

# Affordable Housing Proof of Evidence of Annie Gingell BSc (Hons) MSc MRTPI

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Land East of Warwick Road, Drayton, Banbury

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Outline application for up to 170 dwellings (Use Class C3) with associated open space and vehicular access off Warwick Road, Banbury; All matters reserved except for access

Land East of Warwick Road, Drayton, Banbury

Vistry Homes

May 2024

PINS REF: APP/C3105/W/24/3338211

LPA REF: 23/00853/OUT

OUR REF: M23/1212-01.RPT

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TETLOW KING PLANNING  
UNIT 2, ECLIPSE OFFICE PARK, HIGH STREET, STAPLE HILL, BRISTOL, BS16 5EL  
Tel: 0117 9561916 Email: [all@tetlow-king.co.uk](mailto:all@tetlow-king.co.uk)

[www.tetlow-king.co.uk](http://www.tetlow-king.co.uk)

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- CD5.1 Cherwell Local Plan Part 1, 2011-2031 (2015)
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  - CD5.6 Emerging Local Plan Review 2040 – Consultation Draft (Regulation 18)
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  - CD10.17 Appeal Decision: Sondes Place Farm, Dorking (December 2023)
  - CD10.18 SoS Decision: Oxford Brookes University, Wheatley Campus, College Close, Wheatley, Oxford (April 2020)
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# Introduction

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## Section 1

- 1.1 This Affordable Housing Proof of Evidence has been prepared by **Annie Gingell BSc (Hons) MSc MRTPI** of **Tetlow King Planning** on behalf of the Appellant, **Vistry Homes**.
- 1.2 The proposed development is for up to 170 dwellings, of which 40% (up to 68 dwellings) are to be provided on-site as affordable housing. This level of provision exceeds the requirements of Policy BSC3 (30% for sites in Banbury) of the adopted Cherwell Local Plan 2011-2031 Part 1 (2015).
- 1.3 The proposed tenure split will be 25% (17 units) First Homes, 67% (46 units) Affordable Rented and 8% (5 units) Shared Ownership which reflects the requirements of Policy BSC3 of the adopted Cherwell Local Plan 2011-2031 Part 1 (2015).
- 1.4 The proposed affordable housing will be secured by way of a Section 106 planning obligation.
- 1.5 This Proof of Evidence deals specifically with affordable housing and the weight to be afforded to this benefit the planning balance<sup>1</sup> considering evidence of need in the area. It should be read alongside the main Planning Evidence of David Murray-Cox (Turley) and the Housing Land Supply Evidence of Jeff Richards (Turley).
- 1.6 My credentials as an expert witness are summarised as follows:
  - I hold a Bachelor of Science (Hons) degree in City and Regional Planning from Cardiff University (2016) and a Master of Science degree in Spatial Planning and Development from Cardiff University (2020).
  - I am a chartered member of the Royal Town Planning Institute (“RTPI”).
  - I have over 9 years’ professional experience in the field of town planning and housing. I have previously been employed by a Local Authority in the South West and have been in private practice since 2017. I have been employed at Tetlow King Planning Ltd for the past 7 years.

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<sup>1</sup> For clarity, the weightings I apply are as follows: very limited, limited, moderate, significant, very significant, substantial, and very substantial.

- During my career, I have presented evidence at numerous Section 78 appeals in the West Midlands, North West, South West, South East of England, and London.
- 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 Plan Documents and Supplementary Planning Documents on affordable housing throughout the UK.

1.7 In accordance with the Planning Inspectorate’s Procedural Guidance, I hereby declare that:

*“The evidence which I have prepared and provide for this appeal in this Proof of Evidence is true and has been prepared and is given in accordance with the guidance of the Royal Town Planning Institute. I confirm that the opinions expressed are my true and professional opinions.”*

1.8 Providing a significant boost in the delivery of housing, and in particular affordable housing, is a key priority for the Government.

1.9 This is set out in the most up-to-date version of the National Planning Policy Framework (“NPPF”), the Planning Practice Guidance (“PPG”), the National Housing Strategy and the Government’s Housing White Paper.

1.10 Having a thriving active housing market that offers choice, flexibility and affordable housing is critical to our economic and social well-being.

1.11 As part of my evidence, I have sought data, upon which I rely, from the Council through Freedom of Information (“FOI”) requests which can be viewed at **Appendix AG1**.

1.12 This proof of evidence comprises the following eight sections:

- Section 2 establishes the importance of affordable housing as an important material consideration;
- Section 3 analyses the development plan and related policy framework including corporate documents;
- Section 4 identifies affordable housing needs;
- Section 5 examines past affordable housing delivery;
- Section 6 analyses a range of affordability indicators;

- Section 7 considers the future supply of affordable housing;
- Section 8 considers the weight to be attached to the proposed affordable housing provision; and
- Section 9 draws together my summary and conclusions.



# Affordable Housing as an Important Material Consideration

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## Section 2

### Introduction

- 2.1 The provision of affordable housing is a key part of the planning system. A community's need for affordable housing was first enshrined as a material consideration in PPG3 in 1992 and has continued to play an important role in subsequent iterations of national planning policy, including the National Planning Policy Framework ("NPPF").

### National Planning Policy Framework (19 December 2023)

- 2.2 The revised NPPF was last updated on 19 December 2023 and is a material planning consideration. It is important in setting out the role of affordable housing in the planning and decision-making process.
- 2.3 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).
- 2.4 Chapter 5 NPPF (2023) focuses on delivering a sufficient supply of homes, in which paragraph 60 confirms the Government's objective of *"significantly boosting the supply of homes"*.
- 2.5 The NPPF (2023) 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 (including those who require retirement housing, housing-with-care and care homes); students; people with disabilities; service families; travellers [FN28]; people who rent their homes and people wishing to commission or build their own homes [FN29]."* (paragraph 63).
- 2.6 It places a great responsibility on all major developments (involving the provision of housing) to provide an element of affordable housing. Paragraph 66 establishes that *"at least 10% of the total number of homes to be available for affordable home ownership [FN32]"*.

- 2.7 Affordable housing is defined within the NPPF (2023) 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)**

- 2.8 The Planning Practice Guidance (“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. **Appendix AG2** sets out the paragraphs of the PPG of particular relevance to affordable housing.

**Summary and Conclusions**

- 2.9 This section clearly demonstrates that, within national policy, providing affordable housing has long been established as, and remains, a key national priority as set out in the National Housing Strategy and the Government’s Housing White Paper’s; it is a fundamental element in the drive to address and resolve the national housing crisis.

# The Development Plan and Related Policies

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## Section 3

### Introduction

- 3.1 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.
- 3.2 The relevant Development Plan in respect of affordable housing for the appeal site currently comprises the Cherwell Local Plan 2011-2031 Part 1 (2015), and the Cherwell Local Plan 2011-2031 Part 1 Partial Review (2020).
- 3.3 Other material considerations relevant to affordable housing include the NPPF (2023) and the PPG (March 2014, ongoing updates), the Developer Contributions Supplementary Planning Document (2018), the emerging Local Plan Review 2040, and a number of corporate documents which support the provision of affordable housing at the corporate level.

### The Development Plan

#### **Cherwell Local Plan Part 1, 2011-2031 (2015) – CD5.1**

- 3.4 The Cherwell Local Plan Part 1 was adopted in 2015 and contains strategic planning policies for development for the twenty-year plan period from 2011/12 to 2030/31.
- 3.5 The Local Plan sets out a number Challenges and Objectives for Building Sustainable Communities on page 32, including “...a lack of affordable housing and the need to increase the proportion of the housing stock that comprises social housing.”
- 3.6 Paragraph B.104 on page 62 sets out that “Cherwell has a high level of need for affordable housing”, and as such, a strong emphasis is placed on the delivery of affordable homes in the authority area.
- 3.7 Paragraph B.105 on page 62 highlights the objectively assessed affordable housing need, explaining that “The Oxfordshire Strategic Housing Market Assessment (SHMA) 2014 has identified a net need of 407 affordable homes per year”. I discuss affordable housing needs in more detail at Section 4 of this Proof Evidence.

- 3.8 **Policy BSC3** on page 64 is the primary policy for affordable housing and requires qualifying developments (i.e. 11 or more gross dwellings) to provide at least **30% on site affordable housing in the main towns of Banbury** and Bicester. Elsewhere in the District, 35% affordable housing is required in Kidlington and Rural Areas on sites of 11 dwellings or more.
- 3.9 The policy goes on to note that:
- “All qualifying developments will be expected to provide 70% of the affordable housing as affordable/social rented dwellings and 30% as other forms of intermediate affordable homes. Social rented housing will be particularly supported in the form of extra care or other supported housing. It is expected that these requirements will be met without the use of social housing grant or other grant.”*
- 3.10 Paragraph C.124 on page 178 discusses social issues across the District and in Banbury:
- “...Banbury's main social issues are related, but not confined, to the complex problems of deprivation. This includes educational attainment, teenage pregnancy, anti-social behaviour, child well-being and access to services and facilities and affordable housing”* (My emphasis).
- 3.11 Following this at paragraph C.125, the Council recognises that a key community issue facing Banbury is the *“[T]he need for affordable housing...”*.
- 3.12 In setting out what Banbury will be like in the year 2031, the Local Plan specifies at paragraph C.130 that *“Over 7,000 new homes will have been constructed by 2031 of which a substantial number will be 'affordable’”* (My emphasis).
- 3.13 Section E concerns ‘Monitoring and Delivery of the Local Plan’. Paragraph E.10 states that *“Housing delivery will be monitored to ensure that the projected housing delivery is achieved.”*
- 3.14 Later at paragraph E.12, the Council states that it will *“use a number of indicators (see Appendix 6) to monitor how well policies are delivering our wider aim of ‘building sustainable communities’”*. This includes affordable housing completions and acquisitions.

- 3.15 Referring to Appendix 6 of the Local Plan, the monitoring indicator for affordable housing Policy BSC3 is the “*Net affordable housing completions/acquisitions per tenure*”, however, no net target delivery figure for affordable housing over the plan period is specified.

**Cherwell Local Plan Part 1 Partial Review – Oxford’s Unmet Housing Need, 2011 to 2031 (2020) – CD5.2**

- 3.16 The Cherwell Local Plan Part 1 Partial Review - Oxford's Unmet Housing Need was adopted in 2020 and provides site specific allocations to meet Cherwell District’s share of the unmet needs of Oxford City to 2031.
- 3.17 Whilst the Partial Review is focused upon the unmet need arising from Oxford City, the Partial Review sets out important context for affordable housing and Cherwell’s relationship with Oxford in this respect.
- 3.18 Section 5.24 discusses some of the affordability pressures arising in the Oxford area, stating that:

*“Because Oxford’s affordable housing need is so high, we are prescribing the mix of housing sizes needed for the defined ‘affordable’ element of the new housing supply. We have based these on the affordable housing requirements for the Housing Market Area as specified in the SHMA 2014. We are also requiring a higher level of affordable rent/social rented accommodation (80% of the total affordable housing requirement) than Cherwell’s 70% requirement.”* (My emphasis)

- 3.19 It is therefore clear that there is an increased pressure to provide affordable housing in Cherwell, given the requirement for affordable housing in Oxford.

**Other material considerations**

**Emerging Local Plan Review 2040 – Consultation Draft (Regulation 18) – CD5.6**

- 3.20 The Council consulted on a ‘Regulation 18’ version of the draft Local Plan Review, expected to cover a twenty-year period from 2020/21 to 2039/40, between 22 September 2023 and 3 November 2023. The Local Plan Review 2040 is intended to replace the strategic policies contained within the extant Local Plan.

- 3.21 Strategic Objective 10 at page 11 of the draft Local Plan relates to housing need, with the Plan seeking to *“Meet the housing needs of all sectors of Cherwell’s communities, in a way that creates sustainable, well-designed, safe, inclusive and mixed communities, promoting inter-generational connectivity and lifetime neighbourhoods”* (my emphasis).
- 3.22 The **draft Core Policy 36 ‘Affordable Housing’** sets out a revised approach to securing affordable housing in Cherwell District. Paragraph 3.196 at page 82 of the supporting text explains the importance of affordable housing delivery to the Council, stating that *“Providing truly affordable housing is one of our highest priorities”* (my emphasis).
- 3.23 Paragraph 3.197 explains that there are challenges for those seeking affordable home ownership and affordable housing for rent, highlighting that:
- “Our Housing Strategy (2019-2024) has identified three strategic priorities, which includes the need to increase the supply and diversity of affordable housing to ensure the right types of housing are available in the right places. It highlights that home ownership is out of reach for households on low and average incomes, with social rent being the only truly affordable housing option for many local residents”.*
- 3.24 Paragraph 3.199 discusses the latest assessment of affordable housing need, set out in the Housing and Economic Needs Assessment 2022 (which I discuss further in Section 4 of this Proof). It highlights the scale of the affordable housing need and an imperative for the Council to deliver as many affordable homes as possible.
- “The HENA analyses the need for affordable housing in terms of social/ affordable rented housing and affordable home ownership. It identifies a significant need for affordable housing in Cherwell, with a need of 660 social rented/affordable rented homes per year and a further 193 homes to meet affordable home ownership needs. We therefore have to provide as many affordable homes as possible to meet this need. The Council’s interim Viability Assessment tested a range of requirements for affordable housing from 0 to 50% and for First Homes provided at 25%. It currently recommends an overall 30% affordable housing requirement on all sites on overall viability grounds”.*
- 3.25 Paragraph 3.201 at page 83 summarises the Council’s recent performance in delivering affordable homes, with 178 net affordable housing completions in 2021/22 and 295 net affordable housing completions in the previous year 2020/21. The paragraph explains that, to date, the delivery of social rent homes has been limited.

- 3.26 The wording of draft Core Policy 36 at page 84 sets out the revised approach to securing affordable housing, applying an overall requirement of 30% affordable housing provision on qualifying sites with First Homes comprising 25% of *all* homes on site<sup>2</sup>. Question 24 of the consultation paper specifically seeks views on whether affordable housing delivery should be maximised (particularly that for social rent homes) if sacrifices were made in respect of other policy requirements.

#### **Developer Contributions Supplementary Planning Document (2018) – CD5.8**

- 3.27 The Developer Contributions Supplementary Planning Document (“SPD”) was adopted in February 2018 and provides additional details on the tenure mix of affordable homes, the distribution of affordable homes and thresholds.

