

## **Affordable Housing Delivery Need 2014 - 2029**

In terms of the questions raised at Performance, Governance and Audit Committee on the 18<sup>th</sup> June 2024.

- 1. Why is there a shortfall in affordable housing in the Maldon District?**
- 2. What is being done to address that shortfall?**

### **Why is there a shortfall?**

Firstly, there is, probably without exception, always a shortfall in affordable housing for most local authority areas in England. This is because there are not enough affordable houses being built each year to meet the overall national need, replacing losses from schemes such as Right to Buy and catering continually for the formation of new households. These affordable housing pressures continue to outstrip the number of new homes built.

It is without a doubt an issue for Maldon District Council because a lack of affordable homes can lead to an increase in homelessness, put pressure on the use of temporary accommodation and can lead to an increase in people living in sub-standard accommodation, with accompanying health and well-being issues. New affordable housing is most often funded through developer contributions whether it is delivered off-site, on-site or as land. This means that it is intrinsically linked to open market housing development with a disproportionate share of the housing being delivered to those that can already afford to access the market versus those who cannot who still face the resultant stigmas of what many perceive to still be "council housing".

The need for affordable housing is not just derived from households on the Maldon District housing register figures. That figure only reflects persons who have made an application to be on the local register and also meet the criteria for the register. It does not reflect all of what are called "newly forming households" which is households forming out of existing households such as children leaving home and setting up their own household, people separating and creating two households out of one. It also does not reflect "hidden households" and "hidden homelessness". Hidden households are just that, hidden from our view, people who are difficult to see; it may be households in overcrowding, 'sofa surfers', squatters, people in temporary accommodation, adult children living at home who cannot afford to access the open market for housing, house shares and people having to stay living with ex-partners.

Because of the relatively high cost of housing in the District, both in terms of rental and purchase prices there is always going to be a gap between what people earn and what they can afford in terms of the housing market, and this particularly affects the lower % of earners in the District. In 2021 in the District, the average earnings for a household to buy a house would have been around

£50k and to rent a property they would have been around £27k. The lower quartile income of all households in the District is estimated to be £21,100.

In regard to the delivery of affordable housing, Inspectors at local plan examinations understand that there is nearly always a shortfall and that it is hardly ever possible to deliver that completely, so when we look at the issue, we should look at it from the viewpoint of has the Council “left no stone un-turned”? This means looking at all avenues of delivery in policy terms, having flexible policies that try and deliver beyond policy requirements when it is viable to do so when we make planning decisions and support any new or innovative ways of delivery.

### **What is the estimated shortfall of affordable housing delivery in the Maldon District?**

The time period is 2014 to 2029 is used because it is the plan period for the Approved Local Development Plan.

From 2014 to 2021 the affordable housing requirement was set out in the Strategic Housing Market Area Assessment (SHMAA) 2012 (updated 2014). From 2021 it is set out in the Local Housing Needs Assessment (LHNA) 2021. The overall requirement to date is therefore as follows –

|  |      |
|--|------|
| SHMAA requirement – 209 homes PA x 2014 to 2020                                    | 1254 |
|  |      |
| LHNA requirement – 174 homes PA x 2021 to 2029                                     | 1566 |
|  |      |
| Total need to 2029   | 2820 |
|  |      |
| Total affordable housing approved to the present time deducted from the total need | 1381 |
|  |      |
| Shortfall in affordable housing  | 1439 |

(The 35 PA shared ownership properties have not been counted in these figures, as the District’s overall need is greater for rented properties)

Any Inspector whether it is within the details of a planning appeal, or the Examination of a Local Plan will always look within the Local Housing Needs Assessment for the requirement for affordable housing. That figure should be set out in the local plan and a trajectory of delivery over the plan period set out. (this is presently missing from the Approved Local Development Plan and will need to be included in the Review).

The KPI reported to the PGA Committee considers what has been delivered in the last year in the District, but this only part of the story. The table below sets out the amount of affordable housing on relevant housing sites that have been

granted planning permission since 2014 and analyses the % amount of affordable housing provided on each site against the % of what should have been approved. Overall, the gap in provision between what should have and what was granted permission is quite small compared to the policy requirements; 94 units. This means that the % requirement set out in the approved Plan is nearly always being met, but this is not doing enough to meet the District's need. In applying its policies the LPA must ensure that its policy requirements do not make development unviable, otherwise it would be contrary to national policy.

In looking at the current affordable housing that has been secured through planning permissions, there are 744 affordable housing units granted planning permissions which have yet to be completed, which have been included in the above figures.

