

# Affordable Housing Assessment

---

Land at Newton Lane, Turvey

# Affordable Housing Assessment

---

Land at Newton Lane, Turvey

Richborough Estates

February 2018

OUR REF: JST/JD M17/0214-03.RPT

---

TETLOW KING PLANNING  
UNIT 2, ECLIPSE OFFICE PARK, HIGH STREET, STAPLE HILL, BRISTOL, BS16 5EL  
Tel: 0117 9561916 Fax: 0117 9701293 Email: [all@tetlow-king.co.uk](mailto:all@tetlow-king.co.uk)

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

## Contents

Section 1	Introduction	1
Section 2	Development Plan and Related Policies	2
Section 3	Affordable Housing Needs, Delivery and Affordability in the Bedford Borough	12
Section 4	Affordable Housing Needs, Delivery and Affordability in the Turvey Parish	23
Section 5	Emerging Local Plan and Affordable Housing in Turvey	29
Section 6	Recommendations	33

# Introduction

---

## Section 1

- 1.1 This affordable housing assessment has been prepared by **Tetlow King Planning** on behalf of **Richborough Estates** in support of their promotion of the site at Land at Newton Lane, Turvey in Bedford Borough on which they propose the development of up to 80 dwellings. It has been prepared to assist Richborough Estates in their representations to the Emerging Bedford Local Plan (2012-2035).
- 1.2 This report examines the affordable housing need in the Bedford Borough as well as specifically in Turvey Parish where the site is located. The report goes on to discuss the merits of including the site as a suitable housing location for delivering affordable housing, before assessing the appropriate weight the identified need is likely to have in the planning balance and the impact the emerging Local Plan is likely to have on this.
- 1.3 Providing a significant boost in the delivery of housing and in particular affordable housing is a key priority for the Government. This is set out in the National Planning Policy Framework, the Planning Practice Guidance, the National Housing Strategy and most recently the Government's Housing White Paper. Having a thriving active housing market that offers choice, flexibility and affordable housing is critical to our economic and social well-being. Having a Local Plan in place that can deliver this choice is equally important.
- 1.4 This statement comprises of the following further five sections:
  - Section 2 of the report analyses the Development Plan and related Policy Framework;
  - Section 3 considers the need for affordable housing and past delivery in Bedford Borough;
  - Section 4 considers the need for affordable housing and past delivery in the Turvey Parish;
  - Section 5 considers the merits of the site for the purposes of delivering affordable housing, the weight that the need is likely to achieve in the planning balance and the impact the emerging Local Plan is likely to have on this; and
  - Section 6 draws together our recommendations.

# Development Plan and Related Policies

---

## Section 2

- 2.1 The Development Plan for the area comprises the Saved Policies of the Bedford Borough Local Plan (2002), Core Strategy and Rural Issues Plan (2008), Allocations and Designation Local Plan (2013).
- 2.2 Other material considerations include the National Planning Policy Framework (NPPF), the Planning Practice Guidance (PPG), the Planning Obligations SPD (2013) and the Emerging Local Plan.

### **THE DEVELOPMENT PLAN**

#### **Bedford Borough Local Plan Saved Policies (2002)**

- 2.3 The Local Plan was adopted on 20 October 2002 and was intended to guide development until 2006. A number of policies have been saved and will be replaced as more up to date Development Plan Documents are adopted.
- 2.4 The Plan identifies a series of overall aims which includes the aim *“to meet the needs of the boroughs residents – enabling the provision of sufficient houses”*.
- 2.5 Paragraph 2.48 identifies that the Plan applies a hierarchical approach to development in the rural areas, prioritising ‘First Order Villages’, followed by ‘Second Order Villages’ and then ‘Other Settlements’. Turvey is identified as a Second Order Village which are defined as:  
  
*“Second Order Villages have a recognisable built-up character and basic facilities.”*
- 2.6 Chapter 5 of the Plan deals with housing with a series of key issues identified including that *“the Local Plan has a key role to play in securing affordable housing”*. *In order to do this the plan must give a clear indication of what housing need exists and set appropriate targets for meeting it.”*
- 2.7 Paragraph 5.68 sets out that the Council is a housing enabler which means that although it is not a direct provider of housing it seeks to ensure that housing for those with particular needs is available. At paragraph 5.69 the Plan defines households in need as *“those who are unable to afford market housing to rent or buy and whose current housing is unsuitable.”*

- 2.8 The Plan goes on to explain at paragraph 5.70 that “*the local plan has a part to play in meeting affordable housing need because such needs are a material consideration*” (emphasis added).
- 2.9 Paragraph 5.70a states that the results of the 1998 Housing Needs Survey revealed that at April 1998 there were 3,795 households in housing need. It accepts at paragraph 5.70b that “*the Housing Needs Survey has demonstrated that there is a significant housing need in the Borough*” (emphasis added).
- 2.10 The importance of affordable housing delivery is recognised in paragraph 5.70d which sets out that “*given the significance of the need demonstrated by the survey the Borough Council sets a target of 30% of new houses to be affordable on suitable sites.*”
- 2.11 Housing mix is addressed at paragraph 5.73 which seeks to encourage the creation of mixed and balanced communities through requiring development to provide a mix and range of dwelling types and sizes to reflect the needs and composition of the population, taking account of the increasingly varied types of housing requirements. It explains that the Council will expect all new developments to provide a reasonable mix and range of house types to reflect the needs of the community, particularly in the rural area.

### **Core Strategy and Rural Issues Plan (2008)**

- 2.12 The Core Strategy was adopted on 16 April 2008 and replaced a number of the policies in the 2002 Local Plan and covers the Plan period 2006 to 2021.
- 2.13 The spatial strategy for the Core Strategy identifies five main themes which includes sustainable rural communities. It goes on to set out that in combination the policies of the Core Strategy seek to ensure that, amongst other things, “*affordable housing is provided on site of 15 dwellings or more, or 3 or more dwellings in villages having a population of less than 3,000*” and that “*1,300 new homes are built in the Rural Policy Area and affordable housing is provided to meet the need of local people*”.
- 2.14 Paragraph 2.12 reveals that “*between 1999 and spring 2006 house prices have doubled, with the average house price rising to £180,049*”. In addition to which “*despite the national trend for rising house prices, the market for new homes has been relatively weak with fewer homes being built than are planned or already have planning permission*”.
- 2.15 At paragraph 3.9 of the Core Strategy it expands upon the Borough-wide vision to identify the specific challenges that must be addressed in Bedford which includes

seeking to ensure that *“the rural area will be available place in which to live and work with a range of services and facilities and housing opportunities to meet local needs”*.

- 2.16 In order to achieve the Plan vision a series of objectives are set out at paragraph 3.10 amongst which is the objective to *“provide quality housing to meet current and future needs of all sectors of the community”* and *“encourage key rural communities to become more sustainable places to live and work”*.
- 2.17 The Plan identifies two policy areas, the Bedford Growth Area and the Rural Policy Area, with the Rural Policy Area being the area not covered by the Bedford, Kempston and the northern Marston Vale growth Area.
- 2.18 At paragraph 4.9 the Plan reveals the Council’s desire to dramatically expand the local economy to encourage population growth through in-migration and thereby grow the housing market. Furthermore it intends to ensure that the countryside and smaller villages in the borough will continue to be viable areas for business and leisure and that **“the provision of affordable housing will be a priority in the Borough”** (emphasis added).
- 2.19 Paragraph 4.27 states that it is vital to ensure that new dwellings provide a mix of sizes, types and tenures to meet identified needs of all sectors of the community with the affordable housing element of schemes reflecting housing needs in terms of tenure and housing size and mix. It also requires that on sites of 15 dwellings or more applications are expected to submit a statement explaining how they have taken account of housing needs in devising their proposed mix of tenures and house types.
- 2.20 At paragraph 4.29 it identifies that on the basis of the 2003 Housing Requirement Study the Borough needs to provide in the region of 224 affordable dwellings each year to address housing needs. The Study defines households in housing need as those households currently lacking their own housing or living in housing which is unsuitable or inadequate, who cannot afford to buy or rent suitable housing in the open market and who are unable to resolve their situation without assistance.
- 2.21 This is further expanded upon at paragraph 4.30 which sets out that those in housing need span a broad range of household types and there are differing requirements in relation to size and type of dwelling and affordability. The greatest need continues to be for social rented accommodation but a range of low cost accommodation and intermediate tenures is also required.
- 2.22 Policy CP7 deals with meeting housing needs and states:

*CP7 – Meeting Housing Needs*

*New housing development will be expected to provide a mix of dwelling size and types to meet the identified housing needs of the community. Larger sites should provide a broad mix of housing suitable for different housing types. On smaller sites, the mix of housing should contribute to the creation of mixed communities.*

*This policy also applies outside the Growth Areas.*

2.23 Affordable housing is then addressed through Policy CP8, which requires that:

*Policy CP8 – Affordable Housing in the Borough*

*On sites of 15 units and over (or 0.5ha and over) and in villages having a population of less than 3,000 sites or 3 dwellings or more (or 0.1ha and over) the council will expect the provision of 30% affordable housing.*

*The policy will apply where a planning application could have been submitted for a larger site within the above policy threshold. Other than in exception circumstances, affordable housing provision should be made on site.*

*This policy also applies outside the Growth Area.*

2.24 The Plan recognises at paragraph 4.47 that beyond the urban areas of Bedford and Kempston the Borough is made up of a large rural area which is home to about a third of the Borough’s residents. It also accepts at paragraph 4.48 that although diverse in character, the Boroughs rural communities face similar challenges, namely that **“the provision of rural facilities and services and affordable housing for local people are key issues”** (emphasis added).