- 3.28 At paragraph 4.3 of the document, it states:

*“Cherwell District has a high level of need for affordable housing. The Council’s Housing Strategy 2012-17 recognises the need for affordable homes, and aims to ensure that Cherwell is well-placed to maximise investment by registered providers and to respond to opportunities as they arise.”* (My emphasis).

- 3.29 Section 4.10 goes on to discuss the expected tenure mix of affordable housing, setting an expectation of 70% affordable housing for rent and 30% other forms of affordable housing:

*“The adopted Cherwell Local Plan requires all qualifying developments (i.e. those developments comprising 11 or more dwellings (gross)) to provide 70% of the affordable housing as affordable/social rented dwellings and 30% as other forms of intermediate housing. Social rented housing will be particularly supported in the form of extra care or other supported housing. It is expected that these requirements will be met without the use of social housing grant or other grant.*

*It is expected that all affordable housing provided under a rented tenure will be built to the nationally described space standards and that where appropriate affordable housing should not be clustered in any more than 10 units of one tenure and 15 units of multiple affordable tenures with no contiguous boundary of the clusters.”*

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<sup>2</sup> I note that national guidance for First Homes seeks 25% of all affordable homes as First Homes, rather than 25% of the total number of homes on a scheme.

### **First Homes Interim Policy Guidance Note (2021) – CD5.10**

- 3.30 The First Homes Interim Policy Guidance Note published in 2021 summarises how Cherwell District Council will implement the national First Homes policy contained in the PPG.
- 3.31 Paragraph 4.7 on page 5 sets out an updated tenure split:
- a. 25% First Homes;
  - b. 70% social or affordable rented housing; and
  - c. 5% intermediate housing.

### **Corporate Documents**

- 3.32 The Council's corporate documents identify the delivery of affordable housing as a high corporate priority of Cherwell. These include the following documents:
- Housing Strategy 2019 to 2024 (**CD13.1**);
  - Homelessness and Rough Sleeping Strategy 2021 to 2026 (**CD13.2**); and
  - Business Plan 2022 to 2023 (**CD13.3**).
- 3.33 Summaries of each of these documents are provided at **Appendix AG3** and quotes from each of the documents are referred to throughout this evidence.

### **Summary and Conclusions**

- 3.34 The relevant Development Plan in respect of affordable housing for Cherwell currently comprises the Cherwell Local Plan 2011-2031 Part 1 and the Cherwell Local Plan 2011-2031 Part 1 Partial Review.
- 3.35 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 issue which urgently needs to be addressed within Cherwell.
- 3.36 The appeal proposals provide an affordable housing contribution which exceeds requirements of Local Plan policy BSC3 and draft Core Policy 36.
- 3.37 The up to 68 affordable homes at the appeal site will make a significant contribution towards the annual affordable housing needs of the District, particularly when viewed in the context of past rates of affordable housing delivery which is considered in more detail in Section 5 of this evidence.



# Affordable Housing Need

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## Section 4

### Introduction

- 4.1 This section explores affordable housing needs identified in the adopted Development Plan and its associated evidence base, as well as more recent assessments of affordable housing need in order to provide a comprehensive understanding of formally identified affordable housing needs across the District.
- 4.2 In addition to formal assessments, this section examines other indicators of affordable housing need such as the Housing Register, waiting times, and homelessness rates. These real-world metrics offer additional insights and perspective on the pressing need for affordable housing in Cherwell.

### Adopted Development Plan and Evidence Base

- 4.3 The adopted Development Plan does not define a numerical target for the provision of affordable homes. Instead, Policy BSC3 of the adopted Local Plan seeks a percentage of affordable housing provision on site from qualifying developments. The specific percentage required is contingent upon the development's location.
- 4.4 The Cherwell Local Plan Part 1 (2015) does however acknowledge the findings of the **2014 Oxfordshire Strategic Housing Market Assessment (“2014 SHMA”) (CD6.7)** at paragraph B.105 on page 62.
- 4.5 The assessment of affordable housing need covers the 18-year period from 2013/14 to 2030/31. This is two years fewer than the 2014 SHMA’s overall assessment of affordable housing need, and two years fewer than the overall Local Plan Part 1 period.
- 4.6 Table 54 of the 2014 SHMA calculates the estimated level of affordable housing need per annum, **identifying a net need for 407 new affordable homes each year in the district between 2013 and 2031**, equivalent to 7,326 affordable dwellings over the 18-year period.

- 4.7 The 2014 SHMA goes on to consider the tenure split of the affordable housing provision in the Oxfordshire authorities. Table 60 shows that in Cherwell, there is a need to deliver 13.7% shared ownership or shared equity dwellings; 32.3% affordable rented housing; and 54.0% social rented housing<sup>3</sup>.
- 4.8 The 2014 SHMA sets out concluding remarks in respect of affordable housing need, and the implications for the authorities that were preparing their Local Plans. Paragraph 6.79 states that *“There is thus a significant need for new affordable housing in Oxfordshire and we therefore consider the Councils are justified in seeking to secure the maximum viable level of affordable housing.”*
- 4.9 Given that the 2014 SHMA relied on the private rented sector (“PRS”) when calculating the net affordable housing requirement, in my view there is a strong case to suggest that the true net affordable housing need for Cherwell is significantly greater than 407 affordable dwellings per annum.
- 4.10 It is my view that the PRS is not a suitable substitute for affordable housing and does not have an equivalent role in meeting the housing needs of low-income families. It is highly pertinent that in the revised NPPF, PRS housing is not, and has never been, included within the Annex 2 definition.
- 4.11 It is also worth noting that the 2014 SHMA was prepared prior to the implementation of the updated Annex 2 definition of affordable housing in the revised 2018 NPPF (now December 2023 version). The calculation of need within the 2014 SHMA therefore does not make provision for the range of affordable routes to home ownership included within the current definition of affordable housing.
- 4.12 If these households were also to be factored into the calculation of affordable housing need it is likely that the net affordable housing need figure for the Cherwell area would increase further.
- 4.13 The overall housing requirement in Cherwell stands at 1,142 dwellings per annum for all tenures between 2011/12 and 2030/31, as set out in Cherwell Local Plan Part 1 (2015) Policy BSC1 ‘District Wide Housing Distribution’.

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<sup>3</sup> It should be noted that this tenure mix has been superseded by the definition in the 2018 NPPF and the subsequent introduction of First Homes in 2021.

4.14 Paragraph B.94 of the Cherwell Local Plan Part 1 (2015) supporting text notes that this is derived from the 2014 SHMA, accounting for various factors which include *“modelling of the level of housing provision that might be required to meet affordable need in full and wider evidence of market signals”*. This makes plain that the affordable housing need has influenced the overall housing requirement and in turn, the overall plan strategy.

4.15 The Inspector’s Report into Cherwell Local Plan Part 1 (2015) (**CD6.12**) makes clear the link between the affordable housing need and the overall requirement and Plan strategy. At paragraph 54, the Inspector noted that the Oxfordshire 2014 SHMA and the associated modifications to the development strategy met the full objectively assessed need for housing, including affordable housing:

*“...the 2014 SHMA and the modifications arising from it now properly address the NPPF’s requirements for a “significant boost” to new housing supply and to meet the full OAN, including for affordable housing, as well as take account of “market signals”, which the submitted plan did not.”*

4.16 Paragraph 61 summarised the Inspector’s conclusions on this matter, confirming that:

*“Overall, I conclude that [...] the plan suitably and sufficiently addresses the full OAN for housing, including affordable housing, in Cherwell to 2031”.*

4.17 In this context, it is therefore clear that the adopted Cherwell Local Plan Part 1 (2015) promotes a development strategy that seeks to meet Cherwell’s affordable housing needs in full.

### **Emerging Development Plan and Evidence Base**

4.18 The latest evidence for affordable housing need in Cherwell is contained within the **Cherwell District and Oxford City Councils Housing and Economic Needs Assessment (“2022 HENA”)** (**CD6.8**), published in December 2022.

4.19 The 2022 HENA was commissioned by Cherwell District Council and Oxford City Council to inform their individual emerging Local Plans and includes a refresh of the methodology and growth scenarios covered by the Oxfordshire Growth Needs Assessment (2021) which was prepared as part of the preparation of the now ceased Oxfordshire Plan.

4.20 The 2022 HENA covers the 20-year period from 2020 to 2040, with the affordable housing need being calculated over a 10-year period from 2022 to 2032.

- 4.21 Table 9.11 on page 117 of the 2022 HENA identifies a net need for **660 social/affordable rented dwellings per annum** within Cherwell over the 10-year period.
- 4.22 Table 9.21 on page 124 identifies a net need for **193 affordable home ownership dwellings per annum** within Cherwell over the 10-year period.
- 4.23 When combining both the identified net need for social/affordable rented dwellings and affordable home ownership dwellings, the 2022 HENA identifies a total net affordable housing need of **853 dwellings per annum** within Cherwell, equivalent to 8,530 affordable dwellings over the 10-year period from 2022 to 2032.

### **Local Housing Need vs Affordable Housing Need**

- 4.24 The council's latest Five Year Housing Land Supply ("5YHLS") Statement (**CD6.6**), published in January 2024, sets out that the council's overall housing need for the period 2023/24 to 2027/28 is being calculated using a figure based on the Government's Standard Methodology for assessing Local Housing Need.
- 4.25 Whilst the Standard Method for calculating Local Housing Need applies an affordability adjustment, the PPG is clear that:

*"The affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the **affordability of homes**"<sup>4</sup> (emphasis added).*

- 4.26 Evidently, providing an affordability adjustment to start to address the affordability of homes in an authority, is clearly not the same as calculating an affordable housing need figure. The affordability uplift is simply a function of the standard methodology, and it is not a basis for determining the numerical need for affordable housing nor the types of affordable housing required as defined in Annex 2 of the NPPF (2023).
- 4.27 This is further supported by the fact that calculating such need for an authority is dealt with under a separate section of the PPG titled '*How is the total annual need for affordable housing calculated?*' which clearly sets out that:

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<sup>4</sup> Paragraph: 006 Reference ID: 2a-006-20190220

*“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<sup>5</sup>.”*

4.28 The NPPF is clear at paragraph 63 that:

*“Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community **should be assessed and reflected in planning policies**. These groups should include (but are not limited to) **those who require affordable housing**.”* (emphasis added).

4.29 Whilst the Standard Method calculation may be appropriate for monitoring general housing needs and supply across the authority, it does not provide a need figure for affordable housing in line with the PPG. As such, it does not reflect affordable housing need; nor is it an appropriate basis with which to monitor affordable housing supply.

4.30 In a similar fashion, the achievement of Housing Delivery Test targets does not signify that affordable housing needs have been being met over a period when using the standard method to calculate the ‘number of homes required’ for a Local Authority area.

#### **Indicators of Affordable Housing Need**

4.31 Key indicators like the number of households on the council's Housing Register, homelessness rates and households housed in temporary accommodation serve as crucial markers of affordable housing need in Cherwell.

#### Housing Register

4.32 Data from DLUHC shows that on **31 March 2023 there were 2,045 households on the Housing Register in Cherwell**. 48% of these of households (990) were considered to fall within the ‘Reasonable Preference’ category.

4.33 The statutory Reasonable Preference categories cover:

- All homeless people as defined in Part VII of the Housing Act 1996. Section 189 and 193 where a duty to accommodate is defined;
- People who are owed a particular statutory duty by any local housing authority under certain provisions of homelessness legislation;

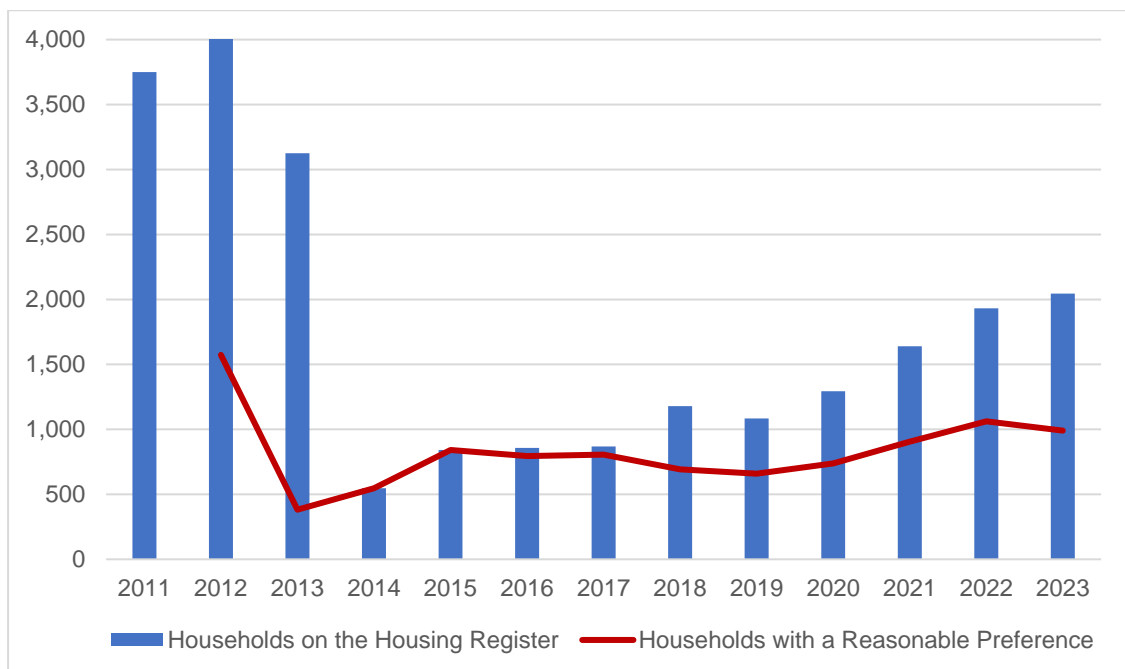
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<sup>5</sup> Paragraph: 024 Reference ID: 2a-024-20190220

- People occupying unsanitary, overcrowded or otherwise unsatisfactory housing;
- People who need to move on medical or welfare grounds (including grounds relating to a disability); and
- People who need to move to a particular locality within the Borough to avoid hardship to themselves or others.

4.34 Figure 4.1 provides a comparative analysis of the number of households on the Housing Register and the number of households within the “Reasonable Preference” category since the start of the Local Plan Part 1 period in 2011.

