltd for the past nine years.
 - Tetlow King Planning has been involved in a range of planning matters in the Yorkshire and the Humber region and have appeared at a number of Local Plan examinations in the region.
 - I act for a cross-section of clients and advise upon a diverse range of planning and housing related matters.
 - During the course of my career, I have presented evidence at over 60 Section 78 appeal inquiries and hearings. 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.

- 1.3 The evidence which I provide for this appeal (reference APP/J4423/W/21/3267168) in this proof of evidence is true and has been prepared and given in accordance with the guidance of my professional institution and I confirm that the opinions expressed are my true and professional opinion and is provided irrespective of by whom I am instructed.
- 1.4 The appeal seeks outline planning permission for up to 85 dwellings at land at Junction with Carr Road and Hollin Busk Lane, Deepcar. The appeal proposals will deliver 10% of the gross internal floor area as affordable housing, which equates to 9 units (This level of provision is in accordance with Policy CS40 of the adopted Sheffield Core Strategy 2009 and the accompanying guidance contained in the CIL and Planning Obligations Supplementary Planning Document 2015.
- 1.5 A Freedom of Information (FOI) request upon which I rely on, was submitted to Sheffield City Council on 12 February 2020 seeking a range of information relating to affordable housing delivery. A response was received on 11 March 2020. A supplementary FOI request seeking updated information was made on 15 March 2021 seeking updated information for the latest monitoring year and a response was provided on 14 May 2021. A copy of the FOI correspondence can be found at **Appendix JS1**. The data received through the FOI response is reviewed in depth at sections 4 and 5 of this Evidence.
- 1.6 Having a thriving active housing market that offers choice, flexibility and affordable housing is critical to our economic and social well-being.
- 1.7 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 National Planning Policy Framework (NPPF), the Planning Practice Guidance (PPG), the National Housing Strategy, the Government's 2017 Housing White Paper and, the *Planning for the Future* policy paper published in March 2020 (**Appendix JS2**). As a prelude to a further Planning White Paper, *Planning for the Future* recognises the challenges of housing affordability and recognises the importance of providing for those who do not own their own homes. It explains that there are "*many who are still trapped paying high rents and struggling to save for a deposit*" and that "*We also need to prevent people from falling into homelessness by building more affordable homes and ensure that those living in social housing are treated with the dignity and respect they deserve*".
- 1.8 My evidence comprises the following seven sections:
 - Section 2 analyses the Development Plan and related Policy framework;

- Section 3 reviews the national picture in relation to housing delivery and the need for affordable housing;
- Section 4 considers the need for affordable housing and past delivery in the City of Sheffield;
- Section 5 analyses a range of affordability indicators;
- Section 6 discusses the forward supply of affordable housing including Council initiatives to increase the supply;
- Section 7 considers the weight to be attached to the proposed affordable housing provision; and
- Section 8 draws together my summary and conclusions.

The Development Plan and Related Policies

Section 2

Introduction

- 2.1 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.
- 2.2 The Development Plan of relevance to the appeal comprises:
- Sheffield Core Strategy, adopted in 2009; and
 - Saved policies of the Sheffield Unitary Development Plan, adopted in 1998.
- 2.3 Other relevant considerations for affordable housing include the National Planning Policy Framework (2019) and the Planning Practice Guidance. Relevant Supplementary Planning Documents include the CIL and Planning Obligations SPD (adopted in December 2015) and two supplemental notes of clarification (namely 'Clarification of Guidelines GAH2 and GAH3', and 'Clarification of Approach to Securing Affordable Housing Provisions within Outline Approvals'). There is no Neighbourhood Plan in effect in Deepcar.

The Development Plan

Sheffield Core Strategy 2009 (CD3.1)

- 2.4 The Sheffield Core Strategy was adopted in 2009 and sets out the planning policies for the district for the 22-year period between 2004/05 and 2025/26.
- 2.5 The Core Strategy sets out fifteen key challenges that it seeks to address, at paragraphs 2.12 to 2.26. Many of these challenges relate to the marked spatial inequalities which exist in Sheffield. Challenge 5 'Opportunities for all' refers to the importance of providing housing, noting that "*The challenge is to improve the services available in disadvantaged areas and promote opportunities for housing*". The Spatial Vision for the Core Strategy is expressed at paragraph 3.4; in relation to housing, the Core Strategy seeks to deliver "*attractive, sustainable neighbourhoods where people are happy to live*" and to "*provide for opportunities, well-being and quality of life for everyone*".

- 2.6 Chapter 4 contains the Spatial Strategy for Sheffield. Paragraph 4.27 explains the approach taken to the Stocksbridge and Deepcar area. It states that Stocksbridge is a ‘Principal Town’ in the then-applicable Regional Spatial Strategy on account of its regionally significant role for services, employment and transport. As I go on to discuss at paragraph 2.9 below, the Core Strategy only set the basis for future allocation of sites to meet plan requirements to 2020/21 rather than the full Plan period. The subsequent City Policies and Sites Plan that was to identify those allocations was never adopted.
- 2.7 Chapter 8, entitled “*Creating Attractive, Sustainable and Distinctive Neighbourhoods*” sets out relevant policies for housing. **Policy CS22 ‘Scale of the Requirement for New Housing’** sets annualised requirements which equate to a grand total of 29,750 net additional dwellings over the Plan period.
- 2.8 The policy also states that sites will be allocated to meet the housing requirement as far as at least 2020/21, and that “*a five year supply of deliverable sites will be maintained at all times*”¹. Paragraph 8.3 of the supporting text notes that there will be a significant quantum of demolitions averaging 400 dwellings per annum 2004 – 2016, much of which would be concentrated into the first three years (i.e. to 2007).
- 2.9 Policy CS23 ‘Locations for New Housing’ sets out the broad approach for directing housing development to the most sustainable locations. It explains that to 2020/21, “*the main focus will be on suitable, sustainably located, sites within, **or adjoining**, a) the main urban area of Sheffield, (at least 90% of additional dwellings); and b) the urban area of **Stocksbridge and Deepcar***”. It then notes that after 2020/21, “*additional housing growth will occur in parts of the city where significant change and regeneration are taking place*” which include Stocksbridge and Deepcar (emphasis added).
- 2.10 Chapter 9 is titled “Providing for Opportunities, Well-Being and Quality of Life for All” and includes relevant policies for affordable housing provision and community infrastructure. **Policy CS40 ‘Affordable Housing’** states simply that “*In all parts of the city, developers of all new housing developments will be required to contribute towards the provision of affordable housing where this is practicable and financially viable*”. Paragraph 9.1 of the supporting text explains the scale of the identified need. It states that “*A significant potential shortage of affordable homes has been projected and these will be needed in all parts of the city*”. It goes on to identify the likely affordable housing need for Sheffield, noting that the then-extant Regional Spatial Strategy indicated that

¹ The evidence of Mr Bolton addresses the matter of Sheffield’s housing land supply in further detail

30% to 40% of all new homes should be affordable, equating to 730 dwellings per annum. It also notes that the Strategic Housing Market Assessment at that time identified a net need for 729 affordable dwellings per annum. I note that the most recent iteration of the Strategic Housing Market Assessment in 2018 identifies a higher-still net need for 902 affordable dwellings per annum and I discuss this further in section 4 of this Proof of Evidence.

- 2.11 Paragraph 9.3 explains that a companion policy in the City Policies and Sites document, and a supplementary planning document, will be prepared to set out the proportions of affordable housing to be sought including overall percentage targets and tenure splits. It explains that evidence for this will be set out in updates to the SHMA, which will be regularly updated. Whilst the SPD was made, no City Policies and Sites document was adopted. No other policies, or indeed allocations followed as a means of implementing the Core Strategy.
- 2.12 Appendix 2 of the Core Strategy contains a series of monitoring targets and indicators for each policy. For affordable housing under policy CS40, it sets a target to deliver an average of at least 300 dwellings new affordable dwellings per annum across the latter thirteen year of the Plan period between 2013/14 and 2025/26. The provenance of the 300 dwelling target is unclear, as it is significantly lower (by more than 50%) than that identified in the 2013 SHMA and even lower against the 2018 SHMA (by 66%). It does not appear to be a realistic or justified monitoring target. In any event, it ought not to be regarded as a substitute for the identified net need figure. It is not the figure cited in CS 40 and it is not referred to in the text to that policy

Saved policies of the Sheffield Unitary Development Plan 1998 (CD3.3)

- 2.13 The Sheffield Unitary Development Plan (UDP) was adopted in 1998 and set out strategic policies for Sheffield for the ten year period 1991 to 2001, as well as a suite of detailed development management policies. Many UDP policies were 'saved' by direction of the Secretary of State in 2007, however many of those have in turn been replaced by policies in the Core Strategy.
- 2.14 The relevant policy for affordable housing was policy H4 'Housing for People on Low Incomes' (**CD3.3b**). The policy has however been superseded by the Core Strategy.

Other Material Considerations

CIL and Planning Obligations Supplementary Planning Document 2015 (CD3.8)

- 2.15 The Community Infrastructure Levy and Planning Obligations Supplementary Planning Document (SPD) was adopted by the Council in December 2015. It replaced a raft of previous guidance documents which were in place at that time.
- 2.16 Paragraphs 5.11 to 5.19 set out the Council's proposed approach to securing affordable housing in the context of Core Strategy policy CS40. Paragraph 5.17 sets out an updated assessment of affordable housing need, which is stated as being 725 affordable dwellings per annum in the 2013 SHMA.
- 2.17 The SPD includes 'Guidelines' for the application of affordable housing policy. Guideline GAH1 'Types of Site Where Affordable Housing will be Sought' explains that affordable housing contributions will be required on all new housing sites with fifteen or more dwellings. Guideline GAH2 '*Required Level of Affordable Housing Provision*' sets out policy expectations for affordable provision on-site. Affordable housing is required as a percentage of gross internal floor area of the development. The required levels by housing market area are set out below:

Figure 2.1: Sheffield: Required Levels of Affordable Housing Provision by area

Affordable Housing Market Area	Required contribution (%)
City Centre	0%
Manor / Arbourthorne / Gleadless	
East	
North East	
City Centre West	10%
North West	
South East	
Stocksbridge & Deepcar	
Chapelton / Ecclesfield	
Rural Upper Don Valley	
South	30%
South West	

Source: CIL and Planning Obligations Supplementary Planning Document 2015

- 2.18 The Guidelines also allow for the percentage of affordable housing to be negotiated in instances where development cannot viably deliver the full percentage of affordable housing. The appeal proposal is policy compliant at 10%.

- 2.19 It is notable that the Guidelines provide for substantially lower levels of affordable housing when compared with the needs identified in the SHMA. Large parts of Sheffield, including the city centre and areas to the east and North East of Sheffield, are not required to provide any affordable housing at all. Other areas including Stocksbridge and Deepcar are required to provide 10%. The only parts of Sheffield which come close to meeting the SHMA objective of 30 – 40% affordable housing are the south and west.
- 2.20 GAH3 'On-Site Provision and Use of Commuted Payments' explains that the Council's clear preference is for on-site affordable housing provision supported by paragraph 62 of the Framework, with commuted sums only being acceptable in circumstances where this will widen housing choice, provide a better household mix (including by type and specification) or where more affordable housing of a high quality could be provided off-site rather than on-site.
- 2.21 GAH4 'Type and Tenure of Affordable Housing to be Provided' explains that the Council will seek affordable rented housing, with other tenures only being agreed where the Council has identified a need for them.

CIL and Planning Obligations Supplementary Planning Document: Guidance Notes

- 2.22 Two Guidance Notes (all undated) have been published by Sheffield City Council:
- “*CIL & Planning Obligations SPD: Clarification of Guidelines GAH2 and GAH3*” (CD3.24) clarifies how floor areas are to be calculated.
 - “*CIL & Planning Obligations SPD: Clarification of Approach to Securing Affordable Housing Provisions within Outline Approvals*” (CD3.24) indicates that the Council will attach reduced weight to the benefit of affordable housing through outline schemes since it is suggested the provision will be recalculated at the reserved matters stage.
- 2.23 In view of the second Guidance Note, it is noted that the planning obligation submitted with this appeal secures 10% affordable housing. The Appellant has rejected the provision of a viability clause being included in the section 106 agreement. As such, the affordable housing provision offered by this appeal scheme will not be reduced at the Reserved Matters stage and 'full' weight should be attributed to the benefit of this.

Emerging Sheffield Plan (CD3.6)

- 2.24 Sheffield City Council is at an early stage of preparation of a new Local Plan, titled the Sheffield Plan. The Council's Local Development Scheme (LDS) (CD3.21) was published in November 2019 and sets out an updated timetable for its production. It anticipated a Regulation 18 'Issues and Options' consultation in July 2020, a regulation 19 'Pre-Submission consultation in July 2021, submission in January 2022, examination throughout 2022/23, and adoption in September 2023. I note that production of the emerging Sheffield Plan has been subject to significant delay, with an earlier draft Local Plan being withdrawn by the Council in 2013. The Council is no further than a Regulation 18 Issues and Options document at the moment.
- 2.25 The Issues and Options consultation took place later than the LDS anticipated, in September – October 2020. The consultation considers a range of strategic aims and potential spatial strategies for development. Page 26 discusses the issues relating to housing; it notes that "*we need around 900 new affordable homes every year to help everyone to be able to live in a safe, secure, warm home that they can afford, as part of a fairer city*". It also proposes a continuation of the differential affordable housing requirements (currently set out in the CIL and Planning Obligations SPD) of 30% affordable housing in higher value areas, 10% in lower value areas and 0% in the city centre and other locations where viability is a challenge.

Sheffield Housing Strategy (2013 – 2023) (CD3.25)

- 2.26 The Housing Strategy, dated 2013, sets out how the Council intends to manage and influence the provision of housing in Sheffield.
- 2.27 Section 1.3 outlines the main characteristics of Sheffield's housing markets. It notes that housing markets vary greatly across the city in terms of quality, desirability and housing costs. It notes that the social housing stock in Sheffield is generally of a high standard having been subject to investment and improvement in recent years; by contrast, the private sector contains some of the poorest quality homes.
- 2.28 Section 1.4 discusses some of the challenges the City faces in delivering enough homes to meet its needs. This includes the constraints on mortgage lending and poor economic conditions prevalent at the time. It also notes that housing allocations are concentrated in one part of the city, it is necessary to "*Creating more flexibility with our land and improving the choice of development sites will be a significant element of our plans to increase the supply of homes in the city*".

- 2.29 Section 1.9 introduces three key objectives for the housing strategy to be delivered by the Council and its partners:
- Increase the supply of new homes in the city
 - Make best use of the city's existing housing stock
 - Help younger, older and vulnerable people to live independently
- 2.30 Chapter 2, titled 'Great Places' sets out how the delivery of new housing and regeneration of existing areas will help to achieve the corporate objective that Sheffield is a 'Great Place to Live'. It explains that part of this is *"a city with desirable neighbourhoods that offer a range of affordable and quality homes that meet people's needs"*.
- 2.31 Section 2.3 deals with new development. It explains that the role of the Core Strategy in shaping development of the city to 2026, noting the approach of urban containment. In general terms, the Council aims *"to ensure that Sheffield continues to improve its residential offer, and that housing in the city is helping to create the optimum conditions for economic growth"*. It goes on to explain the challenges the City has in planning for this, stating that *"The city-wide need for more homes will mean there will be some hard choices about where new housing should be built in the future but we will ensure our land supply and design policies help us achieve sustainable communities and the right balance between high quality design and timely housing delivery"*.
- 2.32 Section 2.7 discusses affordable housing. It notes that, in a context of limited subsidies, the Council will secure affordable housing through Section 106 contributions, taking different approaches across different areas of the city to respond to specific housing market challenges. It notes that *"we [the Council] think it is important for us to strive to increase the provision of affordable housing in the city"* and goes on to explain that *"We will continue to support the delivery of Affordable Rent homes on sites across the city"* (my emphasis).
- 2.33 Chapter 3, titled 'Sustainable Communities' explains how the strategy will address the needs of different groups of people in the city, supporting their life chances and their quality of life.
- 2.34 Chapter 4, titled 'Delivery' explains how the Council intends to deliver the objectives of the Housing Strategy. In delivering new homes, the Council notes that *"We recognise that the longer term housing needs and economic aspirations of the Council can only be effectively met through a new Local Plan"*. It goes on to explain that the Council will

seek to “*increase the supply and choice of sites so that a 5-year supply of ready to develop sites can be maintained throughout the period covered by the new Local Plan*”.

- 2.35 The Housing Strategy is accompanied by an Action Plan, which was last updated in March 2014. It includes a series of actions that the Council proposed to take, including those in relation to specific sites and proposals. The Action Plan update recorded good progress against many of these planned actions, but it noted poor progress under target GP10 in relation to the Local Plan review, adoption of which was expected to be delayed until autumn 2017. Evidently, the timescales envisaged in the Housing Strategy Action Plan have not been achieved; as I discuss above, the Council envisages adoption of a new Local Plan in September 2023, some six years later than set out in the Action Plan.

Sheffield Homelessness Prevention Strategy (2017 – 2022) (CD3.26)

- 2.36 The Homelessness Prevention Strategy explains how the Council intends to minimise homelessness, focussing on early prevention. The Homelessness Prevention Strategy is supported by a Homelessness Review undertaken in 2017 which sets out the evidential basis for the strategy.
- 2.37 The Strategy itself contains a package of actions that the Council will take in conjunction with partner organisations, to help prevent homelessness at an early stage, support vulnerable groups in society, tackle rough sleeping, and improve housing options and support.
- 2.38 Evidence in the Homelessness Review shows that the Council has made good progress in reducing the number of homelessness presentations and acceptances by around 60% over the five years between 2012 and 2016, although rates had begun to rise again between 2015 and 2016. The data within the review shows a marked increase between 2012 and 2016 in the number of households presenting/being accepted as homeless due to the termination of assured shorthold tenancies in the private rented sector.

Sheffield City Council Corporate Plan (2015 – 2018) (CD3.27)

- 2.39 The Corporate Plan sets out how the Council intends to tackle the challenges which face Sheffield as a city and to deliver on the city’s ambitions as a ‘major European city’. It seeks to deliver the best possible outcomes for residents, workers and visitors to the city. It identifies the achievement of ‘thriving neighbourhoods and communities’ which include good affordable housing, and ‘tackling inequalities’ as corporate priorities.

- 2.40 Page 30 of the Corporate Plan sets out the Council's intentions to build new homes and council homes. It includes a target to deliver 4,600 new dwellings over the three-year Corporate Plan period. It notes that the Council intends to provide 750 additional council houses, noting that "*New council housing will be designed to meet the shortfall of some housing types*". Page 40 goes on to explain how the Council intends to tackle underlying causes of poverty and notes the importance of affordable housing in mitigating the effects of poverty.

Housing Market Area Profile 2019: Stocksbridge and Deepcar (CD3.15)

- 2.41 The Housing Market Area Profile provides a 'fact file' of statistics relating to open market housing and affordable housing in Stocksbridge and Deepcar. Chapter 5 'Housing Market and Affordability' discusses affordability trends in the area, noting at page 9 that median incomes are higher and median prices lower in the area, resulting in better housing affordability in Stocksbridge and Deepcar than the rest of the city. Yet Chapter 6 'Newly Forming Households' notes that deposit and income requirements for new households make purchasing a house a challenge. Chapter 7 'Social Housing Demand' notes an expected annual shortfall of 54 affordable dwellings in Stocksbridge and Deepcar as set out in the Strategic Housing Market Assessment for the next five years (i.e. 2019 to 2024), and identifies longer-than-average waiting times for affordable housing in the area; this is states as 4.8 years for non-priority applicants, compared with 3.8 years for non-priority applicants city-wide.

National Planning Policy Framework (February 2019) (CD4.1)

- 2.42 The revised NPPF was last updated on 19 February 2019 and is a material planning consideration. It is important in setting out the role of affordable housing in the planning and decision-making process.
- 2.43 It sets a strong emphasis on the delivery of sustainable development. Fundamental to the social objective is to "*support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations*" (paragraph 8).
- 2.44 Chapter 5 of the revised NPPF focuses on delivering a sufficient supply of homes, in which paragraph 59 confirms the Government's objective of "*significantly boosting the supply of homes*".
- 2.45 The revised NPPF is clear that local authorities should deliver a mix of housing sizes, types and tenures for different groups, which include "*those who require affordable housing, families with children, older people, students, people with disabilities, service*

families, travellers, people who rent their homes and people wishing to commission or build their own homes” (paragraph 61).

- 2.46 It places a great responsibility on all major developments (involving the provision of housing) to provide an element of affordable housing. Paragraph 64 establishes that *“at least 10% of new homes on major residential developments be available for affordable home ownership”*.
- 2.47 Affordable housing is defined within the revised NPPF’s glossary as affordable housing for rent (in accordance with the Government’s rent policy for Social Rent or Affordable Rent or is at least 20% below local market rents), starter homes, discounted market sales housing (at least 20% below local market value) and other affordable routes to home ownership including shared ownership, relevant equity loans, other low-cost homes for sale (at least 20% below local market value) and rent to buy (which includes a period of intermediate rent).

Planning Practice Guidance (March 2014, Ongoing Updates)

- 2.48 The 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. Relevant passages from the PPG are contained at **Appendix JS3**.

Conclusions on the Development Plan and Related Policies

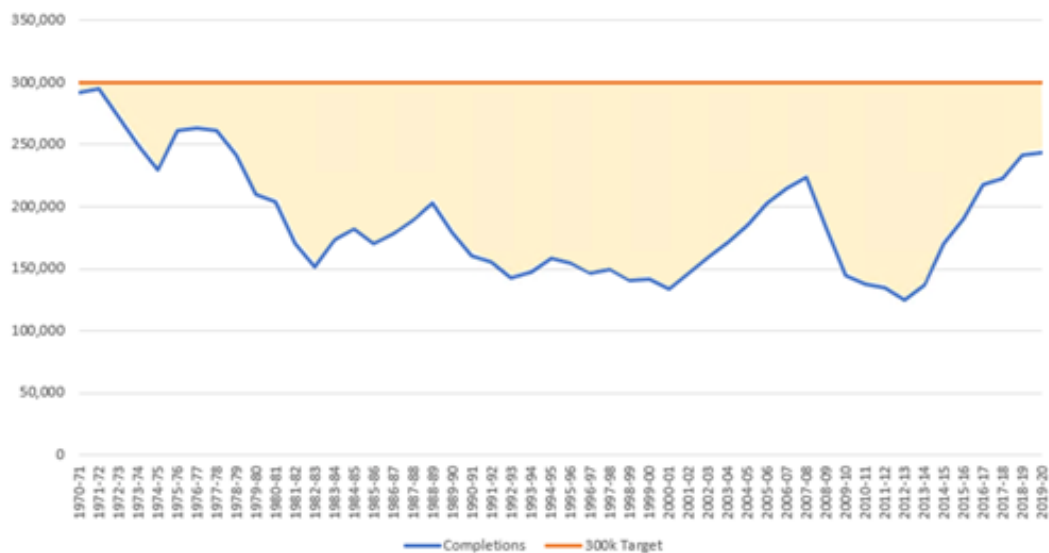
- 2.49 The adopted Development Plan in Sheffield consists of the Core Strategy which was adopted in 2009 and the saved policies of the Unitary Development Plan, adopted in 1998.
- 2.50 It is my opinion that the evidence set out in this section clearly highlights that within adopted policy, emerging policy and a wide range of other plans and strategies, providing affordable housing has long been established as, and remains, a key priority for Sheffield City Council.
- 2.51 The appeal proposals will provide an affordable housing contribution which accords with the requirements of Core Strategy Policy CS40.

The National Housing Crisis and Recent Developments

Section 3

- 3.1 There is irrefutable evidence of a national housing crisis.
- 3.2 The ever-increasing body of evidence, including from the Johnson Conservative Government, is that unaffordability and inability to get on the housing ladder is a significant problem. I set this out in more detail in **Appendix JS4**.
- 3.3 It is widely accepted that 300,000 new homes are needed per annum and have been for quite some considerable time. The last time the country built more than 300,000 homes was in 1969. Since that time there is an accumulated shortfall of 5,542,181. This shortfall is set out in Figure 3.1 below.

Figure 3.1 National Housing Shortfall since 1970/71



Source: MHCLG Live Tables 209 and 122

- 3.4 On 6 August 2020 the Government published its consultation on the future of the planning system, entitled 'White Paper: Planning for the Future'.
- 3.5 The Planning White Paper identifies a need for radical reform. The Foreword from the Prime Minister, Boris Johnson, makes clear on page 6 the need for a whole new planning system that "*above all, that gives the people of this country the homes we*

need in the places we want to live at prices we can afford, so that all of us are free to live where we can connect our talents with opportunity.” (my emphasis).

- 3.6 In his foreword, the Secretary of State for Housing, Communities and Local Government, Robert Jenrick, states that their proposals for the planning system seek a significantly simpler, faster and more predictable system. They aim to facilitate a more diverse and competitive housing industry, providing the “*affordable housing existing communities require*” (page 8).
- 3.7 The White Paper’s introduction identifies the shortcomings of the current system, including that there is a ‘*shortage of beautiful, high quality homes...and our capacity to house the homeless and provide security and dignity*’, with particular reference to the shortage of affordable homes.
- 3.8 It goes on to say (page 12) that the current system ‘*simply does not lead to enough homes being built*’ and that ‘*the result of long-term and persisting undersupply is that housing is becoming increasingly expensive*’.
- 3.9 The Government’s desire for the new system it is consulting on includes the wish to “*increase the supply of land available for new homes where it is needed to address affordability pressures, support economic growth and the renewal of our towns and cities, and foster a more competitive housing market*” (page 14) and to create a virtuous circle of prosperity including in villages, to support their ongoing renewal and regeneration.
- 3.10 One of the Government’s proposals (number 21) is to reform the Infrastructure Levy, so that it also provides affordable housing. At paragraph 4.21, the Government states its commitment to deliver on-site affordable housing at least at present levels (this is one of its questions). The consultation however proposes that this would be secured through in-kind delivery on-site, with it being considered delivery of the reformed Levy.
- 3.11 The Prime Minister’s approach is perhaps best summed up in the summary of the press release that accompanied the launch of the consultation – ‘PM: Build, Build, Build’
- 3.12 It is clear that successive Governments have failed to ensure enough new homes, especially affordable homes, are being built.
- 3.13 On a national level, in every scenario, against every annual need figure identified since the publication of the Barker Review in 2004, the extent of the shortfall in housing delivery in England is staggering and ranges from a shortfall of -1,105,490 to a shortfall

of -2,635,490 homes over the past 17 years depending on which annual target actual housing completions are measured against. The Barker Review and a wealth of other evidence regarding the extent of the national shortfall in housing delivery is included at **Appendix JS5**.

- 3.14 Analysis undertaken by Shelter and Savills in June 2020 identifies a range of scenarios for housebuilding recovery following the significant impact Covid-19 has had for the housebuilding industry and the wider economy in 2020 at **Appendix JS6**.
- 3.15 The scenarios anticipate that between 125,000 and 318,000 fewer new dwellings will be delivered in the five years 2020-2025, because of Covid-19, equating to a 9-23% drop in delivery. Of these, between 25,000 and 66,000 fewer affordable homes will be delivered (an 8-21% drop in delivery). Of these scenarios, the 'best case' assumes a rapid economic recovery (e.g. in light of medical advances) and the worst case assumes deeper and longer economic difficulties.
- 3.16 Shelter recommends boosting social housing provision in order to support overall housing output, with social housing demand being counter-cyclical to the prevailing wider economy. This merely serves to further compound the acute affordability problems that the country is facing.

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

- 3.17 The evidence is clear and, in my opinion, demonstrates the pressing requirement to build more homes to meet the significant level of unmet need, particularly for homes that are affordable. A shortfall of over 5.5 million homes accumulated since 1969 (see figure 3.1) is nothing short of a national scandal. The evidence suggests that failure to do so will present a risk to the future economic and social stability of the United Kingdom.

Affordable Housing Needs and Delivery

Section 4

Core Strategy Policy CS40

- 4.1 As discussed in the preceding part of this Proof of Evidence, the supporting text for adopted Core Strategy Policy CS40 identifies, by reference to the RSS and the 2007 SHMA (both clearly out of date), an annual need for a net additional 729-730 dwellings per annum to be provided as affordable housing units across the local planning authority. This equates to 30-40% of overall housing provision and across the twenty-two year plan period reaches some 16,060 dwellings.
- 4.2 Appendix 2 of the Core Strategy sets a notional monitoring target to deliver an average of at least 300 dwellings new affordable dwellings per annum across the latter thirteen year of the Plan period between 2013/14 and 2025/26. As discussed in Section 2 of this Proof, the monitoring target does not appear to have any relation to the objective assessments of affordable housing need as set out in the Strategic Housing Market Assessments.
- 4.3 It is noted that at page 76 of the Officers' Report into an application to delete an affordable housing condition at Oughtibridge Mill, Stocksbridge (reference 17/02624/OUT) (**Appendix JS7**), it is made clear that the relevant affordable housing need figure is that contained within the SHMA (2013) and in this context, the Officers' Report explains that *"Sheffield has a significant need for affordable housing, which is currently not being met"*. The fourth paragraph of page 77 notes the Council's position that the city-wide need (as opposed to the locally-specific need to Stocksbridge and Upper Don) is relevant, but the fifth paragraph also notes pressures on the local affordable housing stock with limited availability (citing an example of a one-bedroom bungalow which received 96 applications).

Sheffield Strategic Housing Market Assessment (November 2013) (CD3.28)

- 4.4 The Strategic Housing Market Assessment (SHMA) was prepared in November 2013 and updated in July 2019 to cover the period 2018-2023. The SHMAs represent the Council's main assessment of affordable housing needs for Sheffield.

- 4.5 The analysis within the SHMA 2013 is based upon meeting affordable housing need over a five year period from 2013 to 2018 and covers the housing market sub-areas across the City of Sheffield.
- 4.6 Table 6.1 of the SHMA 2013 sets out the calculation of the overall affordable housing need. It identifies an overall 'backlog' of 7,892 households who require affordable housing as they are in unsuitable housing, need to move, and cannot afford to move within the open market (sale or rent). If this backlog is to be addressed during a five year SHMA period, then this equates to an annual need for 1,578 dwellings per annum.
- 4.7 The table also goes on to consider newly arising need over the SHMA period from newly forming households and existing households falling into priority needs. This equates to 3,028 dwellings per annum.
- 4.8 Taking an annual forecast supply of 3,728 social re-lets, 18 shared ownership resales, 200 dwellings in the committed forward supply, and deducting an assumed annual average of 65 units taken out of the system (e.g. through Right to Buy or demolitions), the SHMA concludes that there is a supply of 3,881 dwellings per annum. However, this is not enough to address the total need of 4,606 dwellings per annum and **the SHMA concludes that this results in a net annual need for 725 additional dwellings**. This assumes that the backlog of existing households in affordable housing need is addressed within the five year period.
- 4.9 The NPPF requires a significant boost in the supply of housing. In my view backlog needs should be addressed within the first five years in line with the Sedgefield approach as indicated. This would also ensure that the same approach to addressing backlog needs is applied for both market and affordable housing with affordable housing dealt with in the same way as a shortfall in housing delivery. In this context, the Sheffield SHMA takes an appropriate approach.

**Sheffield Strategic Housing Market Assessment (2018, published July 2019)
(CD3.21)**

- 4.10 The 2018 update to the SHMA revises the various assumptions and inputs into the SHMA and presents an updated calculation of affordable housing needs for the period 2018 – 2023.
- 4.11 Table 6.1 of the SHMA 2018 sets out the updated calculation of the overall affordable housing need. It identifies an overall 'backlog' of 8,386 households who require affordable housing as they are in unsuitable housing, need to move, and cannot afford to move within the open market (sale or rent). This backlog is larger than was estimated

in the 2013 SHMA. If this backlog is to be addressed during a five year SHMA period, then this equates to an annual need for 1,677 dwellings per annum.

- 4.12 The table 6.1 also goes on to consider newly arising need over the SHMA period from newly forming households and existing households falling into priority needs. This equates to 1,891 dwellings per annum.
- 4.13 The supply of additional affordable dwellings equates to 2,666 dwellings per annum and is calculated with new inputs set out in table 6.1. Taking an updated annual forecast supply of 2,919 social re-lets, 14 shared ownership resales, 280 dwellings in the committed forward supply, and deducting an assumed annual average of 533 units taken out of the system (e.g. through Right to Buy or demolitions, and a significant increase from the level assumed in the 2013 SHMA), the 2018 SHMA concludes that there is a supply of 2,666 dwellings per annum.
- 4.14 **The SHMA 2018 concludes that there is a net annual need for 902 additional affordable dwellings.** As with the SHMA 2013, this assumes that the backlog of existing households in affordable housing need is addressed within the five year period. The net need in the SHMA 2018 is some 177 dwellings higher than the assessment in 2013.

Past Affordable Housing Delivery in Sheffield

- 4.15 The Council has supplied data on affordable housing delivery through its Freedom of Information Responses of 11 March 2020 and 14 May 2021 (**Appendix JS1**). As demonstrated by figure 4.1 in the fifteen monitoring years between 2004/05 at the start of the Plan period and 2019/20, the Council has observed average delivery of 1,468 dwellings per annum. However, of this, only 224 dwellings per annum on average, or 15%, were affordable. This falls far below the indicative range of 30 – 40% affordable housing that was identified in the Core Strategy. Delivery during the last three years (2017/18 to 2019/20) has been especially poor, with the proportion of affordable housing not even exceeding single figures.

Figure 4.1: Sheffield Additions to Affordable Housing Stock 2004/05 to 2019/20

Monitoring Period	Net Overall Housing Delivery	Affordable Housing Completions	Additions as a % of Net Overall Housing Delivery
2004/05	-101	118	-
2005/06	1,218	203	17%
2006/07	1,212	93	8%
2007/08	2,475	278	11%
2008/09	1,248	216	17%
2009/10	1,681	258	15%
2010/11	685	196	29%
2011/12	433	329	76%
2012/13	761	106	14%
2013/14	917	198	22%
2014/15	1,765	568	32%
2015/16	1,589	305	19%
2016/17	2,248	327	15%
2017/18	2,304	99	4%
2018/19	1,976	165	8%
2019/20	3,083	129	4%
Totals	23,492	3,588	15%
Annual average	1,468	224	15%

Source: FOI Response (11 March 2020 and 14 May 2021)

- 4.16 Figure 4.2 below compares rates of affordable delivery against the identified affordable housing needs contained within the SHMAs. Against the SHMA 2013 need figure, which represents an objective assessment of affordable housing need, a shortfall has arisen, of some 2,128 units over the five year SHMA period 2013/14 – 2017/18. This is a substantial shortfall. Against the SHMA 2018 requirement which is applicable for 2018/19 and 2019/20, a still sizeable shortfall of 1,510 dwellings against the requirement has been observed. Together, these equate to an underperformance of - 3,638 affordable houses against the prevailing affordable housing need figures which have been in effect over this seven year period.

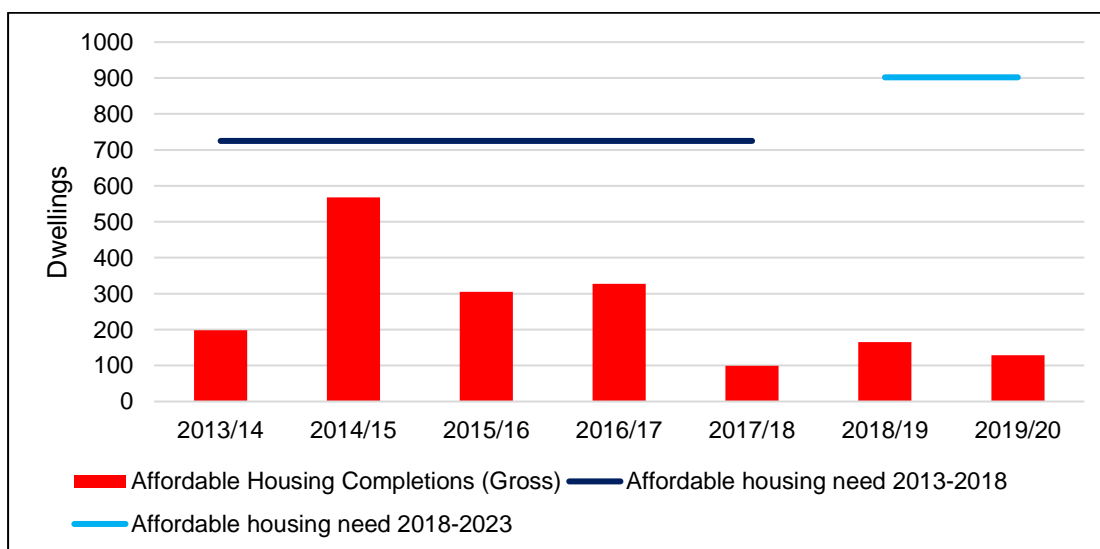
Figure 4.2: Sheffield Affordable Housing Completions performance against Core Strategy Indicator and Strategic Housing Market Assessment needs

Monitoring Period	Affordable Housing Completions	SHMA Requirement	Delivery performance against SHMA requirement
2013/14	198	725	-527
2014/15	568	725	-157
2015/16	305	725	-420
2016/17	327	725	-398
2017/18	99	725	-626
Subtotal 13/14 – 17/18	1,497	3,625	-2,128
2018/19	165	902	-737
2019/20	129	902	-773
Subtotal 18/19 – 19/20	294	1,804	-1,510
Totals	1,791	5,429	-3,638

Source: FOI Response (11 March 2020 and 14 May 2021); SHMA 2013 and 2018

- 4.17 The sheer scale of the shortfall in affordable housing delivery in Sheffield compared to needs identified in the Core Strategy is illustrated in figure 4.3. This shows the gulf between objectively assessed net affordable housing needs and actual net additions to affordable housing stock in Sheffield. This further demonstrates that there is a clear and pressing need to increase the delivery of affordable housing in Sheffield to address the identified needs and ever increasing backlog.

Figure 4.3: Sheffield Additions to Affordable Housing Stock Compared to Identified Needs, 2013/14 to 2019/20



Source: Core Strategy (2009); SHMA (2013); FOI Response (received 11 March 2020 and 14 May 2021)

Right to Buy Losses in Sheffield

- 4.18 Although additional affordable housing is being delivered in the Sheffield authority area (albeit not enough to meet identified needs) it is also important to take into account dwelling losses through the Right to Buy. Right to Buy sales permanently remove those dwellings from the stock of available housing, which could be used to meet the needs of over 32,000 households on the housing register (see Section 5 for further discussion of the register).
- 4.19 Over the sixteen-year period since 2004, there have been a total of 6,157 affordable homes lost in Sheffield through Right to Buy sales as illustrated by figure 4.4, equivalent to 385 affordable homes lost every year on average.

Figure 4.4: Social Housing lost through Right to Buy in Sheffield 2004/05 to 2019/20

Monitoring Period	Affordable Homes Lost Through Right to Buy in Sheffield
2004/05	1,375
2005/06	950
2006/07	578
2007/08	376
2008/09	106
2009/10	76
2010/11	88
2011/12	104
2012/13	149
2013/14	255
2014/15	288
2015/16	300
2016/17	384
2017/18	393
2018/19	361
2019/20	374
Total	6,157
Annual average	385

Source: FOI Response (received 11 March 2020 and 14 May 2021)

- 4.20 Notably, this figure is much higher than the working assumption used in the SHMA that 65 affordable dwellings are lost each year in Sheffield through Right to Buy or demolitions. The average over the last 15 years is 385 dwellings. Since the start of the SHMA 2013 period in 2013/14 the average is 330 dwellings lost through the Right to

Buy per annum. This is wholly different and significantly greater than the 65 expected in the 2013 SHMA.

- 4.21 The table below replicates figure 4.1 above but deducts right-to-buy losses from the net completions data.

Figure 4.5: Sheffield Net Additions to Affordable Housing Stock 2004/05 to 2019/20, net of right to buy losses

Monitoring Period	Net Overall Housing Delivery	Affordable Housing Completions	Right to Buy Losses	Net Additions / Losses to Affordable Housing Stock
2004/05	-101	118	1,375	-1,257
2005/06	1,218	203	950	-747
2006/07	1,212	93	578	-485
2007/08	2,475	278	376	-98
2008/09	1,248	216	106	110
2009/10	1,681	258	76	182
2010/11	685	196	88	108
2011/12	433	329	104	225
2012/13	761	106	149	-43
2013/14	917	198	255	-57
2014/15	1,765	568	288	280
2015/16	1,589	305	300	5
2016/17	2,248	327	384	-57
2017/18	2,304	99	393	-294
2018/19	1,976	165	361	-196
2019/20	3,083	129	374	-245
Totals	23,492	3,588	6,157	-2,569
Annual average	1,468	224	385	-161

Source: FOI Response (received 11 March 2020 and 14 May 2021)

- 4.22 This shows that, in Sheffield, Right to Buy losses have exceeded the new (gross) affordable housing delivery by a significant margin of some 2,569 dwellings since the start of the Core Strategy period in 2004/05.
- 4.23 The below table replicates table 4.2 above, taking into account Right to Buy losses, to illustrate performance against relevant SHMA needs. This shows a net negative performance against the targets. Against the SHMA 2013 need figure, which represents an objective assessment of affordable housing need, a shortfall has arisen, of some 3,748 units over the five year SHMA period 2013/14 – 2017/18. Against the

SHMA 2018 requirement which is applicable for 2018/19 and 2019/20, another sizeable shortfall of 2,245 dwellings against the requirement has been observed with an overall underperformance of 5,993 affordable dwellings against the prevailing identified needs figures.

