

WEST OXFORDSHIRE DISTRICT COUNCIL
ECONOMIC AND SOCIAL OVERVIEW AND SCRUTINY COMMITTEE:
THURSDAY 22 NOVEMBER 2018

CALCULATION OF AFFORDABLE HOUSING NEED
REPORT OF THE HEAD OF PLANNING AND STRATEGIC HOUSING

(Contact: Phil Shaw Tel: (01993) 861687)

1. PURPOSE

To explain to the Committee how affordable housing need is calculated and used for development management purposes.

2. RECOMMENDATION

That the report be noted.

3. BACKGROUND

- 3.1. Members agreed at a previous meeting to require that the Development Manager provide a briefing to explain the way in which housing need is calculated when assessing the need for affordable housing for development control purposes.
- 3.2. The West Oxfordshire Local Plan 2031 defines affordable housing as that which is affordable to those who cannot afford market priced housing locally to rent or purchase. The NPPF defines it as housing for sale or rent for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers).
- 3.3. There are a number of different forms of affordable housing and as defined by the NPPF these include affordable housing for rent, starter homes, discounted market sales housing and other affordable routes to home ownership.
- 3.4. One of the key objectives of the West Oxfordshire Local Plan 2031 is to increase the supply of affordable housing for those who cannot afford to rent or buy at market prices.
- 3.5. In order to address identified affordable housing needs, Policy H3 – Affordable Housing requires ‘qualifying’ market housing schemes to make an appropriate contribution towards the provision of affordable housing.
- 3.6. For larger market housing schemes of 11 or more dwellings (or which have a maximum combined gross floorspace of more than 1,000m²) on-site provision of affordable housing is required as follows; 35% (lower value zone) 40% (medium value zone) and 50% (higher value zone).
- 3.7. Within the Cotswolds Area of Outstanding Natural Beauty (AONB) smaller market housing schemes of 6-10 units (and which have a maximum combined gross floorspace of no more than 1,000m²) are required to make a financial contribution towards the provision of affordable housing off-site.
- 3.8. In addition to delivery through market housing schemes, Policy H3 – Affordable Housing encourages the provision of small-scale rural exception sites to meet specific local housing needs which cannot be met in any other way.

4. CALCULATION OF AFFORDABLE HOUSING NEED

- 4.1. The starting point for the calculation of affordable housing need in West Oxfordshire is the Oxfordshire Strategic Housing Market Assessment (SHMA) published in 2014.
- 4.2. This is the key piece of evidence that underpins the Local Plan 2031 and for West Oxfordshire, identifies an overall need for 274 affordable homes per year in the period 2013 – 2031 (i.e. 4,932 new affordable homes in total).
- 4.3. Historic data demonstrates that in West Oxfordshire during the 14-year period 2001 – 2014 the average number of affordable units completed per year was just over 100. During the three strongest years of housing delivery in recent times (2005 – 2007) when total housing completions in West Oxfordshire averaged 803 dwellings per annum, affordable housing completions averaged 172 dwellings per annum.
- 4.4. It is evident that the delivery of 274 affordable homes per year is a significant challenge and will need to be met through a combination of new affordable homes already completed since 2013, existing commitments (i.e. sites with planning permission or a resolution to grant planning permission subject to a legal agreement) local plan allocations and future ‘windfall’ sites where the qualifying criteria is met.
- 4.5. When proposals for residential development are considered including at Planning Committee, Officers take account of the identified need for affordable housing in West Oxfordshire set out in the SHMA and report this information accordingly.
- 4.6. Alongside the ‘global’ figure set out in the SHMA, some indication of the need for affordable housing at a more ‘local’ level can be taken from the Council’s ‘Homeseeker Plus’ system.
- 4.7. This is the Council’s choice based lettings system which allows anyone on the Council’s housing register to apply for affordable housing within the District.
- 4.8. Prospective and existing tenants are banded according to their individual needs, in line with the Council’s housing policy summarised as follows:
 - Bronze – low housing need
 - Silver – threatened with homelessness or are overcrowded (lacking one bedroom) or have significant medical or welfare issues
 - Gold – accepted as statutorily homeless by the District Council, major overcrowding (lacking two or more bedrooms), have an urgent medical or welfare need or are downsizing from large family accommodation to smaller family accommodation
 - Emergency – immediate medical/welfare need or imminent risk of harm (inc. property disrepair). Downsizing from family to non-family accommodation.
- 4.9. All available housing association properties in West Oxfordshire are advertised online weekly and those registered on the Homeseeker plus system can ‘bid’ for a property anytime during that week (with a maximum of three bids each week).
- 4.10. After the bidding cycle closes, the shortlist is reviewed and the property will be allocated based on:
 - Eligibility for the property
 - Ward connection (if applicable)
 - Priority banding (i.e. gold, silver, bronze)
 - How long the applicant has been in their current band