*Figure 4.1: Number of Households on the Housing Register, 2011 to 2023*



Source: DLUHC Open Data

\*Reasonable preference data is not available for 31 March 2011

4.35 Footnote 4 of DLUHC<sup>6</sup> Live Table 600 highlights that:

*“The Localism Act 2011, which came into force in 2012, gave local authorities the power to set their own qualification criteria determining who may or may not go onto the housing waiting list. Previously, local authorities were only able to exclude from their waiting list people deemed guilty of serious unacceptable behaviour. The Localism Act changes have contributed to the decrease in the number of households on waiting lists since 2012” (emphasis added).*

<sup>6</sup> Department for Levelling Up Homes and Communities

- 4.36 Following the changes brought about by the Localism Act, Cherwell approved a revised Housing Allocations Scheme in November 2012. A Report by the Council’s Head of Regeneration and Housing in June 2015 (see **Appendix AG4**) confirms that the revised Allocation Scheme was then implemented in December 2013 (see paragraph 3.6).
- 4.37 The Report confirms at paragraph 2.4 that as a consequence of the changes to the Allocations Scheme, “*the list [of households] significantly decreased by 2,454 applicants*”. This drop in households on the housing register in 2013/14 can be clearly observed in Figure 4.1 above.
- 4.38 The ability for Housing Register’s to capture the full need for social/ affordable rented housing was highlighted in a 2021 National Housing Federation (“NHF”) report<sup>7</sup>. It concluded that at the time, there were 1.6 million households in need of social rented housing, which was circa. 500,000 more than the 1.1 million on Housing Register’s.
- 4.39 The research demonstrated that there were a significant number of people in need of rented affordable housing products who were also ineligible to be on the Housing Register, due to changes in eligibility criteria as a result of the Localism Act. As such Housing Registers are likely to underestimate the number of households in need of social/ affordable rented tenures.
- 4.40 The ability of Local Authorities to set their own qualification criteria in relation to Housing Registers was also recognised by the Planning Inspector presiding over an appeal at Oving Road, Chichester (**CD10.10, p.11, [63]**) in August 2017. In assessing the need for affordable housing in the district, and in determining the weight to be attached to the provision of affordable housing for the scheme which sought to provide 100 dwellings; the Inspector acknowledged at paragraph 63 of their report that:

*“The provision of 30% policy compliant affordable houses carries weight where the Council acknowledges that affordable housing delivery has fallen short of meeting the total assessed affordable housing need, notwithstanding a recent increase in delivery. With some 1,910 households on the Housing Register in need of affordable housing, in spite of stricter eligibility criteria being introduced in 2013 there is a considerable degree of unmet need for affordable housing in the District. Consequently, I attach substantial weight to this element of the proposal” (my emphasis).*

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<sup>7</sup> ‘People in Housing Need’, National Housing Federation, December 2021

4.41 Furthermore, in an appeal decision at Oxford Brookes University Campus at Wheatley, **(CD10.18, p74, [13.101])** the Inspector asserted at paragraph 13.101 of his report that in the context of a lengthy housing register of 2,421 households:

*“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).*

4.42 Irrespective of the fluctuations in the total number of households on the Housing Register, Figure 4.1 demonstrates that the total number of households on the Housing Register and those within the ‘Reasonable Preference’ category has been steadily climbing over the past decade.

4.43 Evidently the result of the Localism Act is that many local authorities, including Cherwell, have been able to exclude applicants already on the Housing Register who no longer meet the new narrower criteria but who are still in need of affordable housing.

Waiting Times

4.44 The Council’s Freedom of Information response (**Appendix AG1**) shows that successful applicants for affordable housing face lengthy and increasing waits for an affordable home in Cherwell.

4.45 Figure 4.2 illustrates that, based on the dwelling size, successful applicants in the 2022/23 period experienced average waiting times ranging from 290 days (approximately 10 months) to 800 days (approximately 2 years and 2 months) for an affordable home.

*Figure 4.2: Housing Register Average Waiting Times, March 2023*

Size of Affordable Property	Average Waiting Time to be Housed (31 March 2023)
1-bedroom home	324 days
2-bedroom home	290 days
3-bedroom home	509 days
4+ bedroom home	800 days

Source: Freedom of Information response (3 November 2023)



4.46 It is crucial to note that these figures represent averages, implying that some households may have been waiting even longer than the indicated times. Additionally, these statistics only capture the waiting times for successful applicants, typically those in the highest priority need. Households with less urgent needs can anticipate significantly lengthier waiting periods.

Bids and Lettings

4.47 The Council operates the Cherwell HomeChoice, a choice-based lettings scheme under which applicants can bid for affordable homes advertise on an online portal. Information retrieved from the Council’s online portal (**Appendix AG5**) includes information on the average number of bids received, by dwelling size, in Cherwell and in Banbury.

4.48 Figure 4.3 below demonstrates average number of bids per property across Cherwell over the six-month period between 7 December 2023 and 7 May 2024 for a range of types of affordable property.

*Figure 4.3: Bids Per Property across Cherwell, 7 December 2023 and 7 May 2024*

Type of Affordable Property	No. Properties Advertised	Average Bids Per Property
1-bed affordable dwelling	72	69
2-bed affordable dwelling	71	79
3-bed affordable dwelling	25	90
4+ bed affordable dwelling	5	49

*Source: Cherwell HomeChoice (7 May 2024)*

4.49 Figure 4.3 demonstrates that over the six-month period there were an average of 69 bids per 1-bed affordable dwelling put up for let across Cherwell, 79 average bids per 2-bed affordable dwelling, 90 average bids per 3-bed affordable dwelling and 49 average bids per 4+ bed affordable dwellings let over the period.

4.50 Figure 4.4 below demonstrates average number of bids per property in Banbury over the six-month period between 7 December 2023 and 7 May 2024 for a range of types of affordable property.

Figure 4.4: Bids Per Property in Banbury, 7 December 2023 and 7 May 2024

Type of Affordable Property	No. Properties Advertised	Average Bids Per Property
1-bed affordable dwelling	32	67
2-bed affordable dwelling	29	88
3-bed affordable dwelling	8	116
4+ bed affordable dwelling	0	0

Source: Cherwell HomeChoice (7 May 2024)

- 4.51 Figure 4.4 demonstrates that over the six-month period there were an average of 67 bids per 1-bed affordable dwelling put up for let in Banbury, 88 average bids per 2-bed affordable dwelling and 116 average bids per 3-bed affordable dwelling. No 4+ bed affordable dwellings were let over the period.
- 4.52 This should be viewed in context of the fact that the Figure 8.1 also highlights that over the period there were **just 69 social housing** lettings in Banbury.
- 4.53 For every successful letting, there are clearly tens, if not hundreds of households who have missed out and are left waiting for an affordable home. Evidently there is a clear and pressing need for affordable homes within Banbury which is not being met.

#### Temporary Accommodation

- 4.54 DLUHC statutory homelessness data highlights that on 31 March 2023, there were 32 households housed in temporary accommodation by the District.
- 4.55 Of these, 21 households (66%) were households with children. The council has a responsibility to house these households.
- 4.56 Not only does this mean that those in need of affordable housing are being housed in temporary accommodation, which is unlikely to be suited to their needs, but they may also be located away from their support network, at significant cost to local taxpayers<sup>8</sup>.
- 4.57 DLUHC data indicates that Cherwell spent £338,000 on temporary accommodation between 1 April 2022 and 31 March 2023, of which:
- 34% was spent on bed and breakfast hotels (including shared annexes).
  - 44% was spent on private sector accommodation leased by authority or by a registered provider; and

<sup>8</sup> Appendix AG11 considers the cost of temporary accommodation in detail at paragraphs 9.38 to 9.52.

- 4% was spent on hostels (including reception centres, emergency units and refuges).

4.58 The “*Bleak Houses: Tackling the Crisis of Family Homelessness in England*” report published in August 2019 by the Children’s Commissioner found that temporary accommodation presents 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.

4.59 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*”.

### Homelessness

4.60 DLUHC statutory homelessness data shows that in the 12 months between 1 April 2022 and 31 March 2023, the Council accepted 257 households in need of homelessness prevention duty<sup>9</sup>, and a further 162 households in need of relief duty<sup>10</sup> from the Council.

4.61 A letter submitted in support of this appeal from Homeless Oxfordshire, the largest provider of supported accommodation for people experiencing homelessness across Oxfordshire, is provided at **Appendix AG6** of this evidence.

4.62 The letter highlights that the rate of homelessness has increased across Oxfordshire in the past year and that a lack of new affordable provision has contributed to the homelessness crisis.

4.63 The letter concludes by stating that:

*“We are therefore very supportive of any scheme that will increase the social and affordable housing stock and we would urge you to consider the wider benefit to society of any such scheme and the ways it will help deliver the social and affordable housing our county so desperately needs.”*

<sup>9</sup> The Prevention Duty places a duty on housing authorities to work with people who are threatened with homelessness within 56 days to help prevent them from becoming homeless. The prevention duty applies when a local authority is satisfied that an applicant is threatened with homelessness and eligible for assistance.

<sup>10</sup> The Relief Duty requires housing authorities to help people who are homeless to secure accommodation. The relief duty applies when a local authority is satisfied that an applicant is homeless and eligible for assistance.

- 4.64 In Cherwell in 2022/23, the termination of a private sector tenancy accounted for 141 households owed a prevention duty, or 55% of all households owed a prevention duty; it is the most common reason for the prevention duty.
- 4.65 The Councils Homelessness and Rough Sleeping Strategy 2021-2026 (**CD13.2**) specifies on page 16 that *“The highest cause of homelessness in Cherwell is the loss of an Assured Shorthold Tenancy in private rented properties...”*
- 4.66 Furthermore a 2017 report by the National Audit Office (“NAO”) also found that *“The ending of private sector tenancies has overtaken all other causes to become the biggest single driver of statutory homelessness in England.”*
- 4.67 It is for this reason that the Private Rented Sector (“PRS”) is not a suitable substitute for affordable housing and does not have an equivalent role in meeting the housing needs of low-income families. It is highly pertinent that in the NPPF, PRS housing is not included within the Annex 2 definition of affordable housing.
- 4.68 It should also be noted that there has been an exponential shift in the PRS market in recent years with many private landlords exiting the market following the Government’s removal of tax relief on interest payments in 2020 and as a consequence of higher interest rates as well as the prospect of further rental reforms / regulations.
- 4.69 Research conducted by global real estate advisor, CBRE in 2023 found that since the start of 2022, when the Bank of England began increasing the base rate (from 0.25% to now 5%) prompting higher mortgage costs, it estimated that 126,500 rental properties had been sold.
- 4.70 Additionally, the CBRE research found approximately 273,500 rental properties were sold between 2016 and 2021, aligning with the additional rate of stamp duty for second properties, introduced in 2016, and phasing out of mortgage interest relief. In total, this equated to a loss of 400,000 rental homes.
- 4.71 Scott Cabot, head of Residential Research at CBRE, noted that if sales continue at a similar trajectory, the numbers will represent a loss of almost 10% of the UK’s private rented households by the end of 2023.

### **Summary and Conclusions**

- 4.72 The adopted Development Plan, while lacking a specific numerical target for affordable homes, integrates a percentage-based approach from qualifying developments, contingent on their location. The 2014 SHMA which underpins the adopted Local Plan

Part 1, indicates **a net need for 407 new affordable homes annually**, totalling 7,326 homes over 18 years.

- 4.73 The absence of a defined affordable housing target prompts consideration of more up to date objectively assessed needs. The 2022 HENA, accounting for the latest NPPF definitions, suggests a more nuanced and updated approach, reflecting **a net need for 853 affordable dwellings annually**.
- 4.74 Indicators such as the Housing Register, waiting times, and homelessness rates provide additional insights. The Housing Register reveals a substantial increase in households over the past decade.
- 4.75 Lengthy waiting times, as indicated by Figure 4.2, emphasise the urgency of addressing the affordable housing shortage.
- 4.76 Temporary accommodation and homelessness statistics highlight the pressing need for affordable housing solutions, emphasising the critical role they play in fostering stable and secure living conditions for vulnerable populations.
- 4.77 In summary, the nature of affordable housing needs in Cherwell requires a comprehensive and adaptive approach, integrating the latest data, policy adjustments, and community-specific considerations to effectively address the evolving challenges in the District.

# Affordable Housing Delivery

## Section 5

### Introduction

- 5.1 This section of the evidence analyses the delivery of affordable housing in Cherwell. It highlights significant shortfalls in meeting identified needs, illustrating a pressing need for a substantial increase in affordable housing provision across the District.

### Affordable Housing Delivery

- 5.2 Figure 5.1 illustrates the delivery of affordable housing (“AH”) in Cherwell over the 12-year period since the start of the Local Plan Part 1 period in 2011/12.

*Figure 5.1: Additions to Affordable Housing Stock (Gross), 2011/12 to 2022/23*

Monitoring Year	Total Housing Completions (Net)	Additions to AH stock (Gross)	Gross affordable additions as a %age of total completions
2011/12	356	204	57%
2012/13	340	113	33%
2013/14	410	140	34%
2014/15	946	191	20%
2015/16	1,425	322	23%
2016/17	1,102	278	25%
2017/18	1,387	426	31%
2018/19	1,489	510	34%
2019/20	1,159	400	35%
2020/21	1,192	295	25%
2021/22	1,188	178	15%
2022/23	1,318	181	14%
<b>Totals</b>	<b>12,312</b>	<b>3,238</b>	<b>26%</b>
<b>Avg. Pa.</b>	<b>1,026</b>	<b>270</b>	

Source: Annual Monitoring Report (2023).

- 5.3 Figure 5.1 demonstrates that between 2011/12 and 2022/23, a total of 12,312 net dwellings were delivered over the 12-year period, equivalent to 1,026 per annum. Of these, 3,238 gross dwellings were affordable tenures, equivalent to 270 per annum. This equates to 26% gross affordable housing delivery.
- 5.4 However, it is important to note that the gross affordable completions figure does not take into account any losses from the affordable housing stock through demolitions nor through Right to Buy (“RtB”) sales from Registered Provider (“RP”) affordable housing stock.
- 5.5 Figure 5.2 below sets out net affordable housing delivery in Cherwell for the 12-year period between 2011/12 to 2022/23 once recorded RP Right to Buy sales are accounted for.