2.25 Paragraph 4.59 identifies that the Council will use a number of methods to improve the provision of affordable housing in the rural areas, such as:

- Seeking affordable housing on site of 3 or more dwellings in settlements of under 3,000 population; and

2.26 Where affordable housing need is identified for local ‘qualifying persons’ within a Parish or group of adjacent Parishes, affordable housing development will be encouraged. ‘Qualifying persons’ are defined as a person or person in housing need who live in, or are employed in, or have close local connections with the relevant village or Parish or an immediately neighbouring Parish.

- 2.27 Parish Councils are encouraged to maintain awareness of affordable housing need through regular survey at paragraph 4.60 of the Plan. Housing in the Rural Policy Area is covered by Policy CP16:

*Policy CP16 – Housing in the Rural Policy Area*

*The Rural Policy Area of the Borough will provide for a net increase of 1,300 dwellings in the period 2001-2021.*

*A mix of dwelling types and sizes will be provided in accordance with Policy CP7.*

*Affordable housing will be provided in accordance with Policies CP8 and CP17.*

**Allocations and Designations Local Plan (2013)**

- 2.28 The Allocations Plan identifies a series of sites across the Borough for housing development to help to achieve the housing target identified in the Core Strategy. Chapter 5 deals with Rural Policy Area Allocations and identifies development opportunities at Great Barford, Wyboston and Renhold.
- 2.29 There are no sites allocated in Turvey through the Allocations Plan.

**OTHER MATERIAL CONSIDERATIONS**

**Emerging Local Plan (2012-2035)**

- 2.30 This statement has been prepared to assist specifically Richborough Estates in their representations to the Emerging Local Plan (2012-2032). However, the emerging plan makes a number of pertinent comments in respect of affordable housing.
- 2.31 Paragraph 2.39 states that “*house prices in Bedford borough are higher than the national average and have increased by about 20% over the last five years (to 2017). Affordability is an issue with the average house price costing 8.4 times average earnings. This situation is getting worse*”.
- 2.32 Paragraph 10.1 sets out that “*the Council’s Strategic Housing Market Assessment updated in December 2016 establishes the full objectively assessed need for housing in Bedford for the period 2015-35 to be 19,000 dwellings. This includes an objectively assessed need for affordable housing of 5,500 dwellings over the same period equivalent to an average of 275 dwellings per year*<sup>1</sup>. ***This is a significant need*** which,

---

<sup>1</sup> As discussed further in Section 3, this figure is a dampened down figure which includes reliance on the Private Rented Sector (PRS). The actual need identified in the 2016 SHMA is 425 affordable homes per annum; it is commonly accepted and examining Inspectors have commented that the reliance on the PRS is inappropriate

as the Strategic Housing Market Assessment shows, means that 30%<sup>2</sup> of households will require affordable housing” (emphasis added).

- 2.33 Paragraph 10.8 stipulated that “affordable housing will be required on sites which exceed 10 dwellings or 1000 square metres of floor space. In addition in villages with a population of less than 3,000 dwellings affordable housing will also be required on sites of three or more additional homes. In all cases, in determining whether the threshold has been met the Council will take account of the net number of additional dwellings which are to be built”. This is reflected in **Policy 59S** which stipulates that “sites in excess of 10 residential units or 1,000 sq m floor space and sites providing 3 or more additional homes in villages with a population of less than 3,000 will provide 30% affordable housing”.
- 2.34 Paragraph 10.9 goes on to state that “due to the significant need for affordable housing in the borough and the fact that the Plan makes no allocations for villages below the level of group 2 villages in the settlement hierarchy it is important that where small scale development does come forward in the smaller settlements affordable housing is provided”.
- 2.35 Paragraph 10.69 states that “given the significant need for affordable housing in the borough as a whole it is important that affordable housing is brought forward in the rural area. There are a number of ways in which this can be achieved; firstly through the allocations made in this plan and forthcoming Neighbourhood Plans and secondly through the operation of Policy 70 which specifically seeks to ensure that in smaller villages with a population of less than 3,000 and on smaller sites which add three or more dwellings to the housing stock, affordable housing is provided”. This is reflected in **Policy 70**.
- 2.36 Paragraph 10.70 sets out that “in addition in order to facilitate the provision of affordable housing specifically for local needs the Council will support rural exception sites. Such sites can be located in areas where housing development would not normally be encouraged on the basis that development proposals meet identified need for ‘qualifying persons’. Qualifying persons are those whose housing needs are not met by the market who live in, or are employed in or have close connections with the relevant village or Parish or an immediately neighbouring parish”.

---

<sup>2</sup> When the full objectively assessed affordable housing need of 8,500 across the Plan period is considered (with no reliance on the PRS), the affordable housing need actually makes up 45% of the overall housing need figure, not 30%

- 2.37 Paragraph 10.71 goes on to state that “*in cases where the local needs are fully justified, to help facilitate the delivery of the affordable housing the Council will allow up to 40% of the gross internal area of the dwellings (including garage space) to be used for the provision of market housing*”.

### **Turvey Neighbourhood Plan**

- 2.38 Turvey Parish Council achieved designated neighbourhood planning area status in April 2017. The Neighbourhood Plan is expected to advance to a draft document by autumn 2018 and will seek to allocate sites for 50 dwellings.

### **Planning Obligations Supplementary Planning Document (2013)**

- 2.39 The Planning Obligations Supplementary Planning Document (SPD) was adopted in July 2013 and sets out the Council’s overall approach to planning obligations as well as setting out the types of obligations that the Council may seek to secure from development.
- 2.40 Part Two of the SPD covers affordable housing with paragraph 2A.2 setting out that the Council will continue to seek to secure appropriate affordable housing provision on development sites in accordance with the adopted Core Strategy and Rural Issues Plan policies or successor documents are appropriate.
- 2.41 Paragraph 2A.3 goes on to acknowledge that affordable housing includes social rented, affordable rented and intermediate housing provided to eligible households whose needs are not met by the market, noting that the Government has made it clear that affordable rent will form the principal element of the supply of new affordable housing.
- 2.42 At paragraph 2A.9 the SPD provides that on-site delivery of affordable housing is required, whilst paragraph 2A.11 seeks to ensure that provision is made towards the beginning of a development or phased across the development for larger schemes.
- 2.43 The type and size of dwellings to be provided is to reflect the dwellings provided in the scheme as a whole, as set out at paragraph 2A.12. The SPD identifies at paragraph 2A.13 that the Council’s preferred tenure mix is 66.7% affordable or social rented and 33.3% shared ownership.

### **Planning Practice Guidance (PPG)**

- 2.44 In terms of issues surrounding affordability and it’s role in the formation of Local Plans, the PPG states that “*the more significant the affordability constraints (as reflected in*

*rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (eg the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be” (PPG, Paragraph: 020 Reference ID: 2a-020-20140306).*

- 2.45 It is evident therefore that where an area has issues of affordability, Councils should consider increasing the overall housing numbers targeted within the plan above simply the level derived from household projections.

