

# Vale of Aylesbury Local Plan EiP

## Matter 2G: Affordable Housing (OAN)

### Response to Mr van de Poll of the NBPPC

1. On the 15<sup>th</sup> July 2018 Mr Roy van de Poll emailed the Programme Officer on behalf of the North Bucks Parishes Planning consortium (NBPPC) to register the fact that he felt he had not had the opportunity to ask certain questions of Mr Jonathan Lee of ORS in Session 18 of the Examination hearings. This document responds to each of the points raised in the email from Mr van de Poll.

#### i) Intermediate Affordable Housing

2. Mr van de Poll queries whether or not the ORS approach to affordable housing identifies the need for part ownership homes.
3. Chapter 4 of the HEDNA Update identifies the need for affordable housing based on households unable to afford to buy or rent market housing (see HEDNA Update para 4.69 and Figure 69, and paras 8.33 et seq). Given this context, the HEDNA Update identifies the full need for affordable housing on the basis of the definitions set out in the NPPF.
4. The HEDNA Update also considers the role of Starter Homes (pages 171-173) and the potential for affordable home ownership. This analysis is further developed in the HEDNA Addendum (pages 32-40). It is clear that there would be the potential to provide affordable homeownership products in Buckinghamshire; however, this would be for households able to afford market rent and this need is therefore not counted within the identified need for affordable housing.

#### ii) Information Gathering

5. Mr van de Poll queries whether ORS consulted with organisations responsible for the allocation of affordable housing to establish current backlogs, trends in demand and future demand.
6. In preparing the HEDNA, ORS did not contact organisations responsible for allocating affordable housing; however, the analysis in Chapter 4 of the HEDNA Update takes account of MHCLG data which is based on returns from local authorities which is informed by Registered Providers. The assessment is based on need rather than demand, and follows the methodology set out by the PPG and takes account of demographic changes likely to impact future trends in demand over the Plan period to 2033.

### iii) Past Rates of Affordable Delivery

7. Mr van de Poll disagrees that 25% delivery of Affordable Housing on qualifying sites would deliver more affordable homes in Aylesbury Vale than delivered in the past, as Mr Lee had suggested.
8. The HEDNA Update shows that there was no change in the number of social tenants across Buckinghamshire over the 10-year period 2001-2011 (figure 125). Therefore, there was no net increase in the amount of social rented housing in the county over an entire decade – this is the historic context to which Mr Lee was referring. In contrast, the VALP identifies that affordable housing delivery rates have recently exceeded 340 dwellings annually (para 1.48, 2011-16) with affordable housing delivery averaging 296 dpa over the first five years of the Plan (2013-18). If this rate of delivery can be sustained under the VALP, it will contribute significantly to increasing the amount of affordable housing available.
9. Mr van de Poll notes that the VALP confirmed that affordable housing represented 31% of delivery over the 5-year period 2011-16, and on this basis he suggests that an affordable housing target of 30% should be sustainable. However, housing delivery during this period included a substantial amount of affordable homes built in 2011-12 and 2012-13 that were facilitated by grant funding available at the time. Over the 5-year period since the start of the Plan (2013-18) affordable housing delivery has averaged just over 23% suggesting that the 30% proposed by Mr van de Poll is unrealistic and could only be sustained with substantial grant funding. In contrast, the VALP target of 25% is both realistic and should be achievable on market housing-led developments over the Plan period.

### iv) Affordable including Intermediate

10. Mr van de Poll reiterates that the need for intermediate affordable housing products has been excluded from the assessment of affordable housing need. As a consequence, he suggests that the VALP's affordable homes delivery policy should be increased by a third.
11. The HEDNA Update identifies the full need for affordable housing on the basis of the definitions set out in the NPPF. Figure 123 identifies that of the households unable to afford market housing to rent or to buy, 17% could afford intermediate affordable housing products with the remaining 83% unable to afford any more than affordable rent. As previously noted, the HEDNA Addendum also identifies potential demand from households able to afford market housing that would prefer affordable homeownership. These households are not counted within the need for affordable housing, as they can afford market housing.

