

# **AFFORDABLE HOUSING STATEMENT**

Real People in Real Need

LAND OFF SWANSTREE AVENUE,  
**SITTINGBOURNE**



**OCTOBER 2021**

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## 1 INTRODUCTION

### 1.1 The Scope of the Report

1.1.1 The aim of this report is to demonstrate the ongoing affordable housing crisis this country is currently facing, and the socioeconomic impacts of this, thus validating the reasoning as to why provision of affordable homes should be given very significant weight in the determination of any planning application.

### 1.2 Land at Swanstree Avenue, Sittingbourne

1.2.1 This Affordable Housing Statement has been prepared in support of an outline planning application for the development of up to 135 dwellings at Swanstree Avenue, Sittingbourne. In accordance with the emerging evidence, the proposals will provide 30% affordable homes significantly greater than the 10% requirement of current adopted Local Plan Policy DM8.

1.2.2 Delivery of 30% affordable homes, would provide people who are unable to afford to buy or rent a home on the open market, or whose current housing does not meet their needs with a place to live. This scheme provides an opportunity to address the scarcity of affordable homes which are struggling to be met through brownfield sites, Sustainable Urban Extensions, or smaller residential applications. The primary mechanism of delivery for *every* type of affordable housing has been through Section 106 agreements (attached to market housing led developments) for the year 2019-20, up from 49% in the year previous<sup>1</sup>. The role of developers in providing affordable housing cannot be understated.

1.2.3 It is often overlooked that the development of sustainable greenfield schemes often provides the greatest opportunity for the delivery of affordable homes, as a result of the comparatively stronger viability. The current proposal

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<sup>1</sup> MHCLG, Affordable Housing Supply Statistical Release, December 2020

emphasises this point, as the development package can deliver 30% affordable housing, which significantly exceeds the current development plan policy requirement.