### **Bedford Borough Sustainable Community Strategy (2009-2021)**

- 2.46 Sustainable Community Strategies form part of the Development Plan in relation to Plan making, as set out under section 19(2) of the 2004 Planning and Compulsory Purchase Act.
- 2.47 The Sustainable Community Strategy (SCS) is organised around seven themes, with the ‘growing’ thematic area identifying a desire for Bedford to be a Borough *“where the supply and quality of housing and transport is capable of supporting the needs and aspirations of the Boroughs population now and in the future”*.
- 2.48 In examining this thematic area in more detail the SCS identifies that as a result of housing growth the population of the Borough is forecast to increase to 172,500 by 2021. The growing population will increase the demand for housing.
- 2.49 The SCS acknowledges that as well as tackling the supply of housing, *“we also need to ensure that there is enough affordable housing to meet people’s needs in both urban and rural areas”*. The importance of this is clear when the SCS reports that *“despite the recent downturn in the housing market, average house prices are still nearly 60% higher than they were in 2001. With the average price of a house more than seven times the average salary, buying a home is – and will remain – beyond the means of many people”*.
- 2.50 Furthermore the SCS accepts that *“ensuring a sufficient supply of affordable housing is vital if we are to meet peoples housing needs and tackle poverty and reduce inequality.”*

### **Draft Housing Strategy 2015-2020**

- 2.51 The strategy recognises a number of key points for its strategic direction in the executive summary. One of these key points is to *“recognise that only viable schemes will deliver affordable housing. This means that schemes must be large enough to generate an affordable housing requirement, in areas with values that will support the*

*delivery of affordable housing, and free of infrastructure requirements which will undermine the viability of the schemes”.*

2.52 Paragraph 2.3 states that *“as a subsidiary report to the Strategic Housing Market Assessment the Council commissioned a study on delivering growth. The Council recognises that delivering the required housing of all tenures is a challenge and delivering affordable housing is, for a number of reasons, **a particularly acute challenge**”* (emphasis added).

2.53 In relation to government changes to funding of affordable housing, Paragraph 3.12 states the following:

*“The reduction in funding prompted by government budgetary constraints has prompted government to oppose the use of subsidy (including recycled grant held by housing associations as well as new grant) to support affordable housing in combination with developer contributions. This combination had been an important factor in delivering affordable housing in Bedford. Where the S106 requirement for affordable housing has been reduced due to viability constraints developers have shown very little interest in providing affordable housing voluntarily with the help of grant. Competition for land will continue to favour private development with values being neither high enough to generate high levels of cross-subsidy or low enough for land-owners and developers to welcome affordable housing. Following unitary reorganisation the Council only has very small sums available from the Capital Programme. These funds are used to encourage development and to support key schemes like 1 – 4 St Pauls Square. The funds available are not large enough to make a major impact on the overall provision”*

2.54 In terms of the impact of government changes, Paragraph 3.17 recognises that *“the changes may cause reductions in offers from Registered Providers when they partner with house-builders and this may lead to further reductions in the quantum of affordable housing as a result of revised viability assessments”.*

2.55 Paragraph 4.13 identifies that *“statistics from the Valuation Office Agency for 2013 / 2014 show average private sector rents in the Borough to be in advance of Housing Benefit levels for all property sizes with the exception of studio flats, reducing the accessibility of this sector for households who are not working or are on a low income. This increases the need for affordable housing”.*

2.56 In terms of the need for affordable housing, Paragraph 4.18 sets out that *“the affordable housing requirement for the period 2012 - 2032 will be 5,110 dwellings*

*(29.4% of the total dwellings required). This requires the provision of an average of 256 dwellings per year. There is a possibility that this could increase as a result of increased requirements arising through the Duty to Co-operate”.*

2.57 In terms of an affordable housing target, the strategy states at Paragraph 4.19 that the Council “*will maintain the target at 200 affordable homes per year for three years and review the target in the light of the operation of the Affordable Rent regime in practice and the significant reduction in grant funding from the Homes and Communities Agency (HCA)*”.

### **Homelessness Strategy 2016-2021**

2.58 The Homelessness Act 2002 sets out a legal duty that every five years all councils review their measures to prevent homelessness and the support available.

2.59 The homelessness strategy is based around the following themes:

- Prevention - the prevention of homelessness
- Support - the provision of effective support to people who are homeless or those at risk of becoming homeless
- Supply – to ensure that there is sufficient supply of accommodation for those at risk of homelessness and those who are homeless

2.60 Across these themes the Homelessness Strategy sets a number of objectives, which can only be delivered by close working with partner organisations. A significant objective of the Strategy is to work to increase affordable housing supply appropriate to homeless households.

2.61 However, the strategy highlights that “*the reduction in affordable housing in particular resulting from the reduced availability of government grants and the reductions in affordable housing delivered through planning agreements on new developments*” is a significant challenge.

### **Summary**

2.62 A wide range of Bedford Borough Council documents clearly highlight the need for more affordable housing in the region and this has been, and continues to be, a longstanding issue within the Borough. It is clear that the delivery of affordable housing is a clear priority of the Council with the need being described as “*acute*” in the Housing Strategy. A key measure of success in the Council’s objective to address affordable housing needs in the Borough over the Plan period will be the number of affordable homes delivered.

# Affordable Housing Needs, Delivery and Affordability in the Bedford Borough

---

## Section 3

- 3.1 Bedford Borough Council has published two market assessments in the past 13 years, the first of which being a Housing Requirements Study (HRS) in 2003, followed by a Strategic Housing Market Assessment (SHMA) in 2015 and more recently a SHMA Update in October 2016. All of these demonstrate a severe lack of affordable housing delivery in Bedford and are briefly summarised below.

### **Housing Requirements Study (2003)**

- 3.2 When pulling together the full needs assessment model, the HRS found an annual need for 224 net affordable homes.

### **Bedford Strategic Housing Market Assessment (December 2015)**

- 3.3 The SHMA reveals that overall there will be a need to provide additional affordable housing for 5,110 households and that this would provide for the current unmet needs for affordable housing in addition to the projected future growth in affordable housing need between 2012 and 2032 (30% of projected household growth). This is equivalent to an average of 256 households per annum.
- 3.4 However, it is an important point that a number of ‘health warnings’ are attached to this. Firstly, that it assumes that the level of housing benefit support provided to households living in the private rented sector remains constant and secondly that any losses from the current stock (such as demolition or clearance, or sales through Right to Buy) would increase the number of affordable dwellings needed by an equivalent amount.
- 3.5 When market signals are taken account of, the SHMA finds that overall housing need should be increased by 308 households to take account of concealed families and a further 50 homeless households not captured by household projections. These additional households increase the projected household growth from 16,526 to 16,884

households (17,397 dwellings) over the 20 year period between 2012 and 2032, equivalent to an average of 844 households (870 dwellings) per annum.

- 3.6 Paragraph 4.100 of the SHMA notes that data from the HCA Statistical Data Return identifies a vacancy rate of 0.5% of affordable housing in Bedford, therefore adding an additional allowance for vacancies identifies a total affordable housing need of 5,114 affordable dwellings in addition to the current stock, equivalent to an average of 256 net affordable dwellings per annum.
- 3.7 In drawing its conclusion on affordable housing need Chapter 4 of the SHMA notes at paragraph 4.108 that providing sufficient housing for all households that would otherwise be living in the private rented sector with housing benefit support would increase the need to around 8,800 affordable homes over the Plan period, equivalent to 440 net affordable homes per annum (51% of overall housing).

#### **Bedford Strategic Housing Market Assessment Update (2016)**

- 3.8 The SHMA Update considers that there will be a need to provide additional affordable housing for 5,326 households between 2015 and 2035 (30% of household growth). This is equivalent to an average of 266 households per annum.
- 3.9 As with the 2015 SHMA a series of ‘health warnings’ are attached, namely that it assumes that the level of housing benefit support provided to households in the private rented sector (PRS) will remain constant.
- 3.10 The SHMA also does not account for losses from current stock such as demolitions or sales through Right to Buy. Any such losses would increase the number of affordable homes needed by an equivalent amount.
- 3.11 In drawing its conclusions on affordable housing need Chapter 4 of the SHMA Update notes at paragraph 4.107 that providing sufficient housing for all households that would otherwise be living in the private rented sector with housing benefit support would increase the need to around 8,500 affordable homes over the Plan period, equivalent to an average of 425 net affordable homes per annum.
- 3.12 As reported in the Guardian on 31 October 2016<sup>3</sup>, from 7 November 2016 88,000 families across the country had their housing benefit payments significantly reduced. The SHMA’s approach of relying upon the PRS as a means of reducing affordable housing need is a wholly unsatisfactory approach.

---

<sup>3</sup> <https://www.theguardian.com/commentisfree/2016/oct/31/child-poverty-theresa-may-housing-benefit-cuts>

3.13 It is commonly accepted that the PRS subsidised by Local Housing Allowance should not be regarded as affordable housing and therefore should not be considered within calculations of affordable housing need. Indeed, the PRS is not within the definition of affordable housing set out within the NPPF.

