

East Herts District Plan Examination

Matter 2 – Development Strategy: Housing

Issue 4

What influence should the calculation of the affordable housing requirement in the Strategic Housing Market Assessment (SHMA – see update) have on the OAN?

1. The requirement for affordable housing, and types of affordable housing, and other housing needs should ideally be expressed more clearly in the OAN, and should influence the way in which the development plan policies work. There should be greater thought about patterns of demand and less of an emphasis on repeating, for example, existing tenures and splits of affordable housing.
2. It is important that the form of affordable and market housing delivery be taken into account when considering whether the SHMA affordable housing findings should impact on the OAN that is used to inform the Local Plan. For example:
 - The SHMA Affordable Housing Update acknowledges (para 4.9) that affordable need would be greater were it not for the presence of the private rented sector. However, the previous SHMA noted concerns as to the quality and suitability of private rented accommodation, with high overcrowding rates and the highest levels of disrepair of all tenures. A number of households are therefore in unsuitable accommodation (typically “buy to let” owned by small scale investors). It is therefore important that a proportion of purpose built, professionally managed private rented accommodation is delivered within the overall market housing. If this is not the case, OAN would need to increase as a result of increased affordable housing need.
 - The SHMA consciously disregards households who are not claiming housing benefit (and therefore covering their own housing costs) but are unable to afford to buy a home or, in many cases rent one of suitable quality. Many of these households would be eligible for intermediate housing and, in order that they are provided with secure housing which is affordable, a range of intermediate rent and sale homes are required.
 - The SHMA acknowledges that the number of older people choosing to live in institutional accommodation in the future may be overstated as lifestyle changes and government policy encourage more independent / home based living. If this is the case the overall number of homes and in particular the number designed for older persons will be understated.
3. The above indicates that delivering a wide range of types and tenures of home will assist in meeting changing needs and ensuring that more households are likely to access suitable accommodation within the new supply. The Gilston Area proposes a range of homes for sale, purpose-built private rent, intermediate sale & rent, affordable rent and specialist older persons & care facilities. Broadly, 50% of homes are for traditional market sale, 30% for a range of intermediate and affordable rent tenures and the remaining 20% for specialist older persons housing, market rent and self & custom build. This approach should be supported if the new supply is to have maximum benefit.