*Figure 5.2: Additions to Affordable Housing Stock (Net of Right to Buy), 2011/12 to 2022/23*

Monitoring Year	Total housing completions (Net)	Additions to AH Stock (Gross)	RP RtB Sales	Additions to AH Stock (Net of RtB)	Net of RtB additions as a %age of total completions
	A	B	C	D (B – C)	E (E / A) X 100
2011/12	356	204	5	199	56%
2012/13	340	113	12	101	30%
2013/14	410	140	22	118	29%
2014/15	946	191	16	175	18%
2015/16	1,425	322	14	308	22%
2016/17	1,102	278	15	263	24%
2017/18	1,387	426	11	415	30%
2018/19	1,489	510	10	500	34%
2019/20	1,159	400	13	387	33%
2020/21	1,192	295	8	287	24%
2021/22	1,188	178	13	165	14%
2022/23	1,318	181	8	173	13%
<b>Totals</b>	<b>12,312</b>	<b>3,238</b>	<b>147</b>	<b>3,091</b>	<b>25%</b>
<b>Avg. Pa.</b>	<b>1,026</b>	<b>270</b>	<b>12</b>	<b>258</b>	

Source: Annual Monitoring Report (2023); and DLUHC Open Data.

- 5.6 Figure 5.2 reveals that a total of 147 Right to Buy sales have been recorded between 2011/12 and 2022/23, at an average of 12 sales per annum. The rate of Right to Buy losses to stock is equivalent to 4% of the annual average gross additions of 270 affordable dwellings per annum.
- 5.7 Once these losses to stock are accounted for over the 12-year period, the council's gross affordable housing completions figure of 270 affordable dwellings over the period falls to 258 additions to affordable housing stock (net of Right to Buy sales), equivalent to just 25% of net housing completions.

### Affordable Housing Delivery Compared to Identified Affordable Housing Needs

- 5.8 When comparison is drawn between affordable housing delivery and the needs identified in the 2014 SHMA since its 2013/14 base date, it can be seen in Figure 5.3 that there has been an accumulated shortfall in the delivery of affordable housing of some -1,279 affordable homes against an identified need for 4,070 over the 10-year period.

*Figure 5.3: Additions to Affordable Housing Stock (Net of Right to Buy) Compared to Affordable Needs Identified in the 2014 SHMA, 2013/14 to 2022/23*

Monitoring Year	Additions to AH Stock (Net of RtB)	2014 SHMA AH Needs (Net)	Annual Shortfall	Cumulative Shortfall	Additions as a %age of Needs
2013/14	118	407	-289	-289	29%
2014/15	175	407	-232	-521	43%
2015/16	308	407	-99	-620	76%
2016/17	263	407	-144	-764	65%
2017/18	415	407	8	-756	102%
2018/19	500	407	93	-663	123%
2019/20	387	407	-20	-683	95%
2020/21	287	407	-120	-803	71%
2021/22	165	407	-242	-1,045	41%
2022/23	173	407	-234	-1,279	43%
<b>Total</b>	<b>2,791</b>	<b>4,070</b>	<b>-1,279</b>		<b>69%</b>
<b>Avg. Pa</b>	<b>279</b>	<b>407</b>	<b>-128</b>		<b>69%</b>

Source: Annual Monitoring Report (2023); DLUHC Open Data; and 2014 SHMA.



- 5.9 As demonstrated by Figure 5.4, the delivery of only 2,791 gross affordable homes over the period means that no more than 69% of identified affordable housing needs over the period were met.
- 5.10 This shortfall is likely to be higher even if the 2014 SHMA calculation of need accounted for all Annex 2 affordable housing tenures. As such the -1,279 dwelling shortfall should be seen as a minimum.
- 5.11 Figure 5.4 illustrates net of Right to Buy affordable housing delivery compared to the affordable housing need of 853 net affordable dwellings as set out in the 2022 HENA since the 2022/23 base date.
- 5.12 *Figure 5.4: Additions to Affordable Housing Stock (Net of Right to Buy) Compared to Affordable Needs Identified in the 2022 HENA, 2022/23*

Monitoring Year	Additions to AH Stock (Net of RtB)	2022 HENA AH Needs (Net)	Annual Shortfall	Additions as a %age of Needs
2022/23	173	853	-680	20%
<b>Total</b>	<b>173</b>	<b>853</b>	<b>-680</b>	<b>20%</b>

*Source: Annual Monitoring Report (2023); DLUHC Open Data; and 2022 HENA.*

- 5.13 In 2022/23, affordable housing completions have totalled just 173 affordable dwellings per annum (net of Right to Buy), against a need of 853 net affordable dwellings. **A shortfall of -680 affordable dwellings has arisen in the first year of the assessment period.**
- 5.14 The delivery of only 173 gross affordable homes over the period means that no more than 20% of identified affordable housing needs over the period were met. Put another way, at least 80% households in need of an affordable home over the period were let down by the Council's inability to deliver.

### **Affordable Housing Delivery Compared to Households on the Housing Register**

- 5.15 The affordable housing needs of households on the Housing Register is met either by social rented or affordable rented tenures. Both these tenures are exclusively provided by RP's or local councils, with the level of rent payable set in accordance with the Government's rent policy.
- 5.16 Unfortunately, the Council's Annual Monitoring Reports do not breakdown affordable housing completions by tenure for the full period. As such the only publicly available data breaking down affordable housing completions by tenure for the period 2011/12

to 2022/23 are the DLUHC Open Data tables. The discrepancies between these two datasets is set out at **Appendix AG7**.

- 5.17 Figure 5.5 below sets out rented affordable housing delivery in Cherwell for the period 2011/12 to 2022/23 once recorded (“RP”) Right to Buy sales and acquisitions are accounted for.

*Figure 5.5: Rented Additions to Affordable Housing Stock (Net of Right to Buy), 2011/12 to 2022/23*

Monitoring Year33	Social Rent Additions to AH Stock (Gross)	Affordable Rent Additions to AH Stock (Gross)	Total RtB Sales	Total Additions to Rented AH Stock (Net of RtB)
	A	B	C	D (A + B) - C
2011/12	174	0	5	169
2012/13	17	20	12	25
2013/14	0	119	22	97
2014/15	0	93	16	77
2015/16	64	125	14	175
2016/17	0	184	15	169
2017/18	0	305	11	294
2018/19	0	279	10	269
2019/20	0	256	13	243
2020/21	0	90	8	82
2021/22	7	189	13	183
2022/23	0	40	8	32
<b>Totals</b>	<b>262</b>	<b>1,700</b>	<b>147</b>	<b>1,815</b>
<b>Avg. Pa.</b>	<b>22</b>	<b>142</b>	<b>12</b>	<b>151</b>

Source: DLUHC Open Data.

- 5.18 Between 2011/12 and 2022/23, a total of 262 gross Social Rented properties and 1,700 gross Affordable Rent properties were delivered in Cherwell, equivalent to a total 1,962 gross provision over the period. Once the effect of the Right to Buy is accounted for the gross rented delivery figure falls by 7% to 1,815 properties.
- 5.19 Figure 5.6 below compares the number of households on the Housing Register on 31 March each year with net of Right to Buy rented affordable housing delivery between 1 April and 31 March the following year, since the start of the Local Plan Part 1 period in 2011.

Figure 5.6: Additions to Rented Affordable Housing Stock (Net of Right to Buy) vs Households on the Housing Register, 2011/12 to 2022/23

Housing Register Date (31 March)	Households on the Housing Register	Monitoring Year	Total Additions to Rented AH Stock (Net of RtB)	%age of Housing Register Need Met
2011	3,750	2011/12	169	5%
2012	4,028	2012/13	25	1%
2013	3,126	2013/14	97	3%
2014	547	2014/15	77	14%
2015	841	2015/16	175	21%
2016	858	2016/17	169	20%
2017	869	2017/18	294	34%
2018	1,179	2018/19	269	23%
2019	1,084	2019/20	243	22%
2020	1,294	2020/21	82	6%
2021	1,640	2021/22	183	11%
2022	1,932	2022/23	32	2%
<b>Avg. Pa.</b>	<b>1,762</b>	<b>Avg. Pa.</b>	<b>151</b>	<b>9%</b>

Source: DLUHC Open Data.

- 5.20 Figure 5.5 demonstrates that in the 12-year period between 2011 and 2022, on an average per annum basis, Cherwell have delivered enough rented affordable housing tenures to meet the needs of just 9% of households on the Housing Register.
- 5.21 Once taking account of likely re-let's to new tenants (estimated to be 288 dwellings per annum in the 2022 HENA) this figure increases to just 25%. Put another way, on an average per annum basis 75% of households on the Housing Register did not have their housing needs met.
- 5.22 Figure 5.7 below compares the number of households on the Housing Register on 31 March each year with a Reasonable Preference against net of Right to Buy rented affordable housing delivery between 1 April and 31 March the following year, since the start of the Local Plan Part 1 period in 2011.

Figure 5.7: Additions to Rented Affordable Housing Stock (Net of Right to Buy) vs Households on the Housing Register with a Reasonable Preference, 2012/13 to 2022/23

Housing Register Date (31 March)	Households with a Reasonable Preference	Monitoring Year	Total Additions to Rented AH Stock (Net of RtB)	%age of Housing Register Need Met
2012	1,573	2012/13	25	2%
2013	382	2013/14	97	25%
2014	547	2014/15	77	14%
2015	841	2015/16	175	21%
2016	795	2016/17	169	21%
2017	806	2017/18	294	36%
2018	693	2018/19	269	39%
2019	659	2019/20	243	37%
2020	738	2020/21	82	11%
2021	906	2021/22	183	20%
2022	1,062	2022/23	32	3%
<b>Avg. Pa.</b>	<b>990</b>	<b>Avg. Pa.</b>	<b>151</b>	<b>15%</b>

Source: DLUHC Open Data.

\*Reasonable preference data is not available for 31 March 2011.

- 5.23 Figure 5.6 demonstrates that in the 11-year period between 2012 and 2022, the Council has delivered enough rented affordable housing tenures to meet the needs of just 15% households on the Housing Register with a Reasonable Preference.
- 5.24 Once taking account of likely re-let's to new tenants (estimated to be 288 dwellings per annum in the 2022 HENA) this figure increases to just 48%. Put another way, on an average per annum basis 52% of households with a Reasonable Preference did not have their housing needs met. Yet these are people in real need *now*.

### Summary and Conclusions

- 5.25 The above evidence demonstrates that across the Cherwell administrative area, the delivery of affordable housing has fallen short of meeting identified needs.
- 5.26 The data shows that, on average, only 25% of the overall housing delivery represents net affordable housing, amounting to just 258 net of Right to Buy affordable dwellings per annum. When compared against the net affordable housing needs identified in the 2014 SHMA, a cumulative shortfall of -1,279 affordable homes is evident.

- 5.27 Furthermore, the most recent evidence of need provided by the 2022 HENA points to a net affordable housing need of 853 dwellings per annum. The delivery of only 173 net affordable dwellings in 2022/23 reveals a shortfall of -680 homes in just the first year of the assessment period, indicating that only 20% of the identified needs have been met.
- 5.28 The analysis also underscores the impact of Right to Buy sales on the net additions to affordable housing stock, with a recorded total of 147 sales between 2011/12 and 2022/23, averaging 12 sales per annum.
- 5.29 The evidence presented paints a clear picture of the challenges and shortcomings in the delivery of affordable housing in Cherwell over the past 12-years.
- 5.30 In light of these findings, it is evident that a substantial increase in affordable housing provision is *urgently required* in Cherwell. The identified shortfalls in meeting housing needs, especially in the context of Right to Buy losses, highlight the pressing need for a 'step change' in the approach to affordable housing delivery.

# Affordability Indicators

## Section 6

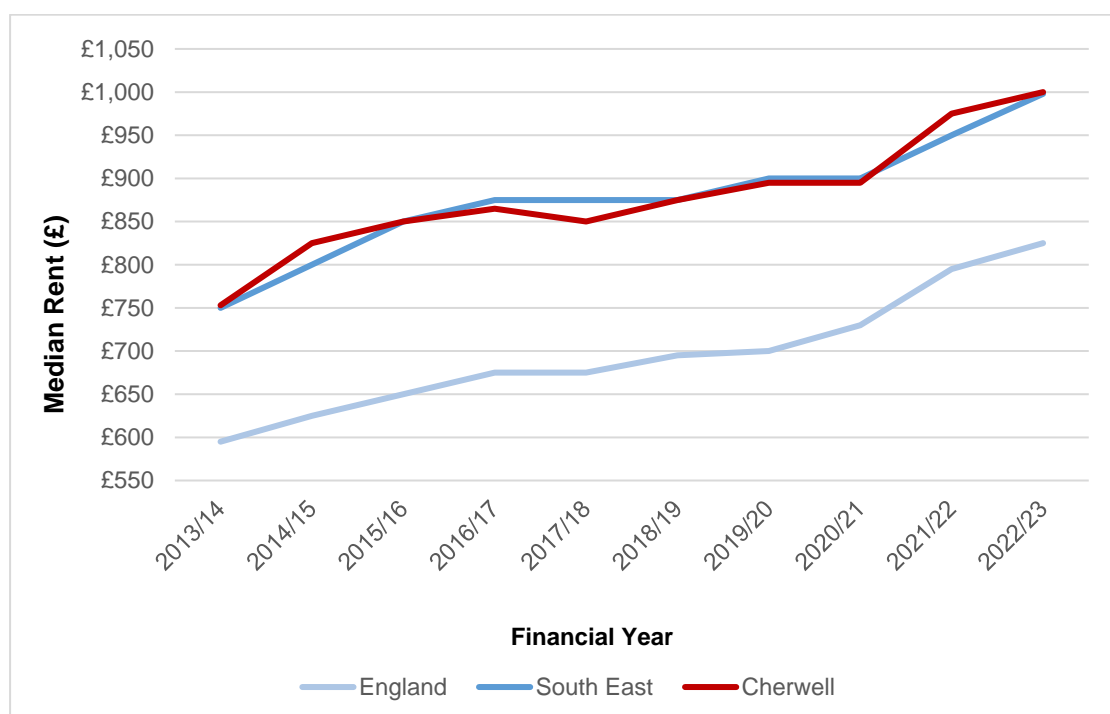
### Introduction

6.1 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.

### Private Rental Market

6.2 Valuation Office Agency (“VOA”) and Office for National Statistics (“ONS”) data (first produced in 2013/14) show that median private rents in Cherwell stood at £1,000 per calendar month (“pcm”) in 2022/23. This represents a 33% increase from 2013/14 where median private rents stood at £753 pcm.