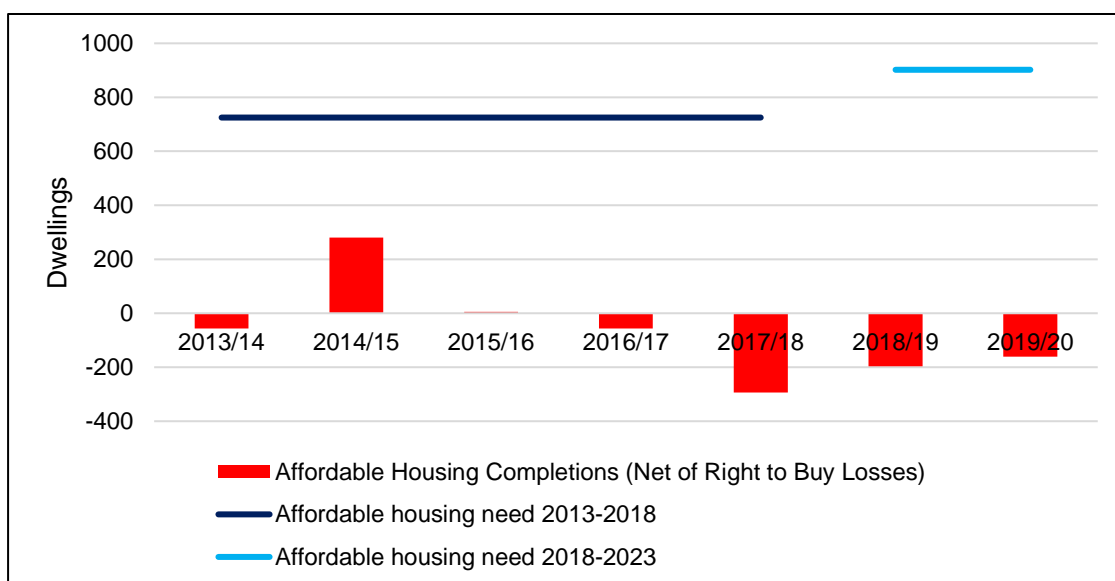
Figure 4.6: Sheffield Affordable Housing Completions performance against Core Strategy Indicator and Strategic Housing Market Assessment needs, net of Right to Buy losses

Monitoring Period	Net Additions / Losses to Affordable Housing Stock, accounting for Right to Buy	SHMA Requirement	Delivery performance against SHMA requirement
2013/14	-57	725	-782
2014/15	280	725	-445
2015/16	5	725	-720
2016/17	-57	725	-782
2017/18	-294	725	-1,019
Subtotal 13/14 – 17/18	-123	3,625	-3,748
2018/19	-196	902	-1,098
2019/20	-245	902	-1,147
Subtotal 18/19 – 19/20	-441	1804	-2,245
Totals	-564	5429	-5,993

Source: FOI Response (11 March 2020 and 14 May 2021); SHMA 2013 and 2018

- 4.24 Figure 4.7 below replicates the chart at figure 4.3 but takes Right to Buy losses into account. This again illustrates the gulf between identified needs for affordable housing, and the net delivery that is observed (including four years of net losses to the affordable housing stock).

Figure 4.7: Sheffield Additions to Affordable Housing Stock Compared to Identified Needs, 2013/14 to 2019/20, net of Right to Buy losses



Source: Core Strategy (2009); SHMA (2013); FOI Response (received 11 March 2020 and 14 May 2021)

- 4.25 The impact of Right to Buy losses was considered by the Secretary of State at the recovered appeal at North Worcestershire Golf Course, Birmingham (**CD5.8**). In that case, Right to Buy losses were also significant and almost counteracted the new (gross) affordable houses in its entirety, resulting in an overall increase of affordable provision of just 1% of total completions and 3% of affordable housing need. The Inspector noted at paragraph 9.49 of their report that:

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

- 4.26 In recommending approval (which was endorsed by the Secretary of State) the Inspector factored the substantial right to buy losses into their conclusions (paragraph 14.108 of the Inspector’s Report). The situation in Sheffield with a negative impact is even more stark than the meagre 3% positive position in Birmingham.
- 4.27 It is relevant to note that presently only 30% of Right to Buy receipts can be retained to use for affordable housing provision. In March 2021, the Government announced its intention to increase this percentage to 40% (**Appendix JS9**). Even taking this increase into account, this will mean that the sale of two homes will be necessary to

provide one new one which represents a threat to the supply of affordable homes in Sheffield.

- 4.28 This may in part explain why the Council has only achieved 521 Right to Buy replacements funded by receipts from Right to Buy sales since 2013/14 compared with 2,355 affordable homes lost through Right to Buy over the same period, as illustrated in figure 4.8. These completions are included within the overall gross affordable housing quoted above.

Figure 4.8: Sheffield Right to Buy Losses and Right to Buy Replacements Since 2013/14

Monitoring Period	Affordable Homes Lost Through Right to Buy in Sheffield	Affordable Homes Built with Right to Buy Receipts in Sheffield
2013/14	-255	+15
2014/15	-288	+52
2015/16	-300	+166
2016/17	-384	+79
2017/18	-393	+39
2018/19	-361	+69
2019/20	-374	+101
Total	-2,355	+521

Source: FOI Response (11 March 2020 and 14 May 2021)

- 4.29 At a national level almost two million households have exercised their Right to Buy since it was introduced in 1980. In July 2015, the Conservative Government published 'Fixing the Foundations: Creating a More Prosperous Nation' which confirms that the Government is committed to extending the Right to Buy to housing association tenants, noting that *"since the Right to Buy for council tenants was reinvigorated in the last Parliament, the number of sales has increased by nearly 320%"*.
- 4.30 In my opinion the extension of Right to Buy to Housing Association tenants will further increase the loss of existing affordable housing stock, putting increasing pressure on the need to deliver more affordable homes in Sheffield in the future.
- 4.31 The Government's Housing White Paper (February 2017) sets out at paragraph 4.22 that the reinvigoration of the Right to Buy scheme in 2012 which increased discounts significantly, has resulted in over 60,000 affordable homes being sold. This is equivalent to an average of 12,000 affordable homes lost per year, every year, on a national basis for the five year period between 2012 and 2017.

Affordable Housing Delivery in Stocksbridge and Upper Don Ward

- 4.32 In its original Freedom of Information response the Council advised that it does not hold details of the number of additional affordable dwellings delivered in Stocksbridge and Upper Don Ward. In the absence of such data, I have reviewed recent planning applications to understand the extent to which affordable housing has been delivered or permitted in the ward.
- 4.33 Figure 4.9 below shows all relevant sites and permissions for which planning permission for major residential development has been granted, in the period since 1 April 2013, the start of the 2013 SHMA period. It should be noted that under Guideline GAH1 of the CIL and Planning Obligations Supplementary Planning Document 2015, only developments of 15 dwellings or more attract a requirement to provide affordable housing.

Figure 4.9: Approved applications for major residential development in Stocksbridge and Upper Don Ward, 1 April 2013 onwards

Site	Application reference	No of dwellings	No of affordable dwellings	Notes
East of River Don, South West of Station Road, Deepcar	03/00020/OUT	c. 400	Not stated	Application material not clear as to whether affordable housing included.
	14/00318/FUL	413	0 due to non-viability	Site previously had benefit of permission 03/00020/OUT above. Application form shows no affordable dwellings.
	19/00054/FUL	428	0 due to non-viability	Revised application, considered by Planning Committee on 12/5/2020 and subject to resolution to grant permission. Officers' Report sets out extensive viability issues, confirms no affordable to be delivered.
Oughtibridge Mill, 22-24 Main Road, Wharncliffe Side, Sheffield	16/01169/OUT	320	32 – but superseded by S73 application and amended to 0	Original outline consent for redevelopment of paper mill site, superseded by S73 permission 17/02624/OUT to remove AH provision (see below)
	17/02624/OUT (see Appendix JS7)	320	0 – off-site commuted	S73 application pursuant to 11/01169/OUT. Council accepted affordable

Site	Application reference	No of dwellings	No of affordable dwellings	Notes
			sum instead	housing condition 22 to be deleted – no affordable delivery on-site (off-site contribution of £1.75m agreed instead through S106).
	18/04258/OUT	320	0	Further S73 application pursuant to 17/02624/OUT covering other conditions.
	19/03221/REM	284	0	Reserved matters approval by Barratt David Wilson pursuant to 18/04285/OUT. No affordable dwellings (covered by outline commuted sum).
	19/03222/FUL	13	0	13 additional dwellings on part of site not covered by outline permission. No affordable dwellings (covered by outline commuted sum).
Newton Grange, 1a Horner Close	13/01452/FUL	55	55 (net gain 25)	55 social rented older persons homes, <u>net gain of 25 social rented older persons' homes</u> (replacement for previous 30 units)
Land East Of Stocksbridge Steel Works Manchester Road	11/00384/FUL	140	0	Hybrid application with residential development in outline. Application S106 and forms do not refer to affordable housing.
	14/02318/REM	114	0	RMA pursuant to application 11/00384/FUL. No affordable dwellings.
	15/03695/REM	118	0	Revised RMA pursuant to application 11/00384/FUL (plot substitutions)
Cloverleaf Cars, Main Road, Wharncliffe Side	14/03782/FUL	11	0	No affordable dwellings contained in unilateral undertaking or on application forms. Site below 15 dwelling threshold for GAH1.
Stocksbridge Club And Institute New Road Stocksbridge	15/04551/FUL	10	0	No affordable units on application forms.

Site	Application reference	No of dwellings	No of affordable dwellings	Notes
Enterprise House, Site Adjacent To 1 Hunshelf Park	17/05131/FUL	10	0	No affordable units. Site below 15 dwelling threshold for GAH1.
Land Adjacent 14 Park Drive Way And 6 Patterson Close	18/00162/FUL	54	0	No affordable units on application forms. Officers' Report notes and accepts that affordable not deliverable due to viability.
Land At The Rear Of 13 And 42 Coppice Close, Sheffield	18/03869/FUL	26	3	3 affordable units included in S106 agreement
49 Pot House Lane Sheffield S36 1ES	17/01543/OUT	Not stated	Not stated	Outline approval subject to condition requiring submission of affordable housing scheme at RMA stage. Officers' report indicates requirement takes effect at 15 dwellings or more.
	19/04594/REM	14	0	Fewer than 15 dwellings proposed, so attracts no affordable housing requirement under GAH1.

Source: Sheffield City Council Planning Register

- 4.34 The table reveals the serious challenges in delivering affordable homes in Stocksbridge. The two largest sites are understood to have serious viability challenges.
- 4.35 Permission for the proposed development of Oughtibridge Mill for 320 dwellings, was first granted under reference 16/01169/OUT in 2016. In a section 73 application in 2017, reference 17/02624/OUT (see Officers' Report at **Appendix JS7**), the applicant successfully deleted the affordable housing condition 22, citing viability concerns and national Vacant Building Credit policy, in return for a commitment to provide £1.75m in financial contributions to be used across Sheffield.
- 4.36 Application 19/00054/FUL for development of 428 dwellings at Land East of River Don, South West of Station Road, is the latest in a series of applications at the site stretching back at least as far as 2003. On 12 May 2020 the Council resolved to grant planning permission for development with no affordable housing. It is understood from the Officers' Report that there are large abnormal costs associated with the site including construction of a road bridge, extensive site re-profiling, and remediation works.

- 4.37 Several other sites as listed in the table also have not delivered any affordable housing. The only two applications to be granted planning permission for affordable dwellings in Stocksbridge and Upper Don Ward are 13/01452/FUL for 55 apartments for older persons (replacing an existing building of 30 apartments, with a net gain of 25 apartments), and application 18/03869/FUL at Land At The Rear Of 13 And 42 Coppice Close for 26 dwellings of which three are affordable, as secured through the Section 106 agreement.
- 4.38 It is deeply disappointing that, in the seven years that have elapsed since the start of the SHMA period, it would appear that only three new affordable homes for general needs housing have been permitted in Stocksbridge and Upper Don Ward. The Council's FoI response confirms that on 1 April 2020 there were 1,014 affordable dwellings in the Ward – the three additional affordable homes equate to just 0.3% of this.

Right to Buy Losses in Stocksbridge and Upper Don Ward

- 4.39 In the sixteen-year period since the start of the Core Strategy period a total of 100 affordable homes have been lost through social housing tenants exercising their Right to Buy in Stocksbridge and Upper Don ward, as shown in figure 4.9, this is equivalent to an average of just over six affordable homes lost from stock every year since 2004. This is a troubling situation for those that need assistance with their housing needs in Stocksbridge and Upper Don ward, especially given the low rate of affordable housing completions observed during this period.
- 4.40 In the context of the low rate of permissions for affordable housing set out at Figure 4.9 above, it is concerning that the rate of Right to Buy losses since the start of the SHMA period on 1 April 2013 stands at 45 dwellings, considerably more than the net increase of 3 general needs affordable dwellings which received permission in that same timescale.

Figure 4.10: Social Housing Lost through Right to Buy in Stocksbridge and Upper Don Ward from 2004/05 to 2019/20

Monitoring Period	Affordable Homes Lost Through Right to Buy in Stocksbridge and Upper Don Ward
2004/05	22
2005/06	16
2006/07	4
2007/08	5
2008/09	2
2009/10	0
2010/11	0
2011/12	3
2012/13	3
2013/14	7
2014/15	1
2015/16	8
2016/17	7
2017/18	7
2018/19	8
2019/20	7
Total	100

Source: FOI Response (11 March 2020 and 14 May 2021)

Conclusions on Affordable Housing Needs and Delivery

- 4.41 Successive plans and evidence base documents have identified a significant affordable housing need in Sheffield. The Core Strategy, which was based upon the 2008 SHMA, identified a figure of 729 affordable dwellings per annum; the extant Regional Spatial Strategy identified an almost-identical figure of 730 dwellings per annum, and the SHMA in 2013 identifies a similar figure of 725 affordable dwellings per annum. The updated SHMA in 2018 identified a higher still figure of 902 affordable dwellings per annum. Each of these covers different timescales so for the purposes of my assessment I have used the objectively assessed affordable housing needs in the 2013 SHMA covering the period 2013-2018, and the 2018 SHMA covering the period 2018-2023.
- 4.42 In my opinion the evidence demonstrates a desperately **chronic and acute** need for affordable housing in Sheffield. Affordable housing delivery has failed to keep pace with the identified needs in the SHMA by a substantial margin. It is important to note

that this persistent failure to meet affordable housing needs is affecting real people in real need, now.

- 4.43 What is yet more startling is the fact that existing affordable housing in Sheffield is being sold under the Right to Buy more quickly than it is being replaced. Against the SHMA 2013 requirement of 725 dwellings per annum between 2013/14 and 2017/18, the Right to Buy losses mean that there are 3,748 fewer affordable homes in the housing stock than was required in that timeframe. Against the SHMA 2018 requirement of 902 dwellings per annum between 2018/19 and 2022/23, the Right to Buy losses mean that over 2018/19 and 2019/20, there are 2,245 fewer affordable homes in the housing stock than required to date. To make a simple analogy, the situation is like trying to fill a bath without the plug in – utterly useless.
- 4.44 At the ward level, the delivery of affordable housing is deeply disappointing and mirrors the city-wide situation. Right to Buy sales indicate that since the start of the Core Strategy period, some 100 affordable homes have been lost in Stocksbridge and Upper Don Ward through the Right to Buy. Since the start of the SHMA period in 2013, 45 affordable homes have been lost. This compares with permission being granted for 3 general needs affordable homes in the ward during that same time frame. For somebody seeking affordable housing in Stocksbridge and Upper Don, the prospects are bleak.
- 4.45 The scale of the challenge facing Sheffield is vast. There is a significant backlog of households in affordable housing need but delivery is falling so far short that there are fewer affordable houses available, year on year, to meet those needs. One might be tempted to consider that the delivery of 10% affordable housing as part of the proposed development is a ‘drop in the ocean’ in light of this. But it is also vital to remember that each additional affordable dwelling offers significant, tangible benefits to its occupants, who will benefit from a high-quality new home, suitable for their needs at an affordable price, and with security of tenure. There has been a net underperformance of 5,993 affordable dwellings in Sheffield against the identified needs in the 2015 and 2018 SHMAs, taking into account Right to Buy sales. In this context, there is therefore no doubt in my mind that the provision of 10% affordable homes on this site to address needs in Stocksbridge and Sheffield City should be afforded **substantial weight** in the determination of this appeal.

Affordability Indicators

Section 5

Market Signals

- 5.1 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.

Sheffield Housing Register

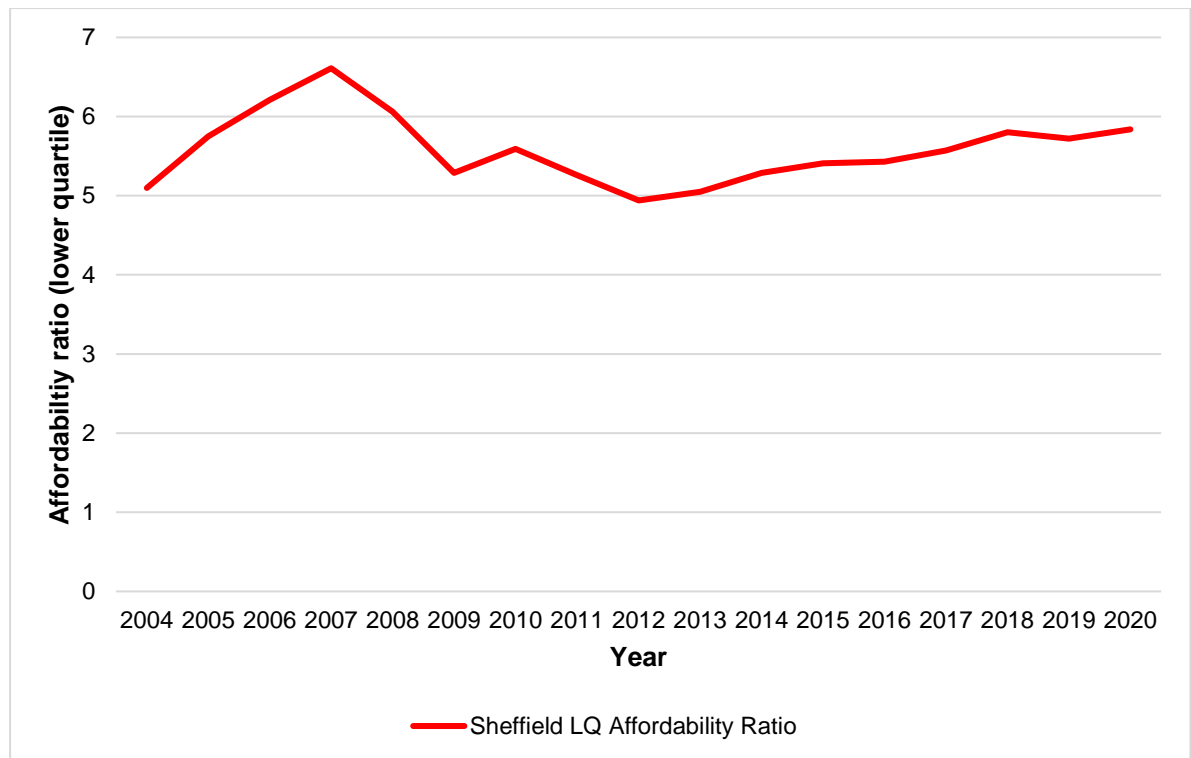
- 5.2 The Council's FoI response dated 14 May 2021 (**Appendix JS1**) confirms that as of 25 March 2021, there were **32,026 households** on the Council's Housing Register.
- 5.3 In March 2013, Sheffield City Council introduced changes to its Housing Allocations Policy following changes brought in through the Localism Act 2011 which allowed local authorities to define their own criteria for those who can apply for affordable housing.
- 5.4 The Housing Allocation Policy in Sheffield provides useful background. It notes that historically before 2013, many households joined the Housing Register as an 'insurance policy' and that at one point, 36% of all households in Sheffield were on the register (indeed, the data shows a peak of some 97,818 households in 2008/09). However, the March 2013 changes cut the housing register significantly by requiring households to make bids on houses, therefore reducing the number of inactive households from the register. It is therefore the case that those households that remain (32,026) on the register are actively looking to obtain affordable housing.

Affordability Ratios

- 5.5 ONS publish affordability ratios each year comparing average house prices with average workplace-based earnings. At the median level, the ratio of prices to earnings in Sheffield has increased from 5.03 times earnings in 2004/05 to 5.79 times earnings in 2020/21, representing a 15.1% increase. For context, mortgages are typically lent on a rate of no more than 4.5 times earnings, so prospective homeowners would require a substantial deposit in order to overcome the gap between borrowing limits and house prices.

- 5.6 For those seeking to purchase a lower quartile priced property (typically considered to be the most affordable segment of the housing market), the ratio of lower quartile house prices to lower quartile incomes has increased from 5.10 in 2004/05 to 5.84 in 2020/21, equivalent to a 14.5% increase. A peak in the affordability ratio was observed in 2007 before the financial crisis (6.61 times earnings); since then, the ratio has steadily increased from its lowest level in 2012.

Figure 5.1: Lower Quartile Affordability Ratios 2004/05 to 2019/20

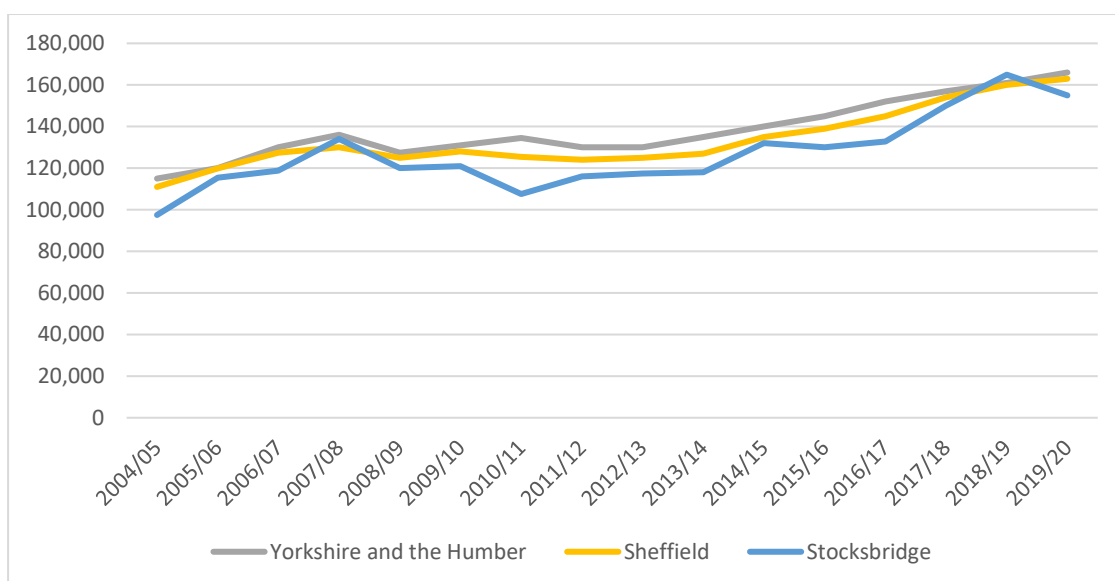


Source: ONS

Market Conditions in Sheffield and in Stocksbridge

- 5.7 In 2019/20 the median house price in Stocksbridge ward was £164,950, an increase of more than 33% since the start of the Plan period in 2004/05. Compared with the increase of 31% for Sheffield as a whole, and 27% for the Yorkshire and the Humber region over the same period, it is clear that Stocksbridge has become less affordable over time than the city or the region.

Figure 5.2: Median House Price Comparison 2004/05 to 2019/20

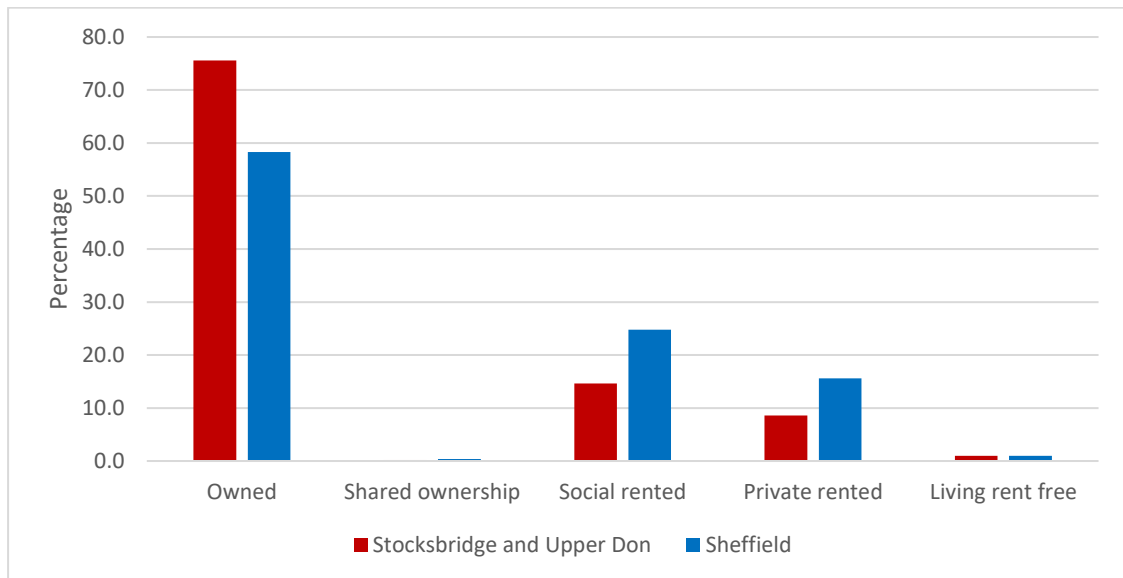


Source: ONS Dataset 9. Median price paid for administrative geographies & ONS Dataset 37. Median price paid by ward

Tenure Profile in Sheffield and Stocksbridge

- 5.8 Figure 5.3 illustrates the breakdown of tenures within Sheffield, identified through the 2011 Census. Owner occupation by far represents the largest tenure typology, with 59.6% of households owned outright or with a mortgage.
- 5.9 By comparison only 24.8% of households in Sheffield were social rent/affordable rent and just 0.4% of the households were shared ownership properties.
- 5.10 The tenure breakdown in Stocksbridge and Upper Don - where the appeal site is located - is notably different that of the Sheffield. As figure 5.3 illustrates within Stocksbridge and Upper Don there is a lower proportion of social rent/affordable rented properties (14.6%), and shared ownership properties are notably scarce (0.2%, or just 14 households). Owner occupiers are the most dominant tenure typology by a considerable way with some 75.6% of Stocksbridge and Upper Don falling into this category.

Figure 5.3: Tenure Breakdown for Stocksbridge and Upper Don and Sheffield



Source: 2011 Census

- 5.11 The appeal proposals will contribute towards improving the availability of social housing. It also presents the opportunity to deliver additional shared ownership homes which will help to bolster the existing meagre supply in Stocksbridge and Upper Don. This accords with the objectives of paragraph 62b of the Framework which supports the on-site delivery of affordable housing in creating mixed and balanced communities.

Conclusions on Affordability Indicators

- 5.12 Analysis of market signals is critical in understanding the affordability of housing. It is my opinion that worsening affordability indicators underline the scale of the housing crisis in Sheffield, with a median average house price to average income ratio of 5.79. The picture for those seeking to purchase a lower quartile priced property (typically considered to be the more affordable segment of the housing market) is just as bleak with lower quartile house prices now 5.84 times lower quartile incomes, a 14.5% increase since the start of the Core Strategy period in 2004/5. These ratios considerably exceed what a prospective homeowner could typically expect to borrow.
- 5.13 The existing stock in Stocksbridge and Upper Don ward is dominated by owner occupiers (75.6%) with just 14.6% of stock being affordable and just 14 shared ownership households. The appeal proposals would deliver additional affordable housing, which could include shared ownership subject to agreement at the reserved matters stage.

- 5.14 Such increases in social housing provision have elsewhere been attributed very substantial weight by Inspectors. The importance of the analysis of such data was acknowledged in the Inspector's appeal decision concerning Cornerways, Twyning in Tewkesbury (**CD5.42**) where in considering affordable housing provision through the appeal scheme, he stated that:

"The significance of this scheme in meeting the needs of different groups in the Borough, as required by paragraph 50 of the Framework, is underlined by the stark figure that this scheme alone would result in a 100% increase in shared ownership properties in the Parish of Twyning, as well as a 27% increase in social rented properties. Those figures are a powerful illustration of the extent to which the proposed development would contribute to creating a more mixed and balanced community, which is a key Government objective" (paragraph 65).

- 5.15 In 2019/20 the median house price in Stocksbridge and Upper Don ward was £155,000, an increase of 33% since the start of the Plan period in 2004/05. This rate of increase is much faster than that observed in Sheffield (31%) and the regional level (27%). I consider that in light of the market signals, there is clearly a substantial need for the affordable homes that the appeal proposals would provide.

The Forward Supply of Affordable Housing

Section 6

Council Initiatives to Deliver Affordable Housing

- 6.1 To support the delivery of affordable housing in the city, Sheffield City Council proposes to deliver housing, including affordable housing.
- 6.2 As set out in Section 3 of this Statement, Page 30 of the Council's Corporate Plan 2015-2018 sets out the Council's intentions to build new homes and council homes. It includes a target to deliver 4,600 new dwellings in total over the three-year Corporate Plan period. It notes that the Council intends to provide 750 of these additional council houses, noting that "*New council housing will be designed to meet the shortfall of some housing types*".
- 6.3 The Council's Five Year Housing Land Supply Monitoring Report, dated December 2020 (5YHLS Monitoring Report) (**CD3.7a**), identifies that sites will be delivered by Sheffield Housing Company (SHC) and within the Stock Increase Programme (SIP). Paragraph 3.26 of the 5YHLS Monitoring Report explains that the SHC is a joint commercial venture with Keepmoat Homes and Great Places. Paragraph 3.28 of the report explains that the SIP is a programme under which the Council intends to borrow monies to invest in affordable housing.

Sheffield Housing Company

- 6.4 Sheffield Housing Company sites are developed as part of a commercial joint venture on land owned by the City Council.
- 6.5 SHC sites listed in the supply include;
- Brearley Forge: 106 dwellings;
 - Musgrave Road Housing Clearance Site: 42 dwellings;
 - Wulfric Road/ Windy House Road, Manor: 24 dwellings;
 - Harborough Rise, Manor Castle: 47 dwellings;
 - Manor Park Avenue: 101 dwellings;
 - Kenninghall Drive, Norfolk Park: 114 dwellings;

- Daresbury Drive Maisonettes: 37 dwellings;
- Claywood Tower Blocks: 40 dwellings;
- Mansell Crescent / Mansell Road: 58 dwellings;
- The Circle / Fretson Road: 210 dwellings;
- Deerlands Avenue: 32 dwellings.

6.6 Of these sites, only Brearley Forge, Harborough Rise, Manor Park Village and The Circle have the benefit of planning permission². A review of planning application documents indicates that these sites are 100% open market housing and deliver no affordable dwellings nor off-site financial contributions.

Stock Increase Programme

6.7 The SIP is focused upon delivering additional affordable housing, with the Council taking advantage of new flexibilities to finance the delivery of new homes.

6.8 SIP sites listed in the supply include;

- Weakland Drive, Weakland Crescent: 36 dwellings;
- Land at Daresbury View; 10 dwellings;
- Hemsworth Primary School, Blackstock Road; 80 dwellings (older persons accommodation);
- Harborough Ave/ Vikinglea Drive, Manor: 87 dwellings;
- Gaunt Road: 19 dwellings;
- Berners Place/Berners Road: 63 dwellings;
- Algar Place/Algar Road: 121 dwellings;
- Scowerdons Phases 1b, 1c, 2, 4, 5, 6: 268 dwellings
- Newstead Estate, Birley: 213 dwellings

6.9 It is noted that only the first two sites on this list have the benefit of planning permission, with the remaining seven sites being identified on the Brownfield Register. Taking these sites 'as read' in term of delivery (although Mr Bolton challenges several of them), the SIP has a pipeline of 894 affordable dwellings. Whilst this is a significant

² References 17/05190/FUL, 20/00013/FUL, 20/00014/FUL, 20/00015/FUL

potential increase in the supply of affordable housing, it equates to slightly less than one year's identified affordable housing need of 902 dwellings per annum in the 2018 SHMA.

- 6.10 Whilst the SIP is a welcome source of additional affordable housing supply, it is unlikely to meet identified affordable housing needs – particularly in the context of a housing register of almost 24,000 applicants. It is essential that additional sites can come forward to supplement the supply.

Affordable Housing through Section 106 Planning Obligations

- 6.11 Affordable housing in the City of Sheffield can come forward on development sites as required under Core Strategy Policy CS40 and the CIL and Planning Obligations SPD 2015. However, the amount of affordable housing that can be secured may vary depending upon the site's location in the city (with certain parts of Sheffield being subject to 0% affordable housing requirements as shown in Figure 2.1 of this Evidence) or development viability.
- 6.12 A review of the sites contained within the 5YHLS Monitoring Report with planning permission (as listed within Appendices 1 and 2 of the 5YHLS report) shows that few of the permissioned sites are delivering affordable housing. My analysis of the supply is detailed **at Appendix JS10**. I have accepted the Council's assessment of deliverability and I have not sought to discount sites from this supply as Mr Bolton does. Figure 6.1 below provides an overview of the total number of sites by zone, the number of sites delivering affordable housing on-site, and the number of sites making off-site financial contributions.

Figure 6.1: Summary of Affordable Housing Delivery on Permissioned Sites in Sheffield

Zone	All major sites with planning permission	Sites delivering on-site affordable housing	On-site affordable houses to be delivered	Sites delivering financial contribution	Financial contribution (£)
0% Zones	68	5	236	0	£0
10% Zones	56	4	47	8	£3,508,877
30% Zones	11	2	65	1	£121,346
Total	135	11	348	9	£3,630,223

Source: Review of sites in Five Year Housing Land Supply Monitoring Report, dated December 2020

- 6.13 The table shows that of 135 sites with planning permission in the Council's claimed supply, only 11 sites are delivering on-site affordable homes totalling 348 units, and a further 9 sites are delivering financial contributions totalling £3,630,223.
- 6.14 This assumes that all sites counted in the supply are deliverable and is without prejudice to the detailed five year supply assessment undertaken by Mr Bolton on behalf of the Appellant.
- 6.15 Ironically, it is noted that delivery of affordable housing in the 0% zones is supplemented through the delivery of 100% affordable housing schemes, which are not required to provide affordable housing under policy.
- 6.16 A review of the supply also shows that several sites are either student accommodation or permitted development and therefore do not attract an affordable housing requirement, or fall below the 15-dwelling threshold set out in GAH1.
- 6.17 The financial contributions will make only a limited impact on the delivery of affordable homes. The Government consultation paper on reforms to Right to Buy in 2019 (**Appendix JS8**) set out that average build costs in 2018/19 for schemes funded by Right to Buy receipts were £113,000 per dwelling in the North East and Yorkshire and the Humber. At best, a contribution of £3,630,223 would be sufficient to fund the delivery of an additional 32 affordable dwellings or about 6 a year.
- 6.18 In summary, the Council's pipeline supply of development sites with planning permission as set out in its 5YHLS Monitoring Report will yield around 348 affordable dwellings (or 70 a year) and funding to secure delivery of an estimated 32 dwellings (6 a year). This gives a possible yield of around 380 additional affordable dwellings or 76 a year. This equates to a maximum of just 0.42 years' delivery against the SHMA 2018 identified need of 902 affordable dwellings per annum.

Conclusions on the Forward Supply of Affordable Housing

- 6.19 The future supply of affordable housing in Sheffield falls very far short of meeting identified needs. Consequently, the prospect of many of the 32,000 households on the housing register having their housing needs met anytime soon is bleak.
- 6.20 The Sheffield Housing Company is a commercial joint venture by the City Council. It does not specifically set out to provide affordable housing and the sites which it has secured permission for do not deliver affordable housing.
- 6.21 The Stock Increase Programme is a welcome initiative by the Council with a pipeline of 894 affordable dwellings, yet this is the equivalent of just under one year's affordable

housing need of 902 affordable dwellings set out in the 2018 SHMA. It should be noted that only two of the SIP sites have the benefit of planning permission and that dwellings from the SIP are likely to be delivered beyond the current SHMA period which ends in 2023.

- 6.22 Other development sites are likely to yield around 348 affordable dwellings and funding to secure delivery of an estimated 32 dwellings. yet this is the equivalent of only 0.42 years' affordable housing need of 902 affordable dwellings set out in the 2018 SHMA.
- 6.23 These sources are summarised in Figure 6.2 below.

Figure 6.2: Summary of affordable housing future supply

Source of supply	Potential future yield of affordable dwellings
Sheffield Housing Company	0
Stock Increase Programme	894
Development sites: on-site contributions	348
Development sites; financial contributions	32 (estimated)
Total	1,274

Source: Review of sites in Five Year Housing Land Supply Monitoring Report, dated December 2020

- 6.24 The Council's affordable housing pipeline, in total, is likely to secure around 1,274 affordable dwellings. This is equivalent to just 1.41 years' of affordable housing need. This is in the context where:
- an underperformance of -1,098 dwellings has already been observed in the monitoring year 2018/19;
 - the Council will achieve a net increase of just 172 additional affordable units when accounting for the past underperformance.
- 6.25 Together, these show that the forward supply of affordable housing falls dramatically short of meeting identified affordable housing need and risks prolonging the chronic and acute shortage of affordable housing in the City of Sheffield. It is critical that the Council seizes every opportunity to deliver affordable housing; every single additional affordable dwelling will help to ameliorate this desperate situation. At present the prospects for people in housing need having their needs met anytime soon appear bleak.

The Weight to be Attributed to the Proposed Affordable Housing Provision

Section 7

Introduction

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

The Need for Affordable Housing

- 7.2 The National Housing Strategy sets out that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.
- 7.3 In Sheffield, the Right to Buy losses during the Plan period have been substantial. The rate of losses has exceeded the rate of delivery and this has been the case since 2004/05, resulting in a net decrease of affordable housing in Sheffield.
- 7.4 When taking Right to Buy losses into account, against the 2013 SHMA need of 725 dwellings per annum over a five year period 2013-2018 (totalling 3,625 dwellings over the five years), the Council has observed a net loss of 123 dwellings in that period – a net underperformance of 3,748 dwellings.. Against the 2018 SHMA requirement of 902 dwellings per annum over a five year period 2018-2023, for the monitoring year 2018/19 and 2019/20, a net loss of 441 dwellings was observed, equating to a net underperformance of 2,245 dwellings. The combined net loss position is 5,993.
- 7.5 In Stocksbridge and Upper Don Ward, the delivery of affordable housing is similarly poor, with most recent major developments delivering no affordable housing at all. In fact, only three general purpose affordable homes have received planning permission in the Ward since the start of the SHMA period in 2013. In the same timeframe, 45 affordable homes have been lost from the housing stock through the Right to Buy.
- 7.6 This record of delivery and the diminishing stock of affordable housing should be viewed in the context of the fact that at 25 March 2021 there were a total of 32,026

households on the Housing Register with an identified need for an affordable home in Sheffield. These are real people, in real housing need, now.

- 7.7 The Council is seeking to deliver affordable homes through a Stock Increase Programme. This has a pipeline of some 894 dwellings however this equates to only just short of one year's identified affordable housing need of 902 dwellings per annum in the 2018 SHMA. A further 380 dwellings are estimated as coming forward on development sites through on-site contributions or financial contributions, equivalent to only 0.42 years' identified need of 902 dwellings per annum. In total, the 1,274 dwellings in the forward supply pipeline equate to just 1.4 years' of affordable housing need over the next 5 years.
- 7.8 The acute level of affordable housing need will detrimentally affect the ability of people to lead the best lives they can. The National Housing Strategy requires urgent action to build new homes, acknowledging the significant social consequences of failure to do so.
- 7.9 The importance of meeting affordable housing needs is underlined through decisions such as that at the Oxford Brookes University, Wheatley Campus, College Close, Wheatley, Oxford, dated 23 April 2020 (**CD5.38**). Inspector DM Young asserted that in the context of a lengthy housing register that *"It is sometimes easy to reduce arguments of housing need to a mathematical exercise, but each one of those households represents a real person or family in urgent need who have been let down by a persistent failure to deliver enough affordable houses"* (my emphasis).
- 7.10 He went on to state that *"Although affordable housing need is not unique to this district, that argument is of little comfort to those on the waiting list"* before concluding that *"Given the importance attached to housing delivery that meets the needs of groups with specific housing requirements and economic growth in paragraphs 59 and 80 of the Framework, these benefits are considerations of substantial weight"* (my emphasis).
- 7.11 In the planning balance the Inspector stated that, *"The Framework attaches great importance to housing delivery that meets the needs of groups with specific housing requirements. In that context and given the seriousness of the affordable housing shortage in South Oxfordshire, described as "acute" by the Council, the delivery of up to 500 houses, 173 of which would be affordable, has to be afforded very substantial weight"* (my emphasis).

