

Proof of Evidence

**DEVELOPMENT OF 270 NEW HOMES
ON LAND AT HENTHORNE ROAD
CLITHEROE**

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Level Ltd

On Behalf of

Gladman Developments



1.0 Introduction and Credentials

- 1.1 Levvel is a specialist consultancy focussing exclusively on the delivery of new affordable housing and has been asked to provide evidence relating to a Section 78 appeal by Gladman Developments relating to a proposed development of 270 new homes at Henthorne Road, Clitheroe.
- 1.2 I am George Venning, I hold the position of Principal Consultant at Levvel Ltd, where I have been employed since 2004. Prior to that, I have held posts in the development departments of two major RSLs – Drum Housing, in Hampshire and New Islington and Hackney Housing Association in London. I hold the degree of Master of Arts in Architecture from the University of Cambridge
- 1.3 I have provided advice on affordable housing to a large number of housebuilders, on schemes which range in size from developments of only 5 units to the very largest strategic sites with overall capacities in excess of 6,000 new homes plus associated infrastructure. I have also been retained by several local authorities to develop the viability element of their evidence base in respect of affordable housing policy. I have appeared as an expert witness in a number of inquiries in both England and Scotland.

2.0 Executive Summary

- 2.1 There is a considerable unmet requirement for affordable housing in Ribble Valley. The Council has agreed that the provision of 81 new affordable homes (30% of the total) on my client's proposed scheme will make a significant and useful contribution towards addressing that need and that the scheme is, in this sense acceptable.
- 2.2 In my evidence, I shall argue that the Council's expressed view – that the package of affordable offered at Henthorn Road is acceptable – underplays the importance of the affordable homes and that, in fact, these homes represent a considerable benefit - one which a decreasing proportion of residential developments are likely to be able to offer in the near to middle term.
- 2.3 I shall show that:
- a. The Council's policy position is not well established –the duly adopted affordable housing policy set out only the intention to negotiate the inclusion of affordable housing on suitable sites. For the specifics of this policy, Council has relied instead, first upon a "Memorandum of Understanding" and, latterly, upon a document entitled "Addressing Housing Need in Ribble Valley". Neither document was subjected to the formal scrutiny of the EIP process and the Government has



recently made it explicit that documents which do not have the status of duly adopted policy may not be used to increase the financial burdens upon development.

- b. Nor are the Council's documents deficient only in formal terms – neither is founded upon a robust and credible evidence base. Even though it has identified evidence of need, Ribble Valley Council cannot be said to have compiled a proper evidence base because it has not made an assessment of the economics of provision in its area. Any such policy therefore fails to meet the requirements of PPS3.
- c. Under the conditions of the housing moratorium, where RSLs were able to develop direct, this weakness in policy was concealed but, in the current difficult conditions, it is likely to be tested.
- d. Even such evidence as does exist, is strongly suggestive that the Council has long been planning to underprovide housing relative to the rate of household formation. Even following a substantial the level of population increase predicted for the area by CLG, the net requirement for housing is likely to be at least 100 units per annum higher than the RSS target.
- e. This under provision of new stock is the more serious because of the great shortage of affordable housing among the extant stock. Ribble Valley Homes, the largest registered provider in the borough with as much as two thirds of the stock, claims to have made only 104 new lettings between April 2010 and March 2011 - of which only 40 were for general needs.
- f. The slow turnover means that households will need to be experiencing an especially acute level of need in order to have any chance of an allocation. New affordable homes are vital to increase the number of short term vacancies as well as boosting the overall stock.
- g. In recent years, affordable completions have made up a high proportion of total completions – however, this is a high proportion of a very low overall output. And even this has relied on quite substantial quantities of grant which will not be available in future. The average grant allocation over the last two years was equivalent to nearly 60% of the base construction cost of a typical home - with this gone, it is likely that the Council will find it harder in future to deliver a high proportion of affordable housing.
- h. Despite the higher rents associated with the new Affordable Rent tenure, the revenues arising from affordable housing do not cover the cost of provision and new affordable housing will continue to require subsidy. In view of the radical curtailment of the National Affordable Housing Programme first announced in the Comprehensive Spending Review, Registered Providers will have far fewer financial resources with which to lead on the development of new affordable housing. The



consequence is that delivery is likely to become still more dependent on planning obligations as a source of new supply – making it all the more important to maintain a five year land supply

- i Of the developments that do come forward, recent residential permissions do not support the view that all residential developments will be able to support the Council's ambition that 30% of all major residential development should consist of affordable housing. Although the presence of Kickstart Funding has confused the picture, in recent years, it is clear that many schemes have not provided anything like the full percentage of affordable housing sought by the Council. In this context, such sites as are able to do so should be considered to be providing a very substantial benefit.



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3.0 Policy

National

PPS3

- 3 1 The Government's view of the role of the planning system in delivering affordable housing is set out in Planning Policy Statement 3 Paragraph 9 of that document describes the Government's Strategic Housing policy Objective as follows:
- 3 2 "The Government's key housing policy goal is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. To achieve this, the Government is seeking:
- To achieve a wide choice of high quality homes, both affordable and market housing, to address the requirements of the community.
 - To widen opportunities for home ownership and ensure high quality housing for those who cannot afford market housing, in particular those who are vulnerable or in need.
 - To improve affordability across the housing market, including by increasing the supply of housing.
 - To create sustainable, inclusive, mixed communities in all areas, both urban and rural."
- 3 3 It is therefore clear that the delivery of both market and affordable housing are considered to be vital in meeting the housing needs of a locality. It is also clear that the government considers that the delivery of additional affordable housing is not the only means of improving affordability across the market.
- 3 4 In respect of affordable housing delivered by means of planning obligations, Para 29 states that Local Planning Authorities should "Set an overall (ie plan-wide) target for the amount of affordable housing to be provided. The target should reflect the new definition of affordable housing in this PPS. It should also reflect an assessment of the likely economic viability of land for housing within the area, taking account of risks to delivery and drawing on informed assessments of the likely levels of finance available for affordable housing, including public subsidy and the level of developer contribution that can reasonably be secured."



