South Staffordshire Council

South Staffordshire Housing Market Assessment

May 2021

HDH Planning & Development

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1. Introduction

Purpose

1.1 South Staffordshire is a rural district in the West Midlands to the north west of the Black Country conurbation, with which it has historically strong links. It is a large authority containing 27 parishes spread across 40,400 hectares. There is no single dominant town within South Staffordshire, instead it contains a number of diverse settlements ranging from small hamlets to large villages and the district can be described as a ‘community of communities’. 80% of South Staffordshire is Green Belt.

1.2 South Staffordshire Council is currently *‘carrying out a comprehensive Local Plan review in response to the housing shortfall in the Greater Birmingham Housing Market Area, and the PPG requirement to review plans in whole or in part every five years. The review is considering the level and locations of growth to be accommodated in South Staffordshire, and a comprehensive refresh of development management policies.’*

1.3 As part of this review process, the Council has commissioned this new Housing Market Assessment in order to provide evidence that will support housing policies that will ensure *‘the right types of housing are provided through the new Local Plan to meet local need, including affordable housing, housing mix and homes for older people’.* This means identifying the suitable mix of new housing within the new homes the Council is intending to deliver during the plan period. This includes the 4,000 additional dwellings that are being delivered in South Staffordshire to contribute towards the wider unmet need in the Greater Birmingham Housing Market Area. The figure of 4,000 was identified as the Council’s preferred approach during the Issues and Options consultation which was held in Autumn 2018 and these dwellings are in addition to the new home requirement arising within South Staffordshire, which is calculated within this report.

1.4 This report is a Housing Market Assessment that provides this detail for the Council and presents evidence for the comprehensive Local Plan review to enable the formulation of suitable housing policies. The information presented in this report complies with the current Government guidance on undertaking these studies as set out in the 2019 National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG)[1], as described below.

[1] The latest iteration of the PPG before the report was finalised was the version as at 22nd July, The report has been written so that it responds to the PPG as at this date.

Government Guidance

1.5 In February 2019, the NPPF was updated, and the new PPG published[2], which theoretically ended a period of considerable change in the planning system and in the wider development industry. Paragraph 35 (a) of the 2019 NPPF requires that plans are positively prepared. As a minimum, this requires strategic policies to provide for objectively assessed needs for housing. This carried forward the requirements under the 2012 NPPF and concerns the overall housing requirement. The overall housing requirement is as determined under the Standard Method.

> *59. To support the government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay*
>
> *60. To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.*
>
> *61. Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).*
>
> *Paragraphs 59 to 61 – 2019 NPPF*

1.6 The requirement for housing is derived through the Standard Method and is then disaggregated into the different types of housing the future population will need. Following which, an assessment of the number of households in need of affordable housing must be undertaken. In essence the first task required by the NPPF, for a study of this type, is to disaggregate the new housing number as derived through the Standard Method. The second task is the assessment of Affordable Need, and the final task is the understanding of the needs of groups with specific housing requirements.

1.7 The NPPF outlines how a Housing Market Assessment fits into the wider housing policy framework and the PPG sets out how the various elements of a Housing Market Assessment should be undertaken, including detailing a comprehensive model for the assessment of affordable housing need (Chapter 6). The affordable housing need figure is an unconstrained figure set in the current housing market situation. It is not a component of the overall housing

[2] It should be noted that subsequently the PPG on housing needs assessments was divided into three different elements; 'housing and economic needs assessments', 'housing needs of different groups' and 'housing needs of older and disabled people'. This report contains the information that meets the requirements within each of these.

need, but is entirely independent, calculated using a different approach and different data sources.

1.8 This Housing Market Assessment includes a Long-Term Balancing Housing Markets (LTBHM) model (Chapter 5) which breaks down the overall housing need into the component types (tenure and size) of housing required. Whilst both the Affordable Needs model (Chapter 6) and the LTBHM model (Chapter 5) produce figures indicating an amount of affordable housing required, they are not directly comparable as, in line with the PPG, they use different methods and have different purposes. The affordable housing need figure is calculated in isolation from the rest of the housing market and is used solely to indicate whether a Local Planning Authority should plan for more houses where it could help meet the need for affordable housing[3]. The figure produced by the LTBHM model is based on the population projections and occupation patterns of household groups (considering the trends in how these occupation patterns are changing). This is the mix of housing for which the authority should be planning. How these figures should be used in South Staffordshire, is summarised at the conclusion of this report, in Chapter 7.

1.9 In August 2020, the Government opened a consultation on four aspects of the current planning system[4]:

- Changes to the Standard Method for assessing local housing need,
- The securing of First Homes through developer contributions,
- A temporarily lifting of the small sites threshold below which developers do not need to contribute to affordable housing
- Extending the current Permission in Principle to major development.