Figure 6.1 Median Private Sector Rents, 2013/14 to 2022/23

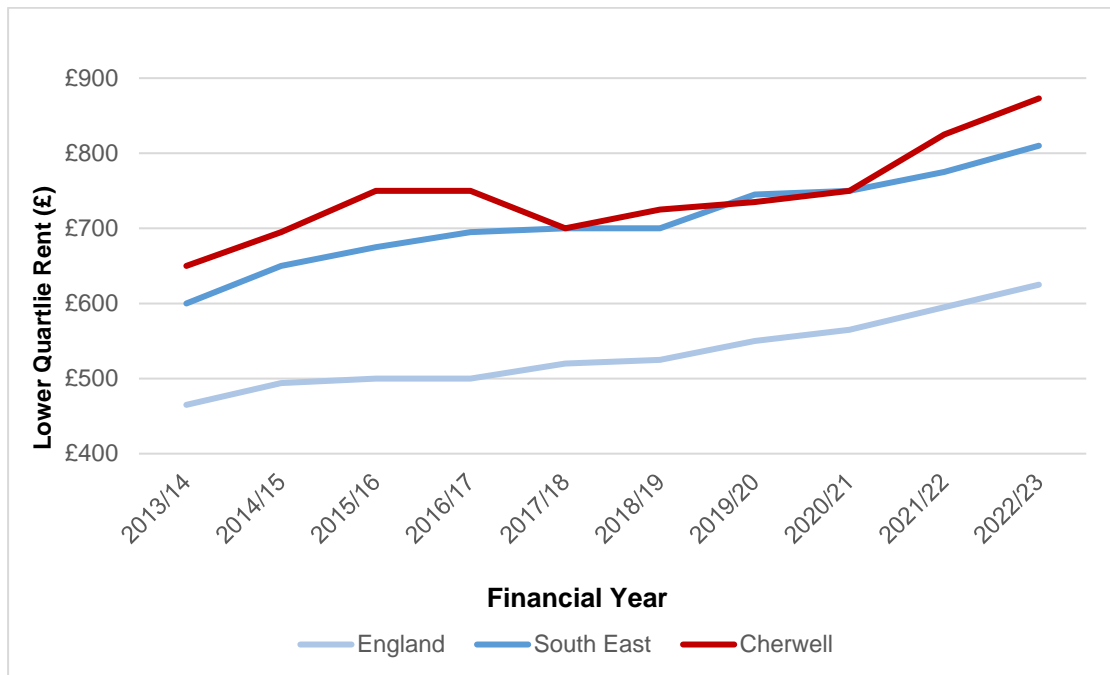


Source: VOA and ONS.

6.3 A median private rent of £1,000 pcm in 2022/23 is similar to the South East figure of £998 pcm and 21% higher than the national figure of £825 pcm.

- 6.4 Lower quartile private sector rents are representative of the ‘entry level’ of the private rented sector and include dwellings sought by households on lower incomes.
- 6.5 The average lower quartile monthly rent in Cherwell in 2022/23 was £873 pcm. This represents a 34% increase from 2013/14 where average lower quartile monthly rents stood at £650 pcm.

Figure 6.2: Lower Quartile Private Sector Rents, 2013/14 to 2022/23



Source: VOA and ONS.

- 6.6 A lower quartile rent of £873 pcm in 2022/23 is 8% higher than the South East figure of £810 pcm and 40% higher than the national figure of £625 pcm.
- 6.7 It is important to note that VOA/ONS rental data is calculated using all transaction data i.e., existing lets as well as new lets over the period. The data is therefore not necessarily representative of the cost of renting for new tenants in Cherwell.
- 6.8 Figure 6.3 below shows median rents in Banbury for a range of property types in March 2024, using data taken from [Home.co.uk](https://www.home.co.uk). Unfortunately, data is not provided for the lower quartile segment of the rental market.

Figure 6.3: Median Private Sector Rents (New Lets), March 2024

Size of Property	No. of properties Advertised	Median Rent (pcm)
1-bedroom home	16	£900
2-bedroom home	19	£1,100
3-bedroom home	16	£1,350
4-bedroom home	6	£1,775
5-bedroom home	1	£4,995

Source: [Home.co.uk](https://www.home.co.uk).

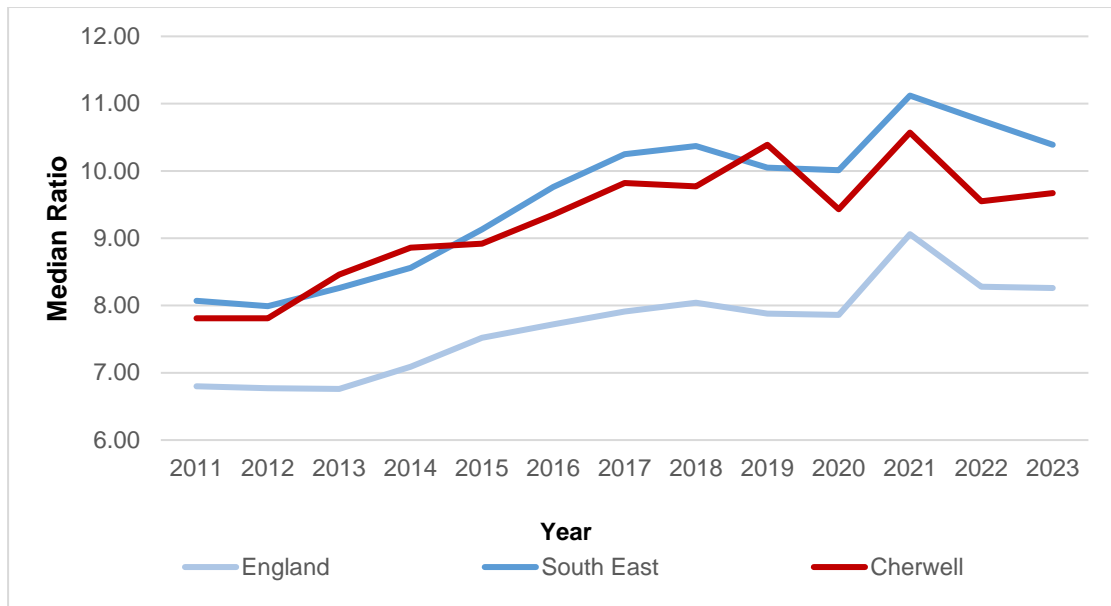
- 6.9 Figure 6.3 illustrates that current median rents for new tenancies in Banbury across all but 1-bedroom home property types, surpass the median private rent in Cherwell of £1,000 per calendar pcm in 2022/23.
- 6.10 The rent differentials are striking, with 2-bedroom properties at 10% higher, 3-bedroom properties at 35% higher, 4-bedroom properties at 78% higher, and 5-bedroom properties at 400% higher.
- 6.11 This stark contrast further underscores the significant disparity in rental costs between new tenancies and the overall median private rent data in Cherwell. This implies that lower quartile rents are also likely to be higher than stated.

### Median House Prices

- 6.12 The ratio of median house prices to median incomes in Cherwell now stands at **9.67**, a 24% increase since the start of the Local Plan Part 1 period in 2011 where it stood at 7.81. A ratio of 9.67 in Cherwell stands substantially above the national median of 8.26 (+17%) although below the South East median of 10.39 (+7%).



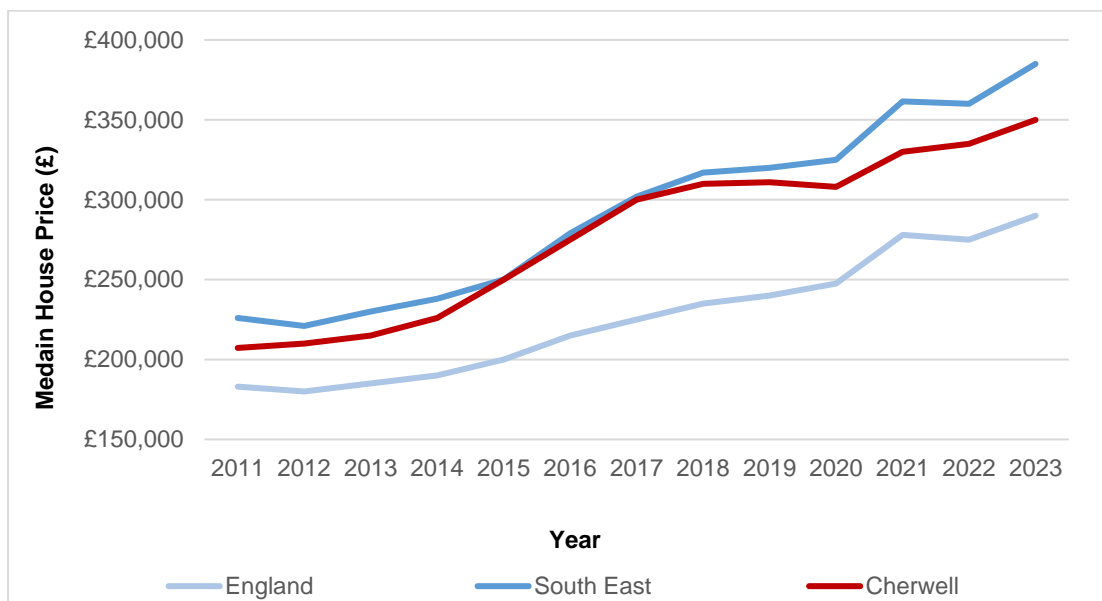
Figure 6.4: Median Workplace-Based Affordability Ratio comparison, 2011 to 2023



Source: ONS.

- 6.13 It is also worth noting that a figure of 8 times average incomes was described as a problem by the former Prime Minister in the foreword to the White Paper entitled 'Fixing our broken housing market'. Here, the affordability ratio is some 21% higher than that.
- 6.14 Figure 6.5 illustrates the median house sale prices for England, the South East, and Cherwell. It demonstrates that they have increased dramatically between the start of the Local Plan Part 1 period in 2011 and 2023.

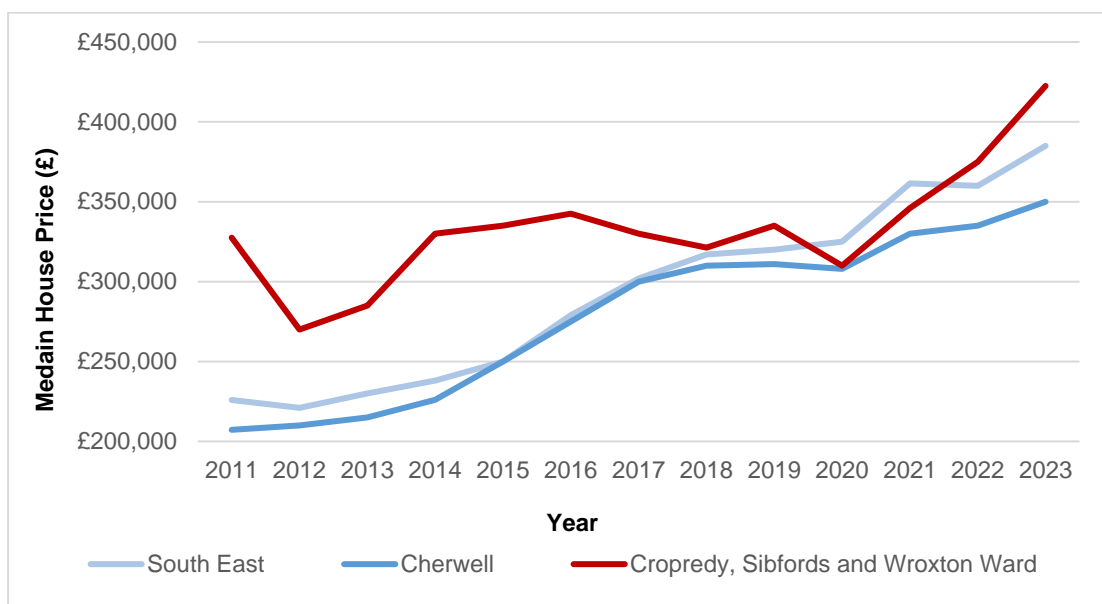
Figure 6.5: Median House Price Comparison, 2011 to 2023



Source: ONS.

- 6.15 The median house price across Cherwell has risen by 69% from £207,250 in 2011 to £350,000 in 2023. This figure is some 17% higher than the national figure of £290,000, which has seen an increase of 58% over the same period and 10% lower than the South East figure of £385,000 which has seen an increase of 70% over the same period.
- 6.16 Figure 6.6 below compares the median house sale prices in Cropredy, Sibfords and Wroxton Ward (within which the appeal site lies) with Cherwell and the South East. It demonstrates that they have increased dramatically between 2011 and 2023.

Figure 6.6: Ward Median House Price Comparison, 2011 to 2023



Source: ONS.

- 6.17 The median house price across Cropredy, Sibfords and Wroxton Ward has risen by 29% from £327,500 in 2011 to £422,500 in 2023. This figure is 21% higher than the Cherwell figure of £350,000 and 10% higher than the South East figure of £385,000.

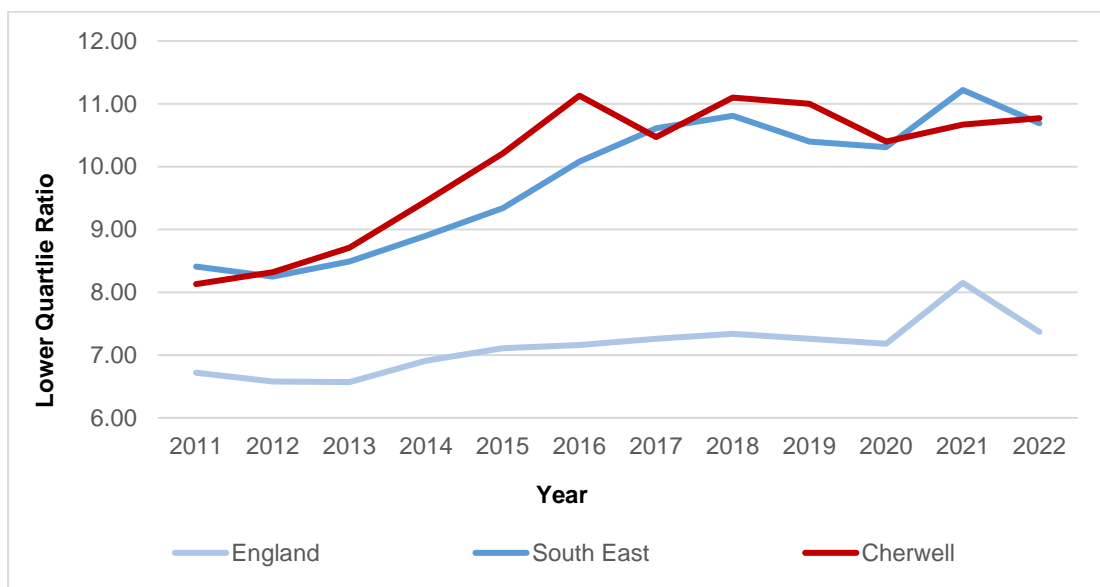
### Lower Quartile House Prices

- 6.18 For those seeking a lower quartile priced property (typically considered to be the 'more affordable' segment of the housing market), the ratio of lower quartile house price to incomes in Cherwell in 2022<sup>11</sup> stood at **10.77**, a 32% increase since the start of the Local Plan Part 1 period in 2011 where it stood at 8.13.