- 7.12 In addition to the shortfall in delivery against the identified needs for affordable housing identified in the Core Strategy and the SHMA, other indicators further point to worsening affordability issues in Sheffield.
- 7.13 This demonstrates an acute need for affordable housing in Sheffield and one which the Council and decision makers need to do as much as possible to seek to address. Indeed, they are required to do so, and proactively, by the revised NPPF.
- 7.14 In light of the substantial affordable housing need in Sheffield, one may be tempted to consider the delivery of 9 affordable dwellings to be a ‘drop in the ocean’. However, the benefits of affordable housing delivery are not generic or transferable. The benefits need to be considered on an individual basis as part of this appeal.
- 7.15 This was set out by Inspector PW Clark in determining two conjoined appeals at Norton, Ryedale (**CD5.39**). At paragraph 72 of the decision, he states:
- “72. 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”* (emphasis added).
- 7.16 In a similar fashion, Inspector N Fagan considered the same issue in determining an appeal at Coalpit Heath, South Gloucestershire (**CD5.40**). At paragraph 61 of the decision, he states:
- “The fact that the much needed AH [affordable housing] and CBH [custom build housing] are elements that are no more than that required by policy is irrelevant – they would still comprise significant social benefits that merit substantial weight”* (emphasis added).
- 7.17 In determining a scheme that secured 21 affordable dwellings at Fountain Lane, Davenham (**CD5.41**), Inspector W Fieldhouse concluded that significant weight should be attributed to the benefit of affordable housing in the context of a shortfall of affordable housing. Paragraph 42 of the decision states that *“given the need to deliver affordable homes in the area and the fact that recent levels of provision have been below identified requirements, I attach significant weight to the social and economic benefits associated with the proposal”*. This confirms that even a (comparatively)

modest number of affordable dwellings can carry significant weight in the planning balance.

The Weight to be Afforded to the Proposed Affordable Housing

- 7.18 The NPPF is clear at paragraph 31 that policies should be underpinned by relevant up-to-date evidence which is adequate and proportionate and takes into account relevant market signals.
- 7.19 Paragraph 59 of the NPPF sets out the Governments clear objective of “*significantly boosting the supply of homes*” with paragraph 60 setting out that in order to “*determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment*”. The NPPF requires local authorities at paragraph 61 to assess and reflect in planning policies the size, type and tenure of housing needed for different groups, “*including those who require affordable housing*”.
- 7.20 Over the sixteen year period between 2004/05 and 2019/20 there has been a record of persistent under delivery of affordable homes in Sheffield. The Council has underperformed against its own monitoring targets and significantly underperformed against its identified requirements in the SHMA – and this is before deducting any of the Right to Buy losses.
- 7.21 Against this scale of need, there can be no doubt in my mind that the provision of 10% affordable homes on the appeal site should attract **substantial weight** in the determination of this appeal.

Conclusions on Weight to be Attributed to the Proposed Affordable Housing Provision

- 7.22 I consider that the evidence demonstrates that there is a chronic and acute need for affordable housing in Sheffield. The 2013 SHMA found there to be an objectively assessed need for 725 net affordable dwellings per annum, and the 2018 SHMA found a higher need still for 902 net affordable dwellings per annum. This should be viewed in the context of the Council having only achieved an average 224 affordable housing completions per annum in the past 16 years of the Core Strategy period. That is before any units are deducted to reflect Right to Buy sales; once these are taken into account, this results in an annual average net loss of 161 affordable dwellings during the whole of the Core Strategy period. This record of delivery suggests that the Council is losing affordable housing stock through the Right to Buy quicker than it is being replaced.

- 7.23 There were 32,026 households on the Council's Housing Register at 25 March 2021 with an identified need for an affordable home in Sheffield. These are real people, in real need, now. In my opinion there is a significant need for new affordable homes in Sheffield.
- 7.24 The appeal proposal offers 10% affordable housing by gross internal area to be secured through the planning obligation, which meets the requirements of Policy CS40 of the Core Strategy, equivalent to the provision of 9 affordable dwellings. It is my view that this will make a meaningful and welcome contribution to meeting the identified needs in Sheffield in the context of an authority where delivery has otherwise been so far below identified requirements.
- 7.25 Given Sheffield City Council's poor performance towards meeting its identified housing needs across the City, I consider that **substantial weight** should be afforded to the delivery of affordable housing through the appeal scheme in the planning balance.

Summary and Conclusions

Section 8

- 8.1 Britain is in the midst of an undisputed housing crisis. The National Housing Strategy states that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.
- 8.2 The revised NPPF sets out the Government's clear objective of "*significantly boosting the supply of homes*". Locally, providing affordable housing is a key objective of Sheffield City Council, which recognises the importance of affordable housing provision in an array of corporate documents.
- 8.3 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.
- 8.4 The 2013 SHMA identified a need of 725 dwellings per annum over a five year period 2013-2018 (totalling 3,625 dwellings over the five years). For those five years, the Council delivered 1,497 affordable dwellings in that period – a net underperformance of 2,128 dwellings. The more recent 2018 SHMA identified a requirement of 902 dwellings per annum over a five-year period 2018-2023. For the monitoring period 2018/19 and 2019/20, the Council delivered 294 affordable dwellings – an underperformance of 1,510 dwellings.
- 8.5 Moreover, Right to Buy losses during the Plan period have been substantial. The rate of losses is indeed higher than the rate of delivery and this has been the case since 2004/05, resulting in a net decrease of affordable housing in Sheffield.
- 8.6 When taking Right to Buy losses into account, against the 2013 SHMA need of 725 dwellings per annum over a five year period 2013-2018 (totalling 3,625 dwellings over the five years), the Council has observed a net loss of 123 dwellings in that period – a net underperformance of 3,748 dwellings. Against the 2018 SHMA requirement of 902 dwellings per annum over a five year period 2018-2023, for the monitoring year 2018/19 and 2019/20, a net loss of 441 dwellings was observed, equating to a net underperformance of 2,245 dwellings. The combined effect is a net under provision of 5,993 over the seven year period against the prevailing SHMA need figures.

- 8.7 Given historic rates of affordable housing delivery in Sheffield, there appears to be little prospect of the backlog affordable housing needs being met without a substantial boost.
- 8.8 Within Sheffield as a whole and Stocksbridge and Upper Don ward, there has been a persistent shortfall in delivery against identified needs and targets.
- 8.9 In Stocksbridge and Upper Don ward, permission has been granted for only 28 net additional affordable dwellings since the start of the SHMA period in April 2013, 25 of which are for older persons, leaving just 3 dwellings as general needs housing. In that same period, 45 dwellings were lost through the Right to Buy.
- 8.10 It is important to view this in the context of the 32,036 households on the Housing Register in Sheffield at 25 March 2021. It is important not to lose sight of the fact that these are real people, in real housing need, now.
- 8.11 House buying is now out of reach for many people in Sheffield. The Office for National Statistics report that the average house price to average income ratio in Sheffield now stands at 5.79. For those seeking a home in the Sheffield lower quartile property market, the ratio of house prices to incomes stands at 5.84.
- 8.12 The future supply of affordable housing in Sheffield is far less than is needed, with an estimated forward supply of 1,274 affordable dwellings in the Council's pipeline supply (through the Stock Increase Programme and through contributions made on development sites). If all of this is delivered, this equates to just 1.4 years' supply against the SHMA 2018's identified need figure of 902 affordable dwellings per annum over the five years 2018-2023.. The acute level of affordable housing need coupled with worsening affordability will detrimentally affect the ability of people to lead the best lives they can. The National Housing Strategy requires urgent action to build new homes, acknowledging the significant social consequences of failure to do so.
- 8.13 Within Stocksbridge and Upper Don ward, and Sheffield City, the appeal proposals would make a meaningful contribution towards broadening the type and mix of dwellings, including the provision of much needed affordable homes,
- 8.14 What is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is absolutely essential to arrest the housing crisis and prevent further worsening of the situation.

- 8.15 Against the scale of unmet need in Sheffield, there is no doubt in my mind that the provision of 10% affordable homes will make a meaningful contribution to meeting the housing needs of real people. In light of all the evidence – and particularly the scale of the challenge facing Sheffield in delivering affordable housing, I consider that it should be afforded **substantial weight** in the determination of this appeal.

Appendix JS1

Freedom of Information Correspondence
(received 11 March 2020 and 14 May 2021)

Jamie Roberts

From: Furniss Spencer (CEX) <Spencer.Furniss@sheffield.gov.uk> on behalf of FOI <FOI@sheffield.gov.uk>
Sent: 11 March 2020 14:53
To: Jamie Roberts
Subject: Response – Freedom of Information Request – Reference – FOI / 1688
Attachments: FOI 1688 No. of PRTB Property sales.xlsx; FOI 1688.xlsx

Dear Jamie Roberts,

Thank you for your recent request for information relating to housing register and Stocksbridge preference which we received on 12/02/2020.

Please find below and attached, Sheffield City Council's response to your request:

1. The total number of households on the Council's Housing Register at 1st April 2019.

At 1st April 2019 there were 32,393 active applications on the housing register.

2. The total number of households on the Council's Housing Register at 1st April 2019 specifying Stocksbridge Civil Parish as their preferred choice of location.

We do not hold this information as we do not ask applicants for a preferred choice of location.

3. The average waiting times at 1 April 2017 and 1 April 2018 for the following types of affordable property:

- a. A shared accommodation affordable dwelling;
- b. 1-bed affordable dwelling;
- c. 2-bed affordable dwelling;
- d. 3-bed affordable dwelling;
- e. 4-bed affordable dwelling; and
- f. A 4+ bed affordable dwelling.

We do not differentiate between social rent and affordable rent so figures include both.

Including priority applicants:

- a) *We do not have shared accommodation.*
- b) *27/07/2015.*
- c) *02/08/2015.*
- d) *16/10/2014.*
- e) *30/11/2016.*
- f) *26/09/2016.*

Excluding priority applicants:

- a) *We do not have shared accommodation.*
- b) *13/08/2013.*
- c) *19/09/2014.*
- d) *16/06/2013.*
- e) *None let to waiting time.*
- f) *None let to waiting time.*

4. The average waiting times at 1 April 2018 and 1 April 2019 for the following types of affordable property:
- a. A shared accommodation affordable dwelling;
 - b. 1-bed affordable dwelling;
 - c. 2-bed affordable dwelling;
 - d. 3-bed affordable dwelling;
 - e. 4-bed affordable dwelling; and
 - f. A 4+ bed affordable dwelling.

We do not differentiate between social rent and affordable rent so figures include both.

Including priority applicants:

- a) *We do not have shared accommodation.*
- b) *28/10/2016.*
- c) *20/10/2016.*
- d) *30/03/2016.*
- e) *19/15/2017.*
- f) *None advertised.*

Excluding priority applicants:

- a) *We do not have shared accommodation.*
- b) *30/10/2014.*
- c) *02/11/2015.*
- d) *27/01/2014.*
- e) *None let to waiting time.*
- f) *None advertised.*

5. Whether the Council has made any changes to its Housing Register Allocations Policy as a result of the provisions of the Localism Act and if so, when these occurred, and what they entailed.

The review of the Council's Allocations Policy which was completed in 2013 took account of the changes made by the Localism Act. Because the review was wider than this it is not possible to directly identify specific changes made as a result of the Act but the new policy and accompanying report can be found on the Council's Cabinet agenda of 20 March 2013:
<http://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=4259&Ver=4>.

Social Housing Stock

6. The total number of social housing dwelling stock at 1st April 2019 in Stocksbridge Civil Parish.

The Council has 650 properties in the Stocksbridge Ward.

7. Whether all, or a part of, the Local Authority's social housing dwelling stock as been transferred to another organisation(s). If so, when did this occur and to whom (i.e. which housing association(s) or Arms-Length Management Organisation (ALMO)) was the stock transferred.

We do not hold a further breakdown or the number of properties from other social landlords.

Social Housing Lettings

8. The number of social housing lettings in the period between 1 April 2017 and 1 April 2018; and between 1 April 2018 and 1 April 2019 in Stocksbridge Civil Parish.

We only record lettings in the Stocksbridge Ward as a whole. These are below.

Number of lettings 01/04/2017-01/04/2018: 77

Number of lettings 01/04/2018-01/04/2019: 70

Housing Completions

9. The number of **NET** housing completions in the Sheffield City Council authority area broken down on a per annum basis for the period between 2000/01 and 2018/19.

Yes, we hold this from 2001 onwards. Please see the attached document.

10. The number of **NET** affordable housing completions in the Sheffield City Council authority area broken down on a per annum basis for the period between 2000/01 and 2018/19.

Yes, we hold this for 2008/09 onwards (with a few gaps). Please see the attached document.

11. The number of **NET** housing completions in Stocksbridge Civil Parish broken down on a per annum basis for the period between 2000/01 and 2018/19.

*Yes, we hold the **gross** housing completions from 2008/09 onwards. Please see the attached document.*

12. The number of **NET** affordable housing completions in Stocksbridge Civil Parish broken down on a per annum basis for the period between 2000/01 and 2018/19.

We do not monitor this, we do not hold this information.

Right to Buy

13. The number of social rented dwellings lost in the Sheffield City Council authority area broken down on a per annum basis for the period between 2000/01 and 2018/19 through:

- a. Right to Buy;

Year to RTB Sale	No of Properties Sold under RTB scheme	Total sold in the area Stocksbridge/ Deepcar
2000/01	744	28
2001/02	1333	30
2002/03	1520	46
2003/04	2252	43
2004/05	1375	22
2005/06	950	16
2006/07	578	4
2007/08	376	5
2008/09	106	2
2009/10	76	0

2010/11	88	0
2011/12	104	3
2012/13	149	3
2013/14	255	7
2014/15	288	1
2015/16	300	8
2016/17	384	7
2017/18	393	7
2018/19	361	8

- b. Preserved Right to Buy; and

Total properties sold were 355 between 2006/07 to 2018/19, data starts in 2006/7 so I assume no Preserved RTB before then. See attached spreadsheet for no's sold by year.

- c. Voluntary Right to Buy

No information held.

14. The number of Right to Buy replacements funded by receipts from Right to Buy sales in the Sheffield City Council authority area broken down on a per annum basis for the period between 2000/01 and 2018/19.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	TC
Properties funded via RTB	15	52	166	79	39	69	86	

There were no replacement properties funded prior to 2013/14.

15. The number of social rented dwellings lost in the Stocksbridge Civil Parish area broken down on a per annum basis for the period between 2000/01 and 2018/19 through:

- a. Right to Buy;

See response to Q13a

- b. Preserved Right to Buy; and

Nil, 0 Preserved Rights properties in the Stocksbridge area.

- c. Voluntary Right to Buy

No information held.

16. The number of Right to Buy replacements funded by receipts from Right to Buy sales in the Stocksbridge Civil Parish area broken down on a per annum basis for the period between 2000/01 and 2018/19.

9 properties within the Stockbridge and Deepcar Housing Market Area (HMA).

Temporary Accommodation

17. The number of households on the Housing Register housed in temporary accommodation within the Sheffield City Council authority area at 1st April 2018.

18. The number of households on the Housing Register housed in temporary accommodation outside the Sheffield City Council authority area at 1st April 2018.

0

19. The amount of money spent by Sheffield City Council on housing people in temporary accommodation for the period 1 April 2018 to 31 March 2019.

Year	Expenditure - £	HB Income - £	Cost to LA - £
2018/19	£232,793	£67,268	£165,525

This information relates only to the amount spent on bed and breakfast accommodation. We also pay £132,000 per year to commission Temporary Accommodation units from a housing provider. Any other rent costs for Temporary Accommodation are met through housing benefit.

20. The number of households on the Housing Register housed in temporary accommodation within the Sheffield City Council authority area at 1st April 2019.

96

21. The number of households on the Housing Register housed in temporary accommodation outside the Sheffield City Council authority area at 1st April 2019.

0

22. The amount of money spent by Sheffield City Council on housing people in temporary accommodation for the period since 1 April 2019.

Year	Expenditure - £	HB Income - £	Cost to LA - £
2019/20	£173,742	£144,421	£29,321

This information relates only to the amount spent on bed and breakfast accommodation. We also pay £132,000 per year to commission Temporary Accommodation units from a housing provider. Any other rent costs for Temporary Accommodation are met through housing benefit.

If you have any queries about this response, please do not hesitate to contact us.

If you are unhappy with the response you have received in relation to your request, you are entitled to have this reviewed. You can ask for an internal review by either writing to the above address or by emailing FOI@sheffield.gov.uk. Internal review requests should be submitted within 40 working days from the date of this response.

If you remain dissatisfied with the outcome of your internal review, you can contact the Information Commissioners Office. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF, telephone 0303 123 1113, or for further details see their website www.ico.org.uk

Kind Regards,

Sheffield City Council
PO Box 1283

Sheffield, S1 1UJ

Email: FOI@sheffield.gov.uk

 Please don't print this e-mail unless you really need to

From: Jamie Roberts [mailto:Jamie.Roberts@tetlow-king.co.uk]

Sent: 12 February 2020 11:14

To: FOI

Subject: Freedom of Information Request - Housing

Dear Sir / Madam,

Please find attached a Freedom of Information request relating to housing affordability matters. Please let me know if you require any clarification or have any queries (details below). I look forward to hearing from you within the prescribed timescales.

With kind regards,

Jamie Roberts MPlan MRTPI

Principal Planner

TETLOW KING PLANNING

Unit 2, Eclipse Office Park, High Street, Staple Hill, Bristol BS16 5EL

Tel: 0117 9561916

Mobile: 07880 186640

Website: www.tetlow-king.co.uk



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FOI 1688 - Completions data

Year	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Net Dwelling Completions*	769	1,812	892	-132	1,470	1,604	2,486	2,507	1,804	630	447	761	917	1,765	1,432	2,248	2,304	1,975
Gross AH Completions - Live Table 1008c*8	223	100	165	118	203	93	278	216	258	196	329	106	198	568	305	327	99	165
Gross Dwelling Completions in Stocksbridge and Deepcar	<i>Data not monitored at sub-area level during these years</i>							18	15	3	0	10	13	64	12	70	32	
Stocksbridge and Deepcar Affordable Home Completions	<i>Data not monitored at sub-area level.</i>																	

Notes**Map Boudnaries**

From 2013/14 onwards the Stocksbridge and Deepcar Housing Market Area boundary has been used (as set out in the Strategic Housing Market Assessment)
Prior to 2013/14 the Stocksbridge/ Deepcar Sheffield Local Plan Sub-Area boundary was used.

Net Dwelling Completions

* New build (does not include acquisitions)

Gross Affordable Housing Completions

**Includes new build and acquisitions, as reported in the Government figures. These are not broken down by new build only at the local authority level.

[Live Table 1008c](#)

Data for FOI 1688

Right to Buy

1. The number of social rented dwellings lost in the Sheffield City Council authority area broken down on a per annum basis for the period between 2000/01 and 2018/19 through:
 - b. Preserved Right to Buy **355 in total, no sales before 2006/07, see table below for amount per year**

3. The number of social rented dwellings lost in the Stocksbridge Civil Parish area broken down on a per annum basis for the period between 2000/01 and 2018/19 through:
 - b. Preserved Right to Buy **Nil (0), no Preserved Right to Buy in the Stocksbridge Area**

Number of Properties sold by Preserved Right to Buy								
	Housing Association							Total
	ACIS	MMHG		Pennine		Sanctuary		
		Wybourn	Richmond	WWL	MP & HLC	Shiregreen	Hyde Park	
Postcodes	S2 & S13	S2	S13	S6	S2	S5	S2	
Year:								
2006/07						67		67
2007/08	5	5		6	8	18		42
2008/09	2	8	1	2	1	1		15
2009/10	1	4		2		5	1	13
2010/11	2	2				5		9
2011/12	1			1		6		8
2012/13	3			1	7	9	1	21
2013/14	8	7	1	4	2	7		29
2014/15	0	4	1	5	5	10		25
2015/16	8	6		5	5	1		25
2016/17	1	5	1	11	3	15		36
2017/18	2	4		1	7	21		35
2018/19	7	2		3	1	13	4	30
Total	40	47	4	41	39	178	6	355

Source: Strategic Finance - Housing Associations - PRTB Tracker

File Location: <G:\CEX\Corp Res\Strategic Finance\Capital & Control\Capital Section\Capital Income\Preserved Right to Buy\Housing Associations - PRTB Tracker.xlsx>

Jamie Roberts

From: Furniss Spencer (CEX) <Spencer.Furniss@sheffield.gov.uk> on behalf of FOI <FOI@sheffield.gov.uk>
Sent: 14 May 2021 18:19
To: Jamie Roberts
Subject: Response – Freedom of Information Request – Reference – FOI / 2020-21-3427

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Jamie Roberts,

Thank you for your request for information relating to housing register and Stocksbridge preference which we received on 15/03/2021.

Please find Sheffield City Council's response to your request set out below:

Can you please provide the following data in line with the provisions of the Freedom of Information Act.

Housing Register

1. The total number of households on the Council's Housing Register at 1st April 2020.

01/04/20, there were 32,391 active applications on the housing register

2. The total number of households on the Council's Housing Register at 1st July 2020, 1st October 2020, 1st January 2021, and 1st April 2021.

*1/7/20 – 33,418 active applications
1/10/20 – 34,148 active applications
1/1/21- 31,766 active applications
25/3/21 – 30,026 active applications*

3. The total number of households on the Council's Housing Register at 1st April 2020 specifying Stocksbridge Ward as their preferred choice of location (if available).

We do not hold this information as we do not ask for preferred choice of location

4. The average waiting times at 1 April 2019 and 1 April 2020 for the following types of affordable property:
 - a. 1-bed affordable dwelling;
 - b. 2-bed affordable dwelling;
 - c. 3-bed affordable dwelling;
 - d. 4-bed affordable dwelling; and
 - e. A 4+ bed affordable dwelling.

Average waiting time for priority applicants (Bands A-C)

- a. 13/7/19
- b. 30/5/19
- c. 6/6/19
- d. 15/1/19
- e. None advertised

Average waiting time for non-priority applicants (Bands D & E)

- a. 23/3/15
- b. 31/5/16
- c. 3/10/14
- d. 26/2/19
- e. 30/4/15

5. Whether the Council has made any changes to its Housing Register Allocations Policy as a result of the provisions of the Localism Act and if so, when these occurred, and what they entailed.

The review of the Council's Allocations Policy which was completed in 2013 took account of the changes made by the Localism Act. Because the review was wider than this, it is not possible directly to identify specific changes made as a result of the Act, but the new policy and accompanying report can be found on the Council's Cabinet agenda of 20 March 2013:
<http://democracy.sheffield.gov.uk/ieListDocuments.aspx?CId=123&MId=4259&Ver=4>

Social Housing Stock

6. The total number of social housing dwelling stock at 1st April 2020 in Stocksbridge Ward.

As at 1/4/20 the total number of housing stock in the Stocksbridge and Upper Don Ward was 1014.

Social Housing Lettings

7. The number of social housing lettings in the period between 1 April 2019 and 1 April 2020 in Stocksbridge Ward.

79 Lettings in this period to Stocksbridge and Upper Don Ward

Housing Completions

8. The number of NET housing completions in the Sheffield City Council authority area in the 2019/20 monitoring year.

Housing completions in Sheffield are published in the 'Sheffield Housing and Economic Land Availability Assessment report 2020'. This can be found on the Council webpage here:

<https://www.sheffield.gov.uk/home/planning-development/housing-land-sites.html>

Table 12 of the HELAA 2020 report, sets out net and gross housing completions from 2004/05 to 2019/20.

These figures are also published on the Government webpage here:

- Net additional dwellings by Local Authority (see table 122)

<https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing>

As this is information which is accessible to the applicant by other means, it is exempt from disclosure under section 21 of the Freedom of Information Act 2000.

9. The number of NET affordable housing completions in the Sheffield City Council authority area in the 2019/20 monitoring year.

Affordable housing completions are published nationally – these will show gross completions:

<https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply>

As this is information which is accessible to the applicant by other means, it is exempt from disclosure under section 21 of the Freedom of Information Act 2000.

10. The number of NET housing completions in Stocksbridge Civil Parish in the 2019/20 monitoring year (use gross if net not available).

Please see the HELAA 2020 report referenced in question 8. The site specific data can also be viewed in the '[Sheffield Housing and Economic Land Availability Assessment Site Schedule](#)'. The data can be sorted by Ward or Housing market Area. The figures are gross completions.

As this is information which is accessible to the applicant by other means, it is exempt from disclosure under section 21 of the Freedom of Information Act 2000.

Right to Buy

11. The number of social rented dwellings lost in the Sheffield City Council authority area in the 2019/20 monitoring year through:
- Right to Buy;
 - Preserved Right to Buy; and
 - Voluntary Right to Buy

Period 1/4/2019 to 31/3/2020 = 374 properties sold under the RTB scheme

12. The number of Right to Buy replacements funded by receipts from Right to Buy sales in the Sheffield City Council authority area in the 2019/20 monitoring year.

101 (97 general acquisitions and 4 new build)

13. The number of social rented dwellings lost in the Stocksbridge Civil Parish area in the 2019/20 monitoring year through:
- Right to Buy;
 - Preserved Right to Buy; and
 - Voluntary Right to Buy

Period 1/4/2019 to 31/3/2020 = 7 properties sold under the RTB scheme in the Stocksbridge Civil Parish area

14. The number of Right to Buy replacements funded by receipts from Right to Buy sales in the Stocksbridge Civil Parish area in the 2019/20 monitoring year.

2 (general acquisitions in Stocksbridge and Deepcar HMA which both fall within Stocksbridge Civil Parish).

Temporary Accommodation

15. The number of households on the Housing Register housed in temporary accommodation within the Sheffield City Council authority area at 1st April 2020; 1st July 2020, 1st October 2020, 1st January 2021, and 1st April 2021.

The information you have requested is exempt from disclosure under section 12 of the Freedom of Information Act 2000. Sheffield City Council does hold the information you have requested.

However, the way that we record the information is that we only hold total numbers of people that were in temporary accommodation; we do not compare this to who is/has been on the housing register.

Therefore, we would have to carry out a manual search of our records, which would involve cross-referencing client lists. We estimate that it would take us more than the cost limit of 18 hours or

£450 specified in the [Freedom of Information and Data Protection \(Appropriate Limit and Fees\) Regulations 2004 \(SI 2004 No. 3244\)](#) to find this information.

16. The number of households on the Housing Register housed in temporary accommodation outside the Sheffield City Council authority area at 1st April 2020; 1st July 2020, 1st October 2020, 1st January 2021, and 1st April 2021.

None, we don't use out of city placements.

17. The amount of money spent by Sheffield City Council on housing people in temporary accommodation for the period 1 April 2019 to 31 March 2020.

18. The amount of money spent by Sheffield City Council on housing people in temporary accommodation for the period since 1 April 2020.

For queries such as questions 17 and 18, we usually provide the difference between the emergency hotel/BB accommodation we've paid for and the housing benefit we've recovered for those placements (our main TA provision on our accommodation sites are cost neutral in terms of rent).

This is difficult for last financial year and this year, as we have had to place a large number of households in BB/hotel sites as part of the pandemic response. They are not classed as being in 'temporary accommodation', as we have not accommodated them under the Homeless Reduction Act; instead, they are placed because of the government 'Everyone In' initiative to get anyone threatened with rough sleeping off the streets while lockdowns have been in place.

Often people placed under our statutory homelessness duty and people placed under the COVID-19 response will be on the same invoice, and we do not have any means of reconciling the HB recovered in a way that splits it between the two kinds of placements either. Therefore, we cannot separate the costs, and so our response is that we do not hold the information.

If you have any queries about this response, please do not hesitate to contact us.

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If you remain dissatisfied with the outcome of your internal review, you can contact the Information Commissioner's Office. Please see <https://ico.org.uk/make-a-complaint/official-information-concerns-report/official-information-concern> for further details.

Kind Regards,

Sheffield City Council
PO Box 1283
Sheffield, S1 1UJ
Email: FOI@sheffield.gov.uk

From: Jamie Roberts <Jamie.Roberts@tetlow-king.co.uk>

Sent: 15 March 2021 16:37

To: FOI <FOI@sheffield.gov.uk>

Subject: Freedom of Information Request - Housing

Good afternoon,

I write to make a request under the Freedom of Information Act for data in relation to various housing matters in Sheffield. The Council previously provided us with similar information last year (reference FOI / 1688). This new request seeks up-to-date information for the 2019/20 monitoring year and data for the current year (where available) covering the period of the Covid-19 pandemic.

I trust the attached is self-explanatory but please let me know if you have any queries or require clarification. I look forward to hearing from you within the relevant timescales.

With kind regards

Jamie

Jamie Roberts MPlan MRTPI

Principal Planner

TETLOW KING PLANNING

Please read our statement on COVID-19 [here](#)



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Appendix JS2

Planning for the Future Policy Paper, Spring 2020



Planning for the Future



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Ministry of Housing, Communities and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF
Telephone: 030 3444 0000

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March 2020

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1. A home is more than four walls and a roof – it is a symbol of security and a stake in our society. The expansion of home ownership over the twentieth century created a fairer Britain, with prosperity and opportunity spread more evenly among its people. It meant that wherever people grew up, they had the chance to save for and buy a safe place to live. A home where they could spend time with their friends, raise their families and be part of a community.
2. This government believes in supporting people who are working hard to own their home and we are making progress. Last year, we delivered over 241,000 homes, more new homes than at any point in the last 30 years; the proportion of young homeowners increased after declining for more than a decade; and since 2010, 1.5 million more homes have been delivered. Yet, for many who are still trapped paying high rents and struggling to save for a deposit, home ownership seems like a dream which is increasingly out of reach.
3. Our children should be able to put down roots in the places where they grew up, rather than being priced out and forced to move away. That's why this government is committed to rebuilding a home-owning Britain: a country where the young and future generations have the same opportunities as those who came before them. The simple truth is that this will not be possible unless we work together, across the country, to build more homes and take action to remove the barriers to getting onto the housing ladder.
4. We must ensure security for those who do not own their homes. We need to deliver a rental system that is fit for the modern day – one that protects tenants and supports landlords to provide the homes the nation needs. We also need to prevent people from falling into homelessness by building more affordable homes and ensure that those living in social housing are treated with the dignity and respect they deserve. It is also why we are working to end rough sleeping and supporting the most vulnerable in society.
5. To achieve this mission, the government will bring forward a series of major publications and legislate to deliver lasting change. This will start with an ambitious Planning White Paper in the Spring to modernise our planning system, ensuring it supports the delivery of homes that local people need and creates more beautiful and greener communities. We will introduce a Building Safety Bill to bring about the biggest change in building safety for a generation and a Renters' Reform Bill to provide greater stability for those who rent their homes. To ensure that residents in social homes are treated fairly we will publish a Social Housing White Paper. Taken together these will form the bedrock of a housing strategy to be published later in the year, setting out our longer-term plans to deliver the homes this country needs and create a fairer housing market.

Supporting communities to deliver more homes for local people

6. Technology, the way we work and live and our understanding of the value of the environment have been transformed since the Town and Country Planning Act of 1947. The planning process has failed to keep pace. It is now complex, out-of-date and fails to deliver enough homes where they are needed. We will act to change this.

7. In the Spring, we will publish an ambitious Planning White Paper which offers creative solutions to establish a planning system that works for the next century. We will take a fresh and sensible look at planning rules to support local areas to plan, especially in the urban areas where they are most needed. We will also modernise the system, accelerate planning decisions and make it easier for communities to engage and play a role in decisions which affect them.
8. In advance of this, the government is now setting out a number of reforms that will encourage local authorities to take a more proactive approach to enabling home building across the country. This includes supporting them to consider innovative options, such as housing-led regeneration of their high streets, building upwards on already developed land and stations, densifying gently in existing residential areas and making the most of their under-utilised brownfield land. Alongside this, the government will introduce measures to encourage authorities to put ambitious plans in place now and incentivise them to play their part in delivering the homes this country needs.
9. As set out in the Budget yesterday, these planning changes will be underpinned by an additional £10.9 billion of funding. This will support communities to regenerate brownfield land, invest in new infrastructure and provide more homes for local people, with better access to jobs, schools and opportunities. Together, these changes will:
10. Promote more, well-planned development where homes are needed. The Government will back brownfield, encouraging greater building in urban areas. We will introduce new tools to support communities to densify and make best use of their underutilised brownfield land. These will include:
 - **Investing £400m to use brownfield land productively** – the Government will work with ambitious mayors and local leaders to regenerate local brownfield land and deliver the homes their communities need on land which is already developed.
 - **Launching a national brownfield map and a call for proposals for building above stations** – the government will launch a national brownfield sites map in April 2020 and will conduct a call for proposals to seek evidence on the barriers to, and opportunities in, building above stations in urban areas. It is vital that we make the most of existing transport hubs, encouraging modern, green communities where people live close to public transport.
 - **Reviewing the formula for calculating Local Housing Need** – we will introduce a new approach which encourages greater building within and near to urban areas and makes sure the country is planning for the delivery of 300,000 new homes a year.
 - **Introducing new rules to encourage building upwards, increasing density in line with local character and make the most of local infrastructure** – we will introduce new permitted development rights for building upwards on existing buildings by summer 2020, including to extend residential blocks by up to two storeys and to deliver new and bigger homes. We will also consult on the detail of a new permitted development right to allow vacant commercial buildings, industrial buildings and residential blocks to be demolished and replaced with well-designed new residential units which meet natural light standards.

- **Supporting community and self-build housing** – we will support those who want to build their own homes to find plots of land and provide help to parish councils and neighbourhood forums who wish to build a small number of homes to allow their communities to grow organically, providing homes for the next generation and those wishing to downsize.
- **Backing the Oxford-Cambridge Arc, including a new spatial framework and up to 4 new development corporations** – the Arc has the potential to be a world-leading green growth corridor, with high-productivity jobs and environmentally-friendly developments. The Spatial Framework will give certainty to businesses and developers about where new housing and employment will be delivered until 2050 and support planning for the right infrastructure to meet social, environmental and economic needs. The government is also going to examine and develop the case for up to four new Development Corporations in the Ox-Cam Arc, subject to necessary public consultation, in or around Bedford, St Neots/Sandy, Cambourne and Cambridge, which includes plans to explore the case for a New Town at Cambridge, to accelerate new housing and infrastructure development.

11. Ensure that communities make land sufficiently available to deliver homes in the right places. A plan for local housing need is only as good as the results it delivers. We will introduce new changes to ensure that land, sites and homes come forward on time and incentivise authorities to deliver more homes. This includes:

- **Setting a deadline for all local authorities to have an up-to-date local plan** – the government will require all local planning authorities to have up-to-date local plans by December 2023. The government will prepare to intervene where local authorities fail to meet the deadline in accordance with the existing statutory powers, considering appropriate action on a case by case basis.
- **Continuing to drive supply through the Housing Delivery Test** – we will continue with plans to raise the Housing Delivery test threshold to 75% in November 2020, incentivising local authorities to deliver on their local plans.
- **Reforming the New Homes Bonus (NHB) to reward delivery** – those authorities who strive to build more homes where they are most needed should be rewarded. The government will consult on reforming the NHB in Spring to incentivise greater delivery and ensure that where authorities are building more homes, they have access to greater funding to provide services for those who move into them.

12. Deliver on our commitment to infrastructure first. We will provide local authorities with greater funding for infrastructure, ensuring that those who strive to build enough homes for their communities and make the most of brownfield land and urban areas are able to access sufficient resources. This includes:

- **Investing another £1.1 billion in local infrastructure to unlock almost 70,000 new homes** – our infrastructure-first approach to building new homes means putting in the transport, utilities, digital connectivity and community services like schools and hospitals early, so that new developments do not put strain on local services. The Budget set out that over £1.1 billion will be provided to fund key infrastructure schemes from Surrey to Sunderland, including new roads, transport links, flood defences, leisure and healthcare facilities, digital and power networks and schools.

To date we have allocated over £4 billion through the Housing Infrastructure Fund (HIF) to unlock up to 340,000 new homes.

- **A new £10 billion Single Housing Infrastructure Fund** – as set out in the Conservative manifesto, we will also build on this infrastructure investment with a new long-term, flexible fund which will give confidence to communities, developers and local authorities. Details of the funding will be announced alongside the Spending Review. Homes England will engage with local authorities and the wider market to build a pipeline of opportunities up and down the country.

13. Speed up the planning system. In the Spring, we will publish a bold and ambitious Planning White Paper. It will propose measures to accelerate planning. It will maximise the potential of new technologies to modernise the system. It will make it easier for communities to understand the planning system and play a role in decisions that affect them. Together, the measures it puts forward will set out a pathway to a new English planning system which is fit for the future. The White Paper will reflect international best practice, create more space for innovation and new approaches and ensure that planning reflects our aspirations to level up across the country. We want a planning system that supports beautiful design; and, meets the challenges of climate change as well as building the homes this country needs. As part of this the government will:

- **Reform planning fees to create a world-class planning service** – we will introduce a new planning fee structure to ensure that planning authorities are properly resourced to improve the speed and quality of their decisions. This will be linked to a new performance framework to ensure performance improvements across the planning service for all users.
- **Automatic rebates where planning applications are successful at appeal** – to promote proper consideration of applications by planning committees, where applications are refused applicants will be entitled to an automatic rebate of their planning application fee if they are successful at appeal.
- **Ensure land for housing is built out** – we will act to make it clearer who owns land by requiring greater transparency on land options. We will explore wider options to encourage planning permissions to be built out more quickly.
- **Expand the use of zoning tools to support development** – the government will outline further support for local areas to simplify the process of granting planning permission for residential and commercial development through zoning tools, such as Local Development Orders. The government will trial the use of templates for drafting LDOs and other zonal tools to create simpler models and financial incentives to support more effective use. The government has also launched a consultation on a new UK Freeport model, including on how zoning could be better used to support accompanying development.
- **Improve the effectiveness, take-up and role of Compulsory Purchase Orders to help facilitate land assembly and infrastructure delivery** – MHCLG will introduce further support and expertise to LAs to give greater confidence in using CPO powers and will consult on legislative reforms to speed up the decision-making process. The government intends to consult on: introducing statutory timescales for decisions; ending the automatic right to public inquiry; encouraging early agreements on compensations; and exploring the scope to remit more decisions back to LAs; as well as wider reform.

Helping first time buyers onto the housing ladder

14. This government will reset our national homeownership offer, providing new routes to home ownership and ensuring that local people and key workers can have the opportunity to build a life in their own community. To support more people into home ownership, we will:

- **Cut the cost of new homes through the new First Homes scheme** – the biggest barrier to ownership is saving for a deposit, and we are consulting on a new First Homes scheme that will address this. The scheme will cut the cost of many new homes by a third, creating a new generation of homeowners. This will lower the cost of buying a home by an average of £70,000 for eligible first time buyers, improving the prospects for people who find the market unaffordable. The discount will be locked into the property in perpetuity – meaning that future generations will continue to benefit from the discount offered. All homeowners remember getting the keys to their first home, and this Government wants people to realise this moment as quickly as possible. Over the coming weeks and months, we will be looking to partner with developers and local authorities to be the front runners in delivering the first wave of first homes.
- **Explore encouraging a market for long-term fixed rate mortgages** – the Government will work with lenders to explore what can be done to encourage a market in long-term fixed rate mortgages. We will also look at what benefits these could bring to consumers, including whether they have the potential to keep deposits low for first time buyers looking to get on the housing ladder.
- **Make the route to ownership simpler and more affordable through a new national Shared Ownership model** – we want to have an ownership offer available to people on different incomes so it's important to us that people on lower incomes who want to own their own home, but cannot see a route to achieving that goal, are helped onto the housing ladder. Our new national model for shared ownership will be more consumer friendly, fairer and more accessible.

Creating beautiful, sustainable places

15. Giving people a stake in society also means ensuring that we are delivering the sorts of homes where people want to raise their children, to grow old together and can be good neighbours. Collectively, we need to remember how to build beautiful homes and create beautiful places. The government will take action to encourage more beautiful design and to ensure local authorities have the support they need to demand higher standards. We will:

- **Revise the National Planning Policy Framework (NPPF) to embed the principles of good design and placemaking** – this will make clear that high-quality buildings and places must be considered throughout the planning process. The framework will expand on the fundamental principles of good design to define what is expected of local authorities and developers to support the creation of beautiful places.
- **Respond to the Building Better, Building Beautiful Commission's report** – we will look to take forward many of the Commission's recommendations, which include

calling for urban tree planting and giving communities a greater opportunity to influence design standards in their area. This will put tree lined streets at the centre of future plans, so that they become the norm not the exception.

- **Give local authorities the ability to ensure that new homes conform to local residents' ideas of beauty through the planning system** – using the National Model Design Code we will set out clear parameters for promoting the design and style of homes and neighbourhoods local people want to see. We will ask local places to produce their own design guides and codes, informed by listening to local people and considering local context. This will embed standards in planning policy and give local communities the confidence to demand that they are met.