1.10 The first two of these have implications for the outputs of this report. On 16th December 2020, the Government provided a response to the first of the four aspects, the Standard Method calculation[5], with the remaining three aspects to be concluded in 2021. The consultation response has resulted in the slight modification to the Standard Method originally set out, with the guidance in the PPG detailing how the Standard Method is calculated updated to reflect

---

[3] The following High Court Judgements are relevant. Satnam Millennium v Warrington BC [2015] EWHC 370 (Admin), Oadby and Wigston v Bloor Homes [2015] EWHC 1879 (Admin), Housing market area Council of King's Lynn and West Norfolk v Elm Park Holdings Ltd [2015] EWHC 2464 (Admin), Jelson Ltd v Hinckley and Bosworth Housing market area Council [2016] EWHC 2979 (Admin).

[4] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/927157/200805_Changes_to_the_current_planning_system.pdf

[5] https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system

this. This report has followed the approach set out in the PPG (as revised on 16th December 2020) and the detail set out on First Homes in the August 2020 consultation document.

Coronavirus

1.11 This update is being carried out during the coronavirus pandemic. The coronavirus (COVID-19) was reported in China, in December 2019 and was declared a pandemic in March 2020. It is too early to predict what the impact on the economy, and therefore development economics, may be.

1.12 The majority of the data sources utilised in this report were released within the last year and are based on data collated prior to the pandemic. This means that the results produced reflect the normal housing market in South Staffordshire and the recommendations will inform the suitable responses to the normal market.

1.13 The lockdown periods have seen a significant change to normal society (including travel restrictions, a higher mortality rate, different working conditions, the loss of jobs and different consumer behaviour). The impact of these changes on the housing market will not be understood for some time and it is difficult to predict what the long-term consequences will be, which could be far-reaching or relatively minimal. Until the Government indicates otherwise, the NPPF and PPG remain the documents that advise how housing market assessments should be undertaken, this report therefore follows these documents (including the changes being currently consulted as discussed above) and produces the outputs that they indicate are required.

1.14 There are real material uncertainties around the values of property, and therefore the costs of housing, that are a direct result of the COVID-19 pandemic. It is not the purpose of this assessment to predict what the impact may be and how long the effect will be. We expect there to be changes due to uncertainty in the wider economy. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that the Council keeps the assessment under review.

Local housing market boundaries

1.15 The most recent detailed profile of commuting flows occurring at the local level is still the 2011 Census. The table below shows the 10 authorities to which residents in South Staffordshire most commonly travelled for work in 2011, alongside the 10 authorities from which people most commonly travelled to work in South Staffordshire. The data indicates that around a fifth of employed residents in South Staffordshire remained in the District to work, however Wolverhampton was the most common place of work for residents of South Staffordshire, with over 10,000 people going there for their job. The next five most common places of work for those in South Staffordshire were more urban authorities to the east of the District. The table also shows that 66.2% of people working in South Staffordshire commuted from outside the District and that these people commuting into South Staffordshire for work were most likely to live in a neighbouring authority.

Table 1.1 The ten authorities with which South Staffordshire has the largest travel to work flows					
Travel to work journeys made by people aged 16 and over resident in South Staffordshire			*Travel to work journeys made by people aged 16 and over working in South Staffordshire*		
Destination authority area	*Number of South Staffordshire residents that work there*	*Proportion of all residents in work that work there*	*Authority area of residence*	*Number of people working in South Staffordshire*	*Proportion of people working in South Staffordshire that live there*
Wolverhampton	10,381	23.9%	South Staffordshire	8,981	33.8%
South Staffordshire	8,981	20.7%	Wolverhampton	4,448	16.7%
Walsall	3,876	8.9%	Cannock Chase	2,472	9.3%
Dudley	3,736	8.6%	Dudley	2,333	8.8%
Cannock Chase	3,328	7.7%	Stafford	2,018	7.6%
Birmingham	2,545	5.9%	Walsall	1,746	6.6%
Sandwell	1,894	4.4%	Shropshire	724	2.7%
Stafford	1,844	4.2%	Sandwell	545	2.1%
Telford and Wrekin	1,446	3.3%	Telford and Wrekin	541	2.0%
Shropshire	1,015	2.3%	Birmingham	482	1.8%

Source: 2011 Census

1.16 The Office of National Statistics (ONS) used the data on commuting flows collected in the 2011 Census to derive travel to work area boundaries published in 2015[6]. The figure below shows an exert of the national map produced in this process, which concentrates on the travel to work areas in the West Midlands of England. This shows that South Staffordshire is spread across three travel to work areas according to the criteria and thresholds used by the ONS; the north of the District is in the Stafford travel to work area, the south is in the Dudley travel to work area, but the majority of South Staffordshire is in the Wolverhampton and Walsall travel to work area.

[6] The criteria applied by the ONS was that the travel to work areas had to have a working population of at least 3,500 and that at least 75% of an area's resident workforce work within the area and at least 75% of the people who work in the area also live in the area. For areas with a working population in excess of 25,000, self-containment rates as low as 66.7% were accepted.

Figure 1.1 2011 travel to work areas in operation around South Staffordshire

Source: Office