<sup>11</sup> ONS Lower quartile house price to income ratios were discontinued in 2023.

6.19 This means that those on lower quartile incomes in Cherwell, seeking to purchase a median priced property, now need to find almost 11 times their annual income to do so. Once again it remains the case that the ratio in Cherwell stands substantially above the national average of 7.37 (+46%) and slightly above the Region average of 10.69 (+1%). It follows that housing in this area is significantly unaffordable for a significant part of the local population.

Figure 6.7: Lower Quartile Workplace-Based Affordability Ratio comparison, 2011 to 2022

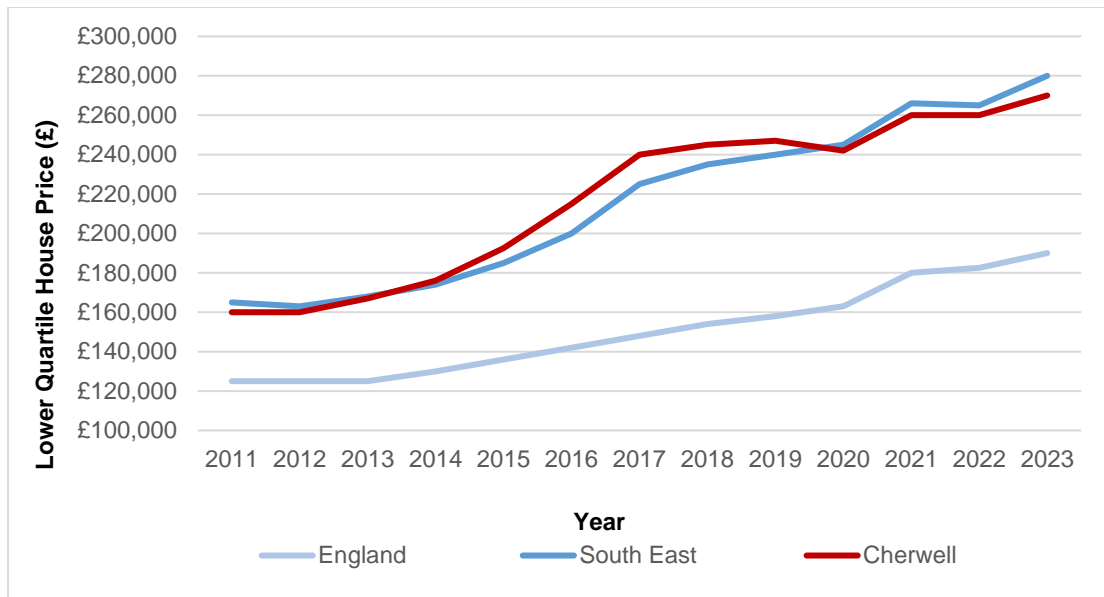


Source: ONS.

6.20 It is also worth noting that mortgage lending is typically offered on the basis of up to 4.5 times earnings (subject to individual circumstances). Here, the affordability ratio is some 139% higher than that.

6.21 Figure 6.8 illustrates the lower quartile house sale prices for England, the South East, and Cherwell. It demonstrates that they have increased dramatically between the start of the Local Plan Part 1 period in 2011 and 2023.

Figure 6.8: Lower Quartile House Prices, 2011 to 2023

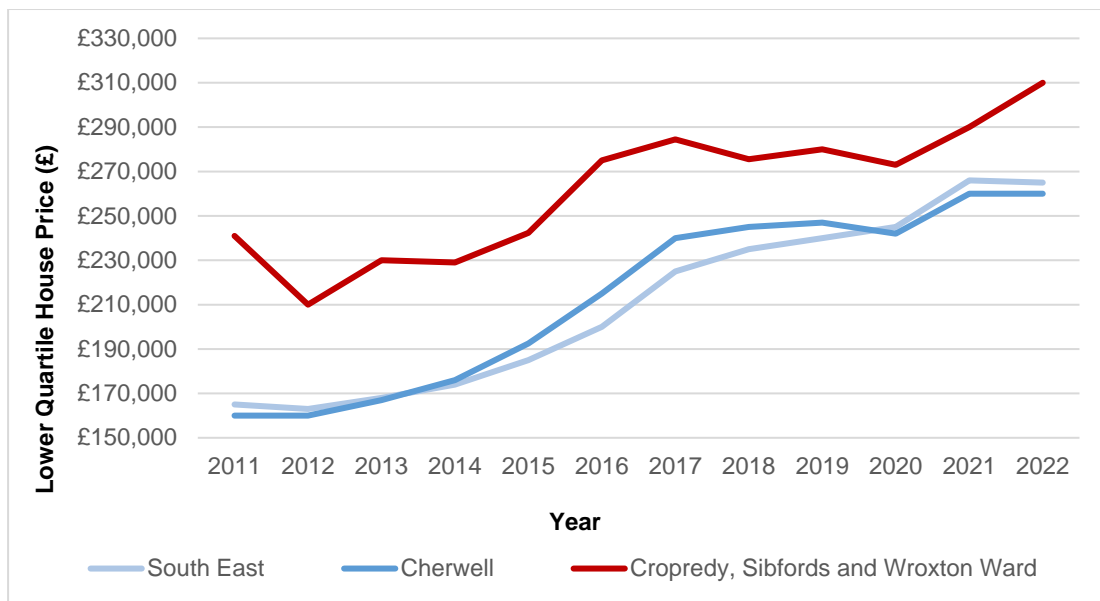


Source: ONS.

- 6.22 The lower quartile house price across Cherwell has risen by 69% from £160,000 in 2011 to £270,000 in 2023. This compares to a 70% increase across the South East and a national increase of 52% over the same period.
- 6.23 In 2023 lower quartile house prices in Cherwell (£270,000) were 4% lower than across the South East (£280,000) and 30% higher than the national figure (£190,000).
- 6.24 Figure 6.9 below compares the lower quartile house sale prices in the Cropredy, Sibfords and Wroxton Ward with Cherwell and the South East. Once again it demonstrates that they have increased dramatically between the start of the Local Plan Part 1 period in 2011 and 2022<sup>12</sup>.

<sup>12</sup> 2023 ONS Lower Quartile data for Wards been discontinued.

Figure 6.9: Ward Lower Quartile House Price Comparison, 2011 to 2022



Source: ONS.

- 6.25 The lower quartile house price across Cropredy, Sibfords and Wroxtton Ward has risen by 29% from £240,950 in 2011 to £310,000 in 2022. This figure is 19% higher than the Cherwell figure of £260,000, and 17% higher than the South East figure of £265,000.
- 6.26 The importance of providing affordable tenures in high value areas for housing was recognised by the Planning Inspector presiding over an appeal at Land at Filands Road/Jenner Lane, Malmesbury, Wiltshire (CD10.13, p.17, [78-79]) in January 2022. In considering the provision of affordable housing at the site and the weight to be attached to this provision the Inspector set out the following at paragraphs 78 and 79 of the decision:

*“78. The proposed affordable housing would not be as cheap, either to rent or buy, as housing in some other parts of Wiltshire, because Malmesbury is a relatively high value area for housing. However, the housing would meet all policy requirements in terms of amount, mix, and type of provision. Both Appeals A and C would offer affordable housing products as defined by national and local planning policy. I do not diminish the weight to be provided to this provision because such housing might be even cheaper in a theoretical location elsewhere. In fact, that Malmesbury is a relatively high value area for housing adds more weight to the need for affordable housing products.”*

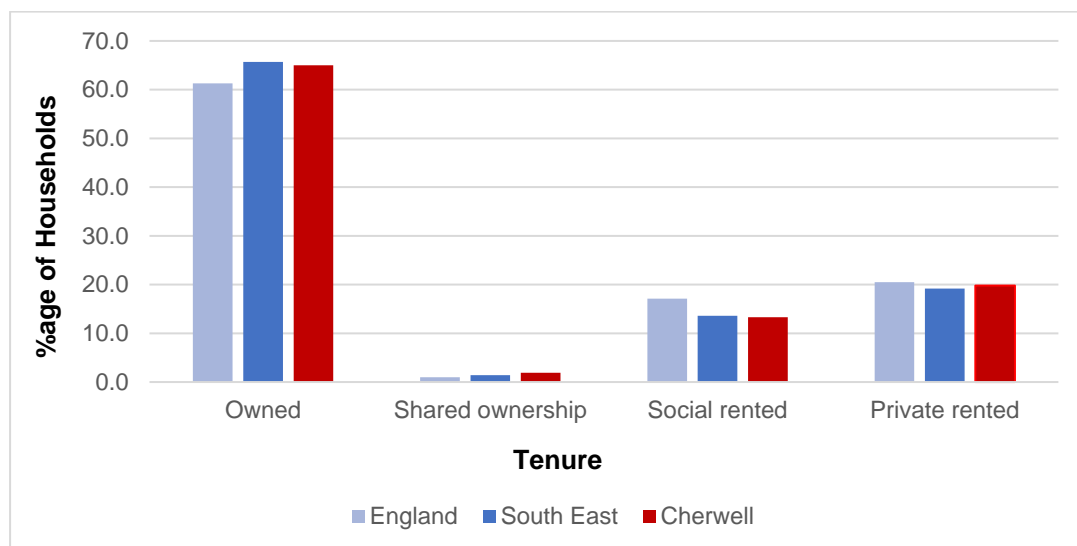
*79. Evidence has been provided that there is more affordable housing either already provided or committed for Malmesbury than the identified need.*

However, that need is as identified in a Development Plan that is out-of-date in relation to housing, and there is an overall identified shortfall in Wiltshire as a whole. I therefore place **substantial positive weight** on the proposed provision of affordable housing in Appeals A and C. The slightly reduced provision in Appeal C, after taking account of the nursery land, is of no material difference in this regard” (my emphasis).

### Tenure Comparison

6.27 Figure 6.10 illustrates the tenure mix in England, the South East and Cherwell, using data from the 2021 Census.

Figure 6.10: Tenure mix across England, South East and Cherwell, 2021

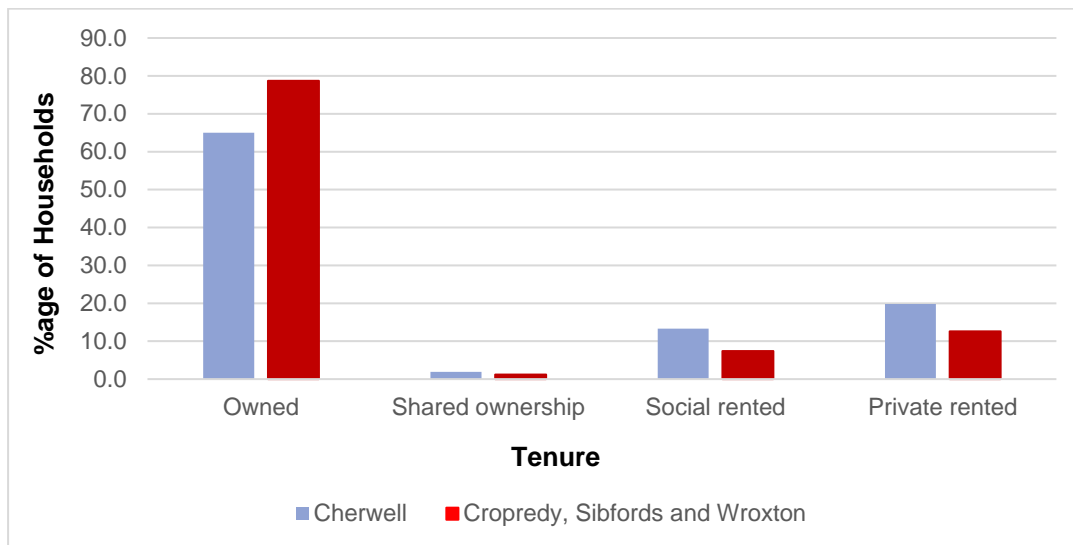


Source: Census 2021. Chart excludes households ‘living rent free’ as this accounts for <0.2% of households at all geographic levels).

6.28 The tenure mix in Cherwell is similar to that of the South East but slightly diverges from that of England as a whole. In Cherwell, the proportion of owner occupiers stands at 65% of households (compared with 66% in the South East and 61% in England). However, the proportion of Social/Affordable Renters in Cherwell is correspondingly smaller, at 13% (compared with 14% in the South East and 17% in England).

6.29 Figure 6.11 below compares the tenure mix in Cherwell at the time of the 2021 Census with that of Cropredy, Sibfords and Wroxtton Ward, offering further insight into the distribution of housing occupancy types within this area of the District.

Figure 6.11: Tenure comparison across Cherwell and Cropredy, Sibfords and Wroxton Ward, 2021



Source: Census 2021. Chart excludes households 'living rent free' as this accounts for <0.2% of households at all geographic levels).

- 6.30 In comparing the tenure distribution between Cherwell and the Cropredy, Sibfords, and Wroxton Ward, several notable differences emerge.
- 6.31 While both areas show a majority of owned properties, the ward has a higher percentage at 78.7% compared to 65.0% across Cherwell (+13.7%). Additionally, Cherwell has a larger proportion of social rented properties at 13.3% compared to 7.4% in the ward (-5.9%). In terms of Shared Ownership, Cherwell comprises 1.9% of households, whereas Cropredy, Sibfords, and Wroxton Ward again have a smaller percentage at 1.2% (-0.7%).

### Summary and Conclusions

- 6.32 **As demonstrated through the analysis in this section, affordability across Cherwell has been and continues to be, in crisis.** The key priority identified by the adopted development plan has not been addressed. Rather, affordability and the availability of affordable housing has significantly worsened.
- 6.33 House prices and rent levels in both the median and lower quartile segments of the market are increasing whilst at the same time the stock of affordable homes is failing to keep pace with the level of demand. This only serves to push buying or renting in Cherwell out of the reach of more and more people.