Draft National Planning Policy Framework

- 3 5 The Government has recently published proposals which will substantially reform the planning system in the shape of the National Planning Policy Framework. Steve Quartermain has made it clear that the NPPF, and the Ministerial Statement from Greg Clark which foreshadowed it, should be considered to be a material consideration with immediate effect
- 3 6 The principle innovation of the National Planning Policy Framework is the presumption in favour of Sustainable Development and the provision of a definition of that concept. Para 10 of the Draft makes it clear that Sustainable Development has three roles: economic, social and environmental.
- 3 7 It is the second of these roles which principally concerns us here. In planning for people, we are told that the planning system should support "strong vibrant and healthy communities, by providing an increased supply of housing to meet the needs of present and future generations."
- 3 8 Increasing the supply of housing is therefore a central function of the planning system. This might seem obvious but it is important to note that, even during the major housing boom which ended in 2007, the national rate of housing completions never exceeded the rate of household formation. Since the housing stock was not characterised by an excess of supply at the beginning of that boom, we must conclude that the planning system has, in recent years, failed to deliver this vital function
- 3 9 The determination to address this failing is made explicit in paragraph 107 of the framework "The Government's key housing objective is to increase significantly the delivery of new homes. Everyone should have the opportunity to live in high quality, well designed homes in a community where they want to live."
- 3 10 Finally, the glossary to the Framework revises the definition of affordable housing to incorporate the new Affordable Rent product as follows:
- 3 11 "Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable)."

Regional Policy - the North West Plan

- 3 12 The North West Plan, although slated for abolition, following the passage of the Localism act, recognises the urgent need for affordable housing in the region and encourages local planning authorities to adopt policies seeking an element of



affordable housing among new development, however, it does not set an indicative target as, for example, the South East Plan and London Plans did. Instead, it:

3 13 "Affordable Housing Plans and strategies should set out requirements for affordable housing, and the location, size and types of development to which these requirements apply. Evidence, including from Strategic Housing Market Assessments, should be used to support the setting of quotas and thresholds for affordable housing provision along with an indication of the type, size and tenure of affordable housing required."

3 14 The policy situation in Ribble Valley does not comply with this requirement.

Local Policy

The District Wide Local Plan

3 15 The statutorily adopted local Plan for Ribble Valley remains the saved policies of the District Wide Local Plan – originally adopted in 1998 these policies pre-date the publication of Circular 6/1998, PPG3 and Circular 05/2005 and PPS3 which successively established the thrust of the Government's present position in respect of delivering affordable housing by means of planning obligations.

3 16 Nonetheless, the saved policies to include H19, which commits the Council to "negotiating for the inclusion of a proportion of affordable housing in all new planning consents, including the renewal of lapsed consents, for suitable sites." The percentage of affordable housing is not specified in this policy and, at the time of its adoption, the preconditions to the adoption of such a policy were less stringent.

3 17 In 1997, it would have been necessary only that the Council should demonstrate that it needed additional affordable homes – as it had done with the publication of the 1995 Housing Needs Survey – rather than the more stringent requirements, introduced in PPS12, that such policies should be demonstrably consistent with the economic viability of residential development in the District.

3 18 Although this policy establishes the Council's ability to seek affordable housing, it is insufficiently specific to provide a useful guide to the amount of need in the District, nor was it required to consider the scope for the Council to meet those needs through the operation of the policy as a policy adopted more recently would have been required to do

Addressing Housing Need in Ribble Valley

3 19 In order to clarify its position, the Council has adopted two further documents which set out a percentage of affordable housing required and the types of development from which provision will be sought. The first of these was an



affordable housing "memorandum of understanding" (July 2009) which is in the process of being superseded by the document "Addressing Housing Need in Ribble Valley."

- 3 20 The status of this document is confusing; it has not been subjected to scrutiny through the EIP process, it is not supported by a robust and credible evidence base at least in respect of the economic impact of its requirements and, although it was subjected to six weeks of consultation, between June and August, we will not know until the 6th of January, whether the Council intends to make any changes in light of that consultation.
- 3 21 Moreover, the document describes itself both as a part of the Evidence Base and also as housing policy. Neither of these assertions can be true and I am unable to see how it can be provide more than an indication of the Council's preferences.
- 3 22 The sole element of new information in the document and, indeed, the justification for the decision to move from the memorandum of understanding to the new document is the announcement of an increased focus on the provision of affordable housing for older households and bungalows in particular. As I shall show later in section 6 of this Proof of Evidence, the Council already has a substantial proportion of older people's accommodation among its affordable housing stock. Moreover, since that stock turns over far more quickly than the general needs stock, it would, in fact appear that the more urgent priority is for general needs accommodation. This priority is backed by no evidence and I would suggest that it be given little weight.
- 3 23 Nonetheless, whatever the status of the document, it does provide a proportion of affordable housing (30%) that should be used as a starting point for negotiations in respect of affordable housing. Once again, this target reflects the Council's estimate of its level of need – it is not underpinned by any assessment of the public and private sector resources available to meet that need
- 3.24 Consequently, it can be considered to be an aspiration only – not a guide to outcomes.



4.0 Evidence of need

SHMA

4 1 The Council has two tiers of housing need information, there are local Housing Needs Surveys for each of the parishes but there is also an over-arching Strategic Housing Market Assessment (SHMA) – dating from 2008 which covers the whole District. I shall first consider the SHMA since it is the more conventional of the two documents having been carried out in accordance with a methodology prescribed by the Department of Communities and Local Government. This means that an attempt has been made to consider need the net need for new affordable homes *in the light of existing supply*. Whilst there may be some flaws with this methodology, the advantage of standardisation is that it admits of comparison with similar studies carried out elsewhere.

4 2 The Assessment's key finding was that there is a need for some 264 new affordable homes per annum across Ribble Valley as a whole

4 3 The calculation is summarised as:

Backlog of households with an existing need for affordable housing

Plus

Newly forming households unable to afford housing and existing households falling into need

Minus

Supply of affordable housing from existing stock.

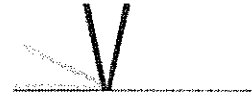
4 4 The full calculation may be found on p.77 of the SHMA but three points are worth noting here.