3.14 This has been emphasised through such examples as the Eastleigh Local Plan examination in which the Inspector's report states at Paragraph 34:

*“There is no justification in the Framework or Guidance for reducing the identified need for affordable housing by the assumed continued role of the PRS with LHA. This category of housing does not come within the definition of affordable housing in the Framework. There is not the same security of tenure as with affordable housing and at the lower-prices end of the PRS the standard of accommodation may well be poor”.*

3.15 It goes on to say:

*“The availability of accommodation within the PRS where households are in receipt of the LHA is outside the control of the Council, being determined by the willingness of private landlords to let to tenants in receipt of the LHA. The operation of the LHA is determined by the government... Accordingly affordable housing needs in Eastleigh Borough are at least 509 dpa and would be higher is a more cautious approach were taken to the proportion of income which it is assumed is reasonable to spend on housing.”*

3.16 It is therefore considered that the full objectively assessed affordable housing need is the 425 net affordable homes per annum which the SHMA Update identifies as being needed between 2015 and 2035.

### **Past Affordable Housing Delivery**

3.17 As demonstrated in Figure 3.1, from 2001 up until 2017, the Council delivered 2,444 net affordable homes, from a total of 11,266 net overall homes delivered throughout the Borough; this is an average delivery rate of 22% affordable homes. This is an average of 153 net affordable homes per annum.

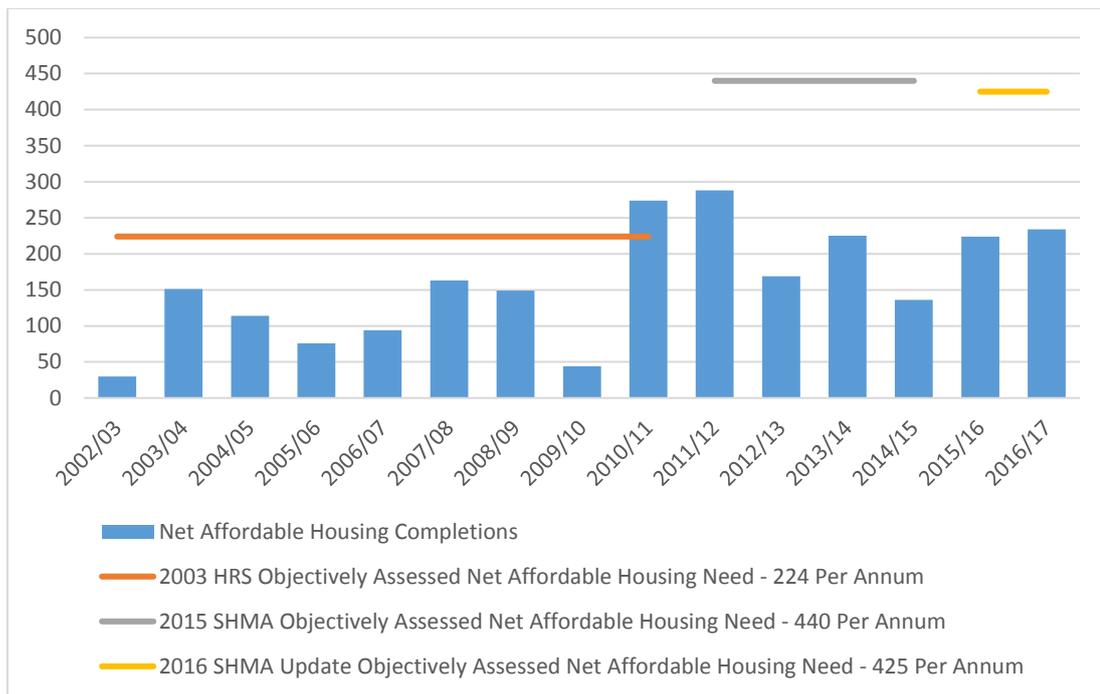
Figure 3.1 Affordable Housing Completions in Bedford Borough 2000/01 – 2016/17

Year	Total Housing Completions (Net)	Affordable Housing Completions (Net)	Percentage
2001/02	731	73	10%
2002/03	426	30	7%
2003/04	796	151	19%
2004/05	636	114	18%
2005/06	466	76	16%
2006/07	456	94	21%
2007/08	631	163	26%
2008/09	407	149	37%
2009/10	466	44	9%
2010/11	634	274	43%
2011/12	919	288	31%
2012/13	654	169	26%
2013/14	997	225	23%
2014/15	828	136	16%
2015/16	964	224	23%
2016/17	1,255	234	19%
<b>Total</b>	<b>11,266</b>	<b>2,444</b>	<b>22%</b>

Source: Bedford Council Housing Monitoring Reports 2001/02 – 2016/17

- 3.18 Figure 3.2 below illustrates the affordable housing delivery from Figure 3.1 against the evidenced need identified in the 2003 Housing Requirement Study (HRS), the 2015 SHMA and the 2016 SHMA Update. As is demonstrated, the Council have struggled considerably throughout the past 15 years to meet the need identified by the various studies across the period.

Figure 3.2: Affordable Housing Delivery against Identified Needs



Source: Bedford Council Housing Monitoring Reports 2001/02 – 2016/17; HRS (2003); SHMA (2015); & SHMA Update (2016)

### Right to Buy Losses

3.19 As noted in the Bedford Strategic Housing Market Assessment Update (2016) any losses from the current stock (such as demolition or clearances, or sales through Right to Buy) would increase the number of affordable dwellings needed by an equivalent amount. It is therefore important to consider the trend in Right to buy losses in the Borough.

3.20 The number of social rented dwellings lost through Right to Buy in the Borough is broken down on a per annum basis for the period between 2000/01 and 2016/17 as set out in Figure 3.3.

Figure 3.3: Right to Buy Losses in Bedford Borough

Year	Right to Buy losses in Bedford Borough
2000/01	72
2001/02	54
2002/03	41
2003/04	43
2004/05	31

2005/06	8
2006/07	15
2007/08	11
2008/09	6
2009/10	1
2010/11	13
2011/12	2
2012/13	6
2013/14	11
2014/15	6
2015/16	6
2016/17	Unknown at time of writing. Awaiting updated FOI response
<b>Total</b>	

Source: FOI Response of September 2016

### Future Affordable Housing Delivery

- 3.21 The future delivery of affordable housing is highly uncertain. As can be seen in figure 3.2 past delivery has fluctuated considerably and has only met the annual identified need in one of the previous 16 years. The delivery of a higher number of affordable homes one year does not guarantee this will continue for future years. The supply of affordable housing is affected by the local market factors, including the number of sites with planning permission and also wider national factors including availability of public funding. The reintroduction of the 10 dwelling threshold will also significantly hamper the ability of the Council to deliver new affordable homes.
- 3.22 The 2016 SHMA Update set out that there is an objectively assessed net affordable housing need for 425 dwellings per annum from 2015 – 2035. As was demonstrated in Figures 3.1 and 3.2, the Council have fallen woefully short of this to date. For the 2 year period from 2015/16 to 2016/17, the Council needed to deliver 850 net affordable homes however only managed 458 affordable homes. This is a shortfall of 392 affordable homes or 46% of the identified need.
- 3.23 The PPG advises that any shortfall in housing delivery should be addressed within the following five years. With this in mind, it is imperative that the 392 affordable homes shortfall over the past 2 years be addressed now and within the next 5 years. When the shortfall is factored into the 2016 Update's identified need of 425 affordable homes per annum, the need significantly increases to 503 per annum for the next 5 years in

order to address the shortfall; a total of 2,515 for the period. This is illustrated further in Figure 3.4 below.

*Figure 3.4: Affordable housing delivery required over the next 5 years including the backlog*

<b>A</b>	Affordable housing need identified in the SHMA 2016 Update from 2015 (per annum)	425
<b>B</b>	Affordable housing need for the period 2015 – 2017 ( <b>A</b> x 2)	850
<b>C</b>	Affordable housing completions for the period 2015 – 2017	458
<b>D</b>	Shortfall/backlog of affordable housing need for the period 2015 – 2017 ( <b>B</b> – <b>C</b> )	392
<b>E</b>	Backlog affordable housing need required over the period 2018 – 2022 ( <b>D</b> / 5) (per annum)	78
<b>F</b>	Full affordable housing need required over the period 2018 – 2022 ( <b>E</b> + <b>A</b> )	503

3.24 In light of the Council’s previous affordable housing delivery year on year as well as the cut in Government funding, it is clear that without a step change in the delivery of affordable housing, the current need for affordable housing will only worsen. Such a step change can arise by allocating more housing sites and increasing the overall housing target for the Plan period; this is an approach which, as set out in Section 2, the PPG states Councils should consider when dealing with issues of affordability.