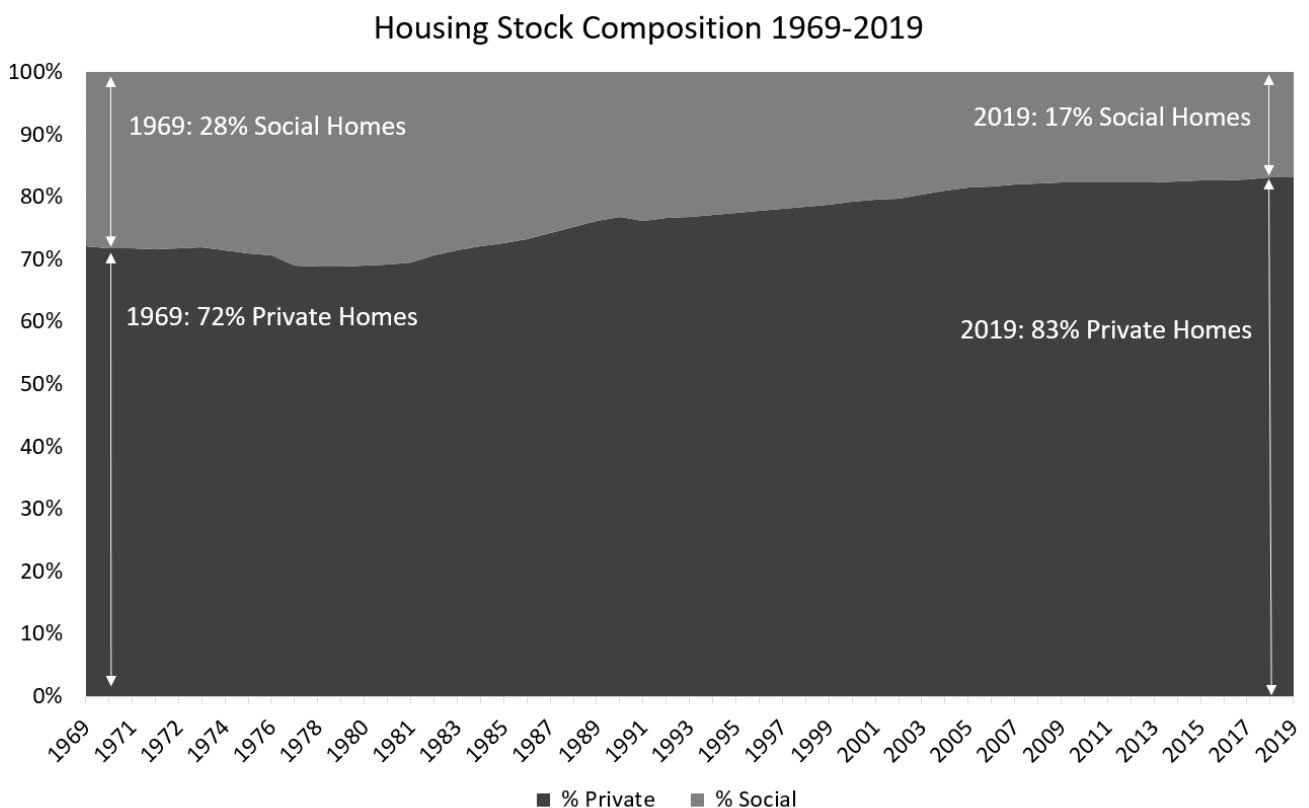
## 2 NATIONAL PICTURE

### 2.1 How did we get here?

2.1.1 Data from the Ministry of Housing Communities and Local Government (MHCLG) shows that 50 years ago 28% of homes across Great Britain were social housing.

2.1.2 The legacy of the 1980 Housing Act introduced under Margaret Thatcher gave citizens the '*Right to Buy*' council housing, has been the obliteration of social housing market stock in England. In conjunction with the former, a reduction in funding for replacement properties, in addition to the expansion of the rental market, has culminated in a national housing stock where social housing only accounts for 17% of total stock<sup>2</sup>.

Figure 1. Graph of Historic Housing Composition . Source: MHCLG



<sup>2</sup> MHCLG, Live Table 104, 2021

## 2.2 What is the current situation?

### **Need**

- 2.2.1 Provision of affordable housing is a theme which permeates through both the Planning Policy Guidance, and the National Planning Policy Framework. The Government's commitment to supplying 300,000 homes per year is predicated on the need to directly reduce affordability pressures in the long-term, but research also recognises the necessity for increased supply of affordable housing to meet demands.
- 2.2.2 Research commissioned by the National Housing Federation and Crisis from Professor Glen Bramley at Heriot-Watt University identified a need for 340,000 homes each year in England to 2031, including a need for 145,000 affordable homes – comprising 90,000 homes for social rent, 30,000 for intermediate rent, and 25,000 for shared ownership.
- 2.2.3 The English Housing Survey states that 64% of households owned their own homes in 2018/19, down from 68% ten years ago. During this decline, the average cost of a home in England has increased to eight times the annual salary, and the average spent on housing has tripled over the past 50 years<sup>3</sup>. Research by Shelter has revealed that 63% of private renters have no savings, and with an average of 40% of household income spent by private renters going towards rent, which makes saving for a deposit almost impossible.
- 2.2.4 According to the most recent MHCLG statistics, there are 1.14 million households on local authority social housing waiting lists across the country, which roughly equates to 2.7 million people in need of an affordable home (March 2021)<sup>4</sup>.

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<sup>3</sup> Shelter, Briefing: Social Housing & Britain's Housebuilding Recovery, June 2020

<sup>4</sup> MHCLG, Housing Statistical Release, March 2021

2.2.5 However, the National Housing Federation's 2020 annual report 'People in Housing Need' states that the 1.14 million figure does not give the full picture, and that roughly 8 million people in England are in some form of housing need, which the NHF defines through the following criteria<sup>5</sup>:

- *Overcrowded: Where there is not enough living space for the number of residents of a property*
- *Concealed households: Where individuals are living within another household, including adult children who wish to move out.*
- *Affordability: A home is too expensive*
- *Suitability: The property may be unsuitable due to lack of outdoor space, or specialised adaptations for the elderly or disabled*
- *External Condition: where a home appears to be in poor condition.*

2.2.6 For these 8 million people, the construction of new affordable housing is critical.

### **Supply**

2.2.7 Data published by MHCLG in December 2020 shows that during 2019-2020 only 57,644 gross affordable homes were built<sup>6</sup>. At this level of delivery, it will take roughly 20 years to address the current waiting list. This is before factoring in future housing need, or loss of affordable homes through demolition, or the Right to Buy program.