| Affordable Housing                   |                |    |                    |                |              |              |            |
|--------------------------------------|----------------|----|--------------------|----------------|--------------|--------------|------------|
| Site                                 | Total approved | %  | Should be provided | Total Approved | Gap          | Residual Due | Complete   |
| Land east of Malone Cottage, WB      | 14             | 40 | 5.6                | 5              | -0.6         | 0            | 5          |
| Theedhams Farm, Southminster         | 94             | 30 | 28.2               | 28             | -0.2         | 0            | 28         |
| Manor Farm, Nth Fambridge            | 30             | 40 | 12                 | 9              | -3           | 0            | 9          |
| Pippins Road                         | 75             | 30 | 22.5               | 23             | 0.5          | 0            | 23         |
| 94 South St, Tillingham              | 27             | 30 | 8.1                | 9              | 0.9          | 0            | 9          |
| Burnham Waters Ph 1                  | 195            | 30 | 58.5               | 25             | -33.5        | 25           | 0          |
| Tillingham Hall Farm                 | 24             | 30 | 7.2                | 6              | -1.2         | 6            | 0          |
| 34 Hall Rd, Gt Totham                | 30             | 40 | 12                 | 12             | 0            | 12           | 0          |
| Golf Range, Woodham Mortimer         | 18             | 40 | 7.2                | 8              | 0.8          | 8            | 0          |
| West of Fambridge Rd, Nth Fambridge  | 12             | 40 | 4.8                | 5              | 0.2          | 28           | 0          |
| North of Latchingdon Bowls Club      | 41             | 40 | 16.4               | 16             | -0.4         | 16           | 0          |
| Bridgemans Green                     | 52             | 40 | 20.8               | 15             | -5.8         | 15           | 0          |
| West of Cemetery Rd, BOC             | 80             | 30 | 24                 | 24             | 0            | 0            | 24         |
| Burnham Waters Ph 2                  | 203            | 30 | 60.9               | 50             | -10.9        | 50           | 0          |
| Burnham Waters Ph 3                  | 232            | 30 | 69.6               | 61             | -8.6         | 0            | 0          |
| North 48 Woodrolfe Rd                | 25             | 40 | 10                 | 12             | 2            | 12           | 0          |
| 2a                                   | 1042           | 30 | 312.6              | 298            | -14.6        | 127          | 171        |
| 2b                                   | 320            | 30 | 96                 | 120            | 24           | 120          | 0          |
| 2c                                   | 108            | 30 | 32.4               | 32             | -0.4         | 0            | 32         |
| 2d                                   | 1138           | 30 | 341.4              | 313            | -28.4        | 313          | 0          |
| 2e                                   | 84             | 40 | 33.6               | 49             | 15.4         | 0            | 49         |
| 2f                                   | 145            | 40 | 58                 | 58             | 0            | 0            | 58         |
| 2h                                   | 101            | 40 | 40.4               | 0              | -40.4        | 0            | 0          |
| 2i                                   | 210            | 40 | 84                 | 95             | 11           | 9            | 86         |
| 2i additional 37 units               | 37             | 40 | 14.8               | 13             | -1.8         | 13           | 0          |
| 2j                                   | 180            | 40 | 72                 | 72             | 0            | 0            | 72         |
| 2k                                   | 90             | 40 | 36                 | 36             | 0            | 0            | 36         |
| Land adj 55 Kings Road, Southminster | 7              | 40 | 2.8                | 3              | 0.2          | 3            |            |
| <b>Total</b>                         | <b>4614</b>    |    | <b>1491.8</b>      | <b>1381</b>    | <b>-94.8</b> | <b>744</b>   | <b>602</b> |

### What is being done to address the affordable housing shortfall?

In considering this question, it is important to consider what the Council can do and is doing holistically as a local authority, rather than what it can do specifically as a local planning authority.

At Maldon District Council the following is taking place:

- Negotiating with developers on proposed general needs schemes to include the provision of affordable bungalows (with wet rooms/showers) as opposed to 1 bed flats. On allocation, priority is then given to older people in social housing downsizing from family homes to create a "churn" in the social sector in Maldon district and reduce the reliance on the need for new build to meet this need.

- Supporting schemes for older people to provide the right size of affordable property (bungalow/flat – wheelchair adapted) again to assist with the “churn” in the social stock in the district.
- Negotiating with developers on proposed schemes for 3 and 4 bed affordable homes to address the high need for this size property (especially 3 beds) and for them to be let at Social Rent levels to aid affordability so assisting more applicants on the Housing/Homeless Register. This is observed to be working in terms of permissions in the District, because as set out in the table below, since 2021 the number of 3 bedrooms homes has increased in line with a change in priority for bedroom needs set out the 2021 LHNA.

| No of Beds in house units | 2020/21 completion year | 2021/22    | 2022/23    |
|---------------------------|-------------------------|------------|------------|
| 1 bed unit                | 29                      | 84         | 55         |
| 2 bed unit                | 37                      | 146        | 141        |
| 3 bed unit                | 51                      | 89         | 117        |
| 4 bed unit                | 53                      | 33         | 58         |
| 5 bed unit                | 2                       | 1          | 1          |
| 6 bed unit                |                         |            |            |
| 7 bed unit                | 1                       | 1          |            |
| <b>Total</b>              | <b>173</b>              | <b>354</b> | <b>372</b> |

- Negotiating and supporting schemes to provide additionality of affordable properties over and above the proposed site % of affordable identified in the approved Local Development Plan policy, where other policy requirements can be met, and any significant harm can suitably mitigated.
- Negotiating with developers for general needs bungalows to be provided in new developments to assist residents already in social housing to downsize where there needs can be better met by a different housing product, in order to free-up family housing for other households in need.
- Negotiating with developers to provide on-site provision of bungalows for older people (churn) and Commuted Sums. The provision of Commuted Sums provides future financial opportunities for MDC to pursue securing additional affordable provision through land acquisition and/or purchase of existing buildings (commercial/residential) and new build in the district.
- Working with Registered Providers to re-designate schemes for alternative usage to assist greater number of applicants requiring affordable housing.
- Ensuring at Pre-App and through consultation processes for proposed planning applications (Outline/Full) that developers meet affordable housing policy % requirements identified in the LDP, and the tenure mix

identified in the LHNA 2021 – especially with regards to affordable/social rented.

- Actively liaising with Registered Providers to ensure they continue with schemes where they have made offers to developers for the affordable element and to continue to identify Maldon District as an area they wish to work in.
- Making Maldon District a good place for Registered Providers to focus on in terms of buying affordable housing e.g., being flexible when RPs require a variation on planning obligation details which could otherwise meet pressing needs.
- Robustly challenging claims of viability difficulties with developers and being creative when viability issues are proven to be present and need schemes to change.

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