16. We will also work tirelessly as part of this Government's wider commitment to net zero emissions by 2050, delivering a green housing revolution of attractive and environmentally friendly homes. To achieve this, we will:

- **Review our policy for building in areas at flood risk** – alongside our £5.2 billion investment in additional flood defences announced yesterday, we will seek to ensure that communities across the country know that future development will be safe from floods. We will assess whether current protections in the NPPF are enough and consider options for further reform, which will inform our wider ambitions for a new planning system.
- **Introduce a Future Homes Standard (FHS)** – from 2025, the FHS will require up to 80% lower carbon emissions for all new homes. This will help bring an environmental revolution to home building – tackling climate change while keeping household bills low. This will ensure everyone, including developers, is doing their bit to protect the environment.
- **Establish a Net Zero development in Toton in the East Midlands** – we will explore options for regeneration around Toton, including potential delivery vehicles such as Development Corporations.

Ensuring affordable, safe and secure housing for all

17. We are committed to improving access to safe and high-quality housing, improving affordability and putting in place measures so that all homes are built properly with the right materials and that residents, whether they are home owners or renters, have access to a simple and consumer-friendly process for making complaints. To achieve this, we are:

- **Renewing our commitment to affordable housing** – in the Budget we announced a £12 billion investment in Affordable Homes – the biggest cash investment in affordable housing for a decade. This is expected to bring in around a further £38 billion public and private investment. This new 5-year investment will deliver more affordable housing, help more people to own their own home, and build more social rent homes, helping those most at risk of homelessness in areas of the country where affordability is most acute.
- **Publishing the Social Housing White Paper** – this will bring forward reforms to ensure that residents in social homes are treated with dignity and respect. These

measures will empower tenants, provide better redress and regulation and improve the quality of social housing. This will include a simple and effective end-to-end process when tenants have complaints.

- **Making a further £1 billion available to support remediation for building safety** – Prior to the new regulatory regime, the government will be investing an additional £1 billion in 20/21 to support the remediation of unsafe non-ACM cladding in private and social residential buildings above 18 metres. This will be over and above the £600 million ACM remediation fund. This intervention is based on the advice of experts such as Dame Judith Hackitt, and we are clear that this will be the limit to the Government's funding support for remediation. In the private sector this investment will be for the benefit of leaseholders and in the social sector it will focus on those landlords who are unable to pay, ensuring the necessary works take place and cost is not a barrier to remediation. We expect building owners who have already committed to fund remedial works without passing on the costs to leaseholders to stick to these commitments.
- **Protecting new homeowners through the New Homes Ombudsman** – we must raise the game of house builders across the sector and stop rogue developers from getting away with shoddy building work. The New Homes Ombudsman will ensure that homebuyers can access help when they need it and get them the compensation they deserve.
- **Ensuring renters are treated fairly through the Renters' Reform Bill** – we will improve security for tenants by abolishing the use of 'no fault evictions' so that tenants can put down roots in their communities and plan for their long-term future. We will introduce a new 'lifetime tenancy deposit' and support good landlords to continue to provide the homes the country needs.
- **Commencing a review and pledging over £640 million to end rough sleeping** – rough sleeping is a moral shame which we must address head on. The government is committed to ending rough sleeping in this Parliament. We are now bringing the total funding for 'move on' accommodation to £381 million which will enable refurbishment, acquisition and leasing of properties specifically for rough sleepers, together with vital support that will enable them to sustain those tenancies where otherwise they may be at risk of falling out of housing. We are also pledging an additional £262 million for rough sleeper substance misuse services; because we believe that the root causes of rough sleeping are as much substance misuse, alcohol dependency and mental health, as they are housing. And the urgent review, led by Dame Louise Casey, will advise on what additional action is required to end rough sleeping within this Parliament.

Laying the foundations for affordable, green and beautiful homes for everyone

18. Over the spring and summer, the government will work with local authorities, Small and Medium-Sized Enterprise (SME) housebuilders, local groups, the construction industry and others to shape a long-term programme of reform for the country's planning system and housing market.

19. This will be a comprehensive review of what does and does not work currently and will inform our new Planning White Paper and our housing strategy, to be published alongside the Spending Review. In these the government will set out a detailed vision of what the country's housing and land markets should be like come 2030, as well as plans for how we will get there.
20. The work will include, but not be limited to considering:
- how to restore the dream of home ownership to more people;
 - how to modernise the sector and its workforce;
 - how to partner with places to build beautiful and go green;
 - how to ensure affordable, quality, safe housing for all; and
 - how to align housing with wider infrastructure to boost productivity and growth.
21. In the next year, the government will bring forward major publications and legislation, including:
- Setting out a detailed housing strategy, including our plans to create a housing market that works for people across the country;
 - The Planning White Paper to deliver common sense planning reforms to get Britain building, and our response to the Building Better, Building Beautiful Commission report and recommendations;
 - The Building Safety Bill to ensure we have one of the safest building safety regimes in the world;
 - The Renters' Reform Bill to provide stability to those who rent; and
 - The Social Housing White Paper to ensure that residents in social homes are treated with the dignity and respect we all expect.
22. We will pursue these challenges by looking at the needs of local places, different models of delivery and funding, and how to balance measures to boost supply with measures to improve existing stock. To underpin this work, we will continue to transform Homes England, into a more muscular agency that is better able to drive up delivery. Critically, the work will also answer the question of how to ensure the housing sector meets the country's ambitious targets on decarbonisation.
23. We will give people the chance to own their own home. We will seek to build more homes, and we will do so as members of a responsible society – proud of the places and the environment we inherited, eager to care for and enhance it and determined to give the next generation the capital and the stake in our country a successful economy and democracy demands. We will ensure affordable, safe, quality housing for all as part of our mission to level up, unite and unleash the potential of this country, support towns and high streets, and ensure communities have a real sense of place.

Appendix JS3

Relevant PPG Extracts



Extracts from Planning Practice Guidance

Section	Paragraph	Commentary
Housing and Economic Needs Assessment	006 Reference ID: 2a-006-20190220	<p>This section sets out that assessments of housing need should include considerations of and be adjusted to address affordability.</p> <p>This paragraph sets out that <i>“an affordability adjustment is applied as household growth on its own is insufficient as an indicators or future housing need.”</i></p> <p>This is because:</p> <ul style="list-style-type: none"> • <i>“Household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live; and</i> • <i>people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.”</i>
Housing and Economic Needs Assessment	018 Reference ID 2a-01820190220	Sets out that <i>“all households whose needs are not met by the market can be considered in affordable housing need. The definition of affordable housing is set out in Annex 2 of the National Planning Policy Framework”</i> .
Housing and Economic Needs Assessment	019 Reference ID 2a-01920190220	States that <i>“strategic policy making authorities will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments).</i>
Housing and Economic Needs Assessment	020 Reference ID 2a-02020190220	<p>The paragraph sets out that in order to calculate gross need for affordable housing, <i>“strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of:</i></p> <ul style="list-style-type: none"> • <i>the number of homeless households;</i> • <i>the number of those in priority need who are currently housed in temporary accommodation;</i> • <i>the number of households in over-crowded housing;</i> • <i>the number of concealed households;</i> • <i>the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and</i> • <i>the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.”</i>

Housing and Economic Needs Assessment	024 Reference ID 2a-02420190220	<p>The paragraph states that “<i>the total need for affordable housing will need to be converted into annual flows by calculating the total net need (subtract total available stock from total gross need) and converting total net need into an annual flow based on the plan period</i>”.</p> <p>It also details that:</p> <p><i>“An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes.”</i></p>
Housing Supply and Delivery	031 Reference ID: 68-031-20190722	<p>With regard to how past shortfalls in housing completions against planned requirements should be addressed, the paragraph states:</p> <p><i>“The level of deficit or shortfall will need to be calculated from the base date of the adopted plan and should be added to the plan requirements for the next 5 year period (the Sedgefield approach)”</i></p>

Appendix JS4

The National Housing Crisis



The National Housing Crisis

- 1.1 There is incontrovertible evidence that there is a national housing crisis in the UK affecting many millions of people, who are unable to access suitable accommodation to meet their housing needs. This section highlights some of this evidence and the Government's response to grappling with this issue.

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

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

House of Commons Debate (October 2013)

- 1.4 A debate took place in the House of Commons on 24 October 2013 concerning the issue of planning and housing supply; despite the debate taking place over seven years ago the issues remain, and the commentary is sadly still highly pertinent to the

issues surrounding affordable housing in Sheffield. The former Planning Minister, Nick Boles, provided a comprehensive and robust response to the diverse concerns raised, emphasising the pressing need for more housing, and in particular affordable housing across the country. He opened by stating:

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

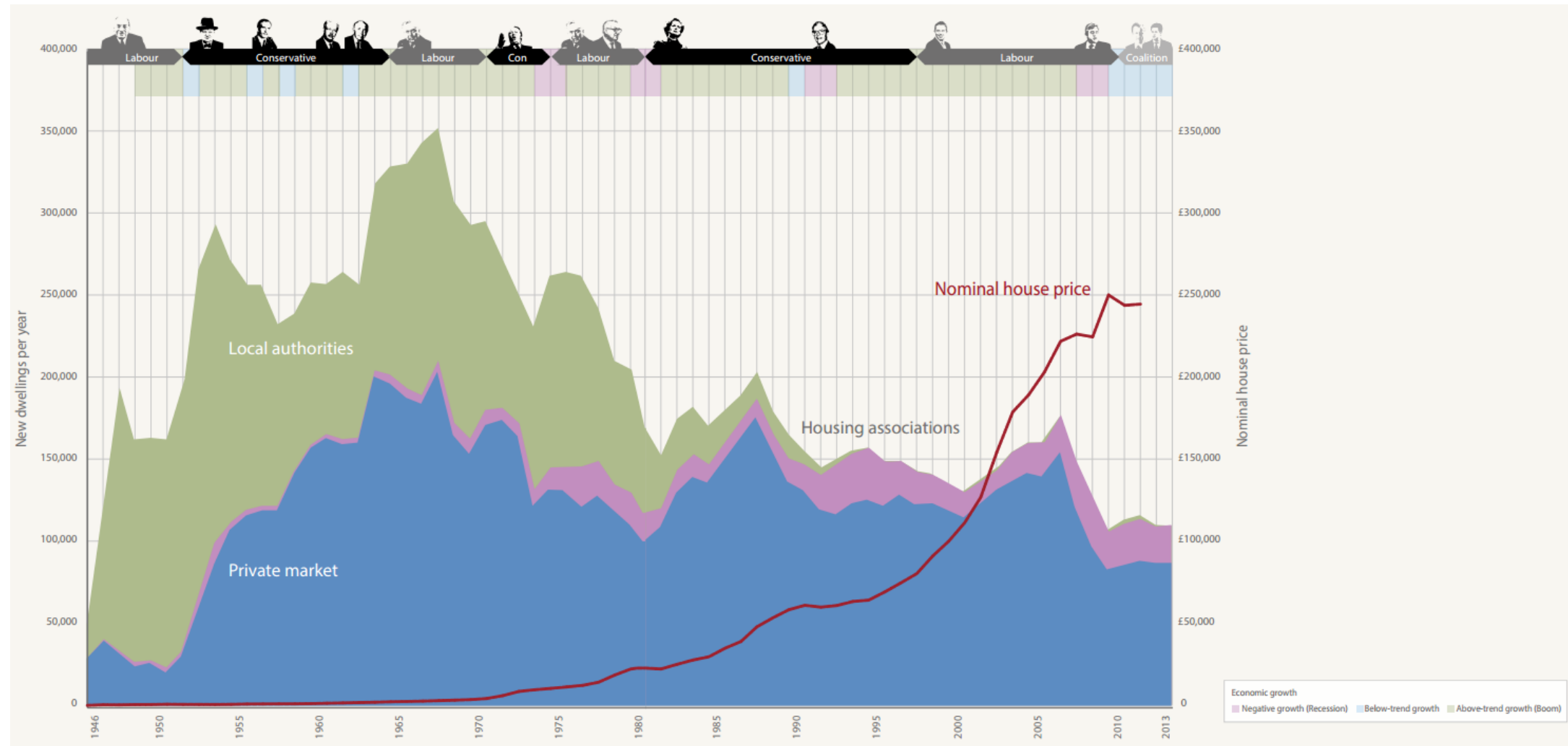
- 1.5 When asked to clarify the word “*crisis*” by the Member for Tewkesbury, Nick Boles commented that in the past year the percentage of first time buyers in England who were able to buy a home without their parents’ help had fallen to the lowest level ever, under one third. He also commented that 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*”.
- 1.6 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”.
- 1.7 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.”*
- 1.8 Mr Boles’ full response highlighted the Government’s recognition of the depth of the housing crisis and continued commitment to addressing, in particular, affordable, housing needs. The final quote above also emphasised the importance of properly assessing and understanding the needs; and planning to provide for them.

Building the Homes We Need (April 2014)

- 1.9 This report was the result of a year-long project by KPMG and Shelter to understand the housing shortage and was intended to provide advice to the incoming 2015 Government.
- 1.10 The report started by setting out that *“everyone now accepts that we have a desperate housing shortage in England.”* It further explained that *“each year we build 100,000 fewer homes than we need, adding to a shortage that has been growing for decades. What’s more, our current house building system seems incapable of delivering growth on the scale required. Growing demand means that without a step change in supply we will be locked into a spiral of increasing house prices and rents – making the current housing crisis worse”.*
- 1.11 The report highlighted that if we do not take firm action to build more homes there will be very worrying consequences for our economy and society; including rising homelessness, stalled social mobility, declining pension saving and an ever-rising benefit bill.
- 1.12 The report set out the graph illustrated in figure 1.1 showing the levels of house building in England since 1946.

Figure 1.1: House building since 1946



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

1.13 Figure 1.1 graph shows four interrelated trends:

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

Fixing our Broken Housing Market (February 2017)

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

1.15 The then Prime Ministers foreword stated that:

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

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

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

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

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

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

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

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

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

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

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

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

- 1.17 The introduction to the White Paper was clear:

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

- 1.18 It goes onto explain that since the 1970s, there have been on average, 160,000 new homes each year in England and that the consensus is that we need from 225,000 to 275,000 or more homes per year to keep up with population growth and start to tackle years of under-supply. The laws of supply and demand mean the result is simple. Since 1998, the ratio of average house prices to average earnings has more than doubled. That means the most basic of human needs – a safe, secure home to call your own – isn't just a distant dream for millions of people. It's a dream that's moving further and further away.

- 1.19 Furthermore, as recently as the 1990s, a first-time buyer couple on a low-to-middle income saving 5% of their wages each month would have enough for an average sized deposit after just three years. Today it would take them 24 years. It's no surprise that home ownership among 25 to 34-year olds has fallen from 59% just over a decade ago to just 37% today.
- 1.20 The White Paper also reported that Britain's broken housing market hurts all of us. Sky high property prices stop people moving to where the jobs are. That's bad news for people who can't find work, and bad news for successful companies that can't attract the skilled workforce they need to grow which is bad news for the whole economy.
- 1.21 Section four of the White Paper identified at paragraph 4.1 that England has some of the highest house price inflation and worst affordability in the OECD. An average home now costs almost eight times average earnings, and nearly 30% of local authorities have house prices over 10 times average earnings.
- 1.22 Paragraph 4.3 revealed that rising prices are particularly tough on younger people trying to get onto the housing ladder or wanting to move into their first family home. Some young people have no choice but to continue to live with their parents, friends or strangers to make ends meet. Renters are seeing their rents rise; some are only just managing to cover their costs. For the average couple in the private rented sector, rent now takes up roughly half of their gross income.
- 1.23 At paragraph 4.4 the White Paper reported that in areas where the housing shortage is most acute, high demand and low supply is creating opportunities for exploitation and abuse: unreasonable letting agent's fees, unfair terms in leases, landlords letting out dangerous, overcrowded properties. In short, it's becoming harder to rent a safe, secure property. And more and more people can't find a place to rent at all, added to which the loss of a private rented sector tenancy is now the most common cause of homelessness.

Priced Out: Affordable Housing in England (November 2017)

- 1.24 The Institute for Public Policy Research (IPPR) identified that affordable housing delivery continued to fall well behind the required level of need. In this study, the IPPR provided an overview of current affordability challenges across England, alongside a set of recommendations to increase affordable housing delivery.
- 1.25 The report found that in 67% of local authorities across England, insufficient homes were built to meet demand in 2015/16. In addition, house prices have risen by 76%

since 1995, far outstripping inflation and as a result are out of reach to many on average incomes.

- 1.26 It also highlighted that the nature of affordable housing has changed in recent years. The range of available products has increased with these products becoming increasingly divorced from earnings and linked to market prices or rents.
- 1.27 Many affordable housing models are out of the reach of single people. Whilst dual earning couples, even those with lower quartile earnings, can afford most models in most areas, when income is diminished by the removal of a full-time earner as in the case of couples with a child, a much larger range of models become out of reach, particularly for those on lower incomes.

Government Post-EU Referendum

- 1.28 The government which formed after the Brexit vote continued to pursue the issue of increased housebuilding. In commenting upon the increase on the number of new homes built and started in June 2016 the-then Communities Secretary Sajid Javid said:

*“We’ve got the country building again with more new homes started and built than this time last year...

...This is real progress but there is much more to do. That’s why we are going further and increasing our investment in house building to ensure many more people can benefit.”*
- 1.29 In terms of continued support for home ownership the then Housing and Planning Minister Gavin Barwell said in response to the English Housing Survey (released 21 July 2016):

*“We are determined to ensure that anyone who works hard and aspires to own their own home has the opportunity to do so...

Since 2010 over 300,000 households have been helped into home ownership through government-backed schemes...

The ground-breaking Housing and Planning Act will allow us to go even further delivering our ambition to build an additional one million homes.”*
- 1.30 This suggests that successive governments are continuing with their earlier aspirations and policies regarding housebuilding and homeownership.

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

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

Former Prime Minister’s Speech (15 November 2017)

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

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

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

**Former Prime Minister’s Speech to the National Housing Federation Summit
(September 2018)**

- 1.45 There is continued acknowledgment from the-then Prime Minister that the housing market is broken with the importance of more indistinguishable, high quality affordable homes being a crucial to resolving the housing crisis, with housing associations being at the forefront of increased affordable housing delivery.
- 1.46 In her speech to the National Housing Federation, Theresa May spoke to housing leaders about tackling *“what remains one of the greatest challenges of our time”* and *how she has made it her “personal mission to fix our broken housing system”*.

- 1.47 The former Prime Minister set out that one of the Government's priorities is:

"doing all we can to get more of the right homes built in the right places, so we can help more people onto the housing ladder – and ensure that those who cannot afford to own their own home also have a decent place to live".

- 1.48 She went on to make clear that:

"the housing crisis we face today did not come about overnight. It is the result of decades of neglect. Year after year in which housebuilding of all kinds fell even as demand rose. So, while the steps we are taking are already making a real and lasting difference to millions of lives, we should not pretend that our broken housing system can be fixed at the flick of a switch."

House of Commons Briefing Paper: Tackling the under-supply of Housing (12 December 2018)

- 1.49 The Paper provided an analysis of evidence in relation to how much housing the UK needs, trends in UK housing supply, barriers and solutions to supply in England and additional responses to the Housing White Paper.
- 1.50 The Briefing Paper set out that *"according to DCLG's projections, the number of households in England is expected to grow from 22.7 million in 2014 to 28.0 million in 2039. This is an average increase of around 210,000 households per year."*
- 1.51 It stated that *"in 2015/16, the total housing stock in England increased by around 190,000 residential dwellings: 12% higher than the previous year's increase but a long way short of the estimated 240-250,000 new homes needed to keep pace with household formation"* (my emphasis).
- 1.52 The Paper went on to identify that *"the new supply of social housing has not kept pace with growth in other sectors; in the long term, it has generally been lower than the amount lost through sales and demolitions"* (my emphasis).

Centre for Policy Studies Press Release (January 2019)

- 1.53 The press release outlines new analysis indicating that the 2010s will see housebuilding figures in England come in below any decade since the Second World War which is part of a 50-year pattern in which each decade has seen fewer new homes built than the last.
- 1.54 It stated that despite the Government's recent efforts to boost construction, new-build housing completions in England between 2010 and 2019 are set to be approximately

130,000 per year - well below the 147,000 of the 2000s or 150,000 of the 1990s, and half of the level in the 1960s and 1970.

- 1.55 It goes on to say the picture becomes even worse when you factor in population size. In the 1960s, the new-build construction rate in England was roughly the equivalent of one home for every 14 people over the decade. In the 2010s, that ratio was one to 43, more than three times higher.

Building for Our Future: A Vision for Social Housing (January 2019)

- 1.56 The report produced by Shelter states three million homes must be built in England over 20 years to solve the housing crisis. It advises 1.2 million homes are needed for younger families who cannot afford to buy and face a lifetime in expensive and insecure private renting.
- 1.57 The research estimates 277,000 people are homeless in England, most commonly because they have lost their privately rented homes. The report indicates that upfront costs of £11bn a year could come from housing benefit savings by moving tenants from privately rented homes to social housing.
- 1.58 It also claims that schemes such as Help-to-Buy are a less effective use of taxpayers' money. It reports that 59% of people who used Help to Buy said they could have afforded the same or a similar property without using the scheme, meaning that only 24,000 households have been able to get into home ownership because of Help to Buy.

Bleak Houses: Tackling the Crisis of Family Homelessness in England (August 2019)

- 1.59 The report was produced by the Children's Commissioner to investigate the impact of homelessness and in particular the effect of this upon children.
- 1.60 It identifies that family homelessness in England today is primarily a result of structural factors, including the lack of affordable housing and recent welfare reforms. It states 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, as a result of losses to stock through the Right to Buy and a drop in the amount of social housing being built.
- 1.61 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 states that

“Simply put, many families cannot afford their rent. It is telling that over half of homeless families in England are in work”.

- 1.62 The report particularly focused on the effect on children. In particular the report reveals that many families face the problem of poor temporary accommodation and 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.
- 1.63 It finds 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.
- 1.64 Temporary accommodation also prevents serious risks to children’s health, wellbeing and safety, particularly families in B&Bs where they are often forced to share facilities with adults engaged in crime, anti-social behaviour or those with substance abuse issues.
- 1.65 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”*.

House of Commons Debate on a Motion on the British Housebuilding Industry (August 2019)

- 1.66 The debate pack was produced by the House of Commons Library in August 2019 in advance of a debate on the British housebuilding industry in September 2019.
- 1.67 The report noted at paragraph 1.2 that there were 83,700 homeless households living in temporary accommodation in England at the end of December 2018, a 74% increase compared with December 2010.
- 1.68 Furthermore, the number of people sleeping rough in England on any given night in Autumn 2018 was 4,677 people, 165% higher than in 2010.
- 1.69 In the debate itself, it resolved at Column 465, 4.59pm, that:

“This House notes with concern the ongoing shortage of housing and the housing crisis across England; further notes with concern the number of families in temporary accommodation and the number of people rough sleeping; [and] acknowledges that there are over one million households on housing waiting lists...”

- 1.70 It concluded that it “*calls on the Government to tackle the housing crisis as an urgent priority*” (my emphasis).

Housing Minister’s speech to the RESI Convention 2019 (September 2019)

- 1.71 Following her appointment as the then Housing Minister on 24 July 2019, Esther McVey spoke at the RESI Convention claiming that the shortage of housing in the UK is possibly the largest scandal to hit the country in the past 30 years.
- 1.72 Ms McVey acknowledged that the housing crisis has led “*to a rise in renting and costs, and to a fall in home ownership which has destroyed the aspiration of a generation of working people.*”
- 1.73 Continuing to talk on the subject of affordability, the Housing Minister stated that:
- “Since the mid-1990s, house prices have risen to 8 times, 10 times, 12 times, in some of the most expensive parts of this country 44 times the actual income of someone, that cannot be right.”*
- 1.74 Ms McVey detailed that “*too many people feel that vital link between hard-work and owning their own home is broken. And when that link is severed, social mobility and opportunity falls away.*”

National Housing Federation Research (September 2019)

- 1.75 The National Housing Federation (NHF) published new research on the state of the housing crisis which found that 8.4 million people across England are directly affected by the housing crisis, which amounts to one in seven people.
- 1.76 The NHF report that people are affected in a variety of ways, including:
- Living in overcrowded homes;
 - Living with ex-partners or parents;
 - Living in unsuitable homes, such as homes that are not suitable for people with mobility issues; and
 - People who are homeless or at risk of homelessness.
- 1.77 Of these 8.4 million, around half, some 43% or 3.6 million, would need a social rented home to meet their needs.

- 1.78 Commenting on the NHF's report the Local Government Association said that the Government "*should now go further and devolve Right to Buy so that councils retain 100 per cent of their receipts to reinvest*".

Conservative Party Manifesto (December 2019)

- 1.79 The Conservative Party Manifesto for the December 2019 election reports at page 29 that "*the biggest problem that young people face in getting on the housing ladder is the deposit*." It commits to ensure that the Government will "*offer more homes to local families*"
- 1.80 At page 30 of the Manifesto it states that "*home ownership is one of the most fundamental Conservative values. People are happier, more secure and more rooted in their communities when they own their own home – and know that they can pass it on to future generations*". It goes on to set out that "*young people need the security of knowing that home ownership is within their reach – that they too can have a tangible stake in society, can be rooted in their communities and have a place to raise a family*".
- 1.81 The Manifesto (page 30) details that "*while we want to encourage as many people as possible into home ownership, we recognise that not everyone can afford their own home – and that those in social housing deserve the same dignity, respect and fair treatment as private renters*". It commits to bring forward a Social Housing White Paper to "*support the continued supply of social housing*" and commits to "*end the blight of rough sleeping by the end of the next parliament*".
- 1.82 Under the heading of 'places we want to live in' at page 31, the Manifesto explains that despite increased housebuilding since 2010 "*it still isn't enough. That is why we will continue our progress towards our target of 300,000 homes a year by the mid-2020s. This will see us build at least a million more homes, of all tenures over the next Parliament*".

BBC Housing Briefing (February 2020)

- 1.83 The BBC Housing Briefing summarises a range of secondary data and case studies relating to the scale of housing need, quality, availability, and tenure. Sections 1 to 4 cover the broad context and issues; sections 5 to 7 consider the role of the public and private sectors in housing provision; and sections 8 to 10 cover policy mechanisms to address housing issues. The Briefing is prepared at the national level and sets out the overall 'picture' in respect of housing matters.

- 1.84 The Briefing was the topic of several news stories on the BBC Website and was widely promoted on the day of its publication, including through radio phone-ins, television news items, and the Bitesize revision service for teenagers.
- 1.85 The BBC states that the Housing Briefing was prepared in order to address public demand for *“more transparency and better explanation of the facts behind the headlines”*. The acknowledgements include Dame Kate Barker who undertook a review of the housing market in 2004, and Toby Lloyd, the former policy director of Shelter.
- 1.86 Section 8 of the Briefing refers to the scale of the housing shortfall that has amassed in recent years. It highlights at page 134 the work undertaken by Dame Kate Barker in 2004, the KPMG/Shelter study of 2014; the joint study between Heriott Watt University, Crisis and the National Housing Federation in 2018/9; all of which are referenced at Section 4 of this Proof of Evidence.
- 1.87 The Briefing contains case studies throughout which highlight the impact of the housing crisis on real people and households. These include the numerous case studies at pages 33, 40, 66, 69, 84, and 125 which include those in desperate need, facing homelessness or temporary accommodation, and those trapped in rented housing unable to afford to purchase.
- 1.88 The Briefing also refers to the serious impact of family homelessness upon children at page 34 and the work undertaken by the Children’s Commissioner, which I have reviewed at paragraphs 3.49 to 3.55 of this section.

Spring Budget 2020 (March 2020)

- 1.89 The Spring Budget 2020 was presented by the Chancellor of the Exchequer, Rishi Sunak, to Parliament on 11 March, setting out an ambitious package of investment plans in the first Budget since the UK’s departure from the European Union (EU).
- 1.90 Speaking on housing, the Chancellor stated the following:

“Everyone should be able to access a safe and affordable home. Increasing housing supply is essential to creating a fairer, more affordable housing market and boosting productivity across the country”.
- 1.91 The Chancellor continued to explain in further detail the demand for more housing in the UK, concluding his points by confirming that *“the government has committed to creating at least 1 million new homes in England by the end of this Parliament and an average of 300,000 homes a year by the mid-2020s.”*

- 1.92 The Chancellor also confirmed that the Government will be investing a further £9.5 billion into the Affordable Homes Programme, raising the level of investment to £12.2 billion of grant funding from 2021-22 to support the creation of affordable homes across England.

‘Planning for the Future’ Policy Paper (March 2020)

- 1.93 On 12 March 2020, and as trailed in the Budget the previous day, the Government published a policy paper titled ‘Planning for the Future’. It provides a summary of the reforms the Government expects to explore in more detail in the forthcoming Planning White Paper, expected later in 2020.
- 1.94 The introductory paragraphs emphasise the Government’s intention to boost homeownership, noting at paragraph 2 *that “for many who are still trapped paying high rents and struggling to save for a deposit, home ownership seems like a dream which is increasingly out of reach”*. The paper also clearly recognises the importance of providing for those who are not homeowners. Paragraph 4 states *that “We must ensure security for those who do not own their homes”* and that *“We also need to prevent people from falling into homelessness by building more affordable homes and ensure that those living in social housing are treated with the dignity and respect they deserve”*.
- 1.95 Relevant measures proposed in the policy paper include those to help first time buyers onto the property ladder (paragraph 14), through the proposed First Homes scheme, work to deliver long-term fixed rate mortgages, and a new Shared Ownership model. Paragraph 17 goes further in respect of affordable housing, noting that *“We [the Government] are committed to improving access to safe and high-quality housing, improving affordability...”* and proposed measures include a renewed financial commitment to affordable housing and a package of measures to protect social and private sector renters. Paragraphs 18 to 20 explain that, in order to inform the Planning White Paper the Government will review the housing market and planning system and will consider, amongst other related matters, *“how to ensure affordable, quality, safe housing”*.

Affordable Housing Commission Report (March 2020)

- 1.96 The Affordable Housing Commission (AHC) is an independent, non-partisan group comprising fifteen experts drawn from the public, private and voluntary sectors. Its extensive full report was released in late March 2020 and examines a wide range of issues relating to the housing affordability crisis, with data from a wide range of

sources. The AHC report examines the approach taken to affordable housing through the planning system; the definition of an 'affordable' rent; the challenges facing households in housing stress; and other measures including the approach taken to public investment and taxation.

- 1.97 The AHC report paints a bleak picture of housing affordability at present. It makes the simple proposition that *"Something has gone fundamentally wrong with the housing system and what it offers local people"*. The effects of this are serious and wide-ranging. The AHC notes that:

"Housing stress is impoverishing families and young and old struggling renters, creating debts and arrears, harming health and well-being, and limiting life chances and aspiration. There are wider negative effects too – on the economy and productivity, on wealth inequality and poverty – resulting in more public expenditure subsidising rents and healthcare and tackling homelessness".

- 1.98 The AHC concludes that the root cause of the current affordability crisis is a clear shift in the structure of the housing market over the last 20 years. The AHC note that social rented sector has contracted, with low rates of new supply and extensive losses through the Right to Buy. By contrast, the AHC notes that the private rented sector has expanded significantly, even though it is ill-equipped to provide for those groups in greatest housing need.

- 1.99 The AHC is clear that the housing crisis is of such a scale that it will take many years to resolve. Its first recommendation is that that the Government commits to ensure all households have access to affordable housing by 2045 so that the next generation does not face the same kind of hardships as the current.

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

"The Commission recommends that the preparation of local plans be made an enforceable statutory duty to ensure that all councils are delivering on their housing

plans and targets. Local and city-region plans must be based on accurate housing needs assessment – including numbers of concealed households – which should be updated regularly”.

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

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

Speech by the Housing Minister Christopher Pincher at the Planning Inspectorate Annual Training Event (March 2020)

- 1.102 In a speech on 9 March 2020 to the Planning Inspectorate, the current Housing Minister, Christopher Pincher stated that:

“I know a lot about the need for new and better homes. Because in my part of the world, houses for purchase and rent are appreciatively more expensive than in other parts of the West Midlands as we simply do not have enough homes.

There isn’t a week that goes by without my constituents contacting me saying, “Chris, we just aren’t able to buy or to rent the homes that we want to live in in this beautiful part of the world.” (emphasis added)

Shelter/Savills - Social Housing & Britain’s Housebuilding Recovery (June 2020)

- 1.103 Analysis undertaken by Shelter and Savills in June 2020 identifies a range of scenarios for housebuilding recovery following the significant impact Covid-19 has had for the housebuilding industry and the wider economy in 2020.
- 1.104 The scenarios anticipate that between 125,000 and 318,000 fewer new dwellings will be delivered in the five years 2020-2025 as a result of Covid-19, equating to a 9-23% drop in delivery.
- 1.105 Of these, between 25,000 and 66,000 fewer affordable homes will be delivered (an 8-21% drop in delivery). Of these scenarios, the ‘best case’ assumes a rapid economic

recovery (e.g. in light of medical advances) and the worst case assumes deeper and longer economic difficulties.

- 1.106 Shelter recommends boosting social housing provision in order to support overall housing output, with social housing demand being counter-cyclical to the prevailing wider economy.

Housing, Communities and Local Government Committee: Building more social Housing, Third Report of Session 2019–21

- 1.107 The Housing, Communities and Local Government Committee held an inquiry in 2020 into the delivery of social housing, building upon work undertaken in 2018 by its predecessor committee. The inquiry sought to investigate matters relating to the long-term delivery of social and affordable rented homes in England.
- 1.108 The Committee identified several matters of concern relating to the state of the housing market and the availability of affordable housing. Drawing in evidence from housing associations, charitable bodies and local authorities, the Committee noted the research by Shelter that some 500,000 households are homeless or not living in satisfactory housing; some 1 in 9 children live in overcrowded homes, and that use of Temporary Accommodation has risen by 82% since 2010. It also noted the increasing rates of poverty observed in the private rented sector, and the Committee supported the Affordable Housing Commission's finding that where housing costs more than one third of household incomes then serious issues such as arrears and debts become prevalent.
- 1.109 In terms of the annual need for affordable homes, the Committee considered evidence from a number of sources and was supportive of the work by the National Housing Federation in 2018 which identifies an annually-arising need for around 90,000 social rented homes, 30,000 affordable rented homes, and 25,000 shared ownership homes. The Committee noted that although local authority housing registers had declined this was largely attributable to the provisions of the Localism Act 2011 which allowed councils to apply additional eligibility criteria.
- 1.110 The Committee was critical of the impact of Right to Buy losses upon the overall affordable housing stock which resulted in a significant depletion of the affordable housing stock – falling from 5.49 million dwellings in 1981 to 4.13 million dwellings in 2019. The Committee noted that the Government's aim of a one-for-one replacement was not being achieved and that restrictions on the spending of receipts limited the ability of councils to replace lost stock.

- 1.111 The Committee has set out a package of recommendations which include improvements to the way housing statistics are collated and published, prioritising a social housebuilding programme, reforms to compulsory purchase rules, and reforms to the Right to Buy.

White Paper: Planning for the Future (August 2020)

- 1.112 On 6 August 2020, the Ministry of Housing, Communities and Government opened a 12-week public consultation on the long anticipated Planning for the Future White Paper. The Planning for the future consultation proposes reforms of the English planning system to streamline and modernise the planning process, bring a new focus to design and sustainability, improve the system of developer contributions to infrastructure, and ensure more land is available for development where it is needed.

- 1.113 In his foreword on page seven of the White Paper, the Prime Minister, Boris Johnson, highlights the importance of housing delivery, stating the following:

‘And, above all, that gives the people of this country the homes we need in the places we want to live at prices we can afford, so that all of us are free to live where we can connect our talents with opportunity.

Getting homes built is always a controversial business. Any planning application, however modest, almost inevitably attracts objections and I am sure there will be those who say this paper represents too much change too fast, too much of a break from what has gone before.

But what we have now simply does not work.

So let’s do better. Let’s make the system work for all of us. Any let’s take big, bold steps so that we in this country can finally build homes we all need and the future we all want to see.’

- 1.114 On page eight, in his foreword, the Secretary of State for Housing, Communities and Local Government, Robert Jenrick, declares:

“These proposals will help us to build the homes our country needs, bridge the present generational divide and recreate an ownership society in which more people have the security and dignity of a home of their own.”

**Speech by Secretary of State for Housing, Communities and Local Government
to the Chartered Institute for Housing (September 2020)**

- 1.115 The Secretary of State, Robert Jenrick, gave a speech to the Chartered Institute of Housing (CIH) in September 2020 covering a range of issues including affordable housing.
- 1.116 The Secretary of State made clear the problems that the Covid-19 pandemic has caused for those less fortunate than most – those stuck in poor, cramped accommodation, struggling to pay the rent, or those – worst of all – who have no home of their own at all. For these people, Jenrick stated that the pandemic ‘has unquestionably been one of the darkest periods’.
- 1.117 Jenrick stated that ‘they deserve better’ and that, as we recover from the pandemic, the Government is absolutely determined to deliver the homes needed.
- 1.118 The Secretary of State recognised that there is ‘still a great deal more to do’ to help those trapped paying high rents who are ‘struggling to save for a deposit to enjoy homeownership or even to enjoy the security and the dignity that comes with a secure home of their own, whether that be owned or rented’.
- 1.119 Jenrick stated specifically that ‘*Affordability remains a very big issue across the board*’ and that ‘*issues around affordability are higher than ever on our agenda*’.
- 1.120 The speech talked about the Government’s Affordable Homes Programme (AHP) announcement, which aims to deliver up to 180,000 affordable homes over five years from 2021 to 2026, right across the country. This is part of the Government’s commitment to ‘levelling up’ and ensuring that opportunities are available to people across the country.
- 1.121 Jenrick went on to say that ‘*whether we’re aiming to help more people onto the housing ladder, people who are renting or, crucially, who are homeless or sleeping rough, we will only succeed if we build more homes*’
- 1.122 The Secretary of State also highlighted the planning reforms that were set out at the beginning of the summer, which he stated will help to deliver even more affordable homes.
- 1.123 The Secretary of State for Housing, Communities and Local Government concluded that, to be on track to realise individual hopes and dreams, and to power the economy and social revival, requires ‘building more homes – affordable homes’, getting more people onto the housing ladder and ‘building where affordability is most challenging’.

NHF – People in Housing Need (September 2020)

- 1.124 In September 2020, the NHF (National Housing Federation) published an analysis of the scale and shape of housing need in England today.
- 1.125 On page 4, the report shows that '*nearly 8 million people in England have some form of housing need*'. Nearly 1.9 million households are hosting a 'concealed' household while 3.4 million people found to be living in overcrowded accommodation.
- 1.126 The report expresses concern that the number of people in need of social housing could rise rapidly as a result of the coronavirus crisis – with low-income earners roughly twice as likely to lose their jobs.
- 1.127 It finds (page 2) that '*Long-term investment in social housing is needed to tackle this problem and provide people with suitable homes they can afford*'.
- 1.128 The report describes how the number of people in need of social housing in England has now hit 3.8 million people. This equates to 1.6 million households – 500,000 more than the 1.16 million households recorded on official waiting lists.
- 1.129 The report provides a clear measurement of housing need, necessary because local housing registers (or waiting lists) have become inadequate following the introduction of the Localism Act in 2011.
- 1.130 It states (page 3) that '*There is now no consistent set of criteria for allowing households to join a register*' and the data on these registers is not necessarily reviewed for accuracy on a regular basis. While local registers serve an important function, '*they do not give the full picture of how many people are in need of a home*', hence the reason for the NHF analysis.
- 1.131 The report identifies how '*the housing crisis is not one crisis, but a series of interrelated and overlapping crises*' (page 3). These include affordability, the suitability, size and condition of homes, and the ability of people to find accommodation in the first place. Some people will experience one of these problems – others will experience many at once. The complicated picture of interrelated housing crises means there is a need for new, accurate and comprehensive research on housing need, the report finds.
- 1.132 It reveals that the number of people for whom social rent is the most appropriate tenure has increased since the previous iteration of the analysis. It states that '*This suggests an intensifying of need at the 'sharp end' – things are getting worse for the worst off*' (page 5). This is reflected both in the growth in the numbers of people affected by affordability issues and in the growth in overcrowding.

- 1.133 The report continues that more than 3.4 million people were found to be living in overcrowded households, a 5% increase on the previous figures, and 2.7 million were found to have an affordability issue – up nearly 10%.
- 1.134 As might be expected, a significant proportion of these people are to be found within the social sector already. Overcrowding is a known issue in this sector, the report establishes. A shortage of larger homes can make finding a suitably sized home more difficult for families as a result of the sale of council housing and a decrease in government funding for building new social homes since 2010.
- 1.135 This is because larger, family homes are more expensive to build and therefore more difficult to build with less government funding. The ‘spare bedroom subsidy’ has also acted as an incentive for developers to build smaller homes. Given the freeze on working-age benefits (introduced in 2016 following the 2015 Budget), benefits sometimes *‘no longer cover even the cheapest forms of social housing rent’*, the report finds (page 6).
- 1.136 Meanwhile the analysis finds that nearly 1.9 million households are hosting a ‘concealed’ household, and that concealed households make up the third largest group of people affected, including nearly 1.8 million single people concealed within a total of nearly 1.5 million host households.
- 1.137 Across different tenures, when examining the proportions relative to the size of each tenure, the report finds that problems are more prevalent in the rented sectors, particularly the private rented sector, *‘where more than a quarter of households have some form of housing need’* (page 6).
- 1.138 In addition, when the report looks at those households with needs for whom social rent is the most appropriate tenure, 18.8% of private renting households are in this position compared to 11.6% of social renters and just 1.3% of homeowner households.
- 1.139 Within the private rented sector, affordability, unsuitability and overcrowding are the most frequent issues. In particular, the wider measure of affordability (using an additional higher threshold) shows up highly, as does the measure of unsuitability for the age and health of the occupant.