2.2.8 The following graph shows historic supply of affordable homes in England, and as specified in paragraph 2.2.2 on need, we are nowhere near the 145,000 annual target as established by the NHF and Professor Glen Bramley at Heriot-Watt University.

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<sup>5</sup> National Housing Federation, People in Housing Need Report, September 2020

<sup>6</sup> MHCLG, Affordable Housing Supply, December 2020

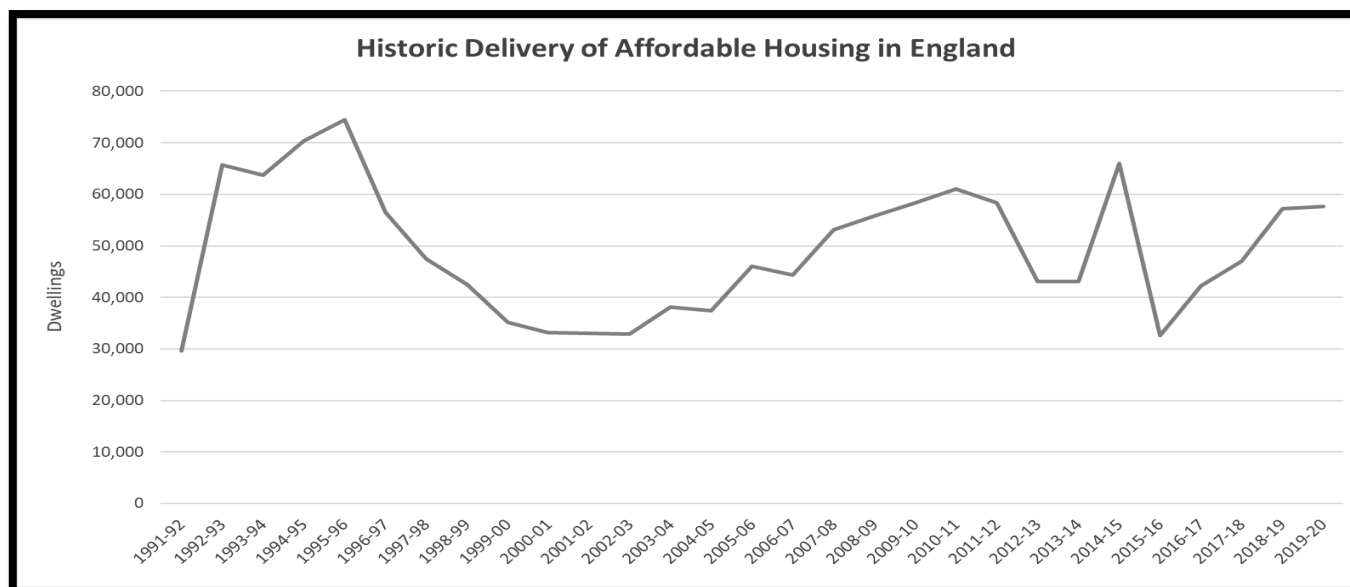


Figure 2. Historic Dwelling Delivery Source: MHCLG 2021

## Substandard Stock

2.2.9 The issue of inferior affordable housing delivery is further compounded by the occurrence of unsuitable stock.

2.2.10 The 2019-2020 English Housing Survey uses the bedroom standard to estimate levels of overcrowded housing stock. The overall rate of overcrowding in England in 2019-20 was 4%, with approximately 829,000 households living in overcrowded conditions. Overcrowding remains at the highest rate seen in the social rented sector and has reached its highest level in the private rented sector<sup>7</sup>. The South-east experiences the highest levels outside of overcrowding outside London<sup>8</sup>.

2.2.11 The creation of new affordable homes will provide an opportunity for families, or those in shared accommodation to have accommodation with the appropriate space.

<sup>7</sup> MHCLG, English Housing Survey 2019-2020, December 2020

<sup>8</sup> House of Commons Library, Overcrowded Housing, March 2020



### **Impact of COVID**

2.2.12 In Shelter's Social Housing & Britain's Housebuilding Recovery report they refer to research by Savills on the potential impacts of Coronavirus to the housing crisis, which are as follows:

- As many as 300,000 homes that would have been built over the course of this period will not materialise, in the face of uncertainty.
- £29.6 billion could be lost from the UK economy.
- As many as 244,000 jobs could be lost in the construction sector and the extended supply chain.
- As few as 3,500 social rented homes to be built this year – the lowest number since the tenure's creation - at a time when at least 90,000 a year are needed<sup>9</sup>.