**Affordability Indicators**

3.25 The PPG recognises the importance of giving due consideration to market signals as part of understanding affordability.

Home Truths 2016/17: East of England

3.2 The Home Truths Report 2016/17 for the East of England published by the National Housing Federation highlights the growing housing crisis in the Borough. It records the income required for an 80% mortgage in 2016 was £59,420, which is over double the

average (mean) earnings of £28,548 identified in the report. The report finds that based on mean average annual earnings and mean average house prices, the ratio of earnings to house prices is 9.1. This means that house prices are over 9 times the average earnings of those in the Borough.

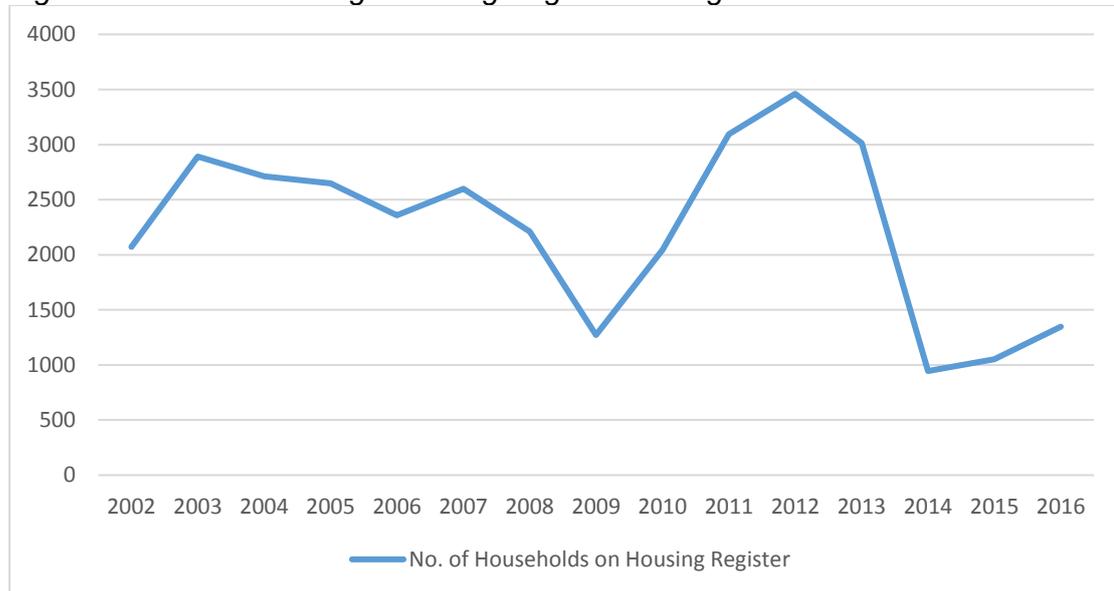
- 3.3 By way of comparison, demonstrating the increasing unaffordability in the Borough, the Home Truths East of England report for the 2015/16 period demonstrates that the ratio of house prices to earnings was lower than the 2016/17 period at 8.8. It is also evident that for the 2015/16 period, the average house price was £232,602 which increased to £259,963 a year later in the 2016/17 report. The 2015/16 report also identifies average monthly open market rent at £632 with it increasing to £725 in the 2016/17 report.

#### Housing Register

- 3.4 In February 2013 the Council introduced changes to its Housing Allocations Policy following changes brought in through the Localism Act 2011 which allowed local authorities to define their own criteria for those who can apply for affordable housing resulting in many being removed from previous waiting lists.
- 3.5 Such an approach does not reduce the need for affordable housing but instead makes it even harder for those unable to access open market housing to find a suitable place to live. On 11 March 2016 *Inside Housing* reported that 159 English Councils have struck 237,793 people off their waiting lists and barred a further 42,994 new applicants since the Localism Act came into effect in June 2012. The Head of Policy at the Chartered Institute of Housing commented the requirements “*generally aren’t good practice*” as they can be “*discriminatory depending on how long they’re applied*”.
- 3.6 The research suggests a surge in people removed or barred from waiting lists, which is much higher than the 113,000 found by Inside Housing in April 2014. The article acknowledges however that there have been 775 occasions since 2012 where a decision to remove an applicant from the waiting list or refuse access has been reversed after it was contested.
- 3.7 As at 1 April 2016 there were 1,331 households on the Council’s Housing Register (awaiting the figure for April 2017 requested through an FOI request). Between 1997 and 2013 the Council’s Housing Register grew rapidly from 1,387 to 3,013 before reducing to 945 in 2014 as a result of a change in the Council’s tenancy strategy. However in the period between 2014 and 2015 there was an increase of over 11% in

registrations, a sizeable increase in the space of just 12 months. This is further illustrated by Figure 3.5 below.

*Figure 3.5: Bedford Borough Housing Register Waiting List*



Source: DCLG Live Table 600 & FOI response of September 2016

### Lower Quartile Monthly Rental Statistics

3.8 It is important to consider the level of Local Housing Allowance (LHA) available within Turvey against the rental market data for the Borough. Figure 3.5 illustrates the disparity between LHA and lower quartile rental prices with shortfalls ranging from £112.92 per calendar month for one bedroom properties to £261.72 per calendar month for 4+ bedroom properties. This further illustrates the point that it is inappropriate for the Council to rely on the private rented sector to help address the affordable housing need.

*Figure 3.6: Comparison of LHA Rate and Lower Quartile Monthly Rent*

Property Type (No. of Bedrooms)	Monthly LHA Rate (Weekly Rate x 4)	Lower Quartile Monthly Rent	Shortfall between LHA and Lower Quartile Rent
1 Bedroom	£412.08	£525	-£112.92
2 Bedroom	£533.28	£675	-£141.72
3 Bedroom	£644.28	£800	-£155.72
4+ Bedroom	£838.28	£1,100	-£261.72

Source: Directgov website & Valuation Office Agency Private Rental Market Statistics

### Lower Quartile Monthly Rent

3.9 Figure 7.1 shows the lower quartile rental market statistics in Bedford Borough. This illustrates that lower quartile rental prices in Bedford have increased by almost 30% in the past 4 years, nearly triple the rate of increase nationally. Such increases in open market rents only exacerbate the desperate need for affordable housing in the Borough.

*Figure 3.7: Lower Quartile Monthly Rent*

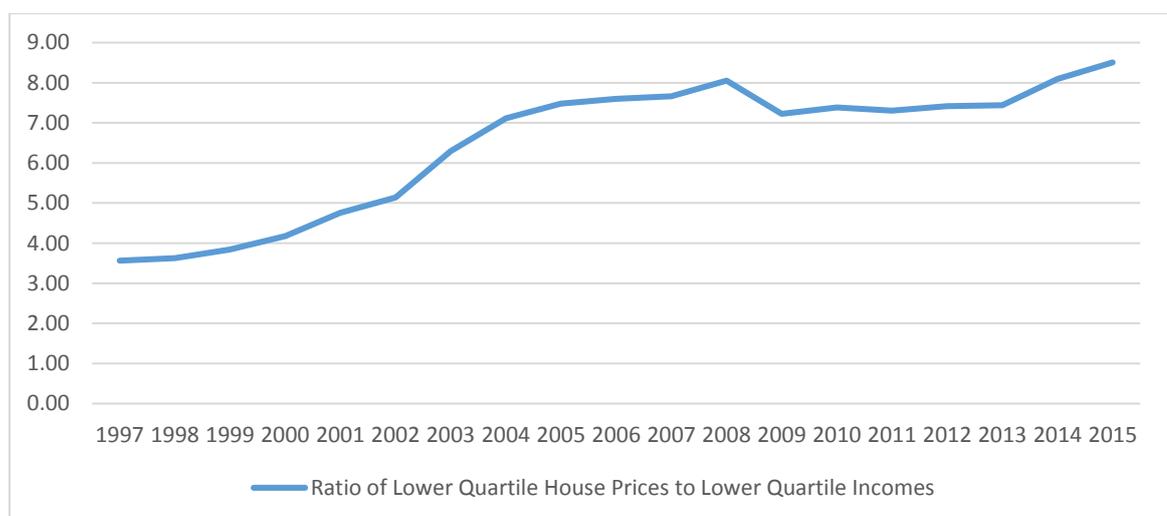
	Q4 2011	Q1 2017	Percentage Change
England	£450	£500	11%
Bedford	£450	£625	38%

*Source: Valuation Office Agency Private Rental Market Statistics*

### Ratio of Lower Quartile House Prices to Lower Quartile Incomes

3.10 The relative unaffordability of in the region has rapidly increased since the 1990s and continues to grow. Whilst reducing around the time of the economic downturn in 2008, it has been increasing since 2011 at a rate commensurate with the increase seen in the years prior to the downturn. As is shown in figure 3.8, the ratio of lower quartile house prices to lower quartile incomes in the Bedford Borough has risen dramatically, despite the economic downturn, more than doubling from 3.56 in 1997 to 8.51 in 2015 when government records ceased. This demonstrates the increasing difficulty faced by those trying to afford an entry level home.