- 6.34 Analysis of market signals is critical in understanding the affordability of housing. It is my opinion that there is an acute housing crisis in Cherwell, with a lower quartile house price to average income ratio of 10.77 in 2022.
- 6.35 Market signals indicate a worsening trend in affordability in Cherwell. **By any measure of affordability, this is an authority in the midst of an affordable housing crisis, and one through which urgent action must be taken to deliver more affordable homes.**



# Future Supply of Affordable Housing

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## Section 7

### Introduction

- 7.1 This section of the evidence considers the future supply of affordable housing across Cherwell in comparison with identified needs.

### Addressing the Shortfall in Affordable Housing Delivery

- 7.2 The 2022 HENA identifies an objectively assessed need for 853 net affordable homes per annum between 2022/23 and 2031/32. Over the 10-year period this equates to a total need for 8,530 net affordable homes.
- 7.3 In the first year of the 2022 HENA affordable housing assessment period, the Council has overseen the delivery of 173 affordable homes (net of Right to Buy) against a need for 853 net new affordable homes, which has resulted in a shortfall of -680 affordable homes.
- 7.4 I consider that any shortfall in delivery should be dealt with within the next five years. This is also an approach set out within the PPG<sup>13</sup> and endorsed at appeal.
- 7.5 The critical importance of understanding the ability of the council to meet future need was considered in a recent appeal at Sondes Place Farm, Dorking where I provided affordable housing evidence.
- 7.6 The Inspector accepted the findings of the ‘future supply of affordable housing’ evidence and endorsed the use of the Sedgefield approach to clear a previous backlog of affordable housing delivery (**CD10.17, p.16 [85-86]**):

*“Compared to the Core Strategy Policy CS4 target a shortfall of 234 affordable homes has arisen across the current development plan period. The most recent evidence of need points to an increased need for affordable homes (143 dpa). However, in the last three years alone, there has been a shortfall of 396 affordable homes due to the delivery of only 33 dpa in those years.*”

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<sup>13</sup> Paragraph: 031 Reference ID: 68-031-20190722

*To clear the backlog 222 affordable homes would need to be delivered each year for the next five years. The number of affordable homes coming forward looks to be substantially below that level of delivery. This will mean the existing shortfall will only become worse.* (my emphasis).

- 7.7 The Inspector went on to outline the consequences of not providing sufficient affordable housing (paragraph 88):

*“The consequences of not providing enough affordable homes affect people. Being able to access good housing has a bearing upon everyday life and there are socio-economic effects such as financial security and stability, physical and mental health, decreased social mobility and adverse effects on children’s education and development. In Mole Valley the number of people on the housing register has risen, there are increasing affordability ratios and people are paying significantly over 30% of their income on rent.”*

- 7.8 It is therefore imperative that the -680 dwelling affordable housing shortfall accumulated in 2022/23 is addressed as soon as possible, and in any event, within the next five years.
- 7.9 When the shortfall is factored into the 2022 HENA identified need of 853 affordable homes per annum for the period 2023/24 and 2027/28, the number of affordable homes the Council will need to complete increases by 16% to 989 net affordable homes per annum over the period.
- 7.10 This would ensure that for the remainder of the 2022 HENA period up to 2031/32 the annual affordable housing need reduces back to 853 per annum to deal solely with newly arising needs. This is illustrated in Figures 7.1 and 7.2.

Figure 7.1: Annual Affordable Housing Need incorporating Backlog Needs since the 2013/14 base date of the 2022 HENA

<b>A</b>	Affordable housing need per annum for the period 2022/23 to 2031/32 identified in the 2022 HENA	<b>853</b>
<b>B</b>	Net Affordable housing need in 2022/23 (A x 1)	<b>853</b>
<b>C</b>	Net of Right to Buy sales Affordable housing completions in 2022/23	<b>173</b>
<b>D</b>	Shortfall/backlog of affordable housing need in 2022/23 (B – C)	<b>680</b>
<b>E</b>	Backlog affordable housing need per annum required over the period 2023/24 to 2027/28 (D/5)	<b>136</b>
<b>F</b>	Full affordable housing need per annum for the period 2023/24 to 2027/28 (A + E)	<b>989</b>
<b>G</b>	Full affordable housing need for the period 2023/24 to 2027/28 (F x 5)	<b>4,945</b>

7.11 Further illustration of the severity of the situation can be seen in Figure 7.2 below which illustrates that the Council need to deliver 4,945 net affordable homes over the next five years to address backlog needs in line with the Sedgefield approach.

Figure 7.2: Annual Affordable Housing Need 2023/24 to 2027/28 incorporating Backlog Needs Accrued in 2022/23 when applying the Sedgefield Approach

<b>Monitoring Period</b>	<b>2022 HENA Net Affordable Housing Need per annum</b>	<b>Net Affordable Housing Need per annum When Addressing Backlog Within Next Five Years</b>
2023/24	853	989
2024/25	853	989
2025/26	853	989
2026/27	853	989
2027/28	853	989
<b>Total</b>	<b>4,265</b>	<b>4,945</b>

7.12 It is clear that the backlog of affordable housing needs within Cherwell will continue to grow unless the Council takes urgent and drastic action to address needs and deliver more affordable homes.

### **The Future Supply of Affordable Housing**

7.13 I have analysed the Council's latest published 5YHLS trajectory which is contained in the Housing Land Supply Position Statement (Update) January 2024 (CD6.6).

- 7.14 The Council anticipates that it has a total supply of 4,121 dwellings over the five-year period from 2023/24 to 2027/28.
- 7.15 For the purpose of this evidence, the calculations with regard to future affordable housing delivery have been calculated using the sites included in the supply above 11 dwellings as they are considered to qualify for affordable housing contributions.
- 7.16 I have not assumed any affordable housing delivery from the windfall allowance since this is likely to comprise mostly smaller sites that fall outside the scope of Policy BSC3.
- 7.17 As larger sites often deliver housing across several phases and over an extended timeframe, a 'pro-rata' estimate of affordable housing contributions for the five-year period has been applied. A full breakdown of the Council and the Appellants positions is available at **Appendix AG8**.

#### Council's Position

- 7.18 My analysis reveals that based upon the Council's estimates of delivery from sites within its trajectory, there is a likely pipeline supply of 976 gross affordable homes over the next five years, equivalent to an average of just 195 affordable dwellings per annum.
- 7.19 Figure 7.3 calculates the potential shortfall over the next five years, assuming an average of 195 gross affordable dwellings per annum will be delivered in this period. It shows that **the existing shortfall of -680 dwellings will increase to -3,970 dwellings by the end of the 2027/28 monitoring period.**

Figure 7.3: Projected Affordable Housing Completions Compared with 2022 HENA Identified Needs

Monitoring Period	Additions to AH Stock		2022 HENA AH Needs Per Annum (Net)	Surplus / shortfall	Cumulative shortfall
	Actual (Net of RtB)	Gross Projected (Council's position)			
2022/23	173		853	-680	-680
2023/24		195	853	-685	-1,338
2024/25		195	853	-685	-1,996
2025/26		195	853	-685	-2,654
2026/27		195	853	-685	-3,312
2027/28		195	853	-685	-3,970
<b>Total</b>	<b>1,148</b>		<b>4,265</b>	<b>-3,970</b>	
<b>Avg. Pa</b>	<b>191</b>		<b>853</b>	<b>-662</b>	

Source: Updated Five Year Housing Land Supply Statement (January 2024); DLUHC Open Data; and 2022 HENA; and Public Access.

- 7.20 The Council's future supply figure of 195 affordable dwellings per annum derived from the analysis falls very substantially short of the 989 per annum figure required when back log needs are addressed in the first five years in line with the Sedgefield approach and substantially short of the 853 net affordable housing needs per annum identified in the 2022 HENA.

#### Appellant's Position

- 7.21 As set out in the evidence of Mr Richards the Council's claimed housing land supply is not agreed between the parties. The Appellant considers the Council's housing land supply is considerably lower than the 4,121 dwellings claimed.
- 7.22 The evidence of Mr Richards shows that the deliverable housing land supply stands at 2,798 dwellings, some 1,323 dwellings fewer than the Council's position.
- 7.23 Based upon the findings of Mr Richards, there is a likely pipeline supply of 585 gross affordable homes over the next five years, equivalent to an average of just 117 affordable dwellings per annum.
- 7.24 Figure 7.4 calculates the potential shortfall over the next five years, assuming an average of 117 gross affordable dwellings per annum will be delivered in this period. It shows that **the existing shortfall of -680 dwellings will increase to -4,360 dwellings by the end of the 2027/28 monitoring period.**

Figure 7.4: Projected Affordable Housing Completions Compared with 2022 HENA Identified Needs

Monitoring Period	Additions to AH Stock		2022 HENA AH Needs Per Annum (Net)	Surplus / shortfall	Cumulative shortfall
	Actual (Net of RtB)	Gross Projected (Council's position)			
2022/23	173		853	-680	-680
2023/24		117	853	-736	-1,416
2024/25		117	853	-736	-2,152
2025/26		117	853	-736	-2,888
2026/27		117	853	-736	-3,624
2027/28		117	853	-736	-4,360
<b>Total</b>	<b>758</b>		<b>4,265</b>	<b>-4,360</b>	
<b>Avg. Pa</b>	<b>126</b>		<b>853</b>	<b>-727</b>	

Source: Updated Five Year Housing Land Supply Statement (January 2024); DLUHC Open Data; and 2022 HENA; and Public Access.

- 7.25 The Appellant's future supply figure of 117 affordable dwellings per annum derived from the analysis falls very substantially short of the 989 per annum figure required when back log needs are addressed in the first five years in line with the Sedgefield approach and substantially short of the 853 net affordable housing needs per annum identified in the 2022 HENA.
- 7.26 In reviewing each of the sites set out in the Council's January 2024 5YHLS trajectory, it can be seen at **Appendix AG8** that there are a number of major development sites that are due to provide no affordable housing due to viability concerns:
- TK-002, 18/01569/F, Robert Keith Car Sales Canalside – 19 dwellings
  - TK-007, 21/04202/F, Bolton Road – 80 dwellings
  - TK-054, 22/00017/F, Kidlington Garage, 1 Bicester Road, Kidlington – 15 dwellings.
- 7.27 I also note that none of the sites in the Council's 5YHLS trajectory are providing a level of affordable housing that exceeds Local Plan policy requirements.
- 7.28 Given that the appeal scheme is proposing 40% affordable housing on site, 10% above that required by policy, the scheme presents an opportunity for the Council to significantly boost its supply of affordable housing and recover some of the affordable housing lost due to viability issues elsewhere in the District.

## Summary and Conclusions

- 7.29 It is imperative that the -1,934 dwelling affordable housing shortfall accumulated since 2020/21 is addressed as soon as possible and in any event within the next five years.
- 7.30 When the shortfall is factored into the 2022 HENA identified need of 853 affordable homes per annum for the period 2023/24 and 2027/28, the number of affordable homes the Council will need to complete increases by 16% to 989 net affordable homes per annum over the period.
- 7.31 On either scenario, the Council is unable to meet its affordable housing needs over the next five years between 2023/24 and 2027/28:
- At best, the Council's evidence shows it can deliver 195 gross affordable dwellings per annum over the next five years, which will result in an accumulated shortfall of -3,970 affordable dwellings against the needs set out in the 2022 HENA by the end of 2027/28.
  - At worst, the Appellant's evidence shows that the Council can deliver just 117 gross affordable dwellings per annum over the next five years, , which will result in an accumulated shortfall of -4,360 affordable dwellings against the needs set out in the 2022 HENA by the end of 2027/28.
- 7.32 Consequently, there is a substantial need for more affordable housing now. In light of the Council's poor record of affordable housing delivery and the volatility of future affordable housing delivery there can be no doubt that the provision of up to 68 affordable dwellings on this site to address the district-wide needs in Cherwell should be afforded **substantial weight** in the determination of this appeal.

# The Weight to be Attributed to the Proposed Affordable Housing Provision

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## Section 8

### Introduction

- 8.1 The Government attaches weight to achieving a turnaround in affordability to help meet affordable housing needs. The NPPF is clear that the Government seeks to significantly boost the supply of housing, which includes affordable housing.
- 8.2 As set out in Section 2 of this evidence, the benefit of affordable housing is a strong material consideration in support of development proposals and there are significant social and economic consequences for failing to meet affordable housing needs at both national and local authority level. Cherwell is no exception to this.

### Benefits of the proposed Affordable Housing

- 8.3 The offer meets the requirements of Policy BSC3 of the Cherwell Local Plan Part 1 2011-2031. It should be noted that these policies were drafted to capture a benefit rather than to ward off harm or needed in mitigation.
- 8.4 This fact was acknowledged by the Inspector presiding over two appeals on Land to the west of Langton Road, Norton (**CD10.11, p.14, [72]**) in September 2018 who was clear at paragraph 72 of their decision that:

*“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” (my emphasis).*

- 8.5 The affordable housing benefits of this appeal scheme are:
- An enhanced offer of 40% (up to 68 dwellings) of the scheme provided as affordable housing;
  - A deliverable scheme which provides much needed affordable homes;



- Addressing the polarised tenure profile of Banbury delivering a broader mix of tenures to provide a more balanced community and to enhance its vitality;
- With the affordable homes managed by a Registered Provider;
- Which provide better quality affordable homes with benefits such as improved energy efficiency and insulation; and
- Greater security of tenure than the private rented sector.

8.6 In my opinion, these benefits are substantial and an important material consideration weighing heavily in favour of the appeal proposals.

### **Relevant Secretary of State and Appeal Decisions**

8.7 The importance of affordable housing as a material consideration has been reflected in several Secretary of State (“SoS”) and appeal decisions.

8.8 Of particular interest, is the amount of weight which has been afforded to affordable housing relative to other material considerations; many decisions recognise affordable housing as an individual benefit with its own weight in the planning balance. A collection of such decisions can be viewed at **Appendix AG9**.

8.9 Brief summaries of appeal decisions relevant to this appeal are summarised at **Appendix AG10**. Some of the key points I would highlight from these examples are that:

- Affordable housing is an important material consideration;
- The importance of unmet need for affordable housing being met immediately;
- Planning Inspectors and the Secretary of State have attached substantial weight and very substantial weight to the provision of affordable housing; and
- Even where there is a five-year housing land supply the benefit of a scheme’s provision of affordable housing can weigh heavily in favour of development.