- a The SHMA estimates the current rate of household formation to be 440 per annum – far higher than the mid-range estimate favoured by Nathaniel Lichfield’s later study;
 - b The “newly arising” need i.e. the amount of need that it is necessary to meet in order for the affordable housing situation to remain the same without addressing the scale of the backlog – is 174 homes per annum;
 - c The supply of affordable housing arising from the existing stock plus new supply minus transfers (which must be “netted off” the total) is 70 homes per annum.
- 4.5 The SHMA reports that the rate of household formation that it identified (440) corresponds closely to what were then the latest ONS projections of households formation¹ (400). This is despite the fact that the SHMA was carried out almost contemporaneously with the adoption of the RSS – which set the housing delivery target at 160 homes per annum.
- 4.6 The SHMA also reports the level of affordable housing need identified by the HNS methodology for all the parishes. We note that the surveys were not all carried out at precisely the same time and the questionnaires were not always quite the same. One should therefore be cautious in comparing them directly but, they do, nonetheless give a sense of the distribution of need around Ribble Valley. A majority of this need is found to be in Clitheroe (690 out of 1,298 households)

Parish	Families indicating a housing need
Balderstone and Mellor Brook	5
Billington and Langho	n/a
Chipping	27
Clitheroe	690
Forest of Bowland (higher)	11
Gisburn	43
Longridge	n/a
Maellor	382
Osbaldeston	20
Read and Simonstone	20
Rimingtop and Middop	n/a
Sabden	1
Tosside	11
Waddington	n/a
Whalley and Little Mitton	n/a
Wilpshire	43

¹ SHMA p 7



4.7 It is worth noting that, even with no data for four parishes the total number of households expressing a need for a need for affordable housing considerably exceeds both the level identified by the CLG methodology and the number of households on the waiting list at the time (856).

4.8 One final point is that the SHMA contains an estimate of the number of affordable homes in Ribble Valley, and also of the number of lettings – and hence turnover.

Homes	Lettings	Turnover
1,683	122	7.2%

4.9 Each of these figures is the lowest for any of the 10 neighbouring authorities reported for comparison.

Local Housing Needs Survey for Clitheroe (2008)

4.10 The Council’s Housing Needs Survey for Clitheroe uses a different methodology for the identification of need from the SHMA and therefore arrives at slightly different conclusions. Having reviewed this methodology – and especially its propensity to ask households about the likely housing needs more than five years into the future – I am inclined to attach significance to its findings than to the SHMA. However, it does provide useful data on a number of matters not covered by the district-wide Assessment

4.11 It provides, for example, a snapshot of the number of affordable homes in Clitheroe and breaks them down as follows:

General Needs	Sheltered	Supported
502	325	17

4.12 It will readily be seen that this represents roughly half the affordable housing stock in the district

4.13 The study’s key finding – notwithstanding the figure reported in the SHMA’s digest of HNS findings – was that 463 people/groups of people reported a need for affordable housing. Of these, only 91 have registered that need on the Council’s waiting list. In the view of the Study’s authors, “this could be an indication of the low expectations that people have of any affordable housing being developed and or qualifying for any such housing.”²

² Clitheroe Housing Needs Survey 2008 Conclusions



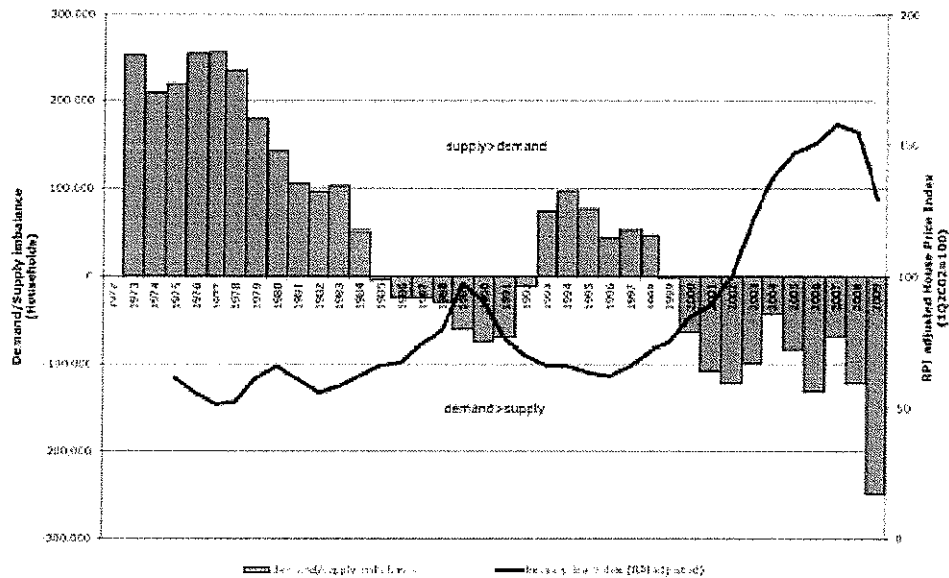
- 4 14 Of those identifying a need for affordable housing in Clitheroe in the next two years, only 88 out of 212 (41%) expressed a preference for rented housing with the remainder opting for either Discounted housing for sale or Shared Ownership

Nathaniel Lichfield study

- 4 15 Although Steve Quartermain's letter to Chief Planning Officers suggested that, where relevant, local planning authorities could continue to have regard to the option 1 numbers which formed the basis of their submissions to RSS, the publication of the draft NPPF has made it clear that all authorities should have regard to the full spectrum of need in setting a locally appropriate target for housing delivery.
- 4 16 There is, as yet, little consensus on how LPAs should go about this, although the Cambridge Centre for Housing Policy Research has recently published a paper arguing that secondary data would be preferable to direct surveys for this purpose because of the propensity of surveys to capture demand rather than need. Leaving aside the question of whether these two concepts can be separated, we note that the Council has, in fact recently published a report from Nathaniel Lichfield, the purpose of which is to establish the overall scale of affordable housing requirement
- 4 17 The report tests a number of different scenarios ranging from a calculation based upon zero net migration – i.e meeting only the needs of the "indigenous" population, which suggested a requirement for 49 new homes per annum, to a projection based upon a forward projection of the number of new jobs provided in the area in recent years, which suggested a requirement of 559 homes/annum.
- 4 18 In the middle, there is what appears to be a direct update of the CLG projection referred to by the SHMA – which found that the increase in the number of homes required would be 260p a. even if an allowance were made for existing vacancies.
- 4 19 Mr Nichol's proof provides a far more detailed analysis of the various potential rates of housing delivery that could be adopted – suggesting that a figure of 330-350 new homes per annum would take better account of the Council's other priorities – especially in relation to employment. However, it must also be the case that additional housing will allow the opportunity for the delivery of additional affordable housing. Clearly, since the annual requirement for additional affordable homes (264) approaches the overall requirement suggested at by Mr Nichol it will remain impossible to meet this requirement in full. Nonetheless, it is surely appropriate to give consideration to the scope for meeting affordable housing needs when setting the overall housing target.
- 4 20 Naturally, I recognise that housing targets should be set through the plan making process – not "on the hoof" in response to the publication of new research. However, in my view, the existence of evidence that the housing delivery target