Speech by Secretary of State for Housing, Communities and Local Government to the Creating Communities Conference 2020 (September 2020)

- 1.140 The Secretary of State, Robert Jenrick, reiterated the importance of affordability in a speech he gave to the Creating Communities Conference 2020.

- 1.141 In the speech, Jenrick made clear that *‘We owe it to the next generation to radically reform the existing system, so we can offer them a future where our children and grandchildren can afford to own their own home.*

Speech by the Minister for Housing to the District Councils’ Network (October 2020)

- 1.142 The Housing Minister, Christopher Pincher, gave a speech to the District Councils’ Network explaining why the Government is seeking reforms to the planning system. In explaining why the Government is considering a revised methodology for calculating housing need, Pincher noted the work of KPMG and Shelter, stating that *“Local plans do not provide for the ambition we have – 300,000 new homes each year – nor enough to meet the demands of organisations and such as KPMG and Shelter, both of which say we need to be building north of 250,000 homes a year to deal with the housing challenges that we have”.*
- 1.143 Pincher also emphasised the need to address poor housing affordability, particularly that observed in the South and the South East. He explained that in calculating housing need under the Government’s proposed methodology, that *“Fundamentally the initial driver, the first driver of need, must be affordability because there are parts of our country, not just in the south and the south east, where the affordability is low and people who want and need to live in a certain place and work in that place cannot afford to do so”.*

Minister of State for Housing Speech at Savills Annual Housing Seminar (24 November 2020)

- 1.144 The Housing Minister, Christopher Pincher, gave a speech to Savills Annual Housing Seminar about the government's strategy for housing.
- 1.145 The Minister made clear that the coronavirus pandemic only reinforced the need to double our efforts to build more quality homes with strong and sustainable communities, which are needed now *“more urgently than ever”.*
- 1.146 The Minister continued, that that means *“keeping up the pace on supply”* to make up for ground lost and that notwithstanding the emergency and the challenges to the economy the Government’s target of building 300,000 new homes of all types and tenures each year by the middle of this decade must be met, so that people can *“afford to buy or afford to rent the sorts of homes that they want to be able to provide them with the security and the opportunity that they want and need”.*

Property Index Overview of European Residential Markets, 9th Edition, Deloitte, 2020

1.147 This overview report summarises housing market data for nineteen European countries including the United Kingdom. Topics discussed include new dwelling starts and new dwelling completions, and the number of existing dwellings, per 1,000 persons population. The UK performs poorly on all three matters. Just 2.65 dwellings per 1,000 population were completed in the UK in 2019; this is the seventh-lowest of any of the countries assessed. The rate of new dwelling starts is even lower, at 2.24 dwellings per 1,000 population, the fourth-lowest of the countries assessed. This is in the context of the second-lowest number of existing dwellings, with just 360.6 dwellings per 1,000 population. These data show that, by international comparison, the UK has a small existing housing stock for its population and that new dwelling starts and completions are at a comparatively low rate.

Coming Home – Tackling the housing crisis together (February 2021)

1.148 The report by the independent Commission on Housing, Church and Community lays out a positive vision for housing. The vision is centred on five core values, which are rooted in the Christian story but resonate with us all: good housing should be sustainable, safe, stable, sociable and satisfying.

1.149 At the heart of the report is the idea that simply building more houses, whilst important, is not sufficient to address the prolonged housing issues this country continues to face. The report suggests that we need more truly affordable homes and stronger communities that people can be proud of and where they can feel safe and welcome, put down roots and flourish.

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

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

"The housing problems in our society, which have been consistently documented for many years, must not continue to be borne solely by those living in unaffordable or

inadequate housing, while nearly everyone else – the Church included – continues to act largely in their own interests, and effectively perpetuates this injustice”.

Secretary of State for Communities, Housing and Local Government’s speech to the National Housing Federation (25 March 2021)

- 1.152 The Secretary of State for Communities, Housing and Local Government, Robert Jenrick, addressed the National Housing Federation on the subject of *‘building back better – fairer, and safer and with opportunity for all’*.
- 1.153 Jenrick identified the need to strengthen the safety net that social housing has always provided, while also extending the ladder of opportunity that has always been there. He stated that this means “*we must ensure that more affordable and social housing gets built*” (my emphasis).
- 1.154 The Secretary of State made clear that the Government is “*determined to do all we can to support you – social landlords who make an important contribution to housing delivery – to keep up the momentum on supply*” to ensure that homes are completed and that new properties are started” (my emphasis).
- 1.155 Jenrick went on to say (referring to the Coronavirus pandemic) that what has happened over the past year has made this an “*even more urgent, even more important mission for the country*”.
- 1.156 The Secretary of State identified the opportunity for housing associations to build the homes we need, whether for rent, whether for shared ownership or indeed for outright ownership as well – and not just in urban areas.
- 1.157 Jenrick identified that from 2015 to 2019, just over 10% of new affordable homes have been built in villages accommodating around 3,000 people. He made clear that “*I’d like to go much further than that in the years ahead*”.
- 1.158 Jenrick concluded that the Government’s mission to build back better and to level up all parts of the country “*will, in no small part, be powered by the provision of more affordable housing*” (my emphasis).

Ministry of Housing, Communities and Local Government, Press Release (19 April 2021)

- 1.159 This press release outlines that a new government-backed mortgage scheme to help people with a 5% deposit buy a house (up to the value of £600,000) is now available from high street lenders across the country. It explains that when asked 69% of private

renters and 63% of those living at home who had looked into a mortgage said they cannot find many mortgages with a low deposit. The 95% mortgage scheme aims to make home ownership more accessible.

- 1.160 The Secretary of State for Communities, Housing and Local Government, Robert Jenrick stated that *“For too many people, no matter how hard they work, home ownership can seem out of reach. One of the biggest divides in our country has been between those who can afford their own home and those who cannot.”* (my emphasis).
- 1.161 Jenrick concluded that *“In recent years we’ve reversed the trend and seen a positive increase in owner-occupiers. We’re determined to build on this through the range of flexible ownership options which help ensure home ownership is achievable. We want to match the ambitions of aspiring homeowners up and down the country. Together we can turn ‘Generation Rent into ‘Generation Buy”*.
- 1.162 The press release explains that the government intervention comes as new figures published by the government show a greatly increased desire for home ownership and a sharp reduction in 95% mortgage availability over the past year.

Conclusions on the National Housing Crisis

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

Appendix JS5

Extent of the National Shortfall in Housing Delivery



Extent of the National Shortfall in Housing Delivery

- 1.1 In a speech to the House of Commons on 24 October 2013 the-then Planning Minister, Nick Boles, made reference to *“the scale of the housing crisis faced by this country”* and *“the extent of the need for housing”*.
- 1.2 The extent of the need for housing and the scale of the crisis as a result of the persistent under delivery of both market and affordable housing in the UK is explored further in this section of my evidence, starting almost 17 years ago with Kate Barker’s Review of Housing Supply in March 2004.

The Barker Review of Housing Supply (17 March 2004)

- 1.3 In her 2004 review into issues underlying the lack of supply and responsiveness of the housing in the UK, Barker reported that housing is a basic human need, fundamental to our economic and social well-being. She found that:
- A weak supply of housing contributes to macroeconomic instability and hinders labour market flexibility;
 - Housing has become increasingly unaffordable over time, noting that the aspiration for home ownership is as strong as ever, yet the reality is that for many this aspiration will remain unfulfilled unless the trend in real house prices is reduced;
 - This brings potential for an ever widening social and economic divide between those able to access market housing and those kept out; and
 - Homes are more than shelter. They provide access to a range of services and to communities. Housing also plays a major role as an asset in household’s balance sheets and in household planning for their financial futures.
- 1.4 Barker considered that continuing at the current rate of housebuilding was not a realistic option:
- “Unless we are prepared to accept increasing problems of homelessness, affordability and social division, decline in standards of public service delivery and increasing costs of doing business in the UK – hampering our economic success”.*

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

- 2.4% per annum – which represented the Government’s target aimed at slowing the rate at which households were being priced out of the market, would have required an increase in housebuilding to 160,000 per annum;
- 1.8% per annum – to reduce the long-term trend would have required an increase in housebuilding to 200,000 per annum; and
- 1.1% per annum – which represented the EU average at the time, and which was considered would ‘improve the housing market’ would have required an increase in housebuilding to 260,000 per annum.

1.12 Meeting Barker’s most optimistic objective of improving the housing market and pricing many more households back into the marketplace would have required an estimated 260,000 homes per annum.

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

- 1.13 In March 2014, the Home Builders Federation (HBF) undertook a review of housing delivery against the findings of the Barker Review and the impacts of this upon the market and affordability. They found that by 2004 the housing crisis was already building and in the 10 years since then, even against the most modest of the housing targets identified by Barker (which was met only once in 2005/06), the average annual shortfall has been 45,000 homes.
- 1.14 Measured against the objective of improving the housing market, housebuilding had been an average of 145,000 per annum down on the target of 260,000 per annum over the period between 2004 and 2014.
- 1.15 The HBF found that when measured against the middle of Barker’s three price inflation targets for 200,000 per annum, the shortfall of homes over the decade stood at 953,000 homes in 2014. This was on top of a backlog that had already been identified as being large (estimated at between 93,000 and 146,000) and growing in 2004.
- 1.16 They reported that in 2014 even if housebuilding rose to 210,000 per annum overnight, assessed against the middle objective of reducing the long-term rate of inflation, the country would be four and a half years behind where it was in 2004.
- 1.17 In 2014, the HBF found that a decade on from the Barker Review, the UK was 1.45 million homes short of where Kate Barker projected would have brought about an improved housing market.

- 1.18 The HBF reported that a basic estimate would suggest that in order to achieve the very modest objective of slowing the increase in the affordability gap so that fewer new households are priced out of the market, in 2014 some 200,000 private household starts would be required, a figure last achieved in 1972/73.
- 1.19 It goes further to detail that the objective of improving the housing market would, in 2014, have required 320,000 private housing starts per annum, a figure achieved in England only four times since World War II.

Building the Homes We Need (April 2014)

- 1.20 The KPMG and Shelter research was intended to provide a package of new housing policies to inform the new 2015 Government.
- 1.21 It reported that each year an average of 100,000 fewer homes are built that are needed which adds to a shortfall which has been growing for decades, noting that growing demand means that without a step-change in supply we will be locked into a spiral of increasing house prices and rents, making the housing crisis worse.
- 1.22 Because of private housing becoming less affordable, the number of people in need of affordable housing has grown and with the failure of successive governments to deliver new social housing whilst existing stock continues to be depleted through the Right to Buy, waiting lists have grown whilst social housing stock has shrunk as illustrated by figure 1.1¹.

Figure 1.1: Social Housing Waiting Lists and Stock



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

¹ Reduction in total numbers on housing waiting lists in 2013 as a result of local authorities utilising the freedoms afforded to set their own housing allocation criteria through the Localism Act.

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

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

- 1.25 The Select Committee found that a growing population, rising immigration and rising incomes have increased demand for housing in England in recent decades but that too few homes have been built over this period. As a result, house prices and rents have risen sharply and there has been a decline in home ownership over the past decade.
- 1.26 They considered that we must build enough homes to make housing more affordable for everyone, noting that aspirant home owners who are unable to afford a deposit pay substantial proportions of their income on rent, families on waiting lists of social housing contend with insecure tenancies and rogue landlords, and at the same time housing benefit spending has doubled in the past two decades.
- 1.27 The Lords reported that as former Housing and Planning Minister Brandon Lewis had explained to them, the Government aimed to address the problems by building one million homes by the end of Parliament. However, it was noted that since the Brexit vote the Minister had effectively abandoned this target and prior to the vote had warned that it would be difficult to achieve if the UK voted to leave the European Union.
- 1.28 In addition to this the Committee found that whilst the Government's ambition was welcomed, it must be matched by appropriate action on a much larger scale than currently envisaged and across all tenure. They considered that the Government was focused on building for home ownership and therefore neglecting housing for affordable and social rent.
- 1.29 It was reported that it had been 10 years since 200,000 homes (the implied annual rate from the Government's target) were added to the housing stock in a single year, but

the evidence suggested that this will not be enough to meet future demand and the backlog from previous years of undersupply.

- 1.30 The Select Committee found that in order to meet demand and have a moderating effect on house prices, at least 300,000 homes a year need to be built for the foreseeable future otherwise the age of a first-time buyer will continue to rise. The main conclusions of the Select Committee included that:

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

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

- 1.31 The NHF press release² reported that new figures reveal the true scale of the housing crisis in England and that the research (conducted by Heriot-Watt University) shows that England’s total housing backlog has reached four million homes.
- 1.32 They report that in order to both meet this backlog and provide for future demand, the country needs to build 340,000 homes per year until 2031, noting that this is significantly higher than current estimates which have never before taken into account the true scale of housing need created by both homelessness and high house prices.
- 1.33 However, the NHF is clear that these need to be the right type of houses with a need for 145,000 of these new homes per year to be affordable homes, compared to previous estimates of annual affordable housing need of around 78,000 homes. It reports that this means around two fifths (or 40%) of all new homes built every year must be affordable homes, yet in 2016/17 only around 23% of the total built were affordable homes.
- 1.34 The research breaks down exactly what type of affordable homes are needed:
- 90,000 per annum should be for social rent;
 - 30,000 per annum should be for intermediate affordable rent; and
 - 25,000 per annum should be for shared ownership.
- 1.35 Reference was drawn to the September 2017 announcement by the former Prime Minister Theresa May that £2 billion will be invested in affordable housing and

² <https://www.housing.org.uk/press/press-releases/england-short-of-four-million-homes/>

indicating that this could deliver around 25,000 new homes for social rent over three years, however the NHF report that even when this funding is made available, the research shows that it would deliver less than 10% of the social rented homes needed each year.

- 1.36 Government funding for social housing has been steadily declining for decades. In 1975/76 investment in social housing stood at more than £18 billion a year but had declined to just £1.1 billion in 2015/16. Over the same period, the housing benefit bill grew from £4 billion to £24.2 billion each year.
- 1.37 The NHF set out that homeownership rates have plummeted among young people, rough sleeping has risen by 169% since 2010 and that unless the Government takes steps to deliver more private, intermediate and social housing, the number of households in temporary accommodation is on track to reach 100,000 by 2020.
- 1.38 A series of quotes accompany the NHF press release from senior industry professionals, summaries of which are detailed below:
 - David Orr, Chief Executive of the NHF – *“This ground-breaking new research shows the epic scale of the housing crisis in England”.*
 - Jon Sparkes, Chief Executive of Crisis – *“Today’s findings are stark and shocking, but they also represent a huge opportunity for us as a country to get to grips with our housing and homelessness crisis – and to end it once and for all”.*
 - Terrie Alafat CBE, Chief Executive of the Chartered Institute of Housing – *“This new report once again highlights the chronic housing shortage we face in the UK and it is clear that only a bold and ambitious plan to solve the housing crisis will prevent a decent, genuinely affordable homes being out of reach for our children and their children.”*
 - Campbell Robb, Chief Executive of the Joseph Rowntree Foundation – *“It is unacceptable that currently in our society millions of people are locked out of being able to afford a decent and secure home. For years our failure to deliver enough affordable housing in England has led to rising levels of poverty and homelessness across our country.”*
 - Polly Neate, Chief Executive of Shelter – *“We are in the midst of a housing emergency where an entire generation faces a daily struggle for a decent home...Government can turn things around but only by building many more of the high quality, genuinely affordable homes this country is crying out for”.*

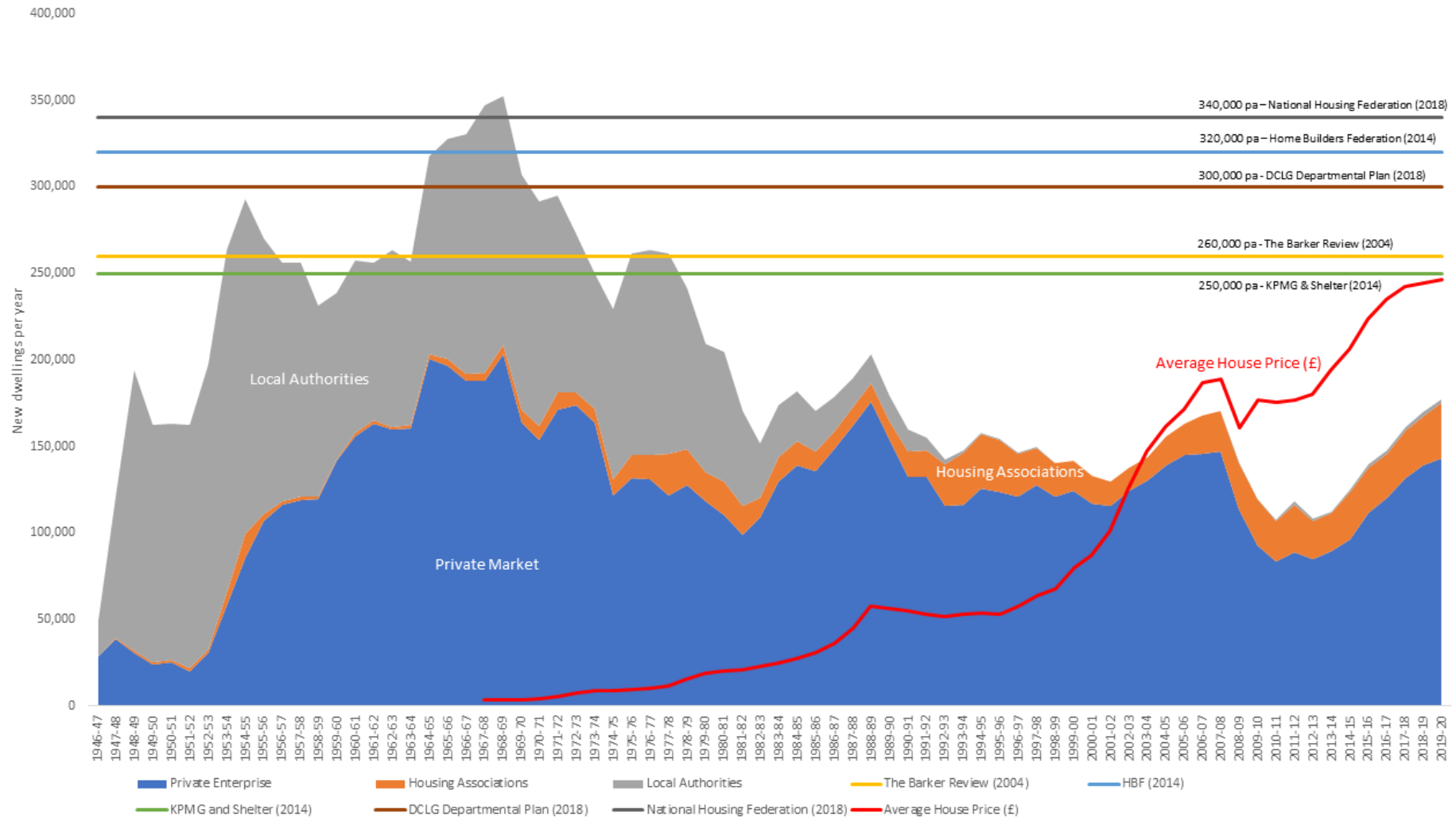
Ministry of Housing, Communities and Local Government Single Departmental Plan (27 June 2019)

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

The National Housing Shortfall

- 1.42 Over the course of the past 17 years a series of industry leading professionals and figures at the highest level of Government have identified that there is a need for between 200,000 to 340,000 homes per annum to address the housing crisis that has engulfed the country.
- 1.43 Figure 1.2 below illustrates the level of house building in England between 1946 and 2017 and compares delivery over this period with the range of annual housing needs identified between 2004 and 2020, the most recent of which of course being the Government's own Ministry for Housing, Communities and Local Government (MHCLG) target for 300,000 new homes per annum.

Figure 1.2: House Building in England 1946 to 2019



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

- 1.44 Figure 1.2 shows that the Government's current target of 300,000 new homes per annum is a figure that the country has not seen achieved since the mid to late 1960s. Whilst housing completions have been increasing since around 2011, they are still a long way short of meeting the level of housing delivery that is desperately needed to address the housing crisis in this country.
- 1.45 At Figure 1.3 net additional dwellings in England since 2004 sourced from MHCLG Live Table 122 are compared with the annual need figures identified in the Barker Review (2004), the KPMG & Shelter research (2014), the HBF research (2014), the NHF research (2018), and the MHCLG Single Departmental Plan (2019).
- 1.46 The results are stark. The lowest of the annual need figures since 2004, that of the KPMG/Shelter report of 250,000 homes per annum, results in a shortfall of -1,105,490 homes in the past 17 years. To put this into context, this is equivalent to:
- 95% of the total number of households on local authority Housing Registers in the whole of England³; and
 - Almost four times the total number of homes across the entire County of Oxfordshire⁴.
- 1.47 At the other end of the scale, the need for 340,000 homes per annum most recently identified in the NHF research results in a shortfall figure of -2,635,490 homes. This is equivalent to more than twice the total number of homes in the entire West Midlands region⁵.
- 1.48 When the Government's most recently published target of 300,000 home per annum taken from the MHCLG 2018 Single Departmental Plan is used for comparison, there has been a shortfall of -1,955,490 homes since 2004. To put this into context, this is equivalent to:
- More than 1.6 times the number of households on local authority Housing Registers in the whole of England (see footnote 3); and
 - More than one-and-a-half times the total number of homes in Greater Manchester⁶.

³ Source: MHCLG Live Table 600 – 1,159,833 households on Housing Registers in England at 1 April 2019

⁴ Source: MHCLG Live Table 100 – 295,517 homes in Oxfordshire at 1 April 2019

⁵ Source: MHCLG Live Table 100 – 1,174,904 homes in West Midlands at 1 April 2019

⁶ Source: MHCLG Live Table 100 – 1,223,807 homes in Greater Manchester Metropolitan County at 1 April 2019

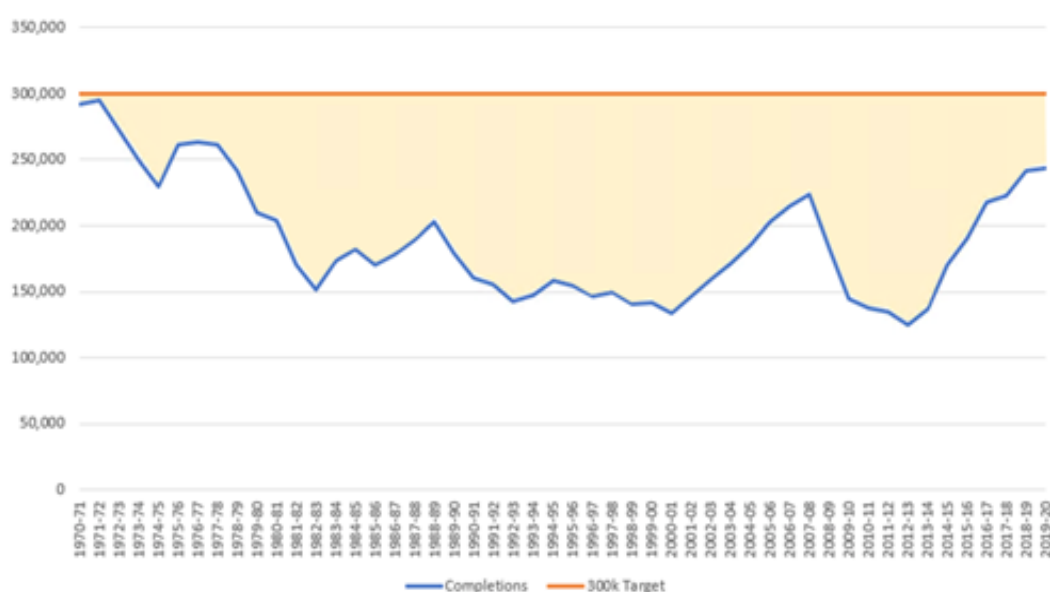
Figure 1.3: National Housing Shortfall Comparison

Year	Net Additions	KPMG/Shelter (2014) 250,000 pa		Barker Review (2004) 260,000 pa		MHCLG Departmental Plan (2019) 300,000 pa		The HBF (2014) 320,000 pa		NHF Research (2018) 340,000 pa	
		Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative
03/04	170,969	-79,031	-79,031	-89,031	-89,031	-129,031	-129,031	-149,031	-149,031	-169,031	-169,031
04/05	185,553	-64,447	-143,478	-74,447	-163,478	-114,447	-243,478	-134,447	-283,478	-154,447	-323,478
05/06	202,653	-47,347	-190,825	-57,347	-220,825	-97,347	-340,825	-117,347	-400,825	-137,347	-460,825
06/07	214,936	-35,064	-225,889	-45,064	-265,889	-85,064	-425,889	-105,064	-505,889	-125,064	-585,889
07/08	223,534	-26,466	-252,355	-36,466	-302,355	-76,466	-502,355	-96,466	-602,355	-116,466	-702,355
08/09	182,767	-67,233	-319,588	-77,233	-379,588	-117,233	-619,588	-137,233	-739,588	-157,233	-859,588
09/10	144,870	-105,130	-424,718	-115,130	-494,718	-155,130	-774,718	-175,130	-914,718	-195,130	-1,054,718
10/11	137,394	-112,606	-537,324	-122,606	-617,324	-162,606	-937,324	-182,606	-1,097,324	-202,606	-1,257,324
11/12	134,896	-115,104	-652,428	-125,104	-742,428	-165,104	-1,102,428	-185,104	-1,282,428	-205,104	-1,462,428
12/13	124,722	-125,278	-777,706	-135,278	-877,706	-175,278	-1,277,706	-195,278	-1,477,706	-215,278	-1,677,706
13/14	136,605	-113,395	-891,101	-123,395	-1,001,101	-163,395	-1,441,101	-183,395	-1,661,101	-203,395	-1,881,101
14/15	170,693	-79,307	-970,408	-89,307	-1,090,408	-129,307	-1,570,408	-149,307	-1,810,408	-169,307	-2,050,408
15/16	189,645	-60,355	-1,030,763	-70,355	-1,160,763	-110,355	-1,680,763	-130,355	-1,940,763	-150,355	-2,200,763
16/17	217,345	-32,655	-1,063,418	-42,655	-1,203,418	-82,655	-1,763,418	-102,655	-2,043,418	-122,655	-2,323,418
17/18	222,281	-27,719	-1,091,137	-37,719	-1,241,137	-77,719	-1,841,137	-97,719	-2,141,137	-117,719	-2,441,137
18/19	241,877	-8,123	-1,099,260	-18,123	-1,259,260	-58,123	-1,899,260	-78,123	-2,219,260	-98,123	-2,539,260
19/20	243,770	-6,230	-1,105,490	-16,230	-1,275,490	-56,230	-1,955,490	-76,230	-2,295,490	-96,230	-2,635,490
Total Shortfalls Since 2004 compared to:		KPMG/Shelter Research		The Barker Review		MHCLG Departmental Plan		The HBF		NHF Research	
		-1,105,490		-1,275,490		-1,955,490		-2,295,490		-2,635,490	

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

- 1.49 It is widely accepted that 300,000 new homes are needed per annum and have been for quite some considerable time as set out above. The last time the country built more than 300,000 homes was in 1969. Since that time there is an accumulated shortfall of 5,542,181. This shortfall is set out in Figure 1.4 below.

Figure 1.4 National Housing Shortfall since 1970/71



Source: MHCLG Live Tables 122 and 209

Conclusion on the Extent of the National Housing Shortfall

- 1.50 The evidence before the Inspector shows that in every scenario, against every annual need figure, the extent of the shortfall in housing delivery in England is staggering and merely serves to further compound the acute affordability problems that the country is facing.

It is my view that what is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is absolutely essential to arrest the housing crisis and prevent further worsening of the situation.

Appendix JS6

Shelter: Social Housing & Britain's Housebuilding Recovery



Shelter Briefing: Social Housing & Britain's Housebuilding Recovery

In England we are in the midst of a housing emergency. One characterised by high levels of homelessness, expensive private rents and a severe lack of genuinely affordable social housing. The impacts of this housing emergency have been exacerbated by the current pandemic. With many people forced to shield and isolate in wholly inappropriate living conditions.

The post-pandemic recession also brings severe risk for the English housebuilding industry, which we know from the 2008 experience will look to reduce output in an economic downturn. This means fewer homes built and many jobs lost. In fact, new analysis from Savills – commissioned by Shelter – shows that as many as 244,000 jobs in construction and the construction supply chain could be lost in 2020/21.

However, there is an answer available to government that will ensure construction jobs are saved, the country continues building homes through a downturn and those in housing need are provided with new and better accommodation. This answer is to invest now in the building of social housing.

The upcoming Great Recovery Bill offers a first chance to commit to this by:

- 1. Accelerating the existing £12.2 billion Affordable Homes Programme, to make it a two-year rescue and recovery package.**
- 2. Spending the bulk of the rescue and recovery package on building new social rented homes with realistic grant rates and be flexible and imaginative about allocating grant.**
- 3. Using the recovery as a launchpad towards delivering the 90,000 social rented homes a year we need through a long-term programme.**

The challenges we face

In England, we face a housing emergency. One that has been thrown into sharp relief by the COVID-19 pandemic that we have all faced in recent months.

This emergency has not developed overnight. It is the result of four decades of failure to invest properly in the social homes that our country so desperately needs. The consequences of this failure are clear. Even before the COVID-19 pandemic, we have lived with the reality that:

- Just over 280,000 people in England were homeless on any given night in 2019, including over 236,000 people living in temporary accommodation – a statistic that includes more than 125,000 children.
- Home ownership is in decline, with the English Housing Survey showing that 64% of households owned their own homes in 2018/19, down from 68% a decade ago. At the same time, the average cost of a home in England has increased to eight times the annual pay packet and the average share of income that a young family spends on housing has trebled over the past 50 years.
- Private renters now spend an average of 40% of their household income on rent, with such high costs making the chance to save and move into homeownership a pipe dream for many. In fact, almost two-thirds (63%) of private renters have no savings at all.

The pandemic has served to exacerbate many of these issues and shine a spotlight onto them. The pandemic has served to exacerbate many of these issues and rightly brought them to the forefront of the political agenda. However, how we work to resolve the housing emergency has not changed at all; the benefits of investing in social housing have only become clearer. As Shelter set out in our 2019 report, [‘A](#)

[Vision for Social Housing](#)', the only way to turn the tide on all these issues is to rediscover our ability as a nation to build the social homes that people need.

In the three and a half decades that followed the Second World War, local authorities and housing associations built 4.4 million new social homes. That shows us what is possible with the right investment and the necessary political will. However, in 2018/19, just 6,287 new social homes were built in England. Moreover, when the losses of social homes through sales and demolitions are accounted for, the reality we have lost more than 17,000 homes over the course of just the last year.

As a country, we must do better. The challenge before us now is greater than it was even 6-months ago and there is an urgent need for government to act.

Potential impact of COVID-19 on housebuilding & construction jobs

Over the course of recent decades, the English housebuilding industry has increased its reliance on private developers, despite the diversity of developers decreasing across the country. This means that a tiny number of extremely large private construction firms now control the lion's share of housebuilding output, with SMEs, local authorities and housing associations prevented from delivering as many homes as they historically have.

At a time when we face a potentially severe recession across the whole economy, this is concerning because this contraction of diversity has also reduced the overall resilience of the housebuilding sector. In simple terms, this means that the coming weeks and months will see construction output drop dramatically, as SMEs go out of business, skilled traders lose their jobs, and fewer homes of all types are being delivered.

We find ourselves in this situation because our focus on private development means we are reliant on one model of development: the speculative development model. In a speculative development model, a developer buys land years in advance of when they might build any homes. They make these purchases in a highly competitive land market where – as might be expected – the highest bid for land wins the day. This means developers are incentivised to make highly aggressive assumptions about things like the future selling price of the homes they might build.

When house prices are rising, these risks pay off in a big way and the rewards can be huge. For example, in 2017 the boss of Persimmon, was given an initial annual bonus of more than £100 million after the company posted record profits. It was the biggest bonus for any business in any UK industry ever. But when prices fall, speculative developers' bets can turn bad and they can make huge losses. In 2008, when the financial crisis hit, Taylor Wimpey realised it had paid far too much for the land they'd bought and made a £1.5 billion loss in just six months.

Over, the speculative development model lacks resilience. It produces homes when the economy is booming but moves straight to shutting down output when times are bleaker. Over the last decade, we have not addressed this fundamental flaw. Consequently, echoing the 2008 financial crash, the residential construction sector is currently facing serious challenges.

Research from the consultancy Savills, commissioned by Shelter, shows the potential impacts of an economic recessions, unless the government acts quickly:

- As many as 300,000 homes that would have been built over the course of this period will not materialise, as major developers reduce their output in the face of uncertainty.
- £29.6 billion could be lost from the UK economy.
- As many as 244,000 jobs could be lost in the construction sector and the extended supply chain.
- We are set for as few as 3,500 social rented homes to be built this year – the lowest number since the tenure's creation - at a time when at least 90,000 a year are needed.

Savills illustrate that demand for discounted homes to buy are hit just as hard during a recession, as "historic patterns show Shared Ownership sales tend to move in line with outright sales rates." This is significant because it means housebuilders may not be able to shift production to concentrate on shared

ownership during the downturn, or other discounted home ownership products, e.g. First Homes. These products will be affected just as badly by a lack of demand.

For the bricklayers, plasterers and electricians, who physically build our homes, this is all extremely bad news potentially putting their livelihoods at risk.

Having learned from the experiences of 2008, we know that when skilled construction workers leave the sector, they don't rush back when the outlook improves. A loss of capacity in the construction sector will only entrench the challenges we face now, in building the homes we need, and risk extending the time before the sector can recover.

Why are jobs at such risk?

1. Big developers do not employ construction workers long-term

Big developers know that housing markets are hit hard by recessions. This makes them reluctant to provide long term employment. Instead, employment risk is pushed down the chain to small and medium-sized (SME) building firms and contractors. Contracting and subcontracting is unusually common in housebuilding. This means, in the short term, developers can close sites and wait for prices to rise, without having to worry about paying workers. As such, the demand for construction workers' labour falls.

2. SMEs stop hiring or risk going under

SME housebuilders often don't have the reserves to weather a downturn and are unable to push employment risk down to smaller firms. This means they are unable to sit and wait for sites to become profitable again. Following the 2008 great financial crisis (GFC), 1 in 3 SME housebuilders left the sector, either switching to other services or becoming insolvent.

3. Construction workers leave the industry for good

Construction is characterised by unusually high levels of self-employment. Between January and March, self-employed workers made up 40% of the total construction workforce, as opposed to under 20% across all industries. A fall in available work means many of these workers go without employment or leave the sector to train in another industry.

It also has an ageing workforce. While a disproportionately high number of builders leave construction before retirement age in ordinary times, a drop-in demand for construction services risks many more taking the decision to retire early.

Saving housebuilding via social housing

Social housing, unlike private market sale housebuilding, is counter cyclical and the demand for the product does not decrease when times are rough in the economy. In fact, as has been highlighted in many places – including the [2018 Letwin Review of Build Out](#) – the demand for affordable housing and social housing is extremely high.

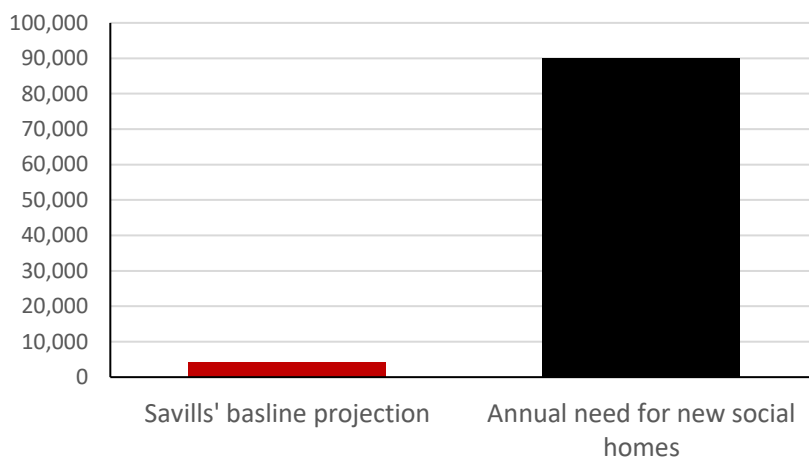
Already there are more than 1 million people on social housing waiting lists across the country, and this is just the tip of the iceberg, with millions more living in expensive, insecure, private rented accommodation.

Social rent levels are also set by a formula tying them to local incomes. This means they are affordable to low income households across the country. It also means that when incomes drop, the demand for social rent housing does not drop, in the same way it does for private sale homes. Not only will investment in social housing deliver the homes people need, it will also provide the certainty that our housebuilding sector needs to keep building and providing vital jobs for local people.

However, the approach we currently take to social housing will mean that, instead of providing a route to help save jobs and stimulate the economy, we will see delivery dip even further over the coming years.

Savills's projects that in the 2020s, 64,300 new social rented homes will be built in England. This at a time when we need to be delivering at least 90,000 social homes per year, not the 4,300 being projected next year in Savills worst case scenario.

Already, as of last year, we are in a situation where we are losing over 17,000 social homes (net figures) in England. At a time when we have hundreds of thousands of homeless families and millions trapped in expensive private rentals, this is simply not good enough.



The reasons for this are numerous but, at its heart, it comes down to a decision to prioritise other forms of housing over social rent. The reality is that those forms of housing are not the way we are going to save the housebuilding industry and they aren't the genuinely affordable homes that people need.

Social housing can be the answer we need right now. Or we can face another lost decade of delivery in this most vital of tenures.

Recommendations

Shelter is recommending that the government take immediate steps to support the housebuilding industry through investment in social housing. This means:

- 1. Accelerating the £12.2 billion Affordable Homes Programme, to make it a two-year rescue and recovery package.**
- 2. Spending the bulk of the rescue and recovery package on building new social rented homes, with realistic grant rates and be flexible and imaginative about allocating grant.**
- 3. Using the recovery as a launchpad towards delivering at least 90,000 social rented homes a year to meet need, through a long-term programme.**

Taken together – and coupled with a flexible and nimble approach from government, Homes England and the Greater London Authority – these recommendations can be the difference between the collapse of our housebuilding centre and an increase in its resilience.

In the immediate term, we would see new homes delivered for those who truly need them, and many thousands of jobs protected. In the long-term, we would see the emergence of a better housing sector - one that can adapt to difficult conditions and delivers the diversity of tenure that we desperately need.

For more information please contact robin_white@shelter.org.uk.

Appendix JS7

Officer's Report, Oughtibridge Mill (17/02624/OUT)



SHEFFIELD CITY COUNCIL PLANNING APPLICATION OFFICER REPORT

APPLICATION: 17/02624/OUT

PROPOSAL: Application to remove requirement for provision of affordable housing (Application under Section 73 to remove condition 22 (Affordable housing provision) from planning permission 16/01169/OUT)

ADDRESS: Oughtibridge Mill Sheffield Site
22 - 24 Main Road
Wharnccliffe Side
Sheffield
S35 0DN

BACKGROUND

The application relates to the site of Oughtibridge Mill, a former paper mill that lies on the eastern side of Main Road/Langsett Road North (A6102).

Members may recall that outline planning permission was conditionally approved in October 2016 for the demolition of the site's existing buildings and structures and the development of the site for residential use (Use Class C3). The permission was granted subject to thirty-nine conditions, one of these conditions (No. 22) secured the delivery of affordable housing equivalent to 10% of the gross internal floor area of the total number of dwellings.

Following the grant of outline planning permission, the applicant (CEG, working on behalf of the landowner, ASEII Developments) submitted a S73 application (planning reference No. 16/04679/OUT) seeking to remove the condition in order to reduce the requirement to provide affordable housing as a part of the development at Oughtibridge Mill. The applicant considered that the site was eligible for Vacant Building Credit (VBC) following its reinstatement in the Government's Planning Practice Guidance (PPG) in May 2016 and as such that the site should be exempt from the requirement to provide affordable housing. The issues relating specifically to VBC are discussed further below but for background purposes, Members are advised that the planning guidance on VBC at Paragraph 21 of the Planning Practice Guidance states that 'Where there is an overall increase in floorspace in the proposed development, the local planning authority should calculate the amount of affordable housing contributions required from the development as set out in their Local Plan. A 'credit' should then be applied which is the equivalent of the gross floorspace of any relevant vacant buildings being brought back into use or demolished as part of the scheme and deducted from the overall affordable housing contribution calculation'. Exemptions to this include building(s) that have been abandoned, or in instances where the building has been made vacant for the sole purpose of redevelopment.

Further clarification on how Local Planning Authorities (LPAs) should apply VBC was given by the High Court following its reinstatement in Planning Practice Guidance in May 2016. Instead of being applied as a 'blanket requirement' as many believed, the application of VBC should be treated as a material consideration that sits alongside other material considerations when considering the merits of planning applications that involve the redevelopment of brownfield sites containing vacant buildings.

