

East Herts Council Report

Executive

Date of meeting: 22 November 2022

Report by: Councillor Peter Boylan, Executive Member for Neighbourhoods

Report title: Affordable Housing Needs Assessment Update 2022

Ward(s) affected: All

Summary

The East Herts District Plan 2018 encourages developers to discuss with the council the appropriate mix of house size, type and tenure to be provided in any new housing development. This is a key means of delivering the council's Housing Strategy 2022 – 2027. To inform discussion with developers, officers need to draw on up-to-date housing need data.

To maintain a current understanding of affordable housing requirements, an Affordable Housing Needs Assessment Update for East Herts was completed in May 2022 by an independent consultancy. This paper seeks approval for officers to incorporate the findings into negotiations with developers and updates of any planning guidance or documentation.

RECOMMENDATION FOR EXECUTIVE:

- (a) That the Affordable Housing Needs Assessment Update 2022 be endorsed and recommended to Council to form part of the evidence base to inform Development Management decisions and support the East Herts**

District Plan 2018 and any future reviews and revisions to it.

1.0 Proposal

- 1.1 An Affordable Housing Needs Assessment Update has been prepared by consultants, Opinion Research Services (ORS), to provide up to date information on affordable housing need in East Herts.
- 1.2 This report outlines the assessment and seeks members' endorsement to recommend to Council that it be used to inform future corporate strategies, including any review of the East Herts District Plan and any relevant supplementary planning documents, along with discussions with applicants seeking planning permission for residential development.

2.0 Background

- 2.1 Opinion Research Services (ORS) were first commissioned by the local authorities of West Essex (Epping Forest, Harlow and Uttlesford) and East Hertfordshire in 2015 to undertake a Strategic Housing Market Assessment (SHMA) to identify the functional housing market area and establish the Objectively Assessed Need for housing – both market and affordable housing.
- 2.2 In 2017, Opinion Research Services (ORS) were commissioned by East Herts, Epping Forest, Harlow and Uttlesford Councils to carry out an affordable housing need update in the Eastern Hertfordshire and West Essex area. This update identified a need for 3,800 affordable homes in East Herts over the period 2016 to 2033, or 224 per year.
- 2.3 Since 2017, new information has been released which can be used to inform affordable housing needs projections. The

definition of affordable housing in the National Planning Policy Framework (NPPF) was also changed in 2019, with a specific emphasis now placed on affordable home ownership. This change was retained in the NPPF 2021, with further guidance to reflect the need to consider First Homes added to Planning Practice Guidance (PPG) in May 2021. In addition, it has been made clear in the PPG that any assessment of affordable housing need must also now consider those households who would like to own but are unable to do so, that is, those that 'aspire' to own their own home, in addition to those households unable to afford to own or rent which have formed the longstanding basis for assessing affordable housing needs.

3.0 Reasons

- 3.1 Given the changes outlined in paragraph 2.3, officers considered it necessary to update the assessment of affordable housing needs for East Herts. ORS were commissioned to carry out this update.
- 3.2 Between April 2017 and March 2022 a total of 970 affordable homes were completed in East Herts – 600 for affordable rent and 370 for shared ownership. The 2022 update has taken this delivery into account and now provides estimates for the remainder of the District Plan period to 2033.
- 3.3 The 2022 update provides, for the first time, affordable housing need figures at the sub-district level to take account of need and the varying pattern of new build across the district in recent years. These sub-district needs projections will allow officers to provide more detailed advice to developers.

3.4 Overall, the 2022 update identifies a need for a total of 3,784 affordable dwellings over the period 2021-2033, or 315 per year. This represents a rise when compared with the Affordable Housing Update 2017 which showed a need for 224 affordable dwellings per year. This growth, however, is almost entirely due to the period to address the backlog of need being shorter and the new requirement to take account of the needs of those aspiring to own their own home within the affordable housing need calculation.

3.5 The main findings of the Affordable Housing Needs Assessment Update 2022 are presented in **Appendix A**.

4.0 Options

4.1 Not to use the research findings: NOT RECOMMENDED. Opinion Research Services have produced a comprehensive and in-depth report on affordable housing needs in East Herts using a wide range of sources. The research findings will play a useful role in contributing to corporate strategies and will assist officers when commenting on planning applications which include affordable housing.

5.0 Risks

5.1 The Affordable Housing Needs Assessment Update is intended to provide information and guidance to partners and stakeholders, rather than specific contractual or legal obligations. Within this context, it would be a risk to not use the most up-to-date housing needs information, as this could lead to development of the wrong type of affordable housing which does not meet affordable housing needs.

6.0 Implications/Consultations

6.1 The information contained within the Affordable Housing Needs Assessment Update was gathered from a prescribed set of desktop sources. No formal consultation has been undertaken as this is an evidence-based report. No consultation is required before using the findings as up-to-date evidence for commenting on planning applications that contain affordable housing

Community Safety

No implications arising from this report.

Data Protection

No implications arising from this report.

Equalities

The research findings support Strategic Priority 1 of the East Herts Council Housing Strategy: Deliver Affordable Homes. Demographic information for East Herts indicates that the people in the following protected characteristic groups are highly represented among households in housing need. They would be more positively impacted by an increased supply of affordable housing of the most appropriate sizes and in the most appropriate locations:

- age – a high percentage of younger households, with a household head aged between 18 and 44
- pregnancy and maternity – a high percentage of households with children, especially those headed by a lone parent.
- gender – a high percentage of households headed by females
- marriage and civil partnership – a high percentage of households headed by a single person and by a lone parent

- disability and health – a comparatively high percentage of households in housing need have poor health and/or a form of disability.

Environmental Sustainability

None. Any affordable housing proposals with environmental implications for the council would be subject to member decisions at the time.

Financial

There are no issues in from the research findings which obliges the council to expend revenue or capital resources. Any future housing proposals with financial implications for the council would be subject to member decisions at the time.

Health and Safety

No implications arising from this report.

Human Resources

No implications arising from this report.

Human Rights

No implications arising from this report.

Legal

Although there is no statutory obligation for local authorities to produce an Affordable Housing Needs Assessment Update, the information in the assessment will provide advice and guidance for devising new housing- and planning-related strategies and will enable the provision of well-informed comments on planning applications containing affordable housing.

Specific Wards

No implications arising from this report.

7.0 Background papers, appendices and other relevant material

7.1 **Appendix A:** Affordable Housing Assessment Update 2022 –
Summary of Main Findings.

Contact Member

Councillor Peter Boylan

peter.boylan@eastherts.gov.uk

Contact Officer

Jonathan Geall

Contact Tel. No. 01992 531594

jonathan.geall@eastherts.gov.uk

Report Author

Helen George

helen.george@eastherts.gov.uk