should be far higher than that set out in the RSS is important in the context of the lack of a 5 year land supply - even measured against its current target. This is for a number of reasons: first of all, the scarcity of housing relative to household formation was one factor in the recent run up in UK house prices. The graph below shows the relationship between RPI adjusted house prices and the gap between housing supply and cumulative household formation over a long period (1972-2009)



- 4.21 The second, more direct issue, from the point of view of affordable housing is that, with the supply of grant funding through the NAHP having been dramatically cut back, the supply of new affordable homes will be increasingly dependent upon the subsidy provided by residential developers through planning obligations. The lower the supply of housing generally, the less affordable housing can be provided as a result of planning obligations.



5.0 Stock and Lettings

- 5 1 At the time of the last census, the population of Ribble Valley Borough Council was 53,960, of whom some 13,200 (22%) lived in Clitheroe³. At the same time, there were 22,210 households with residents in the borough, of which 6,075 (27%) were in Clitheroe.
- 5 2 Ribble Valley has a very low proportion of affordable homes among its housing stock. CLG estimates that, in 2011 there were 25,470 homes, of which just 1,997 were owned by the Local Authority, Housing Associations or Other Public Sector organisations. At 7.84% of the housing stock this is the 13th lowest total of any local authority in England⁴. Given that this total is derived by ownership and not tenure, we must assume that this total includes all the affordable homes in the District – rather than being confined to social rented housing only. This data correlates well with information received from Ribble Valley Homes (a part of the Vicinity group and the organisation which took control of Ribble Valley's Council stock following LSVT in 2006). RVH has informed me that they have 1,200 rented homes under management and that other registered providers have a further 500 homes in the District.
- 5 3 In order to investigate the supply of affordable housing arising from the re-letting of existing homes as they fall vacant, we have obtained a complete breakdown of all the lettings made by Ribble Valley Homes over a one year period from April 2010 to the end of March 2011 (A full breakdown is included as my Appendix 1). During that time there were just 104 lettings.
- 5 4 The majority of these lettings (71) were in Clitheroe, reflecting the town's crucial role in the local housing market. In an area which experiences a high degree of outward migration for work, it is important that affordable housing should, wherever possible be located within reach of jobs.
- 5 5 However, the fact that a high proportion of lettings took place in the town should not be taken to mean that Clitheroe is well supplied by its existing stock of affordable housing. This total number of lettings should be seen in the context of the total quantity of need in the District. At 1st April 2010, there were over 700 households on the housing register in Ribble Valley and, as we have seen, from the SHMA, a further 172 households fall into need every year.
- 5 6 Of the 104 total lettings 64 were of sheltered stock – leaving just 40 general needs lettings. If the same proportions were maintained among all lettings made by all registered providers in the District then there would have been fewer than 60

³ Census 2001 Local Authority population pyramids

⁴ CLG Live Table 100



general needs lettings per year to meet all the affordable housing need arising in the Borough.

5 7 Whilst surprisingly low, these figures are entirely consistent with the findings of the SHMA and I therefore have considerable confidence in them.

5 8 This is reflected in the fact that those being allocated homes have very high levels of need – with the average households receiving an allocation having 39 points under the Council's priority system. I have appended a note of the points system as my Appendix 2. but, by way of example, a family living in overcrowded accommodation who were two bedrooms short of the defined standard would receive 20 priority points. An applicant with no hot water supply would receive 15 points and a household without an inside toilet would likewise receive 15 points.

5 9 Of the 1,200 affordable homes controlled by RVH , we understand that around two thirds (or 800) are for general needs. With just 40 lettings coming up from this stock over the year in question, it would suggest a turnover of around 5% - each property falls vacant only once in 20 years. Because of the nature of sheltered housing and the situation of households applying, turnover is very different – at approximately 16% per annum. This differential is masked in the SHMA's analysis of turnover which does not assess the need for affordable and sheltered accommodation separately.

5 10 This tiny level of turnover, especially among the general needs stock means that the significance of new provision is proportionately greater. On the above evidence, my client's delivery of 80 affordable homes and specifically, 56 rented homes would be the equivalent of an entire year's worth of general needs lettings from the existing stock and would increase the overall rented stock by over 3%. Moreover, this increase would take place over 7 years – implying that the increase in supply would be both significant and sustained.

5 11 The crucial role of new provision in maintaining an adequate supply of affordable housing for the District as a whole makes it all the more important to ensure continuity of supply

6.0 Delivery

6 1 The following graph shows the number of new homes planned (Blue)⁵, new build homes delivered (red)⁶ and additional affordable homes (green)⁷ between 2001/2