When considering the merits of the outline planning permission to impose Condition 22 and the subsequent S73 application to remove the condition, it was considered by officers, and upheld by Members at the Planning Committee, that in the first instance VBC was not applicable with regard to the development of the site and secondly, that even if it was, greater weight should be attached to the Council's policies in respect of the delivery of affordable housing than the weight that should be afforded to PPG on the issue of VBC. As such, and despite the applicant's view that VBC should apply, it was considered that the condition seeking the delivery of affordable housing should not be removed from the outline permission. This view was accepted by Members and the application refused by notice on the 8th March 2017 for the following reasons:-

1. The LPA consider that Vacant Building Credit (VBC) is not applicable in respect of the application. As stated at Paragraph 023 of Planning Practice Guidance on Planning Obligations (PPG), the purpose of the VBC is to incentivise the development of brownfield land, including empty and redundant buildings. The evidence presented by the Council shows that VBC was not needed to incentivise the development of this site so in accordance with the PPG, having regard to the intention of national policy, it is considered that VBC should not apply to this development.
2. It is the opinion of the Local Planning Authority that the buildings at Oughtibridge Mill have been abandoned. As such, it is considered that VBC is not applicable to the scheme as detailed at Paragraph 023 of the PPG.
3. Notwithstanding the above, in the opinion of the Local Planning Authority the delivery of affordable housing pursuant to Core Strategy Policy CS40 should be given greater weight in respect of this application than the national policy for VBC (should it apply to this development). Sheffield has a significant need for affordable housing, which is currently not being met. The shortfall of affordable housing to be delivered through planning permissions, as established by the 2013 SHMA, is 725 homes/year. If the Council were only to take full contributions towards affordable housing from greenfield sites (or brownfield sites that have been cleared of existing buildings) then this would have a significant effect on its ability to meet the identified need. It is considered therefore that the development would be contrary to the provisions of Core Strategy Policy CS40 and guidance contained in Supplementary Planning Guidance CIL & Planning Obligations 2015.

Members should be aware that in conjunction with this application, the applicant has appealed the decision of the Council to refuse the earlier S73 application to remove Condition No. 22 to the Planning Inspectorate. Depending upon the outcome of this

current application, the appeal is set to be heard at an Informal Hearing on the 6 December 2017.

PROCEDURAL ISSUES

Oughtibridge Mill is located in both the administrative boundaries of Barnsley MBC and Sheffield City Council. On account of this, discussions between the two authorities took place in advance of the outline application being submitted in order to establish the procedural matters relating to the cross boundary nature of the site. It was agreed between the two authorities that the decision making authority in respect of the application (and all subsequent applications for the approval of reserved matters, S73 applications, NMAs and applications to discharge conditions) be delegated to Sheffield City Council. Despite the largest part of the site being within Barnsley, the site's location along Langsett Road North adjoining the two settlements of Wharncliffe Side and Oughtibridge, and its remoteness from the main built up areas of Barnsley, would mean that it will function and draw mainly if not entirely upon the services located in Sheffield and not Barnsley.

LOCATION AND PROPOSAL

The Oughtibridge Mill site is located relatively equidistant between Wharncliffe Side to its north and Oughtibridge to its south. The site covers an area of approximately 13.79 hectares and is bisected by the River Don. The land to the south and west of the River Don is located within the administrative boundary of Sheffield City Council, and is designated a General Industry Area (without Special Industries), whilst the land to the north and east of the River Don is located within the administrative boundary of Barnsley Metropolitan Borough Council (MBC). The land located within Barnsley's area is designated as Green Belt.

The application site sits on the valley floor with the main area of the site either side of the river being relatively flat ranging from 90m (AOD) to 102m (AOD). This is in contrast to the steep valley sides and undulating sloping landform.

The application comprises previously developed land including a number of existing buildings and structures that include traditional 19th Century stone buildings fronting onto Langsett Road North, a large 20th Century warehouse shed, in addition to areas of cleared land, hardstandings and metalled roads. Building heights vary from two storey buildings fronting Langsett Road North, to the site's much higher warehouse buildings, which are up to 13m in height. Details submitted at the outline stage state that the site's remaining buildings provide in excess of 32,000 square metres of floorspace and have an overall mass of 215,000 cubic metres. The majority of the site's buildings and structures including the large warehouse building is located on the northern side of the River Don within the administrative area of Barnsley MBC. The level of existing buildings within the administrative boundary of Sheffield are minimal by comparison.

This application seeks permission to remove Condition No. 22 (Delivery of affordable Housing). The application has been made under Section 73 of the Town and Country Planning Act 1990 (as amended) which allows for the grant of a fresh planning permission without Condition No. 22.

Unlike the previous S73 application, the applicant has submitted additional justification to support the removal of the condition by including a Viability Report prepared by Allsop LLP (dated 17 June). They have submitted the Viability Report without prejudice to the applicant's view that the scheme's viability is not a relevant factor in the applicability of VBC.

RELEVANT PLANNING HISTORY

16/01169/OUT - Demolition of existing buildings and structures and erection of residential development (Use Class C3) with means of site access including a new vehicular bridge and a pedestrian/cycle bridge across the River Don, and associated landscaping and infrastructure works (As amended by drawings received on the 11 and 16 August 2016) – Approved 28 October 2016

16/01676/FUL - Erection of a new pedestrian/cycle bridge over River Don onto Langsett Road North (As amended by drawings received on the 17 November 2016 and 1 December 2016) – 5 December 2016

16/01677/FUL – Erection of a vehicular bridge over River Don – Approved 18 October 2016

16/04679/OUT – Application to remove requirement for provision of affordable housing (Application under Section 73 to remove condition 22 (Affordable Housing) – Refused 8 March 2017. The applicant has appealed the decision to the Planning Inspectorate, which is due to be considered at Informal hearing in December 2017. Appeal reference No. APP/J4423/W/17/3178568

SUMMARY OF REPRESENTATIONS

A number of representations have been received in response to the application. These include objection letters from Angela Smith MP, Bradfield Parish Council, Loxley Valley Protection Society and Campaign for the Protection of Rural England (CPRE). Objection letters have also been received from five local residents. A summary of all the representations are listed below:-

Angela Smith MP

No objection in principle to the level of redevelopment on this site given that the derelict site can become an eyesore, but believe that the original application should have been refused due to the scale of the development, highway hazards, biodiversity and ecological considerations, pressure on utilities, education and other local services. The Council refused the previous S73 application to remove the requirement to deliver affordable housing for three reasons pertaining to VBC. It is considered that the applicant should have been required to sign an agreement to undertake the obligations set out in the planning conditions attached to the approval. It is disappointing therefore to find that the applicant is now seeking to remove conditions already agreed on the basis of a view on VBC not shared by the LPA, and now on the basis of the overall viability of the scheme.

It is accepted that the brownfield land can be more costly to remediate, but it is noted that the LPA has only asked for an affordable housing contribution of 10%, significantly lower than that which would normally be requested of developments in a

high-demand area. The LPA has already given consideration to the viability of the scheme and made allowances for this, in much the same way as the applicant must have considered these matters when signing the agreements pertaining to the original permission. The fact that the public information boards presented at the public consultation event referred repeatedly to affordable housing suggests that the applicant was aware of the likely requirements regarding affordable housing and had considered this during its deliberations about whether to proceed with the project. Object strongly in the applicant's latest attempt to remove the planning condition relating to affordable housing. The original application was and remains highly controversial within the community and risks considerable additional burden upon already-strained local infrastructure and services. The very least that the applicant can do is to fulfil the community obligations to which it has previously agreed.

Campaign for the Protection of Rural England (CPRE)

CPRE states that they wish to object to the application, which they regard as a further, inappropriate attempt by the applicant to renege on their obligations to contribute to affordable housing. CPRE consider that the application to be a national test case for local authorities' ability to deliver affordable housing on brownfield sites.

Fully support SCC's previous refusal to remove Condition No. 22 under application No. 16/04679/OUT. The objections cited under the previous application stand in their entirety in relation to this current application.

CPRE's position that the site was evidently bought with no intention to bring the buildings back into industrial use remains, and that this qualifies as abandonment, which disqualifies the site from eligibility for Vacant Building Credit.

Even if the scheme were deemed to be eligible for VBC, the Council has discretion to determine the weight given to VBC compared to the Local Plan policies and Sheffield's dependence on brownfield sites to deliver affordable housing in a way that is consistent with the Core Strategy should carry substantial weight.

It is noted that the applicant has now changed their position on the viability of the affordable housing provision. It is impossible to see how either the site-specific viability, or the overall market viability of affordable housing in Sheffield could have changed in such a short time in the absence of any major economic shifts in circumstances. This is considered to be a cynical manoeuvre by the applicant to renege on obligations to which they have so recently made a commitment.

Owing to the importance of the case, CPRE obtained legal opinion from John Hobson QC, Landmark Chambers on three matters about VBC and relating to i) size threshold above which VBC would or would not apply, ii) "abandonment" and iii) status of VBC as a material consideration.

In terms of Part i), he comments that there is no legal basis for establishing a size threshold above which VBC would not apply; this despite the references in the Written Ministerial Statement (WMS) to 'unlocking small-scale development'. In terms of part ii) he comments that as neither the WMS nor the PPG provides any definition of "abandonment", this is a matter for the LPA to consider on its own merits. The focus should be on the buildings themselves rather than the site as a whole and advises that if in the light of all the evidence, the Council concludes that there is no

realistic prospect of the resumption of an industrial, or any other use, the Council may decide that the buildings have been abandoned, and the development would not be eligible for VBC. In terms of part iii), VBC is a government policy not legislation and as such it up to the LPA to exercise their discretion as to whether it would be appropriate to consider the proposed development eligible for VBC. It is a material consideration, and it is for the Council to decide the weight to attach to it compared to other considerations, including the need to provide affordable housing.

Loxley Valley Protection Society (LVPS)

LVPS consider that the situation between this and the previous application has not materially changed and objects to the removal of the condition due to the great need for affordable housing in the area. LVPS state that their objection to the previous application still stands (see bullet points below) and support SCC in the decision to refuse the application and the stance made by CPRE.

- LVPS considers that the system for the provision of affordable housing in this country is, to all intents and purposes, “broken”, while planning law states it is for the developer to provide for this, this is what should be happening.
- The outline application was submitted with a commitment to provide 10% affordable housing in line with Core Strategy Policy CS40. Given that the application was submitted prior to the reinstatement of the VBC in PPG on the 19th May 2016, it should be taken from this that the development at Oughtibridge Mill is not one where VBC would be applicable.
- The idea that developers can agree to the provision of affordable which is later conditioned in the decision to grant the application, and then after granting apply to have that condition removed places the Council and general public in a completely untenable position.
- In order to qualify for VBC, the site would need to be deemed vacant and not abandoned. In this case, due to both the economic situation pertaining and flooding, the then owners of Oughtibridge Mill decided to halt production. The Council was engaged in a “call for sites” and this site was put forward. Based on those factors, any reasonable person would feel the factory had been abandoned as a place of production by the company running it and the most likely scenario of it being put forward in the call for sites would be to develop the site for housing (As in the Wednesbury Principle of reasonableness).
- If developers are consistently going to agree to affordable housing provision then withdraw it on the granting of permission, local authorities will find it impossible to grant permission under these circumstances, due to the breach in trust between LPA and developer.

Bradfield Parish Council

Bradfield Parish Council recommends that the application be refused on grounds of local need and housing provision.

Neighbour representations

Five representations have been received from residents of neighbouring properties. Their comments are summarised as follows: -

- The developer is attempting to wiggle out of an entirely reasonable and lawful requirement for a modest affordable housing provision;
- The UK housing market in general is in need of affordable housing. It would be a disgrace if this development goes ahead with no provision for affordable houses, simply to increase the profit margin of the developers. The developer should not be let off from its obligations;
- It is doubtful that this housing development is unviable with the inclusion of 10% affordable housing. The application is clearly aimed at increasing the profit margin for the developer rather than considering the needs of the local community. The argument presented including one that the site is not abandoned is an attempt to wriggle out of the commitment to affordable housing on a technicality;
- Many people who live in Oughtibridge moved here because it offered a range of properties available at different prices that ensure a mixed community;
- With 90% of the development classified as 'unaffordable' this should still provide the developers with a healthy profit margin;
- This village is desperate for affordable homes so our children can stay in the area, close to family and friends.
- At the roadshow by the developers this was one of the things they told us would be happening and it is a disgrace that they have decided to go for maximum profit and no benefit to the local community. This area needs young families who will establish links with the community through schools and be able to contribute to village activities; and
- It does not want to become a commuter area with people who have no interest in local organisations.

PLANNING ASSESSMENT

The applicant is seeking approval to remove Condition 22 of planning approval No. 16/01169/OUT, the second of two S73 applications that has been submitted by the applicant seeking to remove the condition. As previously stated, the first was refused by the Council in March 2017, which is subject to an appeal and currently scheduled to be heard at an Informal Hearing in December. In support of the application to remove the condition, the applicant has submitted a Viability Report prepared by Allsop LLP dated 17 June 2017. In addition to this report, the applicant has also submitted written advice from Leading Counsel, an appeal decision relating to the VBC, a letter from the applicant's legal advisors Walton & Co and a letter from the applicant's planning agent, which sets out how the application of VBC will incentivise the development of this brownfield site for reasons other than its viability.

As set out in the earlier S73 application, a condition of granting outline planning permission to develop the site for housing in October 2016 was the delivery of affordable housing equivalent to 10% of total number of dwellings gross internal floor area. The condition was attached in line with Core Strategy Policy CS40, which states that in all parts of the city, developers of all new housing developments will be required to contribute towards the provision of affordable housing where this is practicable and financially viable. It is also of note that at the time of the outline being submitted, as set out in the applicant's Planning Statement, the scheme was deemed capable of supporting the policy requirement of 10% affordable housing in line with Core Strategy Policy CS40. This position remained unchallenged at the time of the

application being determined. As no evidence was submitted by the applicant showing that an affordable housing contribution would make the scheme financially unviable, it was therefore appropriate that a condition be attached securing the full contribution.

Government policy on planning conditions and obligations is contained at Paragraphs 203-206 (inclusive) of the NPPF. Paragraph 203 states that Local Planning Authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Paragraph 204 sets out the three tests of a planning obligation, i) necessary to make the development acceptable in planning terms, ii) directly related to the development, and iii) fairly and reasonably related in scale and kind to the development.

The implementation of Core Strategy Policy CS40 is through the CIL & Planning Obligations Supplementary Planning Document (SPD, October 2015). Policy CS40 is an adopted planning policy which is in compliance with the NPPF and as such is afforded full weight. Guideline GAH1 of the SPD sets out that financial contributions will be required from housing developments on sites with a capacity for 15 or more dwellings. Guideline GAH2 sets the required developer contributions for each of the city's 12 Affordable Housing Market Areas (AHMAs). The expected developer contributions set out in GAH2 were adopted in 2014 and are considered to be up to date and robust for the purposes of implementing CS40.

In the Rural Upper Don Valley AHMA, where the site of Oughtibridge Mill is located, it has been shown that a developer contribution equivalent to 10% of gross internal floor area is viable on the majority of sites, and is therefore the requirement for this part of the city. The SPD at Guideline GAH3 sets out circumstances where the Council may accept a commuted sum in lieu of an on-site contribution, for instance, where significantly more affordable housing of a high quality could be provided in the local area through off-site provision. In general, the Council's preference is for developers to provide an off-site contribution towards the delivery of affordable housing in the city as this approach allows a greater number of affordable housing units to be provided than with on-site provision.

The applicant agreed to the attachment of the affordable housing condition in order to receive outline planning permission, this, however, was despite their view that the requirement to provide affordable housing in connection with the development should not be sought following the reinstatement of the Vacant Building Credit (VBC) in the Government's PPG. Without the condition, the application would have been recommended for refusal for the failure to deliver affordable housing contrary to the provisions of Core Strategy Policy CS40, the CIL and Planning Obligations SPD, and government guidance contained in the National Planning Policy Framework (NPPF).

The applicant details in their supporting submissions that in their opinion, the site is eligible for VBC, which the Council should have applied in respect of the outline planning permission and as such, the condition seeking the delivery of affordable housing should not have been attached. The applicant contends that if VBC was applied to the site no affordable housing would be required since the proposed floorspace of the development would be less than that of the existing buildings on the site. The applicant contends that VBC is not subject to viability testing, a view that they say is supported by the appeal decision submitted in support of their application, and that there is no basis on which to conclude that the industrial use has been

abandoned to disqualify the site from the application of VBC. In terms of the supporting appeal decision, a mixed use scheme of both housing and retail, the Planning Inspector concluded that the appeal proposal would be eligible for the Vacant Building Credit and that the viability of the scheme in relation to affordable housing was not a determining factor in that case.

To reiterate, Vacant Building Credit (VBC) was introduced as Government policy via a Written Ministerial Statement (WMS) titled 'Support for small scale developers, custom and self-builders' in November 2014. The Government Minister introduced this statement by saying "I would like to update hon. Members on the action that the Coalition Government has taken to free up the planning system and the further new measures we are now implementing to support small scale developers and hard-working people get the home they want by reducing disproportionate burdens on developer contributions." This followed a consultation on a series of measures intended to tackle the disproportionate burden of developer contributions on small scale developers, custom and self-builders. Amongst other measures the policy stated that vacant buildings brought back into use, or demolished for redevelopment, should benefit from a 'credit' equivalent to the floorspace of the vacant building to be offset against affordable housing contributions (unless they had been abandoned). The WMS concluded by stating "We expect the implementation of these measures to have a significant positive impact on housing numbers by unlocking small scale development and boosting the attractiveness of brownfield sites. This will provide real incentive for small builders and to people looking to build their own home." It is the view of officers that the intention of the new policy was clearly to support small scale developers and incentivise the development of brownfield sites.

Following a successful legal challenge in July 2015 against the WMS the Government removed all reference to the VBC from the PPG. This remained the case until the Court of Appeal overturned the earlier decision of the High Court in May 2016, and as a result the Government's policy on VBC was reinstated as lawful. Contrary to submissions made by the applicant, the Council did make its decision in accordance with government policy that existed at the time of the decision (not that which existed at the time of the application). Government policy on VBC was treated as a material consideration when determining the outline planning application in October 2016 and the S73 application in March 2017. However, for reasons that will be explained later in this report it was felt that the policy should not apply to this scheme.

Planning guidance regarding VBC is contained in Planning Practice Guidance – Planning Obligations (PPG) Paragraphs 021, 022 and 023. VBC is an important material consideration, to which weight must be given in the determination of the application. The guidance states that: 'The policy is intended to incentivise brownfield development, including the reuse or redevelopment of empty and redundant buildings. In considering how the vacant building credit should apply to a particular development, local planning authorities should have regard to the intention of national policy.'

It details that where a vacant building is brought back into any lawful use, or is demolished to be replaced by a new building, the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. The guidance advises that VBC would not be applicable to

development proposals where the building has been abandoned, or in instances where the building has been made vacant for the sole purpose of redevelopment.

For reasons of completeness, it is considered appropriate again to set out the reasons as to why VBC is not considered to be applicable in respect of this development and also the justification as to why greater weight is given to the Council's policies than Government policy on VBC.

Vacant Building Credit should not be applied to this site

Intention and incentivising development

The application of VBC to this, and any, site is at the decision maker's discretion. VBC does not form part of the Council's development plan but is an important material consideration that must be taken into account when decisions are made. The Court of Appeal was very clear when handing down its judgment in May 2016 that the Government policies set out in the WMS should not be applied in blanket fashion (the position that many authorities, believed was the case when it was first introduced in 2014). It is for the Council to consider every case on its merits before deciding (i) whether or not the policy should apply; and if so (ii) how much weight it should be afforded in the planning balance.

The PPG very clearly states 'The policy is intended to incentivise brownfield development, including the reuse or redevelopment of empty and redundant buildings. In considering how the vacant building credit should apply to a particular development, local planning authorities should have regard to the intention of national policy.' As discussed, it is the view of officers that VBC should not be applied to this site because amongst other things it is not required to incentivise development as per the intention of the PPG. In support of this position, officers give significant weight to the fact that the outline application was submitted with a commitment to pay the full 10% affordable housing contribution. The applicant made no attempt to claim viability issues in order to reduce the required contribution as part of the outline application. It is accepted that national policy changed during the course of the application (and, as has been stated, the Council determined the application in accordance with the policy that existed at the time of the decision) however officers are of the view that it was significant that the application was submitted when there was no policy on VBC evidencing that it was not needed to incentivise the development of this brownfield site. To clarify this point, while it is clear from the officer's report that the decision was made in full knowledge of VBC following its reinstatement in May 2016, it is material in officers' opinion that the viability of the development with a 10% affordable housing contribution was never questioned by the applicant at any stage of the application. It should be surmised from this that the development of this site is not one where an incentive through a financial credit is warranted. In their supporting argument, the applicant has detailed that VBC would comprise an extremely limited incentive if its only effect was to make schemes viable, citing that such mechanisms are provided elsewhere under Paragraph 173 of the NPPF. Officers consider that the viability of a scheme runs at the heart of pursuing sustainable development, and despite the applicant's view that it cannot be the only incentive of VBC, it is nevertheless the key component in most instances in the deliverability of a site.

In support of the applicant's view on VBC, the application includes a statement that sets out several reasons why the VBC incentive goes beyond the issue of viability. Amongst other reasons, the supporting statement details that it should not be a precondition of the application of VBC that a development must be unviable with the level of affordable housing which would otherwise be provided without its application. Also, since the VBC is linked to gross floorspace of existing vacant buildings and not what is required to make a development viable, this suggests that its application would not in every instance make a scheme viable. The statement acknowledges that the application of VBC would provide a financial benefit to CEG, either through a higher development revenue or a lower development cost depending if the affordable housing was on-site or an off-site contribution.

The Statement says the application of VBC could mean the developer achieving a better financial return as a reward for taking on the high cost and high risk of developing Oughtibridge Mill, which in so doing would ensure the development of this brownfield site is prioritised over other sites such as greenfield sites. The statement further details that the application of VBC would help to further enhance the quality of the new build in terms of the dwellings' design and materials, the effect of which, in the view of the applicant would be higher development costs but lower level of profit, but that this would be of benefit to the applicant by assisting in faster house sales and limiting the project risk profile. Other incentives of the application of VBC referred to in the statement include an increase in the applicant's motivation to pay at risk the high upfront development costs such as infrastructure costs; and greater flexibility in terms of phasing and delivery of the development by removing the need to enter into negotiation, construction and sale of the affordable housing units to a Registered Provider.

It is accepted by officers that the incentives of VBC do not solely run to the viability of a scheme as outlined in the applicant's statement, but officers do not agree that the above factors are incentives in this case.

It is not disputed that the removal of the affordable housing requirement would be of significant benefit to the applicant most notably with regard to increasing the applicant's profit levels. The comment that the application of VBC would achieve a better financial return as a 'reward' is considered to be a disguised viability argument, contrary to the applicant's main argument that viability is not material. The other reasons cited by the applicant are less compelling and do not give much justification as to why VBC should be applied with regard to the development of this site.

In terms of issues raised regarding quality of the build, officers give very little weight to this stance given that the applicant is neither the landowner nor a housebuilder. The understanding is that the current owner (ASE II) intends to sell the land on to one or more housebuilders and thus will not be responsible for delivering the detailed design of the scheme; this will be for the ultimate housebuilder(s). It will then be a matter for the housebuilder(s) as to whether they take the additional profit or, for some (inexplicable) reason, put them into designs which (on this thesis) would not add value to their schemes. Indeed, there is no evidence that the applicant will be submitting the application for the approval of reserved matters at all.

The statement also details that the application of VBC would speed delivery of the development. Again, the applicant will not be the housebuilder and, as such, the delivery trajectory for the houses will be in the hands of those who purchase the land

and not the applicant. As to the common infrastructure, it would be surprising, in officers' view, if the applicant builds the infrastructure and then retains the site until buyers are found, and it is more likely that the provision of the infrastructure will be timed so that it is close to (or even overlapping) the capital receipts from the sales of the serviced sites. Infrastructure provision would also be directly influenced by the layout and design of the scheme.

Despite the view of the applicant that the application of VBC will provide greater flexibility for delivery, there is no evidence to suggest that the applicant will facilitate bringing the site forward for development more quickly both in terms of commencement and completion. It is considered that most of the actions will take place long after the owner has parted possession with the land and the applicant's involvement has ceased. Be that as it may, the provision of affordable housing would be phased and, as such, the mechanisms for delivering it would proceed in tandem with the progression of the general market housing. There is nothing to show that this will cause any delay.

It is contended that the key reason behind the introduction of VBC is to remove the upward costs of providing affordable housing as part of the development of a brownfield site in order to allow the developer to secure a reasonable return for the higher risks of developing a brownfield site. Moreover, as already noted, the applicant is not a housebuilder who will be building out the houses, with their involvement understood to be limited to preparing and enabling the site for development. To suggest therefore that an incentive through the VBC is required other than to increase their profit level is somewhat questionable.

As detailed earlier, the planning guidance relating to VBC at Paragraph 023 of PPG states that when considering how the vacant building credit should apply to a particular development, LPAs should have regard to the intention of national policy. It is contended therefore that the policy does not apply with regard to bringing this brownfield site forward for development. The policy is worded clearly to incentivise the reuse of brownfield sites, for example where the likely costs of bringing forward the site, including the obligation to provide affordable housing, would otherwise render it unattractive or unviable, which is not the case with the redevelopment of this site. Importantly, officers also assert that the policy is not relevant with regard to the development at Oughtibridge Mill, a site of over 13.7 hectares, which would provide upwards of 320 homes. The WMS that led to the introduction of VBC in Planning Practice Guidance clearly stated its intention was to help support small scale developers by reducing disproportionate burdens on developer contributions. It is contended by officers therefore that the intention of the policy is to lift the financial burden of small scale developers, custom and self-builders in order to bring brownfield sites forward for redevelopment and is not therefore applicable or representative of major housing sites such as the redevelopment of Oughtibridge Mill.

SCC Developer Contributions

The Council's required developer contributions towards affordable housing are set out in Guideline GAH2 of the CIL & Planning Obligations SPD (October 2015). This Guideline divides the city into 12 Affordable Housing Market Areas, which have expected developer contributions of 0%, 10% or 30%. These contributions were set based on the analysis of four main sources of evidence:

- Strategic Housing Market Assessment – need
- Strategic Housing Land Availability Assessment (2013) – land availability
- BNP Paribas Affordable Housing Viability Study (2009) – viability
- BNP Paribas CIL Viability Study (2013) – viability

As a result of this work, where a 10% or 30% contribution is expected, this level of contribution should be viable on most sites in the area. The Council therefore expects developers to provide the full contribution, unless an independent viability appraisal deems that the contribution renders the scheme unviable. In respect of Oughtibridge Mill, the site is located within an area where a 10% affordable housing contribution is viewed to be viable. The issue of viability is discussed separately below in response to the supporting Viability Report prepared by Allsop LLP.

It is noted that the Oughtibridge Mill site was bought by ASE II Developments in October 2015 for £7.4m, to be brought forward by CEG. Companies House records the nature of ASE II Developments' business as 'development of building projects.' At the time of purchase, the VBC had been removed from national guidance following the Court of Appeal's decision. On this basis, the Council asserts that the purchase was made in full knowledge that developing this site would require compliance with the Council's development plan policy for affordable housing, and with the intention of undertaking a building project as per the company's stated business. This is further evidence that VBC is not necessary to incentivise the development of this site and as such, as per national guidance, should not apply.

Further to this, NLP (the agent) on behalf of CEG made submissions to Barnsley MBC in respect of their Local Plan consultation in December 2015. The submission promoted this site for residential development, and requested its removal from the Green Belt. In their submissions they stated that their indicative scheme was "considered to be fully deliverable in the short term and would likely generate considerable interest from house builders, with whom CEG would enter into partnership with, in order to bring the site forward for development." This document concludes by stating "CEG, on behalf of the ASE who own the site, are committed to bringing forward a residential redevelopment of the wider site at the earliest opportunity". This clearly supports the Council's view that the development of this site is viable and deliverable without the application of VBC and that VBC is clearly not needed to incentivise the development of this site.

Following ASE II's purchase of the site, a representative from CEG is reported in the media as saying 'This is one of the prime housing development opportunities in Yorkshire. The riverside and woodland setting at the gateway to the Peak District is unrivalled and CEG looks forward to unveiling a new high quality residential-led proposal which will benefit the scenic Oughtibridge village.' Again, this was during the period in which the WMS had been withdrawn and any application would be expected to provide 10% affordable housing. Further evidencing therefore that VBC was not needed to incentivise the development of this brownfield site.

It is also of interest that the applicant's own agent provided advice on their website with regard to the interpretation of the WMS. They write that 'Our view is that the judgement explains that a 'blanket approach' to these policies/ PPG paragraphs (or any government planning policy or guidance) is not correct, and that the weight to attach to the PPG's approach to small sites not having to make s106 affordable

housing contributions, and to VBC, would be for the decision-taker to decide. In this respect, where LPAs' development plan policies are supported by up-to-date evidence, they will be able to continue to seek affordable housing in relation to small sites. And as regards VBC, an LPA might demonstrate, for example, that the credit should not be applied because the LPA's housing requirement is heavily reliant on the re-use of brownfield sites for the delivery of affordable housing.' Officers agree with this statement, particularly given that Sheffield does rely heavily on the re-use of brownfield sites to deliver both general needs and affordable housing with the most up-to-date figures showing that 94.7% of all new houses citywide are being delivered on brownfield sites.

At the time of the outline application being submitted, and as outlined in the applicant's supporting planning statement at Paragraph 8.10, the applicant had agreed to provide a commuted sum equivalent to 10% on-site provision, which would be secured through a S.106 legal agreement, an approach supported by the Council's Housing and Neighbourhood Regeneration Team. Based on estimated sales values for properties in this AHMA, the contribution would likely be in the order of £5m. This £5m would be incorporated in the Council's Stock Increase Programme and matched against c. £7m of borrowing to deliver approximately 100 homes, assuming average purchase and repair costs of £120,000 and an average Affordable Rent of approximately £100/week. 100 homes is a significant proportion (roughly 14%) of Sheffield's annual affordable housing shortfall.

'Abandonment'

The Written ministerial Statement (WMS) clearly states that the policy on VBC will not apply to vacant buildings which have been abandoned. This is repeated in the PPG which states at Paragraph 023 that 'The vacant building credit applies where the building has not been abandoned.'

The applicant states that the Oughtibridge Mill site is subject to ongoing management and has not been abandoned with the site's existing buildings substantially vacant for some time for commercial reasons. They contend that the site was vacated for commercial reasons, and not for the sole purpose of development (which would also be a reason why VBC would not apply if that were the case).

In terms of whether the buildings have been abandoned, unfortunately the PPG offers no definition on this, and there have been no court cases or guidance issued specific to abandonment in the context of VBC from which a definitive view can be drawn. When considering the applicant's response to Barnsley MBC's consultation, the evidence suggests that the site had been abandoned in this context. Statements in support of this view were; (i) The site ceased manufacturing operations in 2007 and due to the economic viability of the site, has ceased all level of operations in early 2015. It is clear that over a period of time the site has become redundant and not viable for its previous industrial use; (ii) Importantly, the agents acting on behalf of the previous site owner have advised that the marketing exercise did not elicit any serious interest from parties wishing to acquire the site for continued employment use. Future use of the entirety of the site for employment use is therefore not considered to be a realistic prospect; and (iii) CEG, on behalf of the ASE II who own the site, are committed to bringing forward a residential redevelopment of the wider site (incorporating land within Sheffield) at the earliest opportunity. The applicant acknowledged that the land was no longer a viable employment site in its supporting

statement for the application for the original planning permission. There is no doubt that the current owner, bought the site for redevelopment.

Notwithstanding the relatively short period of time that may be considered to have elapsed, on the basis of the above it would appear that the use of the site had ceased and there was no intention to resume it. As such it could be claimed that the use of these buildings have been abandoned and as such VBC would not be applicable.

The Counsel's Opinion produced by the applicant alludes to the well-known planning cases on "abandonment". However, there is nothing in Paragraph 023 of the PPG to suggest that the word "abandonment" is intended to import a legal term of art. It is essential to construe the phrase in the context set by the PPG and not by a diversion into general planning law. The Council submits that, when read in context, "abandonment" is analogous to a demonstrable intention to appropriate the relevant building to redevelopment, as opposed to re-using it.

Officers do not dissent from the approach suggested by Mr Hobson QC on behalf of the CPRE (his para 11 in particular); the only substantial qualification being in his comment that the evidence should demonstrate that the cessation is "permanent". Officers would submit that, insofar as it may be different, the evidence, when assessed objectively, should show an intention for a permanent cessation. Subject to that caveat, officers are content to adopt his non exhaustive list of factors to be taken into account, namely:

- ☐ the length of time the buildings have been unoccupied;
- ☐ the physical condition of the buildings;
- ☐ whether putting the buildings to any beneficial use (not just their former use) would be viable; and
- ☐ whether the market has been tested to discover if there is any interest in continuing to use the buildings.

Officers would agree with the observations made by the CPRE and consider it necessary to consider the balance of Paragraph 023. The policy states that it may be appropriate for authorities to consider:

- ☐ whether the buildings have been made vacant for the sole purposes of redevelopment; and
- ☐ whether the buildings are covered by an extant or recently expired planning permission for the same or substantially the same development

The applicant acknowledged that the land was no longer a viable employment site in its supporting statement for the outline planning application, per:

- ☐ In considering the viability of the site for continued employment use, Cushman and Wakefield (the applicant's consultants) report that the age of the premises is an issue as several aspects of the site do not accord with institutional standards for modern premises. Their report highlights that the site is heavily restricted by its location and as such the site cannot compete with more established industrial locations which benefit from ready access to the motorway network.

- Furthermore, it identifies that there is a mismatch between the scale of the former paper mill site and the potential occupier market within the area (Para 7.17)
- Cushman and Wakefield therefore conclude that the accommodation is not realistically viable for employment purposes. Specifically the report identifies that:
 - The site was designed for a specific occupier type and for a particular type of industrial process which is no longer viable and as a result all operations have ceased on site;
 - The market for industrial operations in South Yorkshire has drastically changed in recent years with occupier, investor and developer activity gravitating towards the established and more accessible locations that benefit from public sector incentives – this significantly limits the prospects of more remote locations such as Oughtibridge to retain a sustainable employment use function;
 - The prospects for letting the accommodation are heavily restricted as a result of poor accessibility and the associated restrictions on the scale of the local market and lack of local demand;
 - Connected with the above, the premises themselves are outdated and do not meet with modern occupier requirements;
 - We consider that any attempt to bring the site back into productive employment use would be beset by viability problems as a result of the feasibility and cost of alterations together with the limited demand from occupiers which creates a ‘viability gap’ for any development scheme (Para 7.18).
 - It is considered that based upon market evidence there is no reasonable prospect of the site been brought back into employment use and in any event the site is not in a strategic location where either SCC or BMBC are seeking to focus new employment generating uses. There is also an adequate existing supply of employment land and premises in the local area to accommodate the limited demand that does arise (Para 7.19).

These statements addressed, in part, Paragraph 22 of the NPPF which states that site should not be protected for employment use “where there is no reasonable prospect of a site being used for that purpose”.

Paras. 10.8 and 10.9 of the report state:

[10.8] Whilst redevelopment of the application site represents a loss of employment land, it has been demonstrated that the former mill site is no longer attractive to the employment market given that its location and outdated premises, and that there are significant viability issues in attempting to bring back the site into productive employment use.

[10.9] Therefore, in accordance with national planning policy, it has been demonstrated that there is no reasonable prospect of the site being used for employment use. Paragraph 22 of the NPPF requires that this application should therefore be treated on its merits having regard to market signals and the relative need for different land uses to support sustainable local communities.

These statements are inconsistent with the assertions now being made by the applicant. At para.4.28 of the Statement of Case submitted for the appeal, it is asserted that the buildings are capable of being occupied and used in line with the site's existing lawful use. This unsupported assertion is, plainly, wholly at odds with the expert opinion in the Cushman and Wakefield report - a report which was produced at the behest of, and relied upon by the applicant. In addition to this, in the applicant's supporting statement for the application for the outline planning permission, it states that:

Following the gradual closure of the plant, the whole of the Oughtibridge Mill estate, incorporating the application site and a number of other sites (the latter all located within the Sheffield local authority area); have been marketed for redevelopment. This marketing exercise has led to CEG purchasing the estate portfolio, on behalf of ASE II Developments Ltd, earlier in 2015 (Para 2.2).

Based on the above, there is no doubt in officers' opinion that ASE II bought the site for redevelopment. The current owner, namely ASE II has abandoned the existing (and wholly untenable) existing industrial use.

'Affordable Housing' - The weight attributed to the Council's policy for the delivery of affordable housing and weight attributed to guidance contained in Planning Practice Guidance (PPG) following the reinstatement of the WMS

It is accepted by all parties that it is for the Council to decide on the weight that should be afforded to national policy and the guidance contained in the PPG. Both the National Planning Policy Framework (NPPF, paragraphs 17 and 111) and the Sheffield Plan Core Strategy (Policy CS24) promote the effective use of land by prioritising the development of previously developed (brownfield) land in the first instance. Over the period 2004/5 to 2014/15, 94.7% of housing completions were on previously developed land. This illustrates the importance of previously developed land for Sheffield in order to meet the city's identified housing need. If VBC were to be applied on all brownfield sites that contain existing buildings regardless of other policy objectives, this would considerably diminish the number of affordable homes that could be delivered through new development.

As Members will be aware, Sheffield has a significant need for affordable housing, which is currently not being met. As previously detailed, the Strategic Housing Market Assessment (SHMA – published November 2013) identifies an overall annual shortfall of affordable housing in Sheffield of 725 units per annum. This is not the total need, but the number of affordable homes that would need to be delivered solely through the affordable housing planning policy if the city's affordable housing needs are to be met. Annual delivery of affordable housing in Sheffield since 2013 has averaged 357 homes, less than half the required rate to address the shortfall for 2013-18. In addition to this, in October 2017, there were in excess of 37,500 households with an application on the Council's rehousing register, of which 6,900 were actively bidding for social housing. This further demonstrates the scale of need for affordable housing in Sheffield.

Affordable housing is an important material consideration; a principle which has been established since the publication of Planning Policy Guidance Note 2 in 1993. The National Planning Policy Framework is clear that the delivery of affordable housing

through the planning system is important, stating in paragraph 50 that 'local planning authorities should...where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities'.

Sheffield's planning policy on affordable housing is set out in Core Strategy Policy CS40, which states that in all parts of the city, developers of all new housing developments will be required to contribute towards the provision of affordable housing where this is practicable and financially viable.

The applicant has previously contended that Sheffield's SHMA is out of date and does not accord with Paragraph 158 of the NPPF. The Council does not accept that its SHMA is out of date as contended by the applicant. The SHMA was published in November 2013, and whilst nearly 4 years old, is still considered to be current for these purposes, given that guidance states that 'local planning authorities should not need to undertake comprehensive assessment exercises more frequently than every 5 years' (PPG, para 036 Reference ID: 2a-036-20140306). The approach to estimating housing needs, outlined in chapter 6 of the assessment, follows DCLG's practice guidance.

The applicant has also previously stated that of Sheffield's twelve affordable housing market areas, the location of the application site (within the Rural Upper Don Valley Affordable Housing Market Area) is shown in the 2013 SHMA to have one of the lowest annual shortfalls in affordable housing (two units). However, the key figure relating to the need for affordable housing in Sheffield is the overall shortfall of 725 per annum. In terms of affordable housing delivery, the Council's approach is to consider the need for affordable housing on a citywide basis, and therefore it is not considered to be relevant that the AHMA where the site is located contains one of the lowest annual shortfalls in affordable housing.

However, by way of further relevant evidence, each year since the publication of the SHMA, the Council has produced updated information in the form of housing market profiles. These profiles include updates on aspects relevant to housing need, such as demand for social housing. The 2016 update for the Rural Upper Don Valley notes that 'while bid levels were generally lower than the citywide average, this was partly due to the high proportion of lets of sheltered properties, which tend to attract fewer bids. The one bungalow that was re-let attracted 96 bids, suggesting there is demand for social housing if the right properties are available' (page 22).

In addition, more recent evidence from quarter 1 of 2017 shows that eight social rented properties became available in the Rural Upper Don Valley AHMA in this quarter. These included 3 sheltered properties only available to older people. 84 different households expressed an interest in one or more of the properties.

If the Council were only to take full contributions towards AH from greenfield sites (or brownfield sites that have been cleared) then this would have a significant effect on its ability to meet the identified AH need. On the basis of the above evidence regarding the need for AH, the view was held that with regard to the development of this site, more weight should be given to the development plan policy for the delivery of affordable housing than the weight given to the Government policy for VBC. As

previously referred to, this site could potentially deliver up to 14% of the Council's annual need and given the challenges of securing affordable housing on other sites this is a material consideration of significant weight.

In this regard officers also suggest that the weight afforded to the WMS should be reduced given the questionable nature of whether it is needed to incentivise this development (therefore taking account of 'the intention of national policy') and the lack of viability evidence submitted by the applicant that could support their position.