2.2.13 These statistics show how imperative it is to encourage the creation of new homes, to ensure that the economy, housebuilding, and society does not regress.

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<sup>9</sup> Shelter, Social Housing & Britain's Housebuilding Recovery, June 2020

### 3 ECONOMIC IMPACT

- 3.1.1 The availability of affordable housing is inextricably linked to the ability of an economy to thrive; not only does it create foundations for communities to flourish, Lichfields' estimate the value of affordable home sales to £4.2 billion per year across the UK<sup>10</sup>.
- 3.1.2 A report by the Affordable Housing Commission (AHC) highlights affordable housing's economic importance, as it underpins issues such as poverty, homelessness, and debt.
- 3.1.3 AHC note that 'Housing Benefit costs have risen by 40% since 2001 – because rents and Housing Benefit costs per claim are higher. Over half of benefit claimants renting privately are in poverty – because the risk of poverty after housing costs increases substantially for those in the PRS compared with those in social housing. Rent arrears, debt and financial exclusion are major issues for many – because struggling renters are trying unsuccessfully to pay their rents'.
- 3.1.4 Statistics from the Department for Work and Pensions shows 2,966,172 households received housing benefit as November 2020 in the UK<sup>11</sup>. In their recent report on what they have termed the 'housing emergency' Shelter recognise housing benefit as an instrument to 'take the strain' of unaffordable rents but they state restrictions mean it's insufficient<sup>12</sup>.
- 3.1.5 In December 2015 the Government published a number of briefing papers on "Understanding the Cost of Poor Housing to Health".<sup>13</sup> BRE (Building Research

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<sup>10</sup> Lichfields, The Economic Footprint of Housebuilding in England and Wales, July 2018

<sup>11</sup> Stat-Xplore, <https://stat-xplore.dwp.gov.uk/webapi/jsf/tableView/tableView.xhtml#> (Last Accessed 29<sup>th</sup> June 2021)

<sup>12</sup> Shelter, Denied the Right to a Safe Home, May 2021

<sup>13</sup> Building Research Establishment, Housing & Health Briefing Papers, December 2015

Establishment). The report states that unsuitable housing costs wider society £18.6bn per year.

- 3.1.6 The economic implications of unsuitable housing are evident. Every new affordable home built will help reduce the significant sums above, and positively contribute to the economy.

## 4 HOW DOES THIS IMPACT OUR HEALTH?

### Physical Impacts

- 4.1.1 The Association of Directors of Public Health (ADPH) is the representative body for Directors of Public Health (DsPH) and advise on national public health policies.
- 4.1.2 ADPH produced a Policy Position Paper on Housing and Health in November 2019 predicated on a series of research papers. It concluded that housing is a key social determinant of health across the life course and housing affordability has worsened in all local authority districts in the last two decades. The following statements were made:
- i. Unsafe housing is associated with increased falls and estimates suggest that **10% of excess winter deaths** are due to fuel poverty, with **21.5% of excess winter deaths** attributable to the coldest 25% of homes.<sup>14</sup>
  - ii. Fuel poverty can lead to cold, damp homes, which may lead to poor health outcomes and **increased morbidity and mortality including cardiovascular disease, respiratory diseases and mental health problems.**<sup>15</sup>
  - iii. Poor housing can result in up to **25% higher risk of serious ill-health or disability** during childhood and early adulthood, increased risk of **meningitis, asthma, slow growth, mental health problems, lower educational attainment** and greater likelihood of unemployment and poverty.<sup>16</sup>

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<sup>14</sup> Association of Directors of Public Health, Housing and Health, P.1 November 2019

<sup>15</sup> Association of Directors of Public Health, Housing and Health, P.4 November 2019

<sup>16</sup> Association of Directors of Public Health, Housing and Health, P.1 November 2019

iv. Between 1st January and 31st March 2018 local authorities accepted **13,320 households as being statutorily homeless**, and the total number of households in temporary accommodation on 31st March 2017 was 80,720, up five percent on a year earlier. **The average age of death of a single homeless person is 30 years lower** than the general population.