*Figure 3.8: Ratio of Lower Quartile House Prices to Lower Quartile Incomes in the Bedford Borough*



*Source: DCLG Live Table 576*

Homelessness

3.11 Figure 3.8 illustrates that the number of households being accepted as homeless and in priority need is rapidly increasing. In 2010/11 there were 107 households registered as homeless and in priority need within the Bedford Borough, just 6 years later in 2016/17 this figure had increased to 252 households; this represents a 136% increase across the period compared to an increase of 36% nationally. This is a clear indicator of the affordability issue facing the Borough.

*Figure 3.8: Households Registered as Homeless and in Priority Need*

Year	No. of Households Registered as Homeless and in Priority Need	
	England	Bedford Borough
2010/11	44,160	107
2016/17	59,090	252
<b>Percentage Change (2009/10 – 2016/17)</b>	<b>36%</b>	<b>136%</b>

Source: DCLG Live Table 784

# Affordable Housing Needs, Delivery and Affordability in Turvey

---

## Section 4

### **Housing Needs Survey Report – Turvey – February/March 2017**

- 4.1 The survey aimed to assess the need of local people for either affordable housing or market housing in Turvey over the next 10 years.
- 4.2 Section 2.4 states that *“there are considerably more detached houses, with correspondingly fewer semi detached houses and flats, in Turvey compared to Bedford Borough averages. This is likely to indicate a relative lack of affordable properties”*.
- 4.3 The survey states at section 3.1 that *“the ‘affordability ratio’ (median house prices as a ratio of median household earnings) for Turvey in 2008/09 (latest data available) was 12.1. In other words, houses on the market cost on average 12.1 times annual incomes”*.
- 4.4 Section 3.6 sets out that *“according to the DCLG guidance, in order to purchase the cheapest property currently available in Turvey (a 2 bedroom home at £295,000) as a first time buyer, a single earner household would need an annual gross income of over £84,000, and a dual-income household would need over £101,000”*. With regards to rental statistics, the paragraph goes on to state that *“to rent the cheapest property currently available in Turvey (2 bedroom flat at £775 per month), a household’s gross income would therefore need to be over £37,000”*.
- 4.5 Section 4 states that the survey *“received 168 responses from around 505 distributed, a return rate of around 33%”*. Section 6 identifies that there were 71 respondents indicating they needed new housing in Turvey, 32 of these were considered to be in need of affordable housing.
- 4.6 Section 8.1 notes that *“based on data supplied by respondents, up to 32 households with a local connection would be suitable for housing within a rural exception site development, whether for rent or shared ownership”*.
- 4.7 Section 8.1 goes on to state that *“in order to have reasonable confidence that any new housing provided through a rural exception site will be taken up by people with a local*

connection to Turvey, our recommendation is to meet 50% of the need identified, which would be 16 units”. No justification is given as to why only 50% of the identified need is recommended to be met. Considering only 33% of those canvassed responded to the survey, it is reasonable to suggest that the 32 identified as being in affordable housing need should be considered as a minimum to be addressed over the next 10 years.

### Past Affordable Housing Delivery in Turvey

4.8 As is demonstrated by Figure 4.1, since 2001 no affordable houses have been completed in Turvey.

Figure 4.1: Net Affordable Housing Completions in Turvey

Year	Net Affordable Housing Completions - Turvey
2001/02	0
2002/03	0
2003/04	0
2004/05	0
2005/06	0
2006/07	0
2007/08	0
2008/09	0
2009/10	0
2010/11	0
2011/12	0
2012/13	0
2013/14	0
2014/15	0
2015/16	0
2016/17	0
<b>Total</b>	<b>0</b>

Source: Bedford Council Housing Monitoring Reports 2001/02 – 2016/17

### Future Affordable Housing Delivery in Turvey

4.9 The 2017 Housing Needs Survey Report for Turvey identified that of the 33% response rate to the survey, 32 households were in need of affordable housing over the next 10 years. Seemingly without any justification the report went on to recommend that the

Council should aim to meet the need of half or 16 households identified as in need of affordable housing. As demonstrated by the affordable housing delivery set out in Figure 4.1, over the past 16 years no affordable homes have been completed.

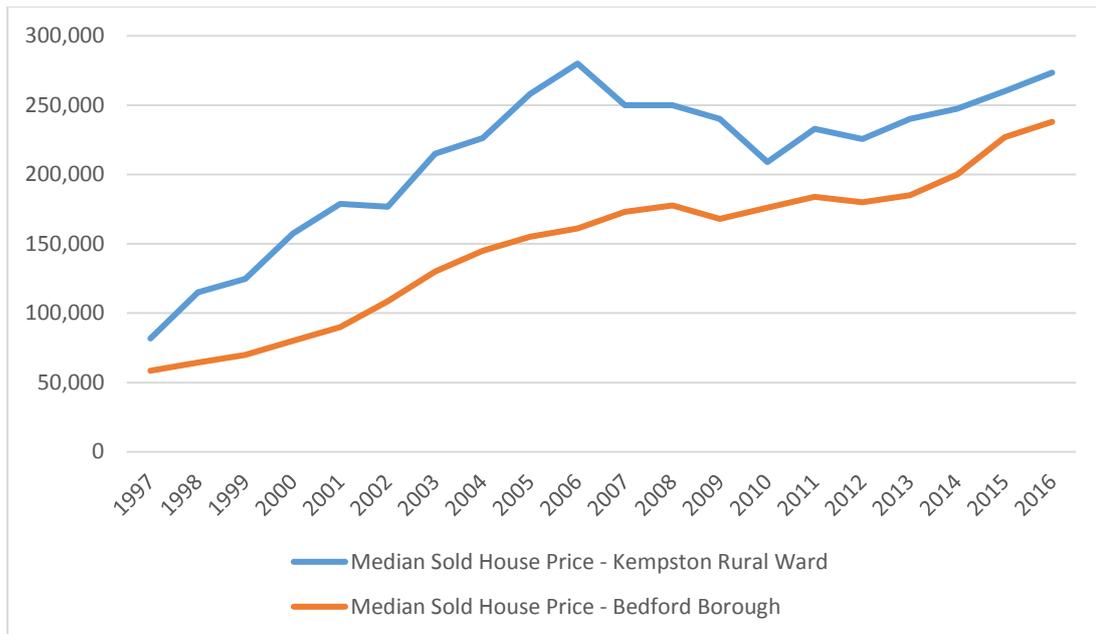
- 4.10 This lack of any delivery demonstrates the major challenge the Council face in meeting the need identified over the next 10 years, even at the unjustified lower need target of 16 affordable homes.
- 4.11 Policy 3S of the emerging Local Plan sets out that a target of between 25-50 homes will need to be identified for Turvey over the period to 2035, though states that these will be allocated in a Neighbourhood Plan rather than in the emerging Local Plan. It is of note that even if a site were to be allocated for 50 dwellings in Turvey, at a policy compliant affordable housing provision of 30%, it would only yield a potential 15 affordable dwellings across the Plan period to 2035. With this in mind, it further demonstrates the challenge that the Council faces in meeting the need for at least 32 affordable housing completions over the next 10 years identified in the 2017 Housing Needs Survey Report for Turvey. This is discussed further in Section 5.

### **Turvey Affordability Indicators**

#### Market Conditions in Turvey

- 4.12 The Office for National Statistics (ONS) provides data on median sales prices for both ward level and local authority level. As is demonstrated by Figure 4.2, the median sales price in the Kempston Rural ward where Turvey is located has been consistently and considerably higher than the median for the Bedford Borough. In 2016 the median sales price in the Kempston Rural ward was 14.9% higher than the median sales price for the Bedford Borough.