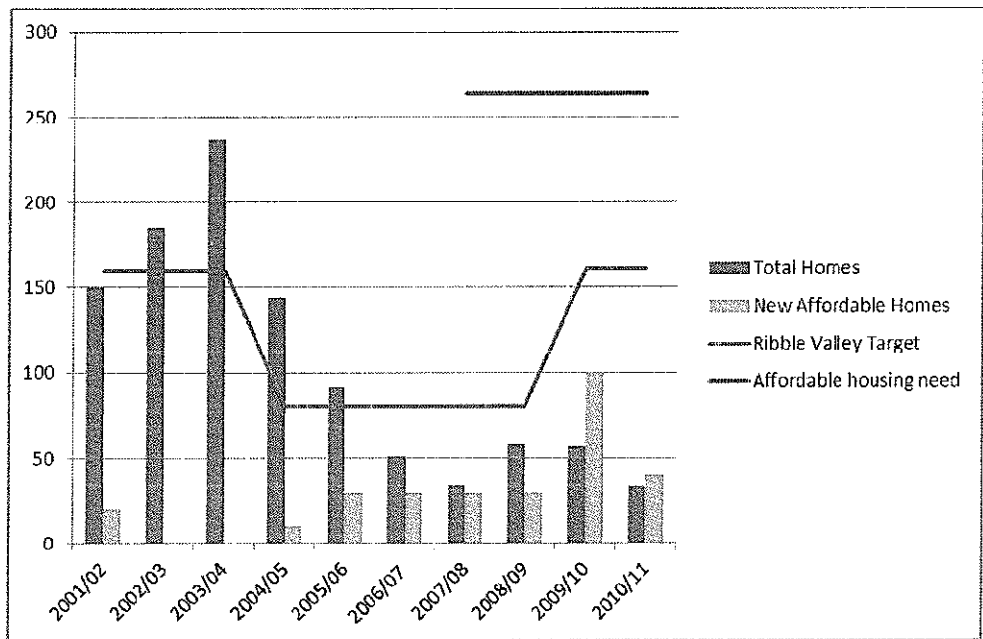
⁵ Council Policy

⁶ Nathaniel Lichfield Study

⁷ CLG Live Tables



and 2010/11. I have also included a line in purple, which represents the affordable housing requirement identified by the SHMA in 2008.



6.2 One of the striking issues identified in the graph is the fact that the number of affordable homes delivered in 2009/10 exceeds the number of new homes delivered in that year. This is not impossible since affordable homes can be delivered from sources which do not add to the housing stock – such as mortgage rescue, certain forms of homebuy and acquisitions made by RSLs on the open market. It should be noted, of course that none of these sources of supply contribute towards an increase in the housing stock – the open market stock is reduced by one for every such new affordable home delivered. Additionally, the number of new homes delivered is net of any demolitions whereas the number of new affordable homes would not take account of any such affordable homes lost to the private sector through the right to acquire.

6.3 I acknowledge that the data here is uncertain. For example, the Housing Strategy Statistical Appendix for the last few years, has the following statistics:



Additional Units Delivered	2007/8 outturn	2008/9 outturn	2009/10 outturn	2010/11 planned	2011/12 proposed
RSL Social Rent	32	8	42	42	35
RSL Intermediate Rent	0	0	0	0	0
RSL Shared ownership/Equity	7	31	6	14	18
Other Provider Intermediate Rent	8	10	18	14	12
Total	47	49	66	70	65

- 6 4 This suggests that completions may have been slightly higher in 2007/8 and 2008/9 but rather lower in 2009/10 than was suggested by the CLG figure above however, the total roughly averages out to the same over the three years and the differential may be caused by a different methodology (measuring starts rather than completions for example).
- 6 5 Nonetheless, the overall picture is clearly one of a slight under-provision of all housing in recent years, leading to a massive under-provision of affordable housing – even when, during the moratorium, affordable housing made up such a high proportion of overall housing delivery. It should be stressed again that the high level of RSL-led development of affordable housing took place at a time when capital funding was available in a manner and in quantities that are unlikely to be repeated in the short to medium term. The volume of grant available until the end of the Comprehensive Spending Review period is roughly a third of its recent level and the Government has indicated that the current capital funding round is likely to be the last.
- 6 6 Whilst the higher rents which RSLs have been given the flexibility to charge for affordable rented properties are intended to provide a partial mitigation of the loss of grant, it must be noted that the differential in the North West is not great and will not come anywhere near to replacing the lost capital funding.
- 6 7 Moreover, as noted above, the RSS target (and Lancashire Structure Plan target) enshrined in policy a housing target far below the requirement identified by the SHMA and, more recently by the Nathaniel Lichfield Study – let alone the re-analysis of that study carried out by Stephen Nichol.



The Role of Grant

- 6.8 It might be argued that despite a poor delivery of housing overall, the Council had done well in maintaining as strong a supply of new affordable homes under the circumstances. There is some merit in this, but we must consider whether this is likely to continue. In doing so I draw attention to two things:
- 6.9 First, the moratorium will unquestionably have played a role – by restricting landowners options, it will have made it far easier for RSLs to acquire land and to develop directly. However, this benefit is obtained at the price of constraining overall supply and, even then, it is generally only possible either through the allocation of grant or through the commitment by an RSL of additional funding from its reserves. This brings me to the second point;
- 6.10 It is no secret that the, faced with a collapsing development sector in 2008, the government sought to maintain delivery by bringing forward grant funding from future years’ allocations leading to unusually generous funding rounds throughout the 2008-2011 NAHP. The incoming coalition Government has reversed this situation, severely restricting the amount of funding available through the 2011-2014 round and letting it be known that the current round will be the last.
- 6.11 The following table shows the amount of grant allocated to affordable housing schemes in Ribble Valley from 1 January 2009 and 31 March 2011⁸ – a roughly two year period.

	Grant	Units	Grant/ Unit
Social rent	£2,496,397	51	£48,949
Intermediate tenures	£978,127	36	£27,170
Total	£3,474,524	87	£39,937

- 6.12 It is surely stating the obvious to suggest that without these substantial quantities of grant, far fewer units could have been built over this period and that, in the coming, environment where grant subsidy will be far rarer, that something else will need to be found in order to bridge the gap if delivery is not to fall sharply.
- 6.13 To give some idea of the scale that this level of grant would have on the viability of a development is difficult to do in a quantified way – the Council has not yet carried out a general assessment of the viability of sites in its area. However, the Building Cost Information Service BCIS currently suggests that the cost of developing a typical home in Ribble Valley to be £795/m²⁹. If we assume that a typical home might be 85m² then this level of grant is equivalent to 58% of the base cost of

⁸ Source HCA allocations statements

⁹ Estate housing generally (median) Ribble Valley Location index (96) Q4 2011



construction. The withdrawal of such a subsidy is bound to have significant effects of delivery.