## v) Unmet Needs from Other LPAs

12. Mr van de Poll suggests that the unmet housing need from other areas being delivered in Aylesbury Vale should include affordable housing provision in line with the Local Plan targets for the relevant part of the housing market area.
13. The relevant target for affordable housing should be based on the identified need and the economic viability of development. Whilst the local authorities in other parts of the housing market area are unable to meet their overall housing needs in full, they recognise that affordable housing should be delivered locally where possible. On this basis, the affordable housing target for these areas seeks to maximise the amount delivered within viability constraints, and affordable housing on all developments in Aylesbury Vale will be secured in line with policies in the VALP, as explained in VALP paragraph 5.4.
14. Every effort is being made in the other areas to meet their affordable housing need within the area. Mr van de Poll cites Wycombe as an example: *“the LPAs concerned are surely expecting delivery of affordable homes in accordance with their adopted Local Plan eg 40% for Wycombe District’s LP.”* However, the Wycombe Local Plan proposes to meet all of the identified affordable housing need, which explains why Wycombe are seeking a significantly higher target than the 21.5% found in the HEDNA<sup>1</sup>. On this basis, there is no justification for Aylesbury Vale to apply an alternative affordable housing policy to housing that is delivered to meet Wycombe’s unmet need.
15. This approach was explicitly agreed between the authorities in the MoU<sup>2</sup> signed by the LPAs in question. The MoU states: *“The VALP in delivering the unmet housing needs from other parts of the Bucks HMA will be securing a proportion of affordable housing in line with affordable housing policies in the VALP.”* (para 2.1e). As such it is clear that there is no expectation on the part of the other local authorities that Aylesbury Vale will do otherwise.
16. As a result of this strong commitment to meet affordable housing need locally, any affordable housing built as part of the unmet need commitment can be considered an extra affordable housing contribution in excess of the minimum enumerated by the HEDNA. However, the question of whether any affordable housing is delivered to meet wider Buckinghamshire’s needs is essentially moot, as the economic viability of all housing development in Aylesbury Vale will be based on Aylesbury Vale’s land values (not the land values achieved in other parts of the HMA) and these support a 25% target for affordable housing (VALP paragraph 5.4).

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<sup>1</sup> Wycombe’s commitment to meet their entire affordable housing need locally is made explicit in chapter 5 of their Topic Paper 2 on housing prepared in October 2017.

<sup>2</sup> Buckinghamshire Memorandum of Understanding between Aylesbury Vale District Council, Wycombe District Council, Chiltern District Council, South Bucks District Council, and Buckinghamshire Thames Valley Local Enterprise Partnership (July 2017)

## vi) Vale of Aylesbury Housing Trust

17. Mr van de Poll makes reference to a submission from the Vale of Aylesbury Housing Trust (VAHT), suggesting that they have “a better grasp of the real affordable housing demand”. The relevant quote from the VAHT submission (representation 861) is:

*“Although based on the 21.3% requirement identified by the HEDNA (December 2016) the requirement to provide 25% affordable housing on sites of 11 units or more has decreased from 31% proposed in Summer 2016. Will provision of 6,850 affordable homes address demand over 16 years when there are 3,893 applicants registered on BucksHomesChoice in November 2017? Of these 2,307 are in bands A-D and eligible for affordable rented housing. The 6,850 figure quoted equates to 25% of the total number of homes rather than 25% of homes on schemes with an affordable housing requirement, which will be a lower figure.”*

18. Whilst new affordable housing provision will help to meet the identified need, the needs of many households will be met through relets of existing properties. The HEDNA Update takes full account of all current and future needs over the Plan period on the basis of the definitions set out in the NPPF; and considers this alongside the likely supply arising from within the existing stock in order to identify the full need for additional affordable housing. The HEDNA Update provides a robust assessment of affordable housing need.
19. The target of 25% exceeds the assessment in the HEDNA by a considerable margin. The rationale for doing so is clearly explained in paragraph 5.5 of the VALP, which directly addresses the concerns of VAHT regarding the issue of non-qualifying sites:

*“The HEDNA identifies an affordable housing need of 4,200 dwellings during the Plan period. This equates to 21.3% of Aylesbury Vale’s overall housing need, but to achieve the required number of affordable homes an allowance must be made for the developments which will be below the 11-house threshold and will not deliver affordable housing. Based on a viability assessment of the potential to deliver affordable housing on new developments, it is considered that a rate of 25% will deliver the required total of affordable housing and still allow landowners and developers to secure the competitive returns referred to in paragraph 173 of the NPPF...”*

20. As the above quote makes clear, the VAHT concern that the impact of non-qualifying sites may lead to insufficient affordable housing is directly addressed in the VALP, and the 25% target is sufficient to mitigate the issue.