4.1.3 The Paper also addresses the impacts of overcrowding. Overcrowding is defined as where two or more people aged 10 or above and of opposite sexes, not living together as husband and wife, must sleep in the same room. Living in overcrowded accommodation can lead to a host of **negative health impacts in children such as respiratory conditions, tuberculosis, viral or bacterial infections, and slow growth**. There is also evidence of an association between overcrowding and **poor psychological health in children**.<sup>17</sup>

### **Mental Health**

4.1.4 In their Housing Emergency report Shelter found that Children who moved once in the past year were almost 50% more likely to have lower wellbeing than those who hadn't<sup>18</sup>.

4.1.5 The Children's Society report on housing insecurity has attributed severe housing instability to affecting cognitive skills, academic achievement, social competence and behaviour<sup>19</sup>.

4.1.6 A recent YouGov survey completed in 2020 found that 31% of adults in Britain – 15.9m people – have had mental or physical health problems because of the

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<sup>17</sup> Association of Directors of Public Health, Housing and Health, P.4 November 2019

<sup>18</sup> Children's Society, 'The Good Childhood Report', 2012

<sup>19</sup> The Children's Society, 'Moving, Always Moving: The normalisation of housing insecurity among children in low income households in England, October 2020

condition of, or lack of space in, their home during lockdown<sup>20</sup>. Furthermore you are more likely to contract Coronavirus if you reside in an overcrowded dwelling<sup>21</sup>.

4.1.7 The Government published Guidance on “Improving Health through the Home” and stated that:<sup>22</sup>

**“The right home environment is essential to health and wellbeing, throughout life. It is a wider determinant of health... The right home environment protects and improves health and wellbeing and prevents physical and mental ill health.”**

4.1.8 It is clear that the Government considers that housing and mental health is directly linked. The Guidance stated that the right home and environment enables people to:

- i. manage their own health and care needs, including long term conditions.
- ii. live independently, safely and well in their own home for as long as they choose.
- iii. complete treatment and recover from substance misuse, tuberculosis or other ill-health.
- iv. move on successfully from homelessness or other traumatic life event.
- v. access and sustain education, training and employment
- vi. participate and contribute to society.

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<sup>20</sup> National Housing Federation, Poor housing causing health problems for nearly a third of brits during lockdown, July 2020

<sup>21</sup> The Health Foundation, ‘Better housing is crucial for our health and the COVID-19 recovery’, December 2020

<sup>22</sup> Public Health England, Improving health through the home, August 2017

4.1.9 The points raised above are all essential for a decent standard of living.

## 5 THE SITUATION IN SWALE

### 5.1 SUMMARY

5.1.1 This section explores the indicators of affordability within the borough and also more specifically in relation to Sittingbourne.

#### **Swale Housing Market Assessment & Adopted Local Plan**

5.1.2 Strategic Housing Market Assessment (SHMA) for Swale Borough Council was published in June 2020. It provided the following conclusions:

- i. In 2020 **2,149 households** were identified as being overcrowded<sup>23</sup>.
- ii. There are currently **204 households** on Swale's Housing Register.<sup>24</sup>
- iii. A total of **3,178 current households** who lack their own housing or live in unsuitable housing in Swale<sup>25</sup>
- iv. Since the beginning of the plan period in 2014, 588 affordable houses have been built, averaging at 98 per year. The 2015 SHMA which informed the Adopted Plan stated a need for 190 affordable homes per annum; **a target which has yet to be met.** <sup>26</sup>.
- v. The June 2020 HMA which will inform the Local Plan Review sets the Affordable Housing Need at a markedly higher 287 dwellings per annum, reflecting the persistent under delivery in recent years.

5.1.3 The following table shows the number of affordable housing completions in the borough since the beginning of the Local Plan, there is a clear deficit<sup>27</sup>:

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<sup>23</sup> Swale Borough Council Housing Market Assessment – June 2020 p108

<sup>24</sup> Swale Borough Council Housing Market Assessment – June 2020 p108

<sup>25</sup> Swale Borough Council Housing Market Assessment – June 2020 p108

<sup>26</sup> Adopted Local Plan 2014-2031 p37, 4.2.7

<sup>27</sup> MHCLG, Live Tables 1006C, 1006aC, 1007C and 1008C



<b>Year</b>	<b>Target</b>	<b>Completions</b>	<b>Deficit</b>
<b>2014/15</b>	190	184	6
<b>2015/16</b>	190	36	154
<b>2016/17</b>	190	132	58
<b>2017/18</b>	190	70	120
<b>2018/19</b>	190	70	120
<b>2019/20</b>	190	96	94
<b>Total</b>	1,140	588	<b>582</b>