7.0 Future Delivery

- 7.1 The ability to deliver affordable housing in future will depend upon two principle sources. The first will be Registered providers taking the lead, acquiring land and developing it for affordable housing, the second, will be housing delivered as a result of planning obligations imposed on the development of private residential development.
- 7.2 The first of these sources of supply is heavily dependent upon the allocation of grant to registered providers which means that it is likely to have been critically affected by the very large reduction in the levels of grant available through the NAHP.
- 7.3 The second source, housing delivered through S106 agreements would normally be assessed by means of a rigorous Viability Assessment – which would calculate the level of affordable housing contribution that development in the area may support whilst remaining financially viable. No such assessment has been carried out in Ribble Valley – this leaves past performance as our sole guide to future output.
- 7.4 My client has therefore carried out a review of residential planning permissions granted in recent years in Ribble Valley in order to assess the nature and level of affordable housing upon such sites.
- 7.5 In 2007, two sites: Land off Kirklands, Chipping and Petre Wood Farm, were granted planning permission for 100% affordable housing development. These are the only affordable housing led schemes that we have been able to identify.
- 7.6 As to schemes where affordable housing is delivered alongside market housing, we have been able to identify several:
- a The Carefoot works will provide 11 units, of which 3 (27%) were to be affordable;
 - b Land at Calderstones Park, Whalley, was to provide 30% of the 39 units in the form of affordable housing;
 - c Land at Cherry Drive Brockhall, which will provide 15 homes, none of them affordable;
 - d Land at Barrow Brook, which will provide 86 units, only 5 of which will be affordable – although several will have a local occupancy restriction.
- 7.7 All of these schemes were consented between 2007 and 2010, when affordable housing grant was widely available and during which period the Council received significant allocations. It is clear that, even under such circumstances, it was not



always possible to meet the Council's aspirations in terms of affordable housing provision. With grant now withdrawn, it would appear that this will become more difficult still.

- 7 8 This point is illustrated by the various positions adopted in respect of Primrose Mill. This scheme of 162 units originally received planning permission in 2008 – when its promoters submitted viability appraisals to show that it would be unable to deliver more than 27 affordable homes (17%). However, since that time, the development has been re-appraised a number of times – phase 1A was granted consent as a 100% affordable scheme of 25 units in March 2010 although this was on the basis of the receipt of £1.5m in KickStart funding – amounting to £60,000/unit. This funding would not have been available had the scheme been economically viable without it. The scheme was reappraised in October to reflect a slightly reduced level of funding – necessitating a change in the affordable housing products offered. This allowed the submission of a bid for funding on the very last day before the Kickstart programme was withdrawn.
- 7 9 Phase 1B has subsequently come forward offering 24% affordable housing – albeit all in the form of intermediate units. It is not clear whether this offer assumes the receipt of any grant.
- 7 10 It is acknowledged that the Council has had some success in delivering affordable housing in recent years. However, it would appear that this success has been intimately tied to the receipt of grant. This withdrawal of that grant –together with the ongoing difficulties in the housing market suggest that schemes which are capable of delivering a fully policy compliant package of affordable housing should be seen as providing a significant benefit.



Appendix 2
Summary of Points System

ANALYSIS OF ALLOCATIONS



ADDRESS	PROPERTY TYPE	APPL DATE	POINTS	OFFERS	TYPE	TEN/COMM
Longridge						
BLEASDALE COURT	1Bed First Floor Flat	30/04/2007	35	1	Waiting List	13-Sep-10
WELLBROW DRV	1Bed Ground Floor Flat	25/05/2010	30	1	Management Move	13-Jun-10
BLEASDALE COURT	2 Bed First Floor Flat	09/02/2010	10	1	Waiting List	25-Oct-10
FAIRSNAPPE AVE	2 Bed House	04/03/2010	30	1	Transfer	6-Sep-10
JEFFREY AVE	3 Bed House	04/06/2007	35	1	Waiting List	26-Apr-10
Clitheroe						
PEEL STREET	1Bed First Floor Flat	01/02/2008	30	2	Waiting List	11-Oct-10
MILLTHORNE HSE	1Bed First Floor Flat	12/01/2009	20	4	Waiting List	30-Aug-10
ST ANNS SQUARE	1Bed First Floor Flat	05/06/2008	30	1	Transfer	12-Jul-10
ALMA PLACE	1Bed First Floor Flat	11/01/2010	45	1	Waiting List	5-Jul-10
BAWD OLD FARM	1Bed First Floor Flat	08/10/2010	30	1	Homeless Unit Transfer	6-Dec-10
ALMA PLACE	1Bed Ground Floor Flat	11/09/2009	27	1	Transfer	24-Jan-11
HIGHFIELD RD	2 Bed First Floor Flat	19/01/2010	30	2	Homeless Unit Transfer	19-Apr-10
BOLLAND PROSPECT	2 Bed First Floor Flat	27/04/2010	30	4	Waiting List	31-Jan-11
WADDOW GREEN	2 Bed First Floor Flat	08/06/2010	20	1	Transfer	24-Jan-11
TAYLOR STREET	2 Bed House	16/01/2008	40	1	Waiting List	7-Feb-11
MOOREND	2 Bed House	21/04/2010	45	1	Homeless Unit Transfer	9-Aug-10
TAYLOR STREET	2 Bed House	08/03/2010	25	1	Transfer	14-Jun-10
TAYLOR STREET	2 Bed House	15/07/2010	5	1	Waiting List	23-Aug-10
TAYLOR STREET	2 Bed House	17/07/2010	30	2	Waiting List	21-Mar-11
TAYLOR STREET	2 Bed House	02/08/2010	25	2	Management Let	2-Aug-10
HIGHFIELD ROAD	2 Bed House DIS	19/01/2010	45	1	Waiting List	20-Sep-10
MANOR ROAD	1 Bed Ground Floor Flat	07/10/2009	45	2	Waiting List	26-Jul-10
MILLTHORNE HOUSE	1 Bed Ground Floor Flat	26/01/2007	25	7	Waiting List	23-Aug-10

