



## F5E Council's response to Q50-52 affordable housing - August 2020

### INSPECTORS' QUESTIONS 50-52

50. The SHMA Part 2 dated June 2016 (SHMA2), concludes that the total annual affordable housing need in Brentwood is 107 households per year. It states that this represents 30.6% of the annual projected housing requirement of 350 dpa in the plan period. The SHMA2 suggests that the Council should 'pursue an overall affordable housing target of 35% or so...'. What is the specific evidence which supports and justifies that requirement for 35% affordable houses as set out in Policy HP05? How does this compare to previous provision as set out in table 3 of the Brentwood Monitoring Report on housing delivery for 2018/19? Is this level of provision viable?

51. Why is affordable housing sought on all residential sites of 11 or more units in Policy HP05 when national policy allows it on major residential development sites (10 units or more)? Has provision of sites of 10 or more dwellings been assessed and is it viable? Also, why does the policy include a requirement for affordable housing on sites of 10 units or less as this is not consistent with national policy, except in relation to designate rural areas?

52. How will the proposed stepped trajectory, and reliance on the DHGV later in the plan period and beyond, assist delivery of affordable housing needs and increase affordability in the borough in the short, medium, and long term?

### Evidence to Support 35% Affordable Housing

1. Delivery of sufficient affordable housing is an important issue within the borough, with house prices significantly higher than average prices for England. Whilst local wages are above the national average, house prices and rental levels are well above what many households can afford. As indicated within the Brentwood SHMA Part 2 the affordable housing need is calculated to be 107 household per year representing 30.6%. However, Brentwood has historically

underprovided the affordable housing required. In the last 5 years Brentwood has provided 92 affordable units which equates to 10.7%. This is significantly less than the SHMA Part 2 identified need, of 535 dwelling over a 5-year period.

Type	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Affordable	16	22	52	2	0	92
Market	109	150	187	247	70	763
Total	125	172	239	249	70	855

Table 1: Historical Affordable Housing Rate of Delivery

2. Table 3 in the Brentwood AMR 2018/19 illustrates the variable rate of affordable housing delivery within the borough. The 2005 Local Plan affordable housing policy required *20 units and above or 0.66 hectares or more within the Brentwood Urban Area and 5 units and above or 0.16 hectares or more within defined settlements elsewhere in the Borough*. Majority of the Borough's housing sites towards the tail end of the 2005 Replacement Local Plan have been smaller than the policy requirements thus having a negative impact on the affordable housing delivery rate. The new Local Plan policy threshold for affordable housing would require majority of the identified sites to provide some affordable housing.
3. The purpose of the affordable need is to inform decisions as outlined within the PPG (67-008-20190722), which states:

*'The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments. An increase in the total housing requirement included in the plan may need to be considered where it could help deliver the required number of affordable homes.'*

4. Having said this, it is useful to consider the affordable need relative to the overall requirement for housing and when it comes to setting the affordable proportion in policy a range of matters, including viability.
5. In setting a target it is important to note that not all sites will deliver affordable housing at the full policy requirement. For example, some sites may be below the affordable housing threshold (which is a matter of national policy) or be subject a reduced affordable housing requirement due to the application of Vacant Buildings Credit. To achieve the delivery of 30% or so of all affordable housing as affordable housing it is therefore necessary to have a higher target in the Plan.

## National Planning Policy Framework and Policy HP05

6. Policy HP05 was developed prior to the publication of the revised National Planning Policy Framework (2018), which at that time the threshold for affordable housing was 11 or more dwelling. The Council agrees that the policy requirements should be changed to 10 dwellings to align with national policy.
7. The testing in the Local Plan Viability Assessment (HDH, October 2018) (Brentwood Local Plan Document Library Reference: C38) was based on typologies. The Viability Assessment tested sites with 9 and 12 units – so either side of the threshold of either 10 or 11 units. The various tables through Chapter 10 of the *Local Plan Viability Assessment* (HDH, October 2018) (document C38) show that there is not a particular change in viability due to site size at this point.

## Stepped Trajectory and Affordable Housing Delivery

8. As part of the Council's responses, an updated 5 Year Housing Supply has been provided to the questions 43 through 49 and include an updated housing trajectory in appendix 1. It has been determined that a stepped trajectory is no longer needed. Table 2 below outlines the amount of affordable housing expected to come forward in the short, medium, and long term, assuming a Local Plan adoption of 2021/22. The table only includes Local Plan sites and assumes that 35% of all developments of 10 or more units will be provided as required by policy HP05: Affordable Housing.

	Market	Affordable	Comments
Short Term (2021/22 – 2024/25)	1,487	796	Assuming 35% affordable housing provision for all sites except 9 dwelling at Land adjacent to Camel Mascalls Lane, Warley which would not be required any affordable housing.
Medium Term (2025/26 – 2028/29)	1,387	746	Assuming 35% affordable housing provision for all sites
Long Term (2029/30 – 2032/33)	923	497	Assuming 35% affordable housing provision for all sites
Total	3,797	2,039	

Table 2: Impact of stepped trajectory on affordable housing delivery