### **House Prices and Wages**

5.1.4 CACI Paycheck estimates that the mean gross annual household income in Swale is £42,382, which is 6.3% below the equivalent for the County<sup>28</sup>. In 2020 the ratio of median house price to median gross annual (where available) workplace-based earnings was 9.32 for Swale. Meaning full-time employees could typically expect to spend around 9.32 times their workplace-based annual earnings on purchasing a home, compared with 7.83 average across England; a marker of an affordable market is a ratio of 3.5<sup>29</sup>. The average house price in Sittingbourne over the last 5 years has been £296,687<sup>30</sup> which is circa £10,000 higher than the average in Swale as a whole<sup>31</sup>. In order to afford the average home in Sittingbourne with a mortgage of 3.5 x salary, the salary required would equate to over £84,000 per annum, with a 15% deposit of £44,500.

<sup>28</sup> <https://services.swale.gov.uk/assets/Planning%20Policy%202019/Housing%20Market%20Assessment%20for%20Swale.pdf>

<sup>29</sup> [ONS](#) House price to workplace-based earnings ratio data

<sup>30</sup> [https://www.zoopla.co.uk/house-prices/browse/rainham/rainham/?q=rainham&search\\_source=house-prices](https://www.zoopla.co.uk/house-prices/browse/rainham/rainham/?q=rainham&search_source=house-prices)

<sup>31</sup> [https://www.kent.gov.uk/\\_data/assets/pdf\\_file/0004/28354/house-price-annual-bulletin.pdf](https://www.kent.gov.uk/_data/assets/pdf_file/0004/28354/house-price-annual-bulletin.pdf)

## 6 CONCLUSIONS

### 6.1 Real Families in Real Need.

6.1.1 It is clear that there is a real and pressing need for affordable housing in the Borough. In the recent Wises Lane appeal decision (17/505711/HYBRID)<sup>32</sup> the provision of affordable housing was considered a substantial benefit as outlined below.

*5.96 The LP makes clear that there is a "...considerable unmet need for affordable housing..." (CD C2 paragraph 7.3.3). The appeal scheme proposes 81, an increase of 25 units over the 56 expected by Policy MU 3. The lpa acknowledged<sup>22</sup> that the scheme complies with Policy DM8(5)(c) on AH. Moreover, the lpa accepts that the AH offered by this scheme is the maximum provision of AH which the scheme can viably deliver (CD B1 paragraph 8.48).*

*5.97 In Sittingbourne, where 10% AH is sought, it would take a scheme of 250 units to provide the 25 extra units of AH that this development provides (CD C2 Policy DM8(1)). The value of achieving so much more AH on this site is heightened by the fact that almost 30% of new homes are allocated in Sheppey, where there is no expectation of any AH. Thus, the scheme makes a significant contribution to meeting what is a considerable unmet need in a Borough where, in several areas, it seeks no AH at all. The lpa accepted that AH provided by the development would amount to a substantial benefit.*

6.1.2 In providing comment on this application Strategic Housing and Health Manager stated, 'I can confirm that there is a requirement for all types of affordable housing in the Sittingbourne area'.<sup>33</sup>

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/982509/combined\\_DL\\_IR\\_R\\_to\\_C\\_Wises\\_Lane\\_Sittingbourne.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/982509/combined_DL_IR_R_to_C_Wises_Lane_Sittingbourne.pdf)

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[https://pa.midkent.gov.uk/online-applications/files/42153813BEF8FE97F6F741DC706AD377/pdf/17\\_505711\\_HYBRID-SBC\\_Housing-4430002.pdf](https://pa.midkent.gov.uk/online-applications/files/42153813BEF8FE97F6F741DC706AD377/pdf/17_505711_HYBRID-SBC_Housing-4430002.pdf)

6.1.3 It is clear there is a clear and pressing need for all types of affordable housing to help address the persistent shortfalls in delivery. Delivery of 30% affordable homes, providing homes for people who are unable to afford to buy or rent a home on the open market, or whose current housing does not meet their needs with a place to live should be given no less than very significant weight in the planning balance.