HIGHFIELD ROAD	2 Bed Ground Floor Flat	17/05/2010	10	1	Management Transfer	17-May-10
THE CRESCENT	3 Bed House	14/09/2007	55	1	Waiting List	02-Aug-10
TALBOT CLOSE	3 Bed House	19/03/2007	55	1	Waiting List	10-May-10
ST ANNS SQUARE	3 Bed House	20/11/2009	50	1	Homeless Unit Transfer	31-Jan-11
MAYFIELD AVE	3 Bed House	25/08/2005	52	1	Transfer	19-Apr-10
THE CRESCENT	3 Bed House	28/09/2009	45	1	Waiting List	12-Apr-10
HENTHORN ROAD	3 Bed House	31/08/2010	10	1	Transfer	15-Nov-10
PEEL STREET	First Floor Bedsit	09/10/2010	25	1	Waiting List	14-Feb-11
MANOR ROAD	First Floor Bedsit	07/04/2010	25	1	Waiting List	7-Feb-11
BAWDLANDS OLD FARM	Ground Floor Bedsit	10/02/2010	35	1	Waiting List	19-Jul-10
MANOR ROAD	Ground Floor Bedsit	15/09/2010	30	1	Waiting List	3-Oct-10
BAWDLANDS OLD FR	Ground Floor Bedsit	26/03/2010	20	1	Waiting List	10-May-10

Villages

MEADOWSIDE	2 Bed Ground Floor Flat	07/06/2010	15	1	Waiting List	16-Aug-10
ST MARYS GARDENS	2 Bed House	06/03/2008	40	1	Waiting List	31-May-10
WASHBROOK CLOSE	3 Bed House	14/08/2006	45	1	Waiting List	13-Dec-10
BILSBERRY COTT	3 Bed House	30/04/2009	40	1	Waiting List	25-Oct-10
GREENACRES	3 Bed House	26/03/2007	42	1	Waiting List	3-May-10

Sheltered

BILLINGTON GDNS	1 Bed Bungalow	28/08/2009	60	1	Waiting List	23-Aug-10
BROOKFIELD	1 Bed Bungalow	09/12/2008	57	2	Waiting List	30-Aug-10
BILLINGTON GDNS	1 Bed Bungalow	30/07/2008	50	4	Waiting List	27-Sep-10
WASHBROOK CLOSE	1 Bed Bungalow	14/08/2001	65	1	Waiting List	1-Nov-10
SHOWLEY COURT	1 Bed Bungalow	25/11/2004	60	2	Waiting List	8-Nov-10
RIDDINGS LANE	1 Bed Bungalow	18/04/1989	65	1	Waiting List	13-Dec-10
SHOWLEY COURT	1 Bed Bungalow	03/10/2005	63	1	Waiting List	13-Dec-10
RIDDINGS LANE	1 Bed Bungalow	02/08/2010	60	1	Waiting List	20-Dec-10
BILLINGTON GDNS	1 Bed Bungalow	03/05/2007	60	1	Waiting List	31-Jan-11
WASHBROOK CLOSE	1 Bed Bungalow	06/09/2004	50	1	Waiting List	31-Jan-11
RIDDINGS LANE	1 Bed Bungalow	06/09/2001	70	1	Waiting List	14-Feb-11
SYCAMORE	1 Bed Bungalow	16/06/2009	25	2	Waiting List	28-Mar-11

STUBBINS LANE	1 Bed Bungalow	03/11/2008	40	1	Transfer List	21-Mar-11
VALE HOUSE	1 Bed First Floor Flat	02/08/2006	60	2	Transfer List	17-May-10
KEMPSTONE	1 Bed First Floor Flat	04/09/2007	20	5	Waiting List	7-Jun-10
LITTLEMOOR HSE	1 Bed First Floor Flat	14/11/2004	60	1	Waiting List	16-Aug-10
LITTLEMOOR HSE	1 Bed First Floor Flat	01/05/2009	45	6	Waiting List	30-Aug-10
SHOWLEY COURT	1 Bed First Floor Flat	08/07/2005	40	5	Waiting List	13-Sep-10
SHOWLEY COURT	1 Bed Ground Floor Flat	04/07/2006	53	1	Waiting List	7-Jun-10
QUEENSWAY	1 Bed Ground Floor Flat	30/03/2006	45	1	Waiting List	13-Sep-10
WARREN FOLD	2 Bed Bungalow	26/08/2005	75	1	Transfer List	20-Sep-10
LITTLEMOOR HSE	Ground Floor Bedsit	06/10/2009	5	1	Waiting List	10-May-10
LITTLEMOOR HSE	Ground Floor Bedsit	21/09/2009	10	1	Waiting List	28-Jun-10

Clitheroe

LILAC GROVE	1 Bed Bungalow	11/11/1999	52	1	Waiting List	5-Apr-10
HENTHORN ROAD	1 Bed Bungalow	05/04/2005	60	1	Waiting List	14-Jun-10
CASTLE VIEW	1 Bed Bungalow	08/05/2003	67	2	Waiting List	2-Aug-10
LILAC GROVE	1 Bed Bungalow	04/06/2005	65	1	Transfer List	9-Aug-10
HAZEL GROVE	1 Bed Bungalow	16/07/2010	45	1	Transfer List	20-Sep-10
LILAC GROVE	1 Bed Bungalow	27/07/2007	55	1	Waiting List	27-Sep-10
BAYLEY FOLD	1 Bed Bungalow	24/03/2005	50	2	Waiting List	18-Oct-10
HAZEL GROVE	1 Bed Bungalow	09/05/2003	50	1	Waiting List	25-Oct-10
BOLLAND PROSPECT	1 Bed Bungalow	30/09/2010	10	1	Transfer List	15-Nov-10
CASTLE VIEW	1 Bed Bungalow	16/06/2009	55	2	Transfer List	29-Nov-10
HAZEL GROVE	1 Bed Bungalow	25/06/2007	55	1	Waiting List	17-Jan-11
THORN STREET	1 Bed Bungalow	08/01/2008	45	1	Waiting List	14-Feb-11
GARNETT ROAD	1 Bed Bungalow	28/09/2009	47	1	Waiting List	28-Feb-11
BROTHERTON MDWS	1 Bed First Floor Flat	30/06/2009	27	10	Waiting List	5-Apr-10
ST ANNS COURT	1 Bed First Floor Flat	07/02/2007	20	1	Waiting List	30-Aug-10
ST ANNS COURT	1 Bed First Floor Flat	24/09/2010	30	5	Waiting List	8-Nov-10
ST ANNS COURT	1 Bed First Floor Flat	01/12/2010	30	1	Transfer List	10-Jan-11
ST ANNS COURT	1 Bed First Floor Flat	01/02/2011	40	2	Transfer List	28-Feb-11
ST ANNS COURT	1 Bed Ground Floor Flat	06/10/2008	45	1	Waiting List	7-Jun-10