Since the granting of outline permission, several appeal decisions have demonstrated that it is for the decision maker to determine what weight to give to the reinstated national policy and what weight to give to the development plan and how these competing interests should be balanced against one another. For Members' benefit it should be noted that the WMS introduced two main policies relevant to affordable housing; (i) Vacant Building Credit (which is the subject of this application); and (ii) a small sites threshold whereby developments of 10 units or less (or no more than 1,000m²) should not seek AH contributions. Contrary to the position advanced by the applicant many of these decisions also clearly show that the viability of a scheme is a factor that Inspectors have taken account of when considering the planning merits of developments that seek to remove their affordable housing contribution. One appeal to which officers consider significant weight should be given related to the re-development of a former equestrian facility to provide 46 new build dwellinghouses and conversion of listed buildings to provide four dwellinghouses (Appeal reference No. APP/N1920/W/163162337). The submitted scheme included the provision of four on-site affordable homes, and was identical to an extant permission for the site, except for the number of affordable homes being provided being reduced from the twenty homes under the extent permission.

The Planning Inspector considered that the Council's policy on the provision of affordable housing was consistent with the National Planning Policy Framework (NPPF) and allowed for a scheme's affordable housing level to be reviewed if viability is an issue. The Planning Inspector noted that the Council's Strategic Housing Market Assessment (SHMA) identified an on-going need for affordable housing and that a number of affordable homes (434) would be needed per annum between 2016 and 2036. He detailed that the provision of twenty affordable homes would make a useful contribution to the delivery of affordable homes and accepted the Council's position of the acute need for new affordable homes.

In considering the merits of the appeal, the Planning Inspector stated that VBC should not automatically be applied without regard being paid to the full circumstances of any given case, including the provisions of development plan policy. The Planning Inspector accepted that the development was eligible for VBC and that the main issue being whether it should be applied. In dismissing the appeal, the Planning Inspector reasoned that reducing the disproportionate burden of developer contributions referred to in the WMS as meaning 'reducing the financial costs associated with new development, with such costs often having a bearing on scheme viability'. He was not persuaded that a viability review under a policy duplicates the intention of the VBC to incentivise brownfield development and that a detailed assessment of viability should not be cast aside in favour of the application of VBC.

It is clear from this Inspector's decision that whilst VBC forms a material consideration, which significant weight must be given in the determination of the application, it nevertheless remains just one consideration to be set alongside others including policies in the adopted development plan. It is common ground that national policy should not be slavishly followed by LPAs but is a material consideration which has to be weighed in the balance. Thus, national policy is a material consideration which should be placed on the scales with other material considerations.

With regard to the correct approach to the application of the VBC policy, relevant to the application is the advice given by the Planning Inspectorate (PINS) in their letter to the London Borough of Richmond (dated March 2017). According to PINS, the correct approach to the application of VBC would be:

- ☐ for an inspector to start with the development plan and any evidence presented by the LPA supporting the need for an affordable housing contribution;
- ☐ establish whether the proposal is in conflict with those policies if no contribution is provided for and, if there is conflict; and
- ☐ only then go on to address the weight to be attached to the VBC as a national policy that post-dates the development plan policies.

Based on this PINS advice, an LPA would therefore be entitled to find in the balancing exercise that the VBC outweighs the development plan policies, as opposed to discounting the development plan's weight at the outset. Members are advised that officers have structured the assessment of this S73 application in having regard to that approach.

In the assessment of this S73 application, officers' views remain unchanged with regard to the position that was previously taken on VBC. It is considered that the applicant would not be eligible for VBC for the reasons set out above. Despite the applicant's position, officers continue to hold the view that VBC is not applicable in respect of the application. As stated at Paragraph 023 of PPG, the purpose of the VBC is to incentivise the development of brownfield land, including empty and redundant buildings with the policy implying that it is intended for brownfield sites which need an incentive to come forward for development. The evidence presented by the Council shows that VBC was not needed to incentivise the development of this site and the PPG is clear that, in considering how VBC should apply to a particular development, local planning authorities should have regard to the intention of national policy. To reiterate; the outline application was submitted with a commitment by the applicant to provide 10% affordable housing (through a commuted sum) in line with Core Strategy Policy CS40 and the CIL and Planning Obligations SPD. The development of Oughtibridge Mill is not one where a VBC should be applicable since the site had already come forward for re-development without any financial incentive through VBC. While officers accept that there are other benefits to a developer than merely the viability of the site, some of these having been discussed above, it is clear in officers' opinion that its main objective is to unlock brownfield sites that would not otherwise come forward for redevelopment. This is clearly not considered to be the case in respect of this site, most notably being demonstrated through the applicant's initial commitment to developing the site for housing at a time when VBC had been removed from national guidance following the Court of Appeal's decision and the applicant's intention from the outline submission to provide a fully compliant scheme with regard to the delivery of affordable housing. This application for VBC does not

therefore accord with the intention of the Government policy on such and therefore the policy should not apply in this instance.

Viability Issues

In support of the application to remove Condition No. 22 and notwithstanding the applicant's view on VBC as detailed above, the applicant commissioned Allsop LLP to undertake a viability appraisal on a hypothetical scheme of 292 dwellinghouses (comprising 246 houses and 46 flats) with an aggregate gross internal floor area of 28,532 square metres.

The outline planning permission included a condition (No. 33) stating that the development shall comprise no more than 320 dwellinghouses. This condition was attached based on an initial capacity exercise where 320 houses was viewed to be the quantum of development that the site could reasonably absorb to prevent any ill effects on infrastructure and the highway network.

The applicant's Viability Report (VR) details that a quantum of 292 dwellinghouses was selected on the basis that it 'maximises site coverage as best it can', and that increasing the site by an extra 28 dwellinghouses [to the number permitted by the outline permission] will not necessarily add extra value or overall floor space to the land.

Allsop's Viability Report details that the approach taken was to show the outturn Residual Land Value (RLV) utilising a profit on cost of 25% to the developer, which is equivalent to a 20% return on gross development value. The RLV is measured against a threshold land value (TLV), which represents the threshold below which a landowner is unlikely to be incentivised to sell land for development. While there is no commonly accepted TLV for the purpose of viability appraisal for planning, the applicant's VR has measured the RLV against two different benchmark levels: i) Existing Use Value plus 20% (EUV + 20%) and ii) a rate of £300,000 per hectare on net developable area. The report shows that the band of acceptable Threshold Land Value to be £2.6m at its lowest end and £3.1m at its higher end.

In terms of sales revenues, the Viability Report has drawn comparable evidence for current market sales estimates from two key schemes nearby, the first is a development by Linden Homes at Top Road Worrall and the second by Stonebridge Homes at Stocksbridge

The Viability Report details that a scheme of 10% affordable housing and full planning requirements, namely S106 contributions towards education and highway works, would produce a residual land value below the applicant's lower end Threshold Land Value and subsequently 10% is not viable. The viability report includes two appraisals, the first including a 10% affordable housing scheme including all other S106 contributions, and the other, a non-complaint scheme with no affordable housing. In short, the viability report purports to show that the development only becomes viable when the on-site affordable housing provision is reduced to 12 dwellinghouses or 3.75% GIA floorspace, the on-site equivalent of £690,000.

As is normal practice by SCC, the DVS (District Valuation Service) was instructed to provide an independent opinion on the viability of the scheme in terms of the extent

to which the applicant's appraisal is fair and reasonable and whether the assumptions made are acceptable and can be relied upon to determine the viability of the scheme.

The District Valuer (DVS) details that many of the applicant's viability appraisal inputs are considered to be reasonable, which include such matters as sales revenue, construction costs of the dwellinghouses and legal fees. The key differences between the applicant and the DVS are mostly limited to i) the development period and associated finance costs and ii) site value. With regard to part i), the DVS considers that the development period would be shorter, a net effect of this being lower finance costs and to part ii), considers that the upper end site value (Threshold Value) of the site is lower.

In terms of development period, the applicant has contended that due to the complexity of the proposed scheme it would be unrealistic to expect that demolition and other groundworks would begin in Month 2 as set out in the DVS's initial appraisal. This has been accepted by the DVS who has allowed for a pre-construction period of 6 months. However, the DVS continues to remain of the opinion that it is reasonable that first sales could take place 6 months after house construction with development and sales achieved on the north west part of the site and that a typical prudent developer would put the necessary measures in place to allow the north western part of the site to be developed as a priority to support the scheme financially at the early stages.

The DVS considers a benchmark figure of £2.6m to be reasonable and contends that it is unrealistic for the landowner to expect an uplift of 20% on the existing land value. The DVS states that significant holding costs for the existing site relating to insurance, maintenance, security, and business rates would amount to £200,000 per annum. Based on these holding costs, together with the significant abnormal costs that would be required to bring forward the site for development a typical landowner would not expect an uplift on EUV.

A further point of contention between the DVS and the applicant is the issue of ground rent revenue. The applicant argues that ground rent revenue should be removed from the appraisal following a consultation paper from the Government that new-build apartments could be sold subject to a peppercorn rent. This is set out at Paragraphs 3-3.7 inclusive) of Allsop's Report titled 'Response to DVS Report of 8 September 2017', which details that the Government is minded to introduce measures limiting ground rents in new leases to start and remain at a peppercorn level. However, the DVS contends that until there is evidence that flats are to be sold on long leaseholds subject to a peppercorn ground rent, it is appropriate to include the income generated from ground rent in the viability appraisal. The DVS did however agree to amend their appraisal in response to Nationwide Building Society's announcement not to lend on new mortgages where the ground rent is greater than 0.1% of capital value.

Based on his updated appraisal, the DV concludes that the development could afford the policy requirement 10% on-site affordable housing provision. In terms of off-site provision, the DV concludes the development would be able to afford a financial contribution of approximately £2.8m, which equates to approximately 5.5% against a required contribution of 10% (approximately £5.1m).

With regard to the viability of the scheme, it is clear from the DVS' viability reports that the scheme can deliver a policy-compliant level of affordable housing whilst providing an appropriate level of profit to the developer. It is acknowledged that there are discrepancies between the position of the DVS and Allsop with regard to the financial viability of the scheme with the key differences mainly limited to development programme, site value, and ground rent, all of which having a significant effect on final figures.

In terms of construction period, it is considered by officers that a pre-construction period of 6 months would be reasonable to allow for matters such as design and contract procurement. It is also considered reasonable that sales of the houses could take place 6 months after commencement of house construction. It is considered feasible as highlighted by the DVS that the North West part of the site, which incidentally is the only part of the site within the Sheffield administrative boundary, could commence without first undertaking the necessary design, procurement and construction period on the new road bridge and diversion of Northern Power Grid's 11kV HV cable. The DVS considers that any prudent developer would put the necessary measures in place to ensure that this part of the site is developed within the first phases of the development. The view that the development cannot commence on the houses until the bridge construction and diversion of Northern Power Grid's cable is implemented is questionable. It is also questionable in officers' opinion as to why Allsop consider that first house sales would not occur at 6 months from the construction of the first dwellinghouses as suggested by the DVS, and instead contend that the first house sales would only occur at 9 months from construction.

Although it is accepted that build rates can vary depending on a number of factors such as weather and ground conditions etc, it is common practice that volume housebuilders generally appear to set a target of between 40 and 80 units built and sold from each outlet annually (Communities and Local Government 'Factors Affecting Housing Build-out Rates' – FEB 2008). In terms of Sheffield completions in 2014/15, data taken from the Sheffield and Rotherham Strategic Housing Land Availability Assessment Part 1 dated November 2015 shows that a high number of brownfield sites were being constructed at a rate of more than 30 dwellinghouses per annum, with many being constructed at a greater rate than this. For Allsop to therefore suggest that the first house sales would not take place until at least 9 months from first construction of the dwellinghouses appears to be at significant odds with expected completion and sale rates of major housebuilders, no more so if 2 or more housebuilders are operating from the site, which would expect faster sales. The difference in development programme between the DVS and Allsop's appraisal has a marked effect on the finance costs of the scheme.

In terms of site value, the DV states that his benchmark land value to be reasonable and contends that it would be unrealistic for any willing land owner to expect an uplift of 20% on the existing use value given the high abnormal costs associated with developing the site and high holding costs. It is acknowledged that it not unusual for a developer to expect an uplift on existing land value in instances where the holding costs would be low. The DVS details that the holding costs on the site would be in the order of £200,000 per annum. It is considered that the DVS opinion on benchmark land value for the site is reasonable and that seeking an uplift on land value of 20% above existing land value is optimistic and that a willing land owner is unlikely to

expect any uplift of any significance given the very high abnormal costs associated with the site's redevelopment and onward holding costs.

In terms of ground rent income, the DVS has calculated that the developer would expect to receive income from ground rent associated with the proposed new-build apartments. This is challenged by Allsop on the basis of a Government consultation paper, which states that they [The Government] are minded to introduce legislation limiting ground rents in new leases. The DVS stands by the position that ground rent revenue should be included in the appraisal stating that there is no evidence to suggest that this would happen. Officers' agree with the view of the DVS. While it is acknowledged that the government's position may change in the future with new building apartments sold subject to peppercorn ground rent, there is no legislative position on this, and because of this, it is considered inappropriate to remove rent income revenues from the appraisal. It is contended by officers therefore that the appraisal of the scheme should therefore be based entirely on the current position at the time of the viability report being prepared/written, not what may or may not happen in the future.

As can be seen from the above, there is significant disagreement between the Allsop's viability appraisal and the independent viability report issued by the DVS. The DVS considers that the developer can provide a fully 10% compliant on-site scheme (approximately 32 dwellinghouses), or alternatively could afford to make a financial contribution of £2.8m for off-site provision. This is in sharp contrast to Allsop, which shows that the scheme can only support 12 dwellinghouses or 3.7% GIA, the equivalent of a £690,000 on-site contribution, or £850,000 off-site contribution. The key areas of dispute have a significant bearing on the viability of the scheme, with a net difference of £1.95m between the two appraisals with regard to off-site contribution. Officers consider that the DVS report is sound and robust and represents a comprehensive assessment of the scheme's viability. The reasons proffered by the DVS with regard to construction period, site value and ground rent incomes, all of which having a significant effect on viability are considered well-reasoned and justifiable.

Having taken legal advice on these matters, the applicant has stated that their view on the viability of the scheme remains unchanged and challenge the DVS position on the complexities of bringing forward this particular brownfield site in terms of construction and sales periods and in terms of the stance taken on the Threshold Land Value (TLV). In an attempt to resolve this impasse and in order to seek a swift resolution of the application, the applicant proposed a 'without prejudice' offer of £1,025,000 towards off-site affordable housing provision. Given the significant difference between what the DVS calculates could be provided, this offer was dismissed by officers as it did not represent a fair representation between the two positions of the viability reports. Following further discussions between officers and the applicant, a second 'without prejudice' offer has been made by the applicant agreeing to make a financial contribution of £1.75m for off-site provision, equivalent to an approximate 3.4% provision. This was initially subject to the proviso that four conditions attached to the outline planning permission could be varied to allow greater flexibility on matters of vehicular access, highway improvement works and the agreed 10m landscaping buffer between the development site and Langsett Road North. This proviso to amend the conditions has now been dropped by the applicant.

In terms of the second offer, officers consider that the figure represents a reasonable compromise between the differing views of the DVS and Allsop, particularly bearing in mind the planning appeal that the applicant has lodged to remove the requirement of affordable housing on grounds of VBC. Despite the applicant's viability report being based on a hypothetical scheme of 292 dwellinghouses which may not be the scheme that is ultimately built out, raising doubts to the report's conclusions of the scheme's 'true' viability, officers nevertheless consider that the offer of £1.75m is a reasonable compromise and would secure the delivery of approximately 35 affordable houses city wide in combination with other sources of funding.

It is considered therefore that due to the pending appeal, and the risk associated with this, leads officers to the conclusion that, on balance, the offer of £1.75m offered by the applicant is appropriate and should be accepted by Members.

Should Members be minded to accept the £1.75m, this would be secured by legal agreement and the condition would be removed.

Advice from SCC legal department

The Council's position is that the appeal lodged by the applicant should be dismissed and a 'Statement of Case' has been submitted to the Planning Inspectorate which sets out the Council's arguments and evidence. A copy of the Statement of Case is posted on the Council's Planning Website together with supporting documents.

The ramifications and details of the applicant's offer are being discussed with CEG; however, the broad principles relating to the conduct of the appeal would appear to be:

(a) If Members decide to reject the offer, then the appeal will (unless it is withdrawn) proceed to its scheduled Hearing on the 6 December 2017 and, after having examined the evidence and submissions submitted to him at the Hearing, the Inspector will determine the appeal. If he concludes that the VBC applies, then he will be entitled to further conclude that planning permission should be granted without any requirements relating to affordable housing. If he concludes that the VBC does not apply, then he will have to decide whether the applicant's case on viability justifies a reduced affordable housing contribution or whether it precludes the making of any payment at all.

(b) If Members decide to accept the offer, then it will be necessary to conclude a planning agreement (which provides for the £1.75m contribution) and to issue the fresh permission under this current Section 73 application. CEG will then be in the position where it can withdraw its appeal.

There is a multitude of possible permutations and so it is hoped that better particulars can be provided to Members once the discussions with the applicant, on this point, have been concluded.

SUMMARY AND RECOMMENDATION

The application relates to Oughtibridge Mill, a 13.7 hectare brownfield site that is situated between the settlements of Wharncliffe Side and Oughtibridge. Outline planning permission was granted in October 2016 to develop the site for housing

subject to 39 conditions, one of these conditions (No. 22) being attached to secure the delivery of affordable housing equivalent to 10% of total number of dwellings gross internal floor area in line with Core Strategy Policy CS40.

The applicant is seeking approval to remove Condition No. 22 of the outline planning permission and remove the requirement to make a contribution towards the Council's delivery of affordable housing. In support of the application, the applicant contends that following the reinstatement of the VBC in Planning Practice Guidance (PPG) in May 2016, the development of this site should not include any requirement to make provision for affordable housing. The applicant contends that national policy and the guidance contained in PPG is a significant material consideration, to which greater weight should be afforded than that which should be attributed to the delivery of affordable housing pursuant to Core Strategy Policy CS40. The applicant also contends that VBC is not subject to viability testing, providing evidence of an appeal decision in 2016 where an Inspector concluded that it was not relevant to the application of VBC, this was despite accepting there was a quantitative need for affording housing.

Despite the applicant's position, it is considered that VBC is not applicable in respect of the application. As stated at Paragraph 023 of PPG, the purpose of the VBC is to incentivise the development of brownfield land, including empty and redundant buildings with the policy implying that it is intended for brownfield sites which need an incentive to come forward for development. The evidence presented by the Council shows that VBC was not needed to incentivise the development of this site and the PPG is clear that, in considering how VBC should apply to a particular development, local planning authorities should have regard to the intention of national policy. It is considered that the incentives of VBC to enable the delivery of this brownfield site has not been justified, with greater weight being placed on the delivery of affordable housing pursuant to Core Strategy Policy CS40.

The DVS has shown that the hypothetical scheme of 292 dwellinghouses is viable and could support 10% on-site affordable housing site, or alternatively the developer would be able to afford an off-site contribution of approximately £2.8m towards the delivery of affordable housing city wide. The applicant however disagrees with the DVS's viability appraisal of the scheme and instead considers that the scheme only becomes viable when the on-site affordable housing provision is reduced to 12 dwellinghouses or 3.75% GIA floorspace, the equivalent of a £690,000 on-site contribution. With regard to an off-site contribution, the applicant confirms that the scheme provides for a £850,000 contribution, which represents a net difference of £1.95m between the view held by the DVS to the scheme's viability

Owing to the differing positions between the DVS and Allsop's viability appraisals, and in the hope of reaching a swift resolution of the application, the applicant has made a "without prejudice" offer to make a financial contribution of £1.75m towards the provision of affordable housing (off-site).

As detailed above, it is the view of officers that the DVS's appraisal of the scheme is sound and robust and that the scheme is able to support a fully on-site complaint requirement of 10%, or secure an off-site contribution of £2.8m. However, it is considered that due to the pending appeal, and the risks associated with this, leads officers to the view that the offer should be accepted.

It is therefore recommended that Condition No. 22 be removed and that planning be conditionally granted subject to (i) the applicant entering into a legal agreement to make a financial contribution of £1.75m that would be used by the Council to deliver affordable housing city wide set out in the Heads and terms below and (ii) written confirmation that the pending appeal seeking the removal of this condition under 16/04679/OUT being withdrawn.

Heads of Terms

The applicant entering into a legal agreement to secure the phased payment of £1.75m towards the provision or enhancement of affordable housing in the Council's area; and

As per the previous S106 agreement:

- ☐ a contribution towards education provision based on a contribution per qualifying dwelling of £2548 towards primary education provision and a contribution per qualifying dwelling of £2743 towards secondary education provision.
- ☐ the payment of £10,000 to be split equally between financing a Traffic Regulation Order seeking to reduce the speed limit along the A6102 in the proximity of the site to 40mph and monitoring of a Travel Plan
- ☐ the payment of £40,000 for the provision of and/or enhancement of bus shelters on the A6102 in the proximity of the site

Appendix JS8

Use of receipts from Right to Buy sales: Extract from
Government consultation paper



Ministry of Housing,
Communities &
Local Government

Use of receipts from Right to Buy sales

Consultation

Extract - Chapter 3

3. Use of receipts for acquisition

17 Local authorities can use Right to Buy receipts for the acquisition of existing properties as well as for new build, and acquisitions currently account for around 40% of replacements. Last-minute high-value acquisitions, where local authorities use receipts rather than have to return them to the Department together with interest, have been highlighted as one of the problems affecting replacement. This has an impact on the level of new supply being achieved through Right to Buy receipts. However, in some areas acquisition may be cheaper than new build and offer better value for money or may better reflect local needs. Acquisition can also be effective in bringing empty properties back into use. The Government does not therefore propose to implement a blanket ban on acquisition but is considering restricting acquisitions in order to help drive up new supply.

18 We have considered restricting the use of receipts for acquisition by:

- a) introducing a price cap per dwelling based on average build costs at Homes England and Greater London Authority operating area level;

Table 1 – Average total scheme costs (build cost) by operating area provided by Homes England and the Greater London Authority.¹

Homes England/GLA Operating Areas	Average Total Scheme Costs (2018/19 prices)
Midlands	132,000
North East, Yorkshire and the Humber	113,000
North West	122,000
South East	167,000
South West	152,000
Inner London	268,000
Outer London	265,000

For example, in the North East or Yorkshire and the Humber areas, it may sometimes be cheaper to acquire a property for less than £113,000 rather than build a new unit. In this case, the local authority would be allowed to acquire the property rather than build a new unit.

However, in London, in most instances, it is likely to be cheaper to build a new property than to acquire one. Purchases of properties over £265,000 in Outer London and £268,000 in Inner London would not be allowed.

¹ This is based on programme data from the Affordable Homes Programme between 2015-18. These have been uprated to 2018/19 prices using the Consumer Price Index (CPI) forecasts produced by the Office of Budget Responsibility from Spring Statement 2018

Appendix JS9

Use of receipts from Right to Buy sales: Government response to the consultation



1. Home (<https://www.gov.uk/>)
 2. Housing, local and community (<https://www.gov.uk/housing-local-and-community>)
 3. Housing (<https://www.gov.uk/housing-local-and-community/housing>)
 4. Council housing and housing association (<https://www.gov.uk/housing-local-and-community/council-housing-association>)
 5. Use of receipts from Right to Buy sales (<https://www.gov.uk/government/consultations/use-of-receipts-from-right-to-buy-sales>)
- Ministry of Housing, Communities & Local Government (<https://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government>)

Consultation outcome

Use of receipts from Right to Buy sales: Government response to the consultation

Updated 19 March 2021

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This publication is available at <https://www.gov.uk/government/consultations/use-of-receipts-from-right-to-buy-sales/outcome/use-of-receipts-from-right-to-buy-sales-government-response-to-the-consultation>

Introduction

1. On 14 August 2018, alongside the Green Paper: A New Deal for Social Housing, the Ministry of Housing, Communities and Local Government (MHCLG) published a consultation on how local authorities could use the receipts they obtained from sales of council housing under the Right to Buy to deliver replacement homes, and how those replacements were measured.
2. See the consultation paper (<https://www.gov.uk/government/consultations/use-of-receipts-from-right-to-buy-sales>).
3. The consultation focused on the following areas in particular:
 - Offering local authorities greater flexibilities in how they can use their Right to Buy receipts to deliver replacement homes
 - Whether to change the target for the replacement of homes sold under Right to Buy to better reflect the wider supply of affordable homes
4. The consultation closed on 9 October 2018.
5. During the consultation period it was announced that the Housing Revenue Account borrowing cap would be abolished in full, with effect from the Budget in November 2018. The Housing Revenue Account cap had been a key barrier to delivery for many authorities and its removal would support the delivery of more council homes. The proposals set out in the consultation and some of the responses received reflect the position before the cap was lifted.
6. In June 2020, in response to concerns raised by local authorities about the difficulties of spending Right to Buy receipts within the permitted 3 years in the context of COVID-19, the government announced a 6-month extension of the June expenditure deadline to December 2020. In December 2020, that deadline was extended by a further 3 months, to the end of March 2021. On 17 November 2020, the government published the Social housing white paper (<https://www.gov.uk/government/publications/the-charter-for-social-housing-residents-social-housing-white-paper>).
7. All responses to the consultation have been analysed and considered fully, and we are grateful to all the local authorities, organisations and individuals who responded. This document provides a factual report of responses and does not attempt to capture every point made by every correspondent.
8. Copies of this document are available from the MHCLG website (<https://www.gov.uk/government/consultations/use-of-receipts-from-right-to-buy-sales>).
9. Enquiries about this document should be addressed to: RTB@communities.gov.uk.

Summary of responses received

10. We received a total of 198 responses to the consultation.
11. 70% of these came from local authorities, 14% came from individuals, 12% from interest groups of various kinds, including arm's-length management organisations, and 4% from private companies.
12. The table below sets out a breakdown of the type of respondent.

Type of respondent	Number of responses
Individual	28
Local authority (including National Parks, the Broads Authority, the Greater London Authority and London Boroughs)	138
Private sector organisation (including housebuilders, housing associations, businesses, consultants)	8
Trade association / interest group / voluntary or charitable organisation	22
Arm's-length management organisation	2
Total	198

13. Some respondents did not answer every question. As such, the number (and percentage) of answers to the questions often differ from the total number of responses received.

Options for reforming the rules around the use of Right to Buy receipts

1. Timeframe for spending Right to Buy receipts

Question 1: We would welcome your views on extending the time limit for spending Right to Buy receipts from 3 years to 5 years for existing receipts but keeping the 3-year deadline for future receipts.

Question 1 response

14. There were 191 responses to this question. Of these:

- 76% wanted to see greater relaxation than proposed – either through a 5-year time limit for all receipts (52%), no time limit at all (18%) or in some other way
- 20% of respondents approved of the proposal as it stood
- 1 respondent specifically wanted the time limit kept as it was

15. Respondents who wanted more relaxation than proposed argued that this would help local authorities to plan longer-term, assemble and remediate larger plots of land and secure the other 70% of funding currently required to fund a replacement home (with 30% funded from Right to Buy receipts).

16. Some respondents suggested that a temporary extension, as proposed in the consultation, would provide no benefit for those authorities that currently held no receipts.

17. Other suggestions for changing the system of returning receipts included annual rather than quarterly returns, to recognise the inherently uneven expenditure profiles involved in development; and allowing receipts to be retained, provided they had been formally committed for spending within

the 3 year timeframe, rather than funds actually having to have been spent.

Government response

18. The government acknowledges the widespread call for this flexibility to apply to all receipts going forward, not just to receipts currently held. We accept that, for such a flexibility to unlock maximum council house building, it would be better for it to apply to all receipts to enable local authorities to plan over the longer term.

19. The government also acknowledges the complexity and disproportionate administrative burden on both central and local government that this would entail if, as proposed in the consultation, some receipts had to be spent within 3 years and some in 5.

20. However, the government is keen to encourage the early delivery of replacement housing and for local authorities to use their Right to Buy receipts to build as soon as possible or return them to be used by Homes England or the Greater London Authority to fund affordable homes. We therefore do not propose to lift the time limit for using receipts completely.

21. We intend to increase the length of time for which all Right to Buy receipts can be retained – both existing and future receipts – from 3 to 5 years. This will include receipts from 2017-18. This change will allow councils to make longer-term plans; allow the time needed to assemble and remediate larger more complex plots of land; and secure the funding required to fund the remaining development costs.

22. In addition, to make expenditure tracking easier for both the department and local authorities, we also intend to move to an annual rather than quarterly process for pooling Right to Buy receipts. Currently local authorities have 3 years to spend receipts from the quarter the receipts were received in, meaning they have 4 separate deadlines for spending receipts in each year. Moving to a 5-year timeframe plus annual pooling will make it much easier for local authorities to plan their expenditure and for the department to administer the process.

2. Cap on expenditure per replacement unit

Question 2: We would welcome your views on allowing flexibility around the 30% cap in the circumstances set out in the consultation paper, and whether there are any additional circumstances where flexibility should be considered.

23. The consultation invited consideration of the following combination of options:

a. Increase the cap on the proportion of a replacement unit that can be funded using Right to Buy receipts to 50% of build costs for homes for social rent in areas where authorities meet the eligibility criteria of the Affordable Homes Programme, and can demonstrate a clear need for social rent over affordable rent.

b. Allow local authorities to “top-up” insufficient Right to Buy receipts with funding from the Affordable Homes Programme up to 30% of build cost for affordable rent, or 50% of build costs for social rent where authorities can demonstrate a need for social rent, with bids for top-up to be submitted to the Affordable Homes Programme.

Question 2 response

24. There were 193 responses to this question. Of these:

- 34% asked for the percentage cap to be lifted entirely
- 31% supported the proposal as it stood
- 22% would like to see the cap increased to 50% for all builds and acquisitions
- Less than 3% of responses said there was nothing wrong with the current cap

25. While a majority expressed support for these changes or a desire for even greater ones, a large number of authorities in lower affordability-pressure areas expressed the view that the attachment of high affordability pressure criteria for the altered ratio would increase the building gap between the north and south of England.

26. Many authorities expressed the wish for a more generous ratio and the option to allow the Right to Buy receipts portion to be combined with grant funding.

27. A number of respondents pointed to higher development costs in rural areas and argued that this flexibility should therefore be particularly targeted at rural authorities, regardless of affordability pressure.

Government response

28. The 30:70 ratio was originally set because this reflected what was achievable under the Affordable Homes Programme and what was considered adequate to obtain credit against future affordable rent income. However, many respondents were authorities keen to build for social rent, and said they were finding it difficult to obtain enough funding for such projects. They argued that these required greater subsidy or were in lower value areas where the rental stream was insufficient to finance the remaining 70% of development costs.

29. The government acknowledges the desire of many authorities to raise the cap for both affordable and social rent developments, and notes the potential administrative complexity for both central and local government of attaching different ratio requirements to different rental tenures - especially where those tenures are both present in one development.

30. Furthermore, the government recognises that many respondents from lower affordability-pressure areas are concerned that the proposed focus on high-value areas could worsen the building gap between different areas of England, and that this would be unhelpful in relation to levelling up. The government also acknowledges the point made around higher development costs in rural areas.

31. It remains an important principle that authorities should be using their Right to Buy receipts to leverage further funds, thus ensuring that Right to Buy receipts provide the best value for money possible and result in additional housing. Whilst the government appreciates the importance of providing homes for social rent, we also acknowledge that building replacement homes for affordable rent may allow for a larger volume of units to be delivered using the receipts, providing more affordable homes. The government does not therefore intend to remove the cap altogether as this could reduce the quantity of replacement units achieved using Right to Buy receipts and it would not be good value for money to raise the cap as high as 50% for both social and affordable rent.

32. To strike a balance between increasing flexibility and avoiding administrative complexity, the government therefore intends to raise the cap on the cost of a replacement affordable home (to include social and affordable rent) that can be financed by Right to Buy receipts to 40% across the board, for both existing and future receipts, for all eligible tenures and in all areas of England.

3. Use of receipts for acquisition

Question 3: We would welcome your views on restricting the use of Right to Buy receipts on the acquisition of property and whether this should be implemented through a price cap per unit based on average build costs.

Question 3 response

33. There were 193 responses to this question. Of these:

- 51% disagreed with any such restriction in principle
- 46% agreed in principle with option A, where a price cap per dwelling acquired would be introduced based on average build costs at Homes England and Greater London Authority operating area level
- However, two-thirds of these positive responses suggested that the price cap needed to be more granular, with many suggesting it should be calculated for each local authority
- One respondent preferred option B, which was to allow acquisition in certain areas only, for example, where average build costs are more than acquisition costs

34. Respondents put forward several reasons in support of their response:

- Acquisitions were at times the only way to house larger families and were key in getting such families out of temporary accommodation
- It would be an inefficient incentive for places where build costs were above a region's average and house prices were below
- It would be unhelpful for places where house prices were above a regional average as this would rule out acquisitions for them altogether

35. Many respondents argued that, if the current 3-year limit for using Right to Buy receipts was extended to 5 years, or if the rates of interest on monies returned were reduced, then the incentive to make last-minute poor value for money acquisitions would be greatly reduced, and a restriction of this kind could become superfluous.

Government response

36. The government understands that many authorities are concerned that a price cap on acquisitions could affect their ability to obtain the housing they need at speed, and that their preference would be to have no acquisition cap at all.

37. However, when the decision was taken to allow local authorities to use Right to Buy receipts for acquisitions as well as new build, the policy intention had been that this freedom would be used sparingly, and mainly to bring dilapidated or unsuitable homes back into use. Yet acquisitions currently make up around 48% of Right to Buy replacement homes.

38. The government is aware that some authorities use Right to Buy receipts to acquire properties at market value shortly before those receipts are due for return to central government, as this is seen as preferable to returning them to the government with interest. While this practice can provide speed and flexibility for councils in meeting the needs of people on their waiting lists, it can represent an

expensive way of delivering new social and affordable housing. The government would also note that, while acquisitions can have an important role to play in providing new social housing, unless they bring dilapidated homes back into use they do not add to overall supply.

39. The government is keen for homes supplied using Right to Buy receipts to represent the best value for money, and to add to overall housing supply as much as possible, in order to help towards delivering 300,000 new homes a year across England by the mid-2020s. We therefore intend to proceed with a cap on acquisitions. However, noting the concerns raised by respondents, this will be set as a percentage of a local authority's total delivery each year using Right to Buy receipts, rather than as a restriction on the cost of individual acquisitions as originally proposed in the consultation.

40. We understand that it will take time for local authorities to prepare for the introduction of this cap and to ramp up their build programmes. There will therefore be a phased approach to the introduction of the cap, with the cap not coming into effect until 1 April 2022, and then reducing from 50% to 30% over the following 3 years, as set out in the table below:

2021-2022	No cap
2022-2023	50% cap
2023-2024	40% cap
2024-2025 onwards	30% cap

41. We are aware that some local authorities receive low levels of receipts from Right to Buy sales, and may find it more difficult to deliver replacement properties through new build. The first 20 units of delivery in each year will therefore be excluded, and this will apply to all local authorities. It should also be noted that local authorities will not be prevented from acquiring properties above the cap but will not be able to use Right to Buy receipts to do so.

42. Setting the cap as a percentage of a local authority's total delivery each year using Right to Buy receipts, rather than a cap on each acquisition based on regional build costs as originally proposed, will help to address many of the key concerns that respondents raised. Each local authority will be able to decide on the type and size of acquisitions that they need most, including buying larger homes to house larger families when required. The percentage cap will apply in the same way for all local authorities.

43. On reducing poorer value for money acquisitions, the government considers that the flexibilities announced in this response will give local authorities greater freedom and time to plan for the use of their Right to Buy receipts, which we would expect to reduce the number of such acquisitions.

44. The key objective of the acquisition cap is to limit the percentage of Right to Buy replacements that are delivered through using Right to Buy receipts to purchase existing housing, principally housing which is bought on the open market from the private sector. The government considers that certain acquisitions that add to overall housing supply should be excluded from the cap, including acquisitions of new builds from a local authority's own housing company and where commercial buildings are acquired to be redeveloped for housing as part of regeneration programmes.

45. The government will further clarify ahead of the introduction of the acquisition cap the types of acquisitions that will be included in the cap, and will discuss with local authorities any specific challenges that they may face. The government is keen to work with all stock holding local authorities to increase the level of Right to Buy replacements which are delivered through new build.

4. Tenure of replacement home

Question 4: We would welcome your views on allowing local authorities to use Right to Buy receipts for shared ownership units as well as units for affordable and social rent.

Question 4 response

46. There were 190 responses to this question, of which:

- 82% welcomed the proposal
- Around one-third of these were local authorities saying they would be unlikely to use the new powers themselves, as the need in their area was more for sub-market rent
- 16% rejected the idea

47. Respondents argued that this proposal would make it easier to create mixed communities since the same receipts could be used to build both shared ownership and affordable or social rent homes.

48. They also noted that shared ownership homes required a lower loan per unit than rented homes, and thus the overall provision of new homes in the Housing Revenue Account could be increased.

49. A frequent question, however, was how to class further receipts from tenants buying an increased equity share in their home: a number of respondents wanted clarity as to whether these would count as a Right to Buy receipt for pooling purposes.

50. Several respondents expressed concern that authorities could be pressured, either explicitly by rules or implicitly by circumstances, into providing shared ownership properties rather than more affordable tenancies – for instance, if other funding was not available to deliver another tenure. They were clear that their support for the proposal was contingent on this being a genuine choice available to authorities who wanted it.

51. Some respondents, particularly London boroughs, pointed out that shared ownership was not an affordable tenure in their areas in any case, and that it should therefore not be seen as a universal solution.

Government response

52. The government welcomes the positive response to this proposal and intends to implement the proposal and allow local authorities the option to use Right to Buy receipts to provide properties for shared ownership as well as for social and affordable rent.

53. Since the receipts consultation was issued, the government has announced the new First Homes scheme, which will enable first-time buyers to access discounts of at least 30% on new build properties in their area compared to market prices. Local authorities, who know their local areas best, will have the flexibility to shape the scheme to support those most in need of help in their area. To support them in helping to deliver First Homes, the government will also allow local authorities to use Right to Buy receipts to fund First Homes.

54. The flexibility to allow 40% of a replacement unit to be funded using Right to Buy receipts (as set out in section 2. Cap on expenditure per replacement unit) would also apply to Shared Ownership properties and First Homes.

55. We recognise that some respondents were concerned about a potential implicit pressure for councils to favour supplying shared ownership properties because of their lower debt costs, while others noted practical questions not previously encountered in Right to Buy, such as whether receipts from staircasing would count as Right to Buy receipts. We recognise that local authorities may also have questions around using receipts to fund First Homes.

56. We will publish guidance clarifying all these practical questions and making it clear that there is no obligation on any local authority to use Right to Buy receipts for shared ownership properties or First Homes and that it will be down to individual authorities whether they make any use of this flexibility based on the needs of the local area.

5. Changing the way the cost of land is treated

Question 5A: We would welcome your views on allowing the transfer of land from a local authority's General Fund to their Housing Revenue Account at zero cost.

Question 5B: We would also welcome your views on how many years land should have been held by the local authority before it can be transferred at zero cost, and whether this should apply to land with derelict buildings as well as vacant land.

Question 5 response

57. There were 195 responses to the first part of this question and 101 to the second.

58. Of the responses to part A:

- 81% were broadly in favour of this proposal, while the rest were against it
- However, just under one-third of those also suggested alternatives, including:
 - that zero-cost or sub-market transfer should be a flexibility granted to local authorities for them to use as they saw fit, rather than a blanket rule change
 - A “half-way house” approach whereby the Housing Revenue Account could “lease” the land, providing an income stream to the latter that would compensate the loss of capital assets to the General Fund

59. Of the responses to part B:

- 74% of respondents who expressed an opinion considered that there should be no minimum period before land could be transferred from the General Fund
- 13% thought the limit should be under 3 years
- 8% thought it should be between 3 and 5 years
- 3% thought it should be between 5 and 10 years
- 2% thought it should be over 10

60. Many of the respondents who disagreed with the proposal did so on the grounds that General Fund resources were under too great a strain already to support cost-free transfers between accounts.

61. Others sounded different notes of warning - that this could appear presentationally as if General Funds were subsidising the Housing Revenue Account, thus weakening the ring-fence, or that the change might incentivise councils to sell General Fund land to private developers rather than build on it themselves, since at least in that case they would be paid for the land.

Government response

62. The government welcomes the breadth of responses to this proposal and acknowledges that respondents' opinion was generally positive. However, we found the opposing arguments powerful, including the increased strain on General Funds, the possible perverse incentive for councils to sell General Fund land to private developers rather than develop it in the Housing Revenue Account, and the possible weakening of the Housing Revenue Account ring-fence.

63. We also note that the abolition of the borrowing cap removes some of the incentive to make this change, as there is no longer a fixed limit on Housing Revenue Accounts' capacity to find funding with which to compensate General Funds for land.

64. The government therefore does not intend to take this proposal forward, and no change to the way local authority land is transferred between accounts will be made.

6. Transferring receipts to a housing company or Arm's-Length Management Organisation (ALMO)

Question 6: We would welcome your views on whether there are any circumstances where housing companies or Arm's-Length Management Organisations should be allowed to use Right to Buy receipts.