*Figure 4.2: Median Sold House Price*

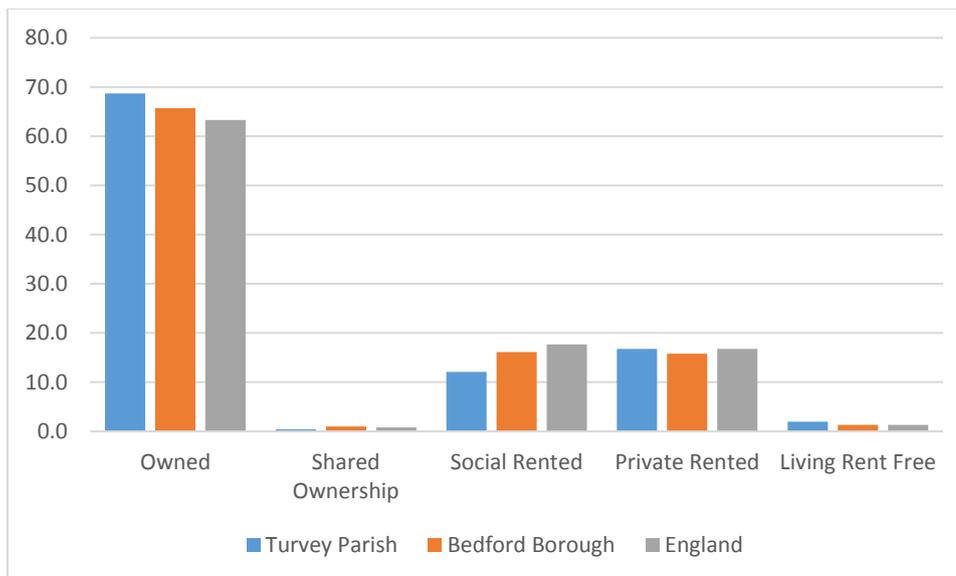


Source: ONS

### Tenure Profile

- 4.13 In the 2011 Census, the tenure profile of the Turvey Parish comprised predominantly of home ownership (68%) with a small proportion of private rented (16.8%) and an even smaller proportion of social/affordable rented (12.1%). Shared ownership tenure made up just 0.4% of the tenure in the Parish.
- 4.14 As demonstrated in Figure 4.1, home ownership levels in the Parish are considerably higher than the Bedford Borough and national average with the number of affordable tenures considerably lower than the Bedford Borough and national average. The Parish also has a higher average number of households living rent free; this would tie in with the 2017 Housing Needs Survey Report for Turvey’s findings that there were a number of those in need of affordable housing who were currently living with friends and family as they couldn’t afford to find accommodation on the open market within Turvey. The tenure mix of the Parish would suggest that there is a need for greater numbers of affordable tenures such as shared ownership and social/affordable rented.

*Figure 4.1: Housing Tenure in the Turvey Parish, Bedford Borough and Nationally*



Source: Census 2011

- 4.15 The emerging Local Plan seeks 30% affordable housing on sites with a target tenure mix for the affordable units of 78% rented and 22% intermediate. Based on this, the development of this site for 80 dwellings at a policy compliant 30% affordable housing could provide 24 affordable homes including 19 affordable rented dwellings and 5 shared ownership dwellings.
- 4.16 Based on these numbers, the level of shared ownership in the Parish would increase by 950%, making a marked contribution to the need identified for shared ownership, both in the Borough and in the Turvey Parish.
- 4.17 The importance of the analysis of such data was acknowledged in the Inspector’s report for the appeal decision relating to land adjacent to Cornerways, High Street, Twyning in Tewkesbury<sup>4</sup> where in considering affordable housing provision through the appeal scheme paragraph 65 stated that:

*“The significance of this scheme in meeting the needs of different groups in the Borough, as required by paragraph 50 of the Framework, is underlined by the stark figure that this scheme alone would result in a 100% increase in shared ownership properties in the Parish of Twyning, as well as a 27% increase in social rented properties. Those figures are a powerful illustration of the extent to which the proposed development would contribute to creating a more mixed and balanced community, which is a key Government objective.”*

<sup>4</sup> APP/G1630/W/14/3001706

4.18 The importance of creating mixed communities has also been discussed within the Inspector's report relating to the appeal allowed on Land to the south and west of Whitworth Way, Wilstead<sup>5</sup> which is also in the Bedford Borough.

4.19 Paragraphs 31 and 32 of the Inspector's report state:

*"..it is an objective of national policy that communities should be mixed and balanced. I heard that there is a demand for smaller properties for those downsizing within the village of Wilstead as well as young families. Affordable housing is a longstanding priority in Bedford Borough as expressed in successive development plans.*

*The appellant proposes 28 affordable homes, 10% more than the policy requirement. This is a significant benefit of the scheme."*

---

<sup>5</sup> APP/K0235/W/16/3147287

# Emerging Local Plan and Affordable Housing in Turvey

---

## Section 5

- 5.1 Affordable housing as a material consideration in the decision making process has been accepted and emphasised in a number of Secretary of State and Planning Inspector appeal decisions over the years and something which we have set out in detail in our affordable housing evidence supporting many planning appeals. Consideration of Affordable housing is also therefore a key component in the formulation of local planning policy.
- 5.2 The National Planning Policy Framework (NPPF) seeks to “boost significantly the supply of housing” and states that local planning authorities should “ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period” (Paragraph 47).

### **The Emerging Local Plan Strategy on Affordable Housing**

- 5.3 The emerging Local Plan itself, notes that the need for affordable housing is “*significant*” and for this reason it makes the provision of affordable housing a priority (paragraph 10.1). This priority is emphasised by the Draft Housing Strategy 2015-2020 which describes the affordable housing need as a “*particularly acute challenge*” (paragraph 2.3). With this in mind, as well as the affordable housing need (including the backlog) identified in this report, the Council should be looking to maximise affordable housing delivery over the Plan period through the allocation of sustainable sites which have the potential to make a marked contribution towards their affordable housing need. As demonstrated in this report, addressing the 392 shortfall against the identified need over the past 2 years, for the backlog to be addressed over the next 5 years there is a need for 503 affordable homes per annum until 2022 in order for the need to simply fall back to the 425 identified in the SHMA Update 2016.
- 5.4 Should the Council not meet this figure each year for the next 5 years, the backlog will of course increase and the annual requirement for proceeding years will also continue to increase. Considering that the Council have averaged 153 net affordable dwellings

per annum since 2001, it is evident that they face a major challenge in addressing their needs without a step change in their approach. Allocating a greater number of housing sites would therefore be considered to maximise their affordable housing potential over the Plan period.

5.5 In its current form, the emerging Local Plan is unsound as the evidence base it has developed its policies on is fundamentally flawed. As has been discussed earlier in this report the 2016 SHMA Update relies upon the Private Rented Sector (PRS), subsidised by Local Housing Allowance in calculating its affordable housing needs across the Plan period. Such reliance reduced the need from 425 affordable dwellings per annum to 266 affordable dwellings per annum.

5.6 As noted in Section 3, it is commonly accepted that the PRS subsidised by Local Housing Allowance should not be regarded as affordable housing and therefore should not be considered within calculations of affordable housing need. Indeed, the PRS is not within the definition of affordable housing set out within the NPPF.

5.7 This has been emphasised through such examples as the Eastleigh Local Plan examination in which the Inspector's report states at Paragraph 34:

*“There is no justification in the Framework or Guidance for reducing the identified need for affordable housing by the assumed continued role of the PRS with LHA. This category of housing does not come within the definition of affordable housing in the Framework. There is not the same security of tenure as with affordable housing and at the lower-prices end of the PRS the standard of accommodation may well be poor”.*

5.8 It goes on to say:

*“The availability of accommodation within the PRS where households are in receipt of the LHA is outside the control of the Council, being determined by the willingness of private landlords to let to tenants in receipt of the LHA. The operation of the LHA is determined by the government... Accordingly affordable housing needs in Eastleigh Borough are at least 509 dpa and would be higher is a more cautious approach were taken to the proportion of income which it is assumed is reasonable to spend on housing.”*

5.9 This is further emphasised by the disparity between Local Housing Allowance (LHA) available in the Bedford Borough and lower quartile rental prices with shortfalls ranging from £112.92 per calendar month for one bedroom properties to £261.72 per calendar month for 4+ bedroom properties.

- 5.10 The emerging Local Plan has therefore not been drafted taking account of the full objectively assessed affordable housing needs in the Borough across the Plan period. The Council should re-assess the overall housing numbers it is targeting across the Plan period with a view to increasing the target in order to maximise affordable housing delivery. In turn, through allocating a larger number of suitable and deliverable sites now, the Council will ensure it is able to give certainty to maximising its affordable housing delivery across the Plan period with a view to making a marked contribution towards its “*particularly acute*” affordable housing need.