- 4.11. Currently there are 2,927 applicants registered on the Homeseeker Plus system. Of these, 575 applicants are considered to be in priority need for housing including 35 in the emergency band, 113 in the gold band and 427 in the silver band. The remaining 2,352 applicants fall within the bronze band (low housing need).
- 4.12. When residential development proposals are considered including at Planning Committee, information taken from the Homeseeker Plus system is taken into account alongside the District-wide figure set out in the SHMA.
- 4.13. Homeseeker Plus does not represent a detailed assessment of affordable housing need in that location but it does give an indication of the number of households who would qualify for affordable housing if it were to be made available.
- 4.14. The information from Homeseeker Plus must however be used with some caution (e.g. potential double-counting with people being able to express an interest in living in more than one location) and this is made clear in any report.

5. POSITION MOVING FORWARD

- 5.1. The recent adoption of the Local Plan provides a helpful degree of clarity about how future, speculative residential proposals will be considered.
- 5.2. With regard to undeveloped (greenfield) sites in edge of settlement locations, outside of the Cotswolds AONB, proposed residential development will only be supported *‘where convincing evidence is presented to demonstrate that it is necessary to meet identified housing needs, which could be district-wide needs, needs identified through a neighbourhood plan or affordable housing needs specific to a particular settlement, for example through a rural exception site’*.
- 5.3. Within the Cotswolds AONB, on undeveloped land adjoining built up areas proposals will be *‘particularly closely scrutinised and will only be supported where there is convincing evidence of a specific local housing need such as needs identified through a neighbourhood plan or affordable housing needs specific to a settlement, for example through a rural exception site’*.
- 5.4. Moving forward, post-adoption of the Local Plan, the onus will therefore be on an applicant to robustly justify and demonstrate that there is an identified ‘housing need’ for their development to take place.
- 5.5. For sites outside the AONB, this could be a district-wide or local need and for sites within the AONB, the emphasis will be on local need.
- 5.6. Thus, an applicant may seek to commission a specific local housing needs survey in support of their proposal which would need to be taken into account alongside other material considerations in determining the application.
- 5.7. The neighbourhood plan process provides a further opportunity for evidence on local housing need to be commissioned.

6. CONCLUSION

- 6.1. There is an identified need for affordable housing in West Oxfordshire. This is a key objective of the West Oxfordshire Local Plan 2031 and is evidenced by the Oxfordshire SHMA (2014).
- 6.2. To date, in determining residential applications and presenting information on affordable housing need to Planning Committee, Officers have drawn on a combination of the ‘global’ information set out in the SHMA as well as more ‘local’ information taken from the Council’s Homeseeker Plus system which, whilst not representing a detailed

assessment of local affordable housing need, provides a good indication of likely 'take-up'.

- 6.3. Moving forward, in light of the adoption of the Local Plan, it will be necessary for those seeking to bring forward speculative 'windfall' development proposals on undeveloped land adjoining built up areas to robustly justify those proposals and provide convincing evidence that there is an identified need that their proposal will help to meet.

7. ALTERNATIVES/OPTIONS

None- the report is to note.

8. FINANCIAL IMPLICATIONS

None arising directly from this report

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Background Papers:

None