Question 6 response

65. There were 191 responses to this question, of which:

- 81% agreed that this should be permitted in some circumstances
- Of these, however, around one-third recommended adding conditions – particularly requiring the receipts to be used to build social and affordable housing only, and/or requiring tenants of such properties to retain the rights of council tenants including the Right to Buy
- 14% were opposed altogether

66. A number of responses questioned whether councils would still feel the need to use housing companies to deliver sub-market housing now that the Housing Revenue Account borrowing caps had been removed, as local authorities should now be able to raise debt finance more easily.

67. Many of the opposing answers cited the protection of the Housing Revenue Account ringfence, arguing that, where receipts had been generated from the sale of Housing Revenue Account housing, they should be recycled back into the Housing Revenue Account to deliver replacement housing.

Government response

68. The government acknowledges the positive response received to this question, and the role local housing companies and ALMOs have played in increasing housing supply.

69. Local authorities have often told us that their reason for using housing companies in recent years has been that the limits on borrowing have constrained their ability to finance their building ambitions within the Housing Revenue Account. More recently, following the removal of this borrowing cap at Budget 2018, local authorities have been telling us that they may no longer feel this need to develop outside the Housing Revenue Account. Thus, the argument for facilitating the transfer of receipts seems to us to have become weaker.

70. The government is also concerned that such a freedom would risk blurring the Housing Revenue Account ring-fence, and is alive to some respondents' concerns that this would unhelpfully remove resources from the Housing Revenue Account.

71. Moreover, the government's position is to encourage authorities to build within their Housing Revenue Account, ensuring that tenants enjoy security of tenure, social or affordable rent levels and the Right to Buy. At the same time, it would be difficult to make authorities require their local housing companies to build only social or affordable housing with Right to Buy receipts or require them to offer tenants of such homes a Right to Buy.

72. The government therefore does not intend to take forward the proposal to allow housing companies or ALMO's to use Right to Buy receipts.

7. Temporary suspension of interest payments

Question 7: We would welcome your views on allowing a short period of time (3 months) during which local authorities could return receipts without added interest.

Question 7 response

73. There were 188 responses to this question, of which:

- 45% were content with the proposal as it stood
- Others were happy with a limited interest holiday but preferred a longer period, be that 6 months (5%), 12 months (2%) or another period (7%)
- 23% argued that interest payments should be reduced or removed permanently
- Just over 7% used the question as an opportunity to argue that receipts should not have to be returned at all
- 5% were opposed to any kind of grace period

74. Several respondents argued that the current rate of interest was unfairly punitive (being entirely unrelated to other intra-governmental interest rates such as that of the Public Works Loan Board) and that it incentivised inefficient behaviours by councils, such as the aforementioned acquisition of market-price housing just before the 3-year timeframe for spending receipts was up.

75. A few respondents suggested that a move to annual returns would have a greater impact on councils than any one-off interest amnesty.

76. As with question 6, some respondents suggested that the removal of the Housing Revenue Account borrowing cap would enable councils to commit more of their Right to Buy receipts and thus alleviate the need to return receipts in any case.

Government response

77. The government's aim in requiring Right to Buy receipts to be paid back with interest is to create an incentive for authorities to return any such receipts as quickly as possible if they cannot use them for development locally. The money can then be used by Homes England or the Greater London Authority to fund new homes, as opposed to keeping receipts for as long as possible in the hope that a development opportunity appears. This timely decision-making around spending or returning receipts is still something the government wants to encourage, and we consider that the permanent removal of interest on payments would disincentivise this behaviour.

78. Moreover, the government considers that the other changes set out in this response – including the proposed move to annual pooling – should provide adequate flexibility to help authorities use more of their receipts locally, resulting in less need to return receipts to central government.

79. The government therefore does not intend to take forward this proposal, and no changes will be made to the payment of interest on returned Right to Buy receipts.

8. Other comments

Question 8: Do you have any other comments to make on the use of Right to Buy receipts and ways to make it easier for local authorities to deliver replacement housing?

Question 8 response

80. There were 188 responses to this question, with a wide variety of suggestions. Of these, the most popular were:

- Local authorities to keep more or all of their Right to Buy receipts (32%)
- Removal of all restrictions and conditions on how receipts are used (25%)
- Local authorities to be given control over Right to Buy discount levels and exemptions (22%)
- Receipts to be allowed to be used alongside other grant funding, such as Planning Gain funding (20%)
- Borrowing cap changes to be implemented as soon as possible, with no restrictive conditions (18%)
- Abolish, suspend or radically review the Right to Buy altogether (13%)
- Increase the percentage of receipt that can be used towards replacement costs (see also question 2) (11%)
- Remove the current 3-year expenditure period for the use of receipts or extend it to at least 5 years (see also question 1) (9%)
- Increase the cost floor (currently 15 years), with suggested periods of 25 to 40 years; or extend it to allow for inflation (8%)
- Increase rent certainty period (to a minimum of 20 years) (6%)
- Waive 4% interest penalty on returned receipts, or even return to local authorities the receipts they have previously handed back to government (see also question 7) (6%)

Government response

Suspension or abolition of the “Government share”

81. A large number of respondents called for local authorities to be able to retain more or all of the receipts from Right to Buy sales with less or none going to the government. A proportion of receipts (averaging around 20%) is returned to the government to help tackle the national deficit. This consideration remains important, and there are currently no plans to release local authorities from the settlement that they agreed to in 2012.

Calls to increase flexibilities and freedoms beyond the extent suggested in the consultation

82. Some respondents did not think that the flexibilities proposed in the consultation went far enough, or suggested additional flexibilities such as the freedom to use Right to Buy receipts along with other grant funding. Some wanted all conditions removed entirely, including the obligation to return funds with interest where they were not spent within the set period.

83. We acknowledge that many local authorities are keen to build more council homes, and feel constrained by the existing conditions on using Right to Buy receipts. However, for the reasons outlined earlier in this response, the government is concerned that a complete relaxation of these conditions might lead to slower building rates in some authorities and would have value for money implications. The government therefore proposes to retain some restrictions on how receipts can be used to encourage the early delivery of replacement homes and to help ensure value for money. As set out earlier in this response, we intend to increase the flexibility around the 30% cap and the time limit for using receipts further than the options set out in the consultation paper.

Localisation of discounts and exemptions

84. A slightly smaller, but still significant, number of respondents wanted to empower authorities to set their own Right to Buy discounts. The Right to Buy is a national right for local authority tenants across England, with a national discount level – except for in London, where the exceptionally high property prices in the capital are recognised by a higher discount level. To allow authorities to define their own Right to Buy discounts could create unfair differences around the England, where tenants on one side of a road may receive a significantly different level of discount to tenants on the other side determined by their local authority. In some areas this could lead to smaller discounts and narrower eligibility, which would restrict the ability of some tenants to take up their Right to Buy. The government does not think that this would be fair and does not intend to move to local discount levels.

Suspension or abolition of the Right to Buy

85. Some respondents wanted to abolish or suspend Right to Buy altogether in England, as has been done in Scotland and Wales. The government does not agree and believes that anybody who works hard and aspires to own their own home should have the opportunity to realise that ambition. The government is committed to the Right to Buy which gives people from a broad sector of the community the opportunity to own their home, encouraging stronger links and a wider interest in their local communities. The scheme has helped nearly 2 million families into home ownership since 1980 and over 125,000 since 2010.

86. The government agrees that it is vitally important to continue to increase the supply of social and affordable housing, and the receipts local authorities obtain from Right to Buy sales play a vital role in making that happen. We believe that the flexibilities we have announced in this response will make it easier for them to build new homes and the types of home most needed in their community.

Freedom to use Right to Buy receipts in conjunction with other grant funding

87. The question of using Right to Buy receipts in conjunction with other grant funding was also raised. The government does not plan on taking this forward, as under the self-financing settlement homes built with Right to Buy receipts are meant to be in addition to those built using other grant money. To combine these resources might make certain developments easier to fund but would run the risk of reducing the overall additional supply of council housing.

Technical suggestions

88. Other respondents brought more technical options to the table, including extending the cost floor and increasing the period of rent certainty beyond 2025. While we have not chosen to implement these changes at this time, we will continue to consider the appropriateness of such measures in the future. We would wish to see the impact of the present package of flexibilities before we would consider any additional changes.

The Housing Revenue Account borrowing cap

89. A number of responses, submitted before the 2018 announcement on lifting the Housing Revenue Account borrowing cap, called for the removal of that cap for all authorities without conditions. This has now been done, and since the November 2018 Budget there is no limit on Housing Revenue Account borrowing within prudential regulations. The government warmly welcomes the enthusiasm we have seen from local authorities to make use of this freedom to fund new council homes.

90. The package of measures proposed here, on top of the abolition of the Housing Revenue Account borrowing caps at Budget, demonstrates the government's strong support for local authorities as housing deliverers with the aim of further increasing the overall supply of affordable housing. The tenure of new homes will be a matter for individual local authorities based on the needs of their area, with greater flexibility making the delivery of homes for social rent more achievable, where needed.

9. Reforming the replacement commitment

Question 9: Should the government focus be on a wider measurement of the net increase in the supply of all social and affordable housing instead of the current measurement of additional homes sold and replaced under the Right to Buy? If the target were to change, we would welcome your views on what is the best alternative way to measure the effects of government policies on the stock of affordable housing.

Question 9 response

91. There were 121 responses to this question, of which:

- 41% supported the change to the target
- 29% wished to keep it as it was
- 18% wanted to measure both the proposed definition and retain the current target at the same time
- A further 6% wished to retain the target but to widen it to include all Right to Buy sales, not only additional to the numbers forecast before the significant increases in maximum discounts implemented in 2012

92. Supportive responses argued that a wider measurement would provide a more holistic overview of whether affordable housing was increasing or decreasing both nationally and in each local authority area. Some responses also noted that the move away from the focus on “council” housing could support the government’s ambitions to remove the stigma that separates council housing from other tenures.

93. Opposing responses argued that the Right to Buy could only be justified as a policy if it was enabling one-for-one replacement, and that a widening of the target would take the focus off the need for that replacement. One response took this argument further, suggesting that aggregating net gains and losses across different programmes risked masking the outcomes of ineffective programmes.

94. Several others expressed concern that a wider target based on “affordable” metrics would conflate very different types of sub-market housing, from social rent right through to shared ownership.

95. A number of responses suggested that, far from broadening the measurement, it ought instead to be made more granular. Respondents argued variously for measuring net change in social and affordable stock, and by tenure, size, accessibility and rurality.

Government response

96. The government appreciates the breadth of views represented in the responses and has carefully considered all the arguments.

97. The government recognises the argument that a broadened measurement would provide a more holistic overview of whether affordable housing is increasing or decreasing both nationally and in each local authority area. The net increase or decrease in the supply of affordable and social housing is important, as this will make the difference to vulnerable people and families currently living in temporary council accommodation or overcrowded privately rented homes. The use of Right to Buy receipts does form part of a suite of government policies designed to help local authorities and registered providers to supply new housing, including the Affordable Homes Programme.

98. The government also acknowledges, however, that the wider measure might not show whether the money received from Right to Buy sales was replacing the additional homes sold under the policy, and might take the focus away from the need for that replacement.

99. The government understands the desire to make the measure more granular, increasing the amount and quality of information available to policymakers and stakeholders. We are mindful, however, of placing additional administrative burdens on local authorities charged with providing the information and on balance we do not intend to include the additional detail.

100. The government therefore intends to retain the current target and the commitment to providing replacements on a one-for-one basis nationally using Right to Buy receipts. The target already includes homes for affordable rent as well as social rent, and as proposed in our response to this consultation, we also intend to allow the use of Right to Buy receipts for shared ownership properties and First Homes. It therefore follows that new homes in these tenures built using Right to Buy receipts will be included in the measure of replacement housing, and against the existing target.

101. The proposed package of measures in this consultation response will enable local authorities to build more new affordable housing. The government will continue to track replacements and progress against the national target. In line with the move to annual pooling returns and payments, the target will be reported on an annual, rather than quarterly, basis.

102. The government will continue to collect quarterly data from local authorities on Right to Buy sales and replacements but this will be used to provide management information for quarters 1-3, with only the fourth quarter published as official statistics. The management information will be

published quarterly, with the official statistics published annually. As part of the annual Local Authority Housing Statistics, the government intends to start collecting data on completions that count as one-for-one replacements (including acquisitions) broken down by tenure. The government also intends to collect more granular data on acquisitions, to monitor the acquisition cap. To help monitor the impact of the reforms, the government also intends to ask local authorities to provide annual pipeline build plans for the next 5 years, which will be used for management information only.

Next steps

103. The government will amend the agreements made with local authorities under Section 11(6) of the Local Government Act 2003 to reflect the changes to the current requirements on the use of Right to Buy receipts set out in this response. These are:

- Increasing the time limit for expenditure of receipts from 3 years to 5
- Increasing the proportion of development spending permitted to come from Right to Buy receipts from 30% to 40%
- Allowing Right to Buy receipts to be used to deliver shared ownership homes and First Homes, should a local authority wish to do so
- Setting a percentage cap on the use of Right to Buy receipts for acquisitions
- Requiring yearly rather than quarterly pooling returns and payments

104. The agreements will make it clear when and how the new requirements will come into play and guidance on the operation of the new system will be issued to local authorities.

105. The government will consult on revisions to the Local Authorities (Capital Finance and Account) (England) Regulations 2003 needed to implement the proposal to move to an annual rather than quarterly pooling system for Right to Buy receipts and, subject to the results of the consultation, will introduce the necessary secondary legislation to implement this change.

106. The intention is for the new agreements and new requirements to take effect from 1 April 2021, with the exception of the acquisition cap, which will be introduced from 1 April 2022, on a phased basis.

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Appendix JS10

Affordable Housing Review of Five Year Housing Land Supply



Review of Sheffield City Council Five Year Housing Land Supply - Affordable Housing

SCC Ref	Planning Permission	Site Name	ZONE	Site Capacity	Five Year Capacity	Affordable Housing (%age)	Affordable Housing (Numerical)	Financial contribution	Source (S106, officers' report, forms etc)
S03193	17/03797/FUL	Former Steins Tip, Station Road, Deepcar	SD	413	130	0	0		Original permission doesn't include AH (refer to PoE)
S02529	18/03303/NMA	Former Cradock School Site, Sheffield S2 2JZ	M	96	23	0	0		Not mentioned on S106 / forms / conditions
S03810	18/02722/ORPN	6 Campo Lane, Sheffield, S1 2EF	CC	18	0	0	0		Prior Notification - no requirement to provide affordable housing
S03815	18/00406/FUL	95 Mary Street, Sheffield S1 4RT	CCW	10	10	0	0		Fewer than 15 dwellings - not subject to GAH1
S04000	19/02855/FUL	Walkley Working Mens Club, 207 Providence Road, Sheffield, S6 5BH	NW	11	11	0	0		Fewer than 15 dwellings - not subject to GAH1
S03352	18/01349/FUL	Old County Court House, 56 Bank Street, Sheffield, S1 2DS	CC	21	0	0	0		Not mentioned on S106 / forms / conditions
S02078	18/04236/FUL	Eye Witness Works, Milton St	CCW	97	97	0	0		Officer Report confirms no affordable can be delivered due to viability
S03386	18/03802/FUL	Site Of 82 - 84 Winter Street Sheffield S3 7ND	CCW	151	151	0	0		Student cluster flats - no requirement to provide affordable housing
S03203	18/02830/FUL	Fox Hill Place Sheffield S6 1GE	NE	167	167	0	0		Officer report confirms that the site falls within an affordable housing area where there is no need to make AH provision
S01274	18/00162/FUL	Land at Manchester Road and adjacent to 14, Paterson Close, Park Drive Way, Stocksbridge, Sheffield.	SD	55	55	0	0		Officer report confirms that it is unviable to deliver AH on the site
S02176	18/00701/ORPN	University of Sheffield 343/343a Fulwood Road, Sheffield S10 3BQ	CCW	12	0	0	0		Prior Notification - no requirement to provide affordable housing
S00701	16/00647/FUL	Manor Site 8	M	103	0	0	0		Officer report advises that the application site is within the Manor/Aboutthorne/Gleadless affordable housing market area where there is no requirement for an affordable housing contribution
S03644	17/03486/REM	Park Hill (Phase 2)	CC	199	199	0	0		Officer report advises that affordable housing does not form part of this RM application. 20% AH included in Phase 1.
S00712	18/03851/FUL	Skye Edge Avenue A	M	113	0	0	0		Officer report concludes that the site is located within the Manor/Arbournthorne/Gleadless Housing Market Area where the contribution towards affordable housing is nil
S00821	16/04323/REM	Oxclose Farm	SE	207	71	12%	25		S106 dated 12th July 2017
S00732	18/00972/FUL	Former Jacobs Engineering, Troutbeck Road S7 2QA	SW	65	0	0	0		Planning Statement confirms that the C2 use means there is no AH requirement
S03224	18/00598/NMA	127 Ecclesall Road Sheffield S11 8HY	CCW	251	0	0	0		Student cluster flats - no requirement to provide affordable housing
S00758	18/01760/FUL	Klausners Site, Sylvester Street / Mary Street	CCW	335	335	0	0	£ 51,295	Officer report advises that an affordable contribution should be made. Heads of Terms in Officer report states - 'To pay a financial contribution of £51,265 to the Council towards affordable housing.'
S00110	10/03464/FULR	(Bamford Point) Land At Bamforth Street Junction Cuthbert Bank Road Sheffield S6 2HP	NW	45	45	0	0		Officers report concludes AH is unviable
S00017	19/00997/NMA	Land At Napier Street Site Of 1 Pomona Street And Summerfield St. Former Gordon Lamb	CCW	369	0	0	0		Student cluster flats - no requirement to provide affordable housing
S02180	20/01062/FUL	Former Head Post Office Fitzalan Square Sheffield S1 1AB	CC	42	42	0	0		Student cluster flats - no requirement to provide affordable housing
S00040	06/01918/FUL	Development at Bernard Works Site, Sylvester Gardens, Sheffield S1 4RP	CCW	96	96	0	0		No mention of AH in documentation
S00754	18/02170/FUL	I Grunweg Ltd, Silversteel House, 29-49 Rockingham Street	CC	232	232	0	0		Student cluster flats - no requirement to provide affordable housing
S00756	17/04517/FUL	12 Moore Street, 184, 190 Fitzwilliam Street and Stokes Warehouse, Thomas Street, Sheffield S3 7UQ	CCW	355	355	0	0		Student cluster flats - no requirement to provide affordable housing
S03390	16/04331/FUL	Clamark House 55 - 65 Stalker Lees Road Sheffield S11 8NP	CCW	13	8	0	0		Fewer than 15 dwellings - not subject to GAH1
S00711	17/01443/FUL	Manor Boot Houses	M	256	80	0	0		Officer report concludes that the the site as being located within the "Manor/Arbournthorne/Gleadless" Affordable Housing market Area and there is no contribution required towards affordable housing provision.
S02057	17/01012/REM	Bannerdale Centre & Park Site, Carter Knowle Road	SW	62	10	30% of units	19		Officers Report
S00799	17/01281/FUL	Sheffield Hallam University Norton Playing Fields Derbyshire Lane Sheffield S8 8LJ	S	138	0	29.80%	46		S106 dated 7th November 2017. Officers report confirms 29.8% affordable provision.
S00730	17/01438/FUL	Holiday Inn, Manchester Road	CCW	133	133	0	0		Officer report states that the scheme cannot viably support any level of affordable housing contribution.
S00750	17/01518/FUL	Former Eon Works Earl Street Sheffield S1 4PY	CCW	162	162	0	0		Student cluster flats - no requirement to provide affordable housing
S00006	18/03659/FUL	Land And Buildings at Kelham Riverside, Alma Street And Green Lane	CC	143	24	0	0		No mention of AH in documentation
S00192	14/03493/FUL	Abbey Glen Laundry Co Ltd Coniston Road Sheffield S8 0UW	SW	46	0	0	0		Officer report advises that the scheme is not sufficiently viable to accommodate any provision for Affordable Housing.
S00675	19/02226/FUL	Buchanan Cresc/ Adlington Rd (C1 & C2) Parson Cross Masterplan Area (Adlington)	NE	140	140	100%	140		Application Form states 140 AH units
S00788	18/03869/FUL	Land At The Rear Of 13 And 42 Coppice Close, Sheffield, S36 1LS	SD	26	0	11.50%	3		Officers Report Heads of Terms
S01117	16/02968/REM	Dairy Distribution Centre, Hemsworth Road	S	13	0	0	0		Fewer than 15 dwellings - not subject to GAH1
S01133	17/03904/FUL	Hare and Hounds, Church Street, Stannington	NW	38	0	0	0	£ 300,000	S106 dated 20th March 2019 states that there will be a £300,000 AH contribution
S01263	16/04749/FUL	Griff Works, Stopes Road, Stannington, S6 6BW	NW	62	0	0	0	£ 840,000	S106 dated 24th April 2017 states that an affordable housing contribution of £840,000 will be made
S01844	16/01269/FUL	The Beauchief Hotel, 161 Abbeydale Road South	SW	30	0	0	0		Officers report concludes AH is unviable
S02610	18/04689/FUL	Land At Junction With Finchwell Road Quarry Road Handsworth Sheffield S13 9AZ	SE	18	0	100%	18		Officers report advises that development is proposed to be built by South Yorkshire Housing Association (SYHA)
S02648	18/04599/FUL	Sheffield NHS Care Trust Brincliffe House 90 Osborne Road Sheffield S11 9BA	CCW	17	0	0	0		No mention of AH in documentation, however this is a small site so liekly to fall below AH threshold.
S02745	17/03619/FUL	Car Park, Eyre Lane, Sheffield S1 4RB (on Furnival Square roundabout)	CCW	139	0	0	0		Student cluster flats - no requirement to provide affordable housing
S02857	16/03608/FUL	The Market Inn 18 Wortley Road High Green Sheffield S35 4LU	CE	19	0	0	0		No mention of AH, however this is a minor application for 2 dwellings.
S03278	16/00032/FUL	Land Between Athol Road And Smithy Wood Road Athol Road Sheffield	S	13	0	0	0		Fewer than 15 dwellings - not subject to GAH1
S03358	17/04297/FUL	130 - 142 Langsett Road Sheffield S6 2UB	NW	14	0	0	0		Fewer than 15 dwellings - not subject to GAH1
S03492	17/02570/FUL	'Great Central' Site Of Mackleys Building And 2 Chatham Street Sheffield S3 8EG	E	131	0	0	0		Officers report confirms there is no requirement to provide AH in this location.
S03500	17/00675/FUL	Wake Smith & Co 68 Clarkehouse Road Sheffield S10 2LJ	CCW	12	0	0	0		Fewer than 15 dwellings - not subject to GAH1
S03514	18/01296/FUL	Carr Motors Ltd 318-328 Shalesmoor Sheffield S3 8UL	CC	49	0	0	0		Officers report concludes AH is not necessary in this area
S03642	17/01867/FUL	Hewitts Chartered Accountants 60 Scotland Street Sheffield S3 7DB	CC	43	43	0	0		Planning Statement confirms there is no requirement for AH in this location
S03649	16/00480/FUL	Handsworth Working Mens Club And Institute 445 Handsworth Road Sheffield S13 9DD	SE	27	0	0	0	£ 130,325	S106 dated 13th March 2017 states an AH contribution of £130,325 will be sought.
S03652	17/03517/FUL	Pyramid Carpets 709 Chesterfield Road Sheffield S8 0SL	S	17	0	0	0		Officers Report confirms the site falls below AH threshold
S03662	17/05106/FUL	Site Of Former 132 To 180 Berners Road Sheffield S2 2BU	M	18	0	100%	18		Officers Report confirms this is a 100% AH scheme
S03686	17/00783/FUL	Site Of Stannington United Cricket Club Uppergate Road Sheffield S6 6DA	NW	19	2	0	0	£ 397,224	S106 dated 17th December 2018 confirms there will be an AH contribution of £397,224
S03697	17/04087/FUL	287 Springwood Lane Sheffield S35 4JP (Springwood Gardens)	CE	14	0	0	0		Fewer than 15 dwellings - not subject to GAH1
S03779	18/02192/FUL	Steel City Marketing Ltd, Allen Street, Sheffield, S3 7AW	CC	288	0	0	0		Student cluster flats - no requirement to provide affordable housing
S03786	18/00337/FUL	Croft Acres, 15 Hibberd Road, Sheffield, S6 4RE	NW	12	0	0	0		Fewer than 15 dwellings - not subject to GAH1
S03814	17/04905/FUL	Land Adjacent Grammar Street Whitehouse Lane Sheffield	CCW	14	0	0	0		Fewer than 15 dwellings - not subject to GAH1
S03817	18/01699/FUL	Park Hill Estate, Duke Street (PHASE 3)	CC	74	0	0	0		Student cluster flats - no requirement to provide affordable housing
S03841	18/02974/FUL	Land Between Swinton Street And Chatham Street	E	75	75	0	0		Officers Report concludes the site falls in area with no AH requirement

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S03891	17/05099/FUL	The Grange, 11 Stanwood Road, Sheffield, S6 5JE	NW	20	0	0	0	£ 29,898	S106 dated 22nd August 2019 confirms AH contribution of £29,898
S03902	18/04257/RG3	Site Of 68-82 Pinstone Street, 1-19 Charles Street, Laycock House - 14 Cross Burgess Street Sheffield	CC	52	52	0	0		Officers report concludes that the site falls in an area without a requirement for AH
S01795	18/00161/FUL	Site of Tannery Lodge, 520 Stradbroke Road	SE	12	0	0	0		Fewer than 15 dwellings - not subject to GAH1
S01581	13/03593/FUL	Land Adjoining 6 Woodbury Road S9 1NZ	NE	21	0	0	0		No mention of AH in application material
S01609	16/04859/FUL	Land And Buildings At Boston Street Bramall Lane And Arley Street Sheffield	CCW	596	0	0	0		Student cluster flats - no requirement to provide affordable housing
S01593	16/03083/FUL	Parson Cross College (NE) - Remington Rd/ Montenevy Rd New Parson Cross Masterplan Area	NE	165	22	0	0		Officers report states that there is no AH requirement in this area but the houses will be affordable in nature
S03063	16/03529/FUL	Land East Of Britannia Road And North Of High Hazels Park Infield Lane Sheffield S9 4PE	E	48	48	0	0		Officers Report concludes there is no AH requirement in this location
S01478	19/00150/FUL	Weakland Drive, Weakland Crescent Spectrum Apartments (formerly RJ Stokes), 20 Egenton Street, S4 4LX	SE	36	0	0	0		No mention of AH in application material
S02259	13/00429/FUL		CCW	42	0	0	0		Student cluster flats - no requirement to provide affordable housing
S00702	15/04439/FUL	'Eclipse', Phase D, Stonecliffe Road, Manor	M	181	0	14%	26		Provision confirmed in officers report
S02599	17/01442/FUL	'East Hill Gardens' (Former East Hill School) East Bank Road Sheffield S2 3PX	E	77	0	0	0		Officers report stated the site as being located within the "Manor/Arbourthorne/Gleadless" Affordable Housing market Area and there is no contribution required towards affordable housing provision.
S00679	19/00477/FUL	Brearley Forge, Sheffield Housing Company, Phase 3 & 4, Collision Road/AdrianCrescent/ Falstaff Road	NE	106	86	0	0		Officers report stated the site as being area of north Sheffield where there is now no contribution required towards affordable housing provision
S00023	19/03944/FUL	Site of Richardsons Cutlery Works, 60 Russell Street, Cotton Street and Alma Street, Sheffield S3 8RW	CC	114	114	0	0		Officers report states the required contribution for the City Centre is 0% as such there is no policy requirement to deliver Affordable Housing
S02915	18/01077/FUL	HSBC, 79 Hoyle Street, Sheffield, S3 7EW	CC	343	343	0	0		Student cluster flats - no requirement to provide affordable housing
S03383	17/02719/FUL	40-50 Castle Square Sheffield S1 2GF	CC	22	22	0	0		No mention of affordable housing
S03904	19/04560/FUL	Swimming Baths, Burncross Road, Sheffield, S35 1RX	CE	40	11	0	0		Officers report states that schemes of 15 units or less are not required to make AH contribution
S03210	19/02854	Norfolk Park 5B, Park Spring Drive (site of former health centre), Frank Wright Close, Sheffield S2 3RE	M	35	35	0	0		Officers report stated the site as being located within the "Manor/Arbourthorne/Gleadless" Affordable Housing market Area and there is no contribution required towards affordable housing provision.
S01347	18/01648/FUL	Site Of Park & Arbourthorne Labour Club Eastern Avenue/City Road Sheffield S2 2GG	M	39	39	0	0		Officers report states the application site falls within the Manor/Arbouthorne/Gleadless Affordable Housing Market Area where there is currently a zero rate affordable housing contribution.
S03546	16/04734/FUL	Burgoyne Arms 246 Langsett Road Sheffield S6 2UE	NW	14	14	0	0		Fewer than 15 dwellings - not subject to GAH1
S03840	19/04532/REM	Midcity House 17, 23 Furnival Gate, 127-155 Pinstone Street And 44 Union Street	CC	271	180	0	0		Officers report states the application falls in an area of the city centre where there is no affordable housing requirement.
S04212	19/03889/FUL	Site Of Former Swifts Performance 172 - 182 Fitzwilliam Street Sheffield S1 4JR	CCW	93	93	0	0		Officers report states that AH would make development unviable
S03481	19/03221/REM	Former Oughtibridge Paper Mill, S350DN (Barnsley)	SD	284	234	0	0	£ 1,750,000	Officers report states the latest outline approval was granted subject to a legal agreement that secured a financial contribution of £1.75m for the delivery of affordable housing
S03394	19/03619/ORPN	North Church House 64 Queen Street City Centre Sheffield S1 2DW	CC	49	49	0	0		Prior Notification - no requirement to provide affordable housing
S04008	18/03172/FUL	DWP, Rockingham House, 123 West Street S1 4ER	CC	96	96	0	0		Student cluster flats - no requirement to provide affordable housing
S03973	18/04637/FUL	Site Of Norbury, 2 Crabtree Road,Sheffield, S5 7BB	E	14	14	0	0		Fewer than 15 dwellings - not subject to GAH1
S03785	18/00081/FUL	Castle House Lady's Bridge Sheffield S3 8HT	CC	24	24	0	0		Officer report confirms that the site lies within the East affordable housing area where no provision of affordable housing is required.
S03958	19/00642/FUL	Premier, 127 Sharrow Lane, Sheffield, S11 8AN	CCW	13	13	0	0		Fewer than 15 dwellings - not subject to GAH1
S04201	19/03817/RG3	Land At Daresbury View Sheffield S2 2BE	M	10	10	0	0		Fewer than 15 dwellings - not subject to GAH1
S03490	18/01639/FUL	The Nichols building, Shalesmoor	CC	48	48	0	0		Officers report concludes that the site lies within an area of the city centre with no affordable housing requirement.
S03857	17/05131/FUL	Enterprise House Site Adjacent To 1 Hunshelf Park,Sheffield	SD	10	10	0	0		Fewer than 15 dwellings - not subject to GAH1
S03908	18/03854/FUL	23-25 Haymarket, Sheffield, S1 2AW	CC	28	28	0	0		Officers report confirms the site as being located within the "City Centre" Affordable Housing Market Area and there is no contribution required towards affordable housing provision.
S03985	19/02877/ORPN	Concept House, 5 Young Street Sheffield S1 4LF	CCW	83	83	0	0		Prior Notification - no requirement to provide affordable housing
S03993	18/04626/FUL	54 Well Meadow Street, Sheffield, S3 7GS	CC	11	11	0	0		Fewer than 15 dwellings - not subject to GAH1
S04178	19/02653/FUL	Site Of Watery Street, Sheffield, S3 7ES	CCW	18	18	0	0		No mention of AH in documentation.
S03741	18/00858/FUL	50 High Street City Centre Sheffield S1 1QH	CC	101	101	0	0		Student cluster flats - no requirement to provide affordable housing
S03536	18/04670/FUL	Johnson & Allen Ltd, Car Park, Furnace Hill, Sheffield, S3 7AF	CC	18	18	0	0		Officers report confirms the site is located within the "City Centre" Affordable Housing Market Area and there is no contribution required towards affordable housing provision.
S03655	18/03632/ORPN	Parkhead House 26 Carver Street Sheffield S1 4FS	CC	23	23	0	0		Prior Notification - no requirement to provide affordable housing
S03666	17/04216/FUL	Car World Yorkshire Site Of 164 To 176 London Road Sheffield S2 4LT	CCW	13	13	0	0		Fewer than 15 dwellings - not subject to GAH1
S03701	18/00134/FUL	Waggon And Horses 236 Gleadless Road Sheffield S2 3AF	M	11	11	0	0		Fewer than 15 dwellings - not subject to GAH1
S03727	18/00449/FUL	Garage Site Adjacent Working Mens Club Smithy Wood Road Woodseats Sheffield S8 0NW	S	10	10	0	0		Fewer than 15 dwellings - not subject to GAH1
S03836	17/04932/FUL	Heritage Park 55 Albert Terrace Road Sheffield S6 3BR	CCW	35	35	0	0		Officers report has confirmed that in terms of affordable housing, an independent viability of the scheme carried out by CP Viability Ltd has shown that the scheme is not viable.
S03874	18/01781/ORPN	Yorkshire Bank Chambers, Fargate, Sheffield S1 2HD	CC	12	12	0	0		Prior Notification - no requirement to provide affordable housing
S03892	17/05166/FUL	Brockwood Park Centre, Station Road, Woodhouse, S13 7QH	SE	17	17	0	0	£ 10,135	S106 dated 1st March 2019 states that an AH contribution of £10,135 will be made prior to the commencement of development.
S03906	18/03678/FUL	Former Chapeltown Training Centre, 220 - 230 Lane End, Sheffield, S35 2UZ	CE	14	14	0	0		Fewer than 15 dwellings - not subject to GAH1
S03950	19/00113/LBC	Dragoon Court, Hillsborough Barracks, Penistone Road, S6 2GZ	NW	32	32	0	0		No mention of AH in documentation
S03962	19/01118/FUL	Tapton Cliffe And Lodge, 276 Fulwood Road, Sheffield, S10 3BN	CCW	13	13	0	0		Fewer than 15 dwellings - not subject to GAH1
S03988	19/01876/ORPN	The Fennie Centre, 20 - 22 Hawley Street (Block 3, Block 4 and Block 5)	CC	174	174	0	0		Prior Notification - no requirement to provide affordable housing
S03991	18/03187/FUL	(The orchards) Totley Hall Farm, Totley Hall Lane, Sheffield, S17 4AA	SW	11	11	0	0		Fewer than 15 dwellings - not subject to GAH1
S04176	18/03109/FUL	Cemetery Road Car Sales, 300 Cemetery Road, Sheffield, S11 8FT	CCW	14	14	0	0		Fewer than 15 dwellings - not subject to GAH1
S04180	19/03002/FUL	331 & 333 Manor Oaks Road, And 7 & 8 Manor Oaks Place, Sheffield, S2 5EE	M	12	12	0	0		Fewer than 15 dwellings - not subject to GAH1
S04181	19/03164/LBC	Sheffield Health And Social Care Trust, 259 Pitsmoor Road, Sheffield, S3 9AQ	E	18	18	0	0		Officers report confirms no AH is required in this location
S00991	17/03335/FUL	Site of Darnall Medical Aid Society, Fisher Lane, Sheffield, S9 4RP	E	10	10	0	0		Fewer than 15 dwellings - not subject to GAH1
S01361	16/02751/FUL	Site Of TTS Car Sales Ltd, Archer Road, Sheffield	S	28	28	0	0	£ 121,346	S106 dated 13th February 2017 confirms AH contribution of £121,346
S02282	18/04146/FUL	Site Of Sheffield Testing Laboratories Ltd And 58 Nursery Street And Car Park On Johnson Lane, Sheffield, S3 8GP	E	268	268	0	0		Officers report confirms that the site lies within an area of the city centre with no affordable housing requirement.
S00093	19/00451/FUL	Charter Works 20 Hodgson Street Sheffield S3 7WQ	CCW	77	77	0	0		Student cluster flats - no requirement to provide affordable housing
S00011	20/02672/FUL	Milton Street Car Park Milton Street Sheffield S3 7UF	CCW	372	372	0	0		Officers report confirms that the scheme can not deliver any contribution towards affordable housing provision due to viability.
S00694	18/02670/FUL	Land Opposite 299 To 315 Main Road, Darnall	E	11	11	0	0		Fewer than 15 dwellings - not subject to GAH1
S00187	18/03406/FUL	St. Cuthberts Family Social Club, Horndean Road/Barnsley Road, Sheffield S5 6UJ	NE	19	19	0	0		Officers report confirms that the site falls in an area of the city where there is no requirement to provide affordable housing as part of this development.
S02732	15/00143/FUL	Land Adjacent 240 Springvale Road Sheffield S10 1LH	CCW	10	10	0	0		Fewer than 15 dwellings - not subject to GAH1
S02444	NA	Former Oughtibridge Paper Mill, S35 0DN (Sheffield)	SD	13	13	0	0		Original permission doesn't include AH (refer to PoE)
S03725	18/00386/FUL	90 Trippet Lane/8 Bailey Lane Sheffield S1 4EL	CC	13	13	0	0		Fewer than 15 dwellings - not subject to GAH1
S02858	15/03928/FUL	Land At Main Road Ross Street And Whitwell Street Sheffield S9 4QL	E	28	28	0	0		Officers report confirms the site as being situated within the 'East' Affordable Housing Market Area where there is now no contribution required towards affordable housing provision.

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S00783	19/00523/FUL	Park Hill (Phases 4)	M	95	95	0	0		Officers report concludes the expected affordable housing contribution in this phase is zero. A condition (condition 4) was attached to the original 2006 outline consent for the wider site requiring no less than 20% of the total number of dwellings to be affordable and 96 affordable units were delivered within Phase 1 via the Great Places Housing Group
S00759	18/00242/FUL	Radford Street/ Upper Allen Street/ Netherthorpe Road	CC	284	284	0	0		Officers report confirms the site is situated within the 'City Centre' Affordable Housing Market Area where no contribution is required.
S03161	19/00483/FUL	Land At Doncaster Street, Hoyle Street, Shalesmoor And Matthew Street, Sheffield, S3 7BE	CC	500	222	0	0		Officers report confirms that the site falls within a zone where there is no requirement to provide affordable housing.
S03462	19/02153/ORPN	14 - 18 West Bar Green Sheffield S1 2DA	CC	17	17	0	0		Prior Notification - no requirement to provide affordable housing
S03457	17/00788/FUL	Quicksilver 32 Castle Street Sheffield S3 8LT	CC	12	12	0	0		Fewer than 15 dwellings - not subject to GAH1
S00164	17/02251/FUL	121 Duke Street, S2 5QL	M	16	16	100%	16		Application Form includes 16 Intermediate Units
S03690	16/02910/FUL	Sytner Sheffield Ltd, Hollis Croft And Broad Lane, City Centre S1 4BU	CC	444	444	0	0		Student cluster flats - no requirement to provide affordable housing
S04186	19/04060/FUL	4 And 6 Paradise Square, Sheffield, S1 2DE	CC	11	11	0	0		Fewer than 15 dwellings - not subject to GAH1
S03206	19/01147	Lytton' (Land Opposite 29 To 45 Lytton Rd) Sheffield S5 8AX	NE	44	39	0	0		Officers report confirms the site is located within the "North East" Affordable Housing Market Area and there is no contribution required towards affordable housing provision.
S03987	19/03779/FUL	Land at Wellington Street, Trafalgar Street and Rockingham Street (Known as Block 8 New Retail Quarter)	CC	364	364	10%	36		S106 (14.07.20) discusses AH. Officers report states that ten percent of residential floor space is to be provided as affordable rented accommodation for non-students at a discount of 20% below market rent
S02859	17/04961/REM	Baldwins Omega Ltd Brincliffe Hill Sheffield S11 9DF	CCW	52	52	8%	4		Affordable housing secured under 15/04019/COND3 securing 4 affordable dwellings or off-site contributions if developer in default of on-site obligation
S04010	19/00622/FUL	Land Between Cotton Mill Row, Cotton Street And Alma Street, Sheffield, S3 4RD	CC	86	86	0	0		Officers report confirms the site is located within the "City Centre" Affordable Housing Market Area and there is no contribution required towards affordable housing provision.
S03932	19/00952/FUL	120 Henry Street, Shalesmoor, Sheffield, S3 7EQ	CC	62	62	0	0		Officers report confirms the site falls within an area where no affordable housing contribution is required
S00746	16/02518/OUT	West Bar Square	CC	346	346	0	0		Officers report confirms no AH will be provided
S02510	16/04500/OUT and 1	Ouseburn Road, Darnall (referred to as the Darnall Triangle)	E	98	20	0	0		Officers report confirms the site as being located within the "East" Affordable Housing market Area and there is no contribution required towards affordable housing provision

	ZONES	REQUIRED CONTRIBUTION
CC	City Centre	0%
M	Manor / Arbourthorne / Gleadless	
E	East	
NE	North East	
CCW	City Centre West	10%
NW	North West	
SE	South East	
SD	Stocksbridge and Deepcar	
CE	Chapelton / Ecclesfield	30%
R	Rural Upper Don Valley	
S	South	
SW	South West	