PENDLE ROAD	2 Bed Bungalow	25/01/2007	62	4	Waiting List	21-Feb-11
BOLLAND CLOSE	2 Bed Bungalow	12/03/2007	55	12	Waiting List	7-Feb-11
PENDLE COURT	First Floor Bedsit	04/01/2011	40	1	Transfer List	31-Jan-11
PENDLE COURT	Ground Floor Bedsit	28/06/2010	30	2	Waiting List	19-Jul-10
PENDLE COURT	Ground Floor Bedsit	12/05/2009	25	1	Waiting List	6-Sep-10
PENDLE COURT	Ground Floor Bedsit	23/09/2010	30	1	Transfer List	22-Nov-10
Longridge						
PARK HOUSE	1 Bed First Floor Flat	21/01/2010	45	2	Waiting List	3-May-10
PARK HOUSE	1 Bed First Floor Flat	04/11/2009	55	1	Transfer List	3-May-10
PARK HOUSE	1 Bed First Floor Flat	17/01/2001	45	3	Waiting List	2-Aug-10
PARK HOUSE	1 Bed First Floor Flat	28/09/2010	0	1	Waiting List	20-Dec-10
PARK HOUSE	1 Bed Ground Floor Flat	17/12/2010	0	1	Waiting List	20-Dec-10
PARK HOUSE	1 Bed Ground Floor Flat	24/07/1985	67	1	Waiting List	31-Jan-11
WINDSOR AVENUE	2 Bed Bungalow	21/03/2000	65	1	Waiting List	14-Mar-11
WINDSOR AVENUE	2 Bed Bungalow	07/03/2002	70	1	Waiting List	7-Mar-11
TOWNELEY HSE	2 Bed First Floor Flat	13/05/2006	52	1	Waiting List	13-Dec-10
TOWNELEY HSE	First Floor Bedsit	12/07/2010	10	1	Waiting List	12-Jul-10
PARK HOUSE	First Floor Bedsit	19/03/2009	43	1	Waiting List	2-Aug-10
PARK HOUSE	First Floor Bedsit	01/10/2010	0	1	Waiting List	20-Sep-10
TOWNELEY HSE	Ground Floor Bedsit	30/04/2008	45	1	Waiting List	3-May-10
PARK HOUSE	Ground Floor Bedsit	04/09/2009	30	2	Waiting List	10-May-10
PARK HOUSE	Ground Floor Bedsit	04/05/2010	30	1	Transfer List	31-May-10
PARK HOUSE	Ground Floor Bedsit	12/07/2010	35	1	Waiting List	19-Jul-10

ANALYSIS OF ALLOCATIONS



**Appendix 2
Summary of Points System**

APPENDIX 1

**THESE POINTS WILL BE AWARDED BASED ON THE INFORMATION GIVEN
ON AN APPLICATION BUT NO PROPERTY WILL BE OFFERED
UNTIL A HOME VISIT IS UNDERTAKEN**

THE POINTS SYSTEM

Lack of Amenities

This category applies to applicants only after confirmation possibly by a home visit.
Lack of amenity points do not apply to people who are roofless.

Applicants without an inside toilet	15
Applicants without a bath or shower	15
Applicants without a kitchen	15
Applicants without a hot water supply	15

Disrepair

These points can will be awarded after a visit by an Environmental Health Officer.
Disrepair points do not apply to lodgers.

Disrepair	up to maximum 15
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Shared Amenities

Points awarded to people who are sharing amenities who live in hostel type (multiple occupation)accommodation.

Applicants sharing a WC	5
Applicants sharing a bathroom	5
Applicants sharing a kitchen	5
Applicants sharing all above facilities with non-family member/s	5

Overcrowding

These points apply to all applicants and are based on the types of property the Council has available.

1 bedroom short	10
2 bedrooms short	20
3 bedrooms short	30

Unsuitability

Applicants living above ground floor level with a child(ren) under 8 will be awarded points for the unsuitability of their accommodation: these points will only apply if applicant expresses a desire for a ground floor flat	10
Separated family	10
Single – independent	10

Temporary or Insecure Accommodation

These points will only be awarded after a homeless investigation.
Only one can apply

Roofless (applicants who have nowhere they can stay)	40
Priority applicants in the Councils Homeless Hostels	30
An additional 5 points will be added for every 3months of Occupation up to a maximum of 12 months (20)	+5
	+10
	+15
	+20
Should present accommodation be lost Within 2 months Written proof of notice is required Applicants must be unintentionally homeless and in priority need	15
Homeless at home	10
Leaving institutional care and in priority need	15
Non- priority family	5
These points will be awarded following a homeless investigation	
Applicants who are victims of domestic abuse This will be evidence based	15

Health

Applicants who have a physical or mental health condition that makes their present home unsuitable for their needs are awarded points according to the nature of their illness or disability and the impact that has on their need for alternative accommodation

These points will only be awarded by the Senior Area Health Authority Consultant together with a Housing Management Officer, following completion of a medical self assessment up to 25

Age
If applicant is over the age of 70 10

Medical points will be removed if previously awarded for a deceased joint applicant or where a medical condition no longer exists

Local Connection(Residency)

12 months residency in the Ribble Valley 5
5 years residency in the Ribble Valley 10
10 years residency in the Ribble Valley 15

Waiting Time

On Register for 12months 5
On register for 2 years 10
On register for 3 years 15
On register for 4 years 20
On register for 5 years or more 25

APPENDIX 2

**PROPERTY TYPE ALLOCATION GUIDELINE
ALLOCATION OF PROPERTY TYPES**

PROPERTY TYPE	ALLOCATION GUIDELINE
ONE BEDROOM PROPERTY	<ul style="list-style-type: none">• Single people or couples requiring only one bedroom.
TWO BEDROOM PROPERTY	<ul style="list-style-type: none">• Couples (with medical requirement for 2 bedrooms).• Households with up to 2 children of different sexes under the age of 8 years or with 2 children of the same sex with the elder child under 13 years.
THREE BEDROOM PROPERTY	<ul style="list-style-type: none">• Households with 2 or more same sex children one of whom is over the age of 13.• Households with 2 or more children of different sexes one of whom is over the age of 8.• Households with 3 adults who would not normally be expected to share a bedroom.