### **Council’s Assessment of the Development Proposals**

#### Housing Strategy and Development Team (22 June 2023) – CD3.1

8.10 In reviewing the application, the Council’s Housing Strategy and Development Team state on page one of their comments that the *“proposal is supported in principle.”*

8.11 There are no comments of objection by the Housing Strategy and Development Team with regard to the provision of affordable housing at the appeal site. This is because the application proposed a policy compliant 30% affordable housing in line with local and national requirements.

8.12 The provision of affordable housing on the appeal site has since been increased to 40% on site affordable housing provision, which is in excess of policy requirements.

Cherwell District Council Committee Report (10 August 2023) – CD4.2

8.13 In considering housing land supply, at paragraph 9.18 the Council state that *“The merits of providing additional homes (including affordable homes) on this site is noted and it is acknowledged that the proposal would assist in delivering new homes and in meeting overall housing requirements.”*

8.14 The Committee Report discusses ‘Housing Mix and Affordable Housing’ from paragraph 9.64. The Council recognise at paragraph 9.64 that *“The NPPF advises that in order to create sustainable, inclusive and mixed communities, Local Planning Authorities should plan for a mix of housing, reflect local demand and set policies for meeting affordable housing need.”* (My emphasis).

8.15 In providing their concluding comments on affordable housing at paragraph 9.70, the Council state that:

*“The applicant’s submission does not specify a proposed tenure split. However, it is noted under P.33 of the applicants ‘Planning Statement’ that ‘A target of 30% affordable housing will be provided in line with Policy BSC 3. The tenure split will be agreed through the S106 Agreement.”*

8.16 Providing comments on the overall planning balance in Section 10, the Council concludes at paragraph 10.7 that the benefits of additional housing, including the provision of affordable housing are acknowledged but are not outweighed by the harms.

Cherwell District Council Statement of Case (21 March 2023) – CD8.12

8.17 In setting out the ‘Grounds of Appeal’ in Section 3 of the Council’s Statement of Case, the Council makes the following comments:

*“With respect to paragraphs in section 4.6 of the Appellant’s statement of case, the claimed “economic, social, and environmental benefits, including through the direct provision of market and affordable homes” needs to be considered in*

*respect to the considerable amount of new residential development that has been successfully delivered at Banbury over the last 9 years since adoption of the Local Plan.”*

- 8.18 Given the level of unmet identified affordable housing need in Sections 4 and 5 of my Proof of Evidence, it is wholly unreasonable for the Council to state that it has already delivered a sufficient amount of economic, social, and environmental benefits over the last nine years since the adoption of the Local Plan.

### **Consequences of Failing to Meet Affordable Housing Needs**

- 8.19 The consequences of failing to meet affordable housing needs in any local authority are significant. As set out in **Appendix AG11**, some of the main consequences of households being denied a suitable affordable home have been identified as follows:

- A lack of financial security and stability;
- Poor impacts on physical and mental health;
- Decreased social mobility;
- Negative impacts on children’s education and development;
- Reduced safety with households forced to share facilities with those engaged in crime, anti-social behaviour, or those with substance abuse issues;
- Being housed outside social support networks;
- Having to prioritise paying an unaffordable rent or mortgage over basic human needs such as food (heating or eating); and
- An increasing national housing benefit bill.

- 8.20 Cherwell themselves recognise the consequences of failing to meet affordable housing needs.

- 8.21 These harsh consequences fall upon real households, and unequivocally highlight the importance of meeting affordable housing needs. These are real people in real need *now*. An affordable and secure home is a fundamental human need, yet households on lower incomes are being forced to make unacceptable sacrifices for their housing.

### **Summary and Conclusions**

- 8.22 I do not consider that the Council sufficiently assessed the substantial benefits, such as affordable housing, that the scheme would achieve.
- 8.23 The acute level of affordable housing need in Cherwell coupled with a persistent lack of delivery and worsening affordability will detrimentally affect the ability of people to lead the best lives they can.
- 8.24 In my opinion the Council have deliberately sought to downplay the provision of up to 68 affordable homes at the appeal site. It is my view that affordable housing is an individual benefit of the appeal proposals which should be afforded **substantial weight** in the determination of this appeal.

# Summary and Conclusions

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## Section 9

### **Introduction**

- 9.1 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.
- 9.2 What is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is essential to arrest the housing crisis and prevent further worsening of the situation.
- 9.3 Market signals indicate a worsening trend in affordability across Cherwell and by any measure of affordability, this is an authority amid an affordable housing emergency, and one through which urgent action must be taken to deliver more affordable homes
- 9.4 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.
- 9.5 What is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is essential to arrest the housing crisis and prevent further worsening of the situation.
- 9.6 Market signals indicate a worsening trend in affordability across Cherwell and by any measure of affordability, this is an authority amid an affordable housing emergency, and one through which urgent action must be taken to deliver more affordable homes

### **Affordable Housing Offer**

- 9.7 The proposed development is for up to 170 dwellings, of which 40% (up to 68 dwellings) are to be provided on-site as affordable housing.
- 9.8 The proposed tenure split will be 25% (17 units) First Homes, 67% (46 units) Affordable Rented and 8% (5 units) Shared Ownership. The proposed affordable housing will be secured by way of a Section 106 planning obligation.

### **Local Policy Position**

- 9.9 The relevant Development Plan in respect of affordable housing for the appeal site currently comprises the Cherwell Local Plan 2011-2031 Part 1 (2015), and the Cherwell Local Plan 2011-2031 Part 1 Partial Review (2020)
- 9.10 Policy BSC3 of the Cherwell Local Plan 2011-2031 Part 1 (2015) is the primary policy for affordable housing and requires qualifying developments (i.e. 11 or more gross dwellings) to provide 30% on site affordable housing in Banbury.

### **Affordable Housing Needs**

- 9.11 The 2014 SHMA identifies a total net need for 407 new affordable homes each year in Cherwell between 2013 and 2031, equivalent to 7,326 affordable dwellings over the 18-year period. The 2014 SHMA forms part of the evidence base for the adopted Cherwell Local Plan Part 1 (2015).
- 9.12 The 2022 HENA identifies a total net need for 853 new affordable homes per annum within Cherwell between 2022 and 2032, equivalent to 8,530 affordable dwellings over the 10-year period. The 2022 HENA was commissioned by Cherwell District Council and Oxford City Council to inform their individual emerging Local Plans.
- 9.13 Data from DLUHC shows that on 31 March 2023 there were 2,045 households on the Housing Register in Cherwell. 48% of these of households (990) were considered to fall within the 'Reasonable Preference' category.
- 9.14 Based on the dwelling size, successful applicants on the Housing Register in the 2022/23 monitoring period experienced average waiting times ranging from 290 days (approximately 10 months) to 800 days (approximately 2 years and 2 months) for an affordable home in Cherwell.
- 9.15 Over the six-month period between 7 December 2023 and 7 May 2024 there were an average of 69 bids per 1-bed affordable dwelling put up for let across Cherwell, 79 average bids per 2-bed affordable dwelling, 90 average bids per 3-bed affordable dwelling and 49 average bids per 4+ bed affordable dwellings let.
- 9.16 Over the same period, in Banbury there were an average of 67 bids per 1-bed affordable dwelling put up for let in Banbury, 88 average bids per 2-bed affordable dwelling and 116 average bids per 3-bed affordable dwelling. No 4+ bed affordable dwellings were let over the period.

- 9.17 This should be viewed in context of the fact that over the period there were just 69 social housing lettings in Banbury.
- 9.18 DLUHC statutory homelessness data highlights that on 31 March 2023, there were 32 households housed in temporary accommodation by the District. Of these, 21 households (66%) were households.
- 9.19 DLUHC statutory homelessness data shows that in the 12 months between 1 April 2022 and 31 March 2023, the Council accepted 257 households in need of homelessness prevention duty, and a further 162 households in need of relief duty from the Council.
- 9.20 A letter submitted in support of this appeal from Homeless Oxfordshire, the largest provider of supported accommodation for people experiencing homelessness across Oxfordshire, is provided at **Appendix AG6** of this evidence.
- 9.21 In Cherwell in 2022/23, the termination of a private sector tenancy accounted for 141 households owed a prevention duty, or 55% of all households owed a prevention duty; it is the most common reason for the prevention duty.

#### **Affordable Housing Delivery**

- 9.22 In the 12-year period since the start of the Local Plan Part 1 period in 2011/12 and 2022/23, net affordable housing delivery in Cherwell has totalled 258 additions to affordable housing stock (net of Right to Buy sales) per annum. This is equivalent to just 25% of net overall housing completions.
- 9.23 When net delivery is compared against affordable housing needs identified in the 2014 SHMA, a cumulative shortfall of -1,279 affordable homes has occurred between 2013/14 and 2022/23. No more than 69% of identified affordable housing needs over the period were met.
- 9.24 Furthermore, when net delivery is compared against the most recent assessment of affordable housing needs in the 2022 HENA, a shortfall of -680 affordable homes has occurred in the first year of the assessment period (2022/23).
- 9.25 In the 12-year period between 2011 and 2022, on an average per annum basis, Cherwell have delivered enough rented affordable housing tenures to meet the needs of just 9% of households on the Housing Register.

- 9.26 Once taking account of likely re-let's to new tenants (estimated to be 288 dwellings per annum in the 2022 HENA) this figure increases to just 25%. Put another way, on an average per annum basis 75% of households on the Housing Register did not have their housing needs met.

### **Affordability**

- 9.27 In addition to the persistent shortfall in affordable housing delivery against objectively assessed needs other indicators further point to an affordability crisis in Cherwell. Set out below are the key findings in respect of affordability across the District:

#### Private Rental Market

- Median private rents in Cherwell stood at £1,000 pcm in 2022/23. This represents a 33% increase from 2013/14 where median private rents stood at £753 pcm.
- A median private rent of £1,000 pcm in 2022/23 is similar to the South East figure of £998 pcm and 21% higher than the national figure of £825 pcm.
- The average lower quartile monthly rent in Cherwell in 2022/23 was £873 pcm. This represents a 34% increase from 2013/14 where average lower quartile monthly rents stood at £650 pcm.
- A lower quartile rent of £873 pcm in 2022/23 is 8% higher than the South East figure of £810 pcm and 40% higher than the national figure of £625 pcm.

#### Median House Prices

- The ratio of median house prices to median incomes in Cherwell now stands at **9.67**, a 24% increase since the start of the Local Plan Part 1 period in 2011 where it stood at 7.81. A median ratio of 9.67 in Cherwell stands substantially above the national median of 8.26 (+17%).
- The median house price across Cherwell has risen by 69% from £207,250 in 2011 to £350,000 in 2023.
- The median house price across Cropredy, Sibfords and Wroxton Ward has risen by 29% from £327,500 in 2011 to £422,500 in 2023. This figure is 21% higher than the 2023 Cherwell figure of £350,000 and 10% higher than the South East figure of £385,000.



### Lower Quartile House Prices

- The ratio of lower quartile house price to incomes in Cherwell stood at **10.77** in 2022, a 32% increase since the start of the Local Plan Part 1 period in 2011 where it stood at 8.13. A lower quartile ratio of 10.77 in Cherwell stands substantially above the national average of 7.37 (+46%).
- The lower quartile house price across Cherwell has risen by 69% from £160,000 in 2011 to £270,000 in 2023.
- The lower quartile house price across Cropredy, Sibfords and Wroxton Ward has risen by 29% from £240,950 in 2011 to £310,000 in 2022. This figure is 19% higher than the Cherwell figure of £260,000, and 17% higher than the South East figure of £265,000.

9.28 All these factors combine to create a challenging situation for anybody in need of affordable housing to rent or to buy in Cherwell and in Cropredy, Sibfords and Wroxton Ward.

9.29 This demonstrates an acute need for affordable housing in Cherwell and one which the Council and decision takers need to do as much as possible to seek to address as required to do so, proactively, by the NPPF (2023).

### **Future Supply of Affordable Housing**

9.30 It is imperative that the -680 dwelling affordable housing shortfall accumulated in 2022/23, is addressed as soon as possible and in any event within the next five years.

9.31 When the shortfall is factored into the 2022 HENA identified need of 853 affordable homes per annum for the period 2023/24 to 2027/28, the number of affordable homes the Council will need to complete increases by 16% to 989 net affordable homes per annum over the period.

9.32 In respect of the supply of affordable dwellings, on either scenario, the evidence demonstrates that Council is unable to meet its affordable housing needs over the five year period.

9.33 At best, the Council's evidence shows it can deliver 195 gross affordable dwellings per annum over the next five years, which will result in an accumulated shortfall of -3,970 affordable dwellings against the needs set out in the 2022 HENA by the end of the 2027/28 monitoring period.

- 9.34 At worst, the Appellant's evidence shows that the Council can deliver just 117 gross affordable dwellings per annum over the next five years, which will result in an accumulated shortfall of -4,360 affordable dwellings against the needs set out in the 2022 HENA by the end of 2027/28 monitoring period.
- 9.35 It is important to highlight that there are a number of major development sites included in the 5YHLS that are due to provide no affordable housing due to viability concerns. I also note that none of the sites in the Council's 5YHLS trajectory are providing a level of affordable housing that exceeds Local Plan policy requirements.
- 9.36 Given that the appeal scheme is proposing 40% affordable housing on site, 10% above that required by policy, the scheme presents an opportunity for the Council to significantly boost its supply of affordable housing and recover some of the affordable housing lost due to viability issues elsewhere in the District.

### **Summary and Conclusions**

- 9.37 There are serious and persistent affordability challenges across Cherwell. This is exemplified by the affordability indicators which show a poor and worsening affordability across the District.
- 9.38 It is my opinion that there is an acute housing crisis in Cherwell, with a lower quartile house price to income ratio of 10.77 in 2022. Mortgage lending is typically offered on the basis of up to 4.5 times earnings (subject to individual circumstances). Here, the affordability ratio is some 139% higher than that.
- 9.39 Boosting the supply of affordable homes will mean that households needing affordable housing will spend less time in unsuitable accommodation. This will improve the lives of those real households who will benefit from the provision of high quality, affordable homes that meet their needs.
- 9.40 My evidence demonstrates 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 issue which urgently needs to be addressed within Cherwell.
- 9.41 The appeal proposals provide an affordable housing contribution which exceeds requirements of Local Plan policy BSC3 and draft Core Policy 36.

9.42 Considering the authority's past poor record of affordable housing delivery and worsening affordability indicators at both the District and local level, it is my view that the provision of up to 68 affordable dwellings on this site should be afforded **substantial weight** in the determination of this appeal.