### **The Emerging Local Plan and the Affordable Housing Need in Turvey**

- 5.11 As set out in Section 4 of this report, the 2017 Housing Needs Survey Report for Turvey identified that of the 33% response rate to the survey, 32 households were in need of affordable housing over the next 10 years. Seemingly without any justification the report went on to recommend that the Council should aim to meet the need of half or 16 households identified as in need of affordable housing over the next 10 years.
- 5.12 The Council should be aiming to meet the full needs of those 32 households, no justification is given as to why the report suggests the needs of half these households should be addressed over the next 10 years. Considering that the survey only received responses from 33% of those surveyed, it is reasonable to suggest that the 32 identified as being in affordable housing need is an absolute minimum.
- 5.13 As demonstrated by the affordable housing delivery set out in Section 4 of this report, over the past 16 years no affordable homes have been completed.
- 5.14 This lack of delivery demonstrates the major challenge the Council face in meeting the need identified over the next 10 years, even at the unjustified lower need target of 16 affordable homes.
- 5.15 Policy 3S of the emerging Local Plan sets out that a target of between 25-50 homes will need to be identified for Turvey over the period to 2035, though states that these will be allocated in a Neighbourhood Plan rather than in the emerging Local Plan. It is of note that even if a site were to be allocated for 50 dwellings in Turvey, at a policy compliant affordable housing provision of 30%, it would only yield a potential 15 affordable dwellings across the Plan period to 2035. With this in mind, it further demonstrates the challenge that the Council faces in meeting the need for at least 32 affordable housing completions over the next 10 years identified in the 2017 Housing Needs Survey Report for Turvey.

- 5.16 As such, in its current form the emerging Local Plan will not address the full objectively assessed affordable housing need identified in the Turvey Parish.
- 5.17 In order to ensure that the affordable housing need in Turvey is addressed across the Plan period the Council should considerably increase the number of dwellings it sets as a target for Turvey over the Plan period and should provide certainty now that this need will be addressed through allocating residential development within the Turvey Parish.
- 5.18 Turvey itself is a sustainable location which amongst other local services and facilities includes a number of shops, a butcher, a primary school and public houses. The A428 also runs through the settlement with regular bus services connecting it with the surrounding area and the further facilities and services offered in and around Bedford.
- 5.19 The lack of housing within Turvey increases the demand on the existing housing stock and this in turn results in higher house prices and the affordability issues which have been set out in this report. Allocating housing at Turvey to include affordable housing tenures will not only help to address the affordability issue here and the identified need of 32 households set out within this report, it will also ensure that people are forced to move away due to the high cost of accommodation and in turn this will help to support the vitality of the settlement.

# Recommendations

---

## Section 6

- 6.1 Britain is in the midst of a housing crisis and this has been more than a generation in the making. The National Housing Strategy sets out that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.
- 6.2 The Bedford Borough Core Strategy and Rural Issues Plan and emerging Local Plan describe the affordable housing need in the borough as being “*significant*” and sets out that addressing the affordable housing need is a priority. The Council’s housing strategy describes the affordable housing need as “*particularly acute*”.
- 6.3 A number of affordability indicators assessed in the report have demonstrated growing unaffordability in the Borough. The number of households being accepted as homeless and in priority need is rapidly increasing. In 2010/11 there were 107 households registered as homeless and in priority need within the Bedford Borough, just 6 years later in 2016/17 this figure had increased to 252 households; this represents a 136% increase across the period compared to an increase of 36% nationally.
- 6.4 Private sector rental costs are also increasing year on year above the national average with an increase of 38% in the Bedford Borough between 2011 and 2017 against an average increase of 11% nationally.
- 6.5 The Council has only achieved an average of 158 net affordable homes per annum since 2001. Since the 2016 SHMA Update was published demonstrating an annual need of 425 affordable homes per annum from 2015, the Council have only achieved 458 affordable completions in the 2 year period since. This has been a shortfall of 392 affordable homes across the period from 2015 – 2017.
- 6.6 The PPG advises that any shortfall in housing delivery should be addressed within the following five years. With this in mind, it is imperative that the 392 affordable homes shortfall since 2015 be addressed now and within the next 5 years. When the shortfall is factored into the 2016 SHMA Update’s identified need of 425 affordable homes per annum the need significantly increases to 503 per annum for the next 5 years; a total of 2,515 for the period. When you consider that the Council has not met this number in any year since 2001 (they have only reached half this figure in 2 of those years), it

is clear that this shortfall will continue to grow without a step change in the Council's approach to affordable housing.

- 6.7 The information presented demonstrates that there is a substantial need for affordable housing in the Borough. The Council should be looking to address this need appropriately through the emerging Local Plan, directing new housing to areas where the affordable housing need is greatest.
- 6.8 The emerging Local Plan has an affordable housing needs figure of 266 affordable homes per annum which relies on the private rented sector (PRS) subsidised by Local Housing Allowance (LHA) to address the needs of many. As discussed in this report it has been accepted by examining Inspectors that the reliance on the PRS to meet affordable housing needs is inappropriate. This is further demonstrated by the analysis in this report which illustrates the disparity between LHA and lower quartile rental prices with shortfalls ranging from £112.92 per calendar month for one bedroom properties to £261.72 per calendar month for 4+ bedroom properties.
- 6.9 The emerging Local Plan has therefore not been drafted taking account of the full objectively assessed affordable housing needs in the Borough across the Plan period. The Council should re-assess the overall housing numbers it is targeting across the Plan period with a view to increasing the target in order to maximise affordable housing delivery. In turn, through allocating a larger number of suitable and deliverable sites now, the Council will ensure it is able to give certainty to maximising its affordable housing delivery across the Plan period with a view to making a marked contribution towards its "*particularly acute*" affordable housing need.
- 6.10 The Housing Needs Report for Turvey notes that "*the 'affordability ratio' (median house prices as a ratio of median household earnings) for Turvey in 2008/09 (latest data available) was 12.1. In other words, houses on the market cost on average 12.1 times annual incomes*"; this is considerably higher than the figure of 9.1 for the Bedford Borough which was identified in the Home Truths Report 2016/17 for the East of England. House prices in Turvey have been consistently and considerably higher than the average for the Bedford Borough every year since 1997.
- 6.11 As set out in Section 4 of this report, the 2017 Housing Needs Survey Report for Turvey identified that of the 33% response rate to the survey, 32 households were in need of affordable housing over the next 10 years. Seemingly without any justification the report went on to recommend that the Council should aim to meet the need of half or 16 households identified as in need of affordable housing over the next 10 years.

- 6.12 As demonstrated by the affordable housing delivery set out in Section 4 of this report, over the past 16 years no affordable homes have been completed.
- 6.13 Policy 3S of the emerging Local Plan sets out that a target of between 25-50 homes will need to be identified for Turvey over the period to 2035, though states that these will be allocated in a Neighbourhood Plan rather than in the emerging Local Plan. It is of note that even if a site were to be allocated for 50 dwellings in Turvey, at a policy compliant affordable housing provision of 30%, it would only yield a potential 15 affordable dwellings across the Plan period to 2035. With this in mind, it further demonstrates the challenge that the Council faces in meeting the need for at least 32 affordable housing completions over the next 10 years identified in the 2017 Housing Needs Survey Report for Turvey.

### **Recommendation**

- 6.14 In order to ensure that the affordable housing need in Turvey is addressed across the Plan period it is recommended that the Council should considerably increase the number of dwellings it sets as a target for Turvey over the Plan period under emerging Policy 3S and should provide certainty now that this need will be addressed through allocating residential development within the Turvey Parish.
- 6.15 Policy 3S of the emerging Local Plan seeks to allocate 25-50 houses to Turvey across the Plan period. At policy compliant levels of affordable housing this will only achieve between 8 and 15 affordable homes across the period to 2035, this will fall drastically short of the identified need of 32 households identified as being in need of affordable housing in Turvey over the period to 2027, let alone to 2035. It is also of note that the 32 households identified as being in need of affordable housing came from a survey which had a response rate of 33%, it is assumed therefore that 32 is the minimum need figure.
- 6.16 The Council need to allocate in excess of 100 dwellings at Turvey just to meet the minimum need identified to 2027. A failure to do so lacks social progress and puts these households, which have been identified as being in affordable housing need, in greater danger as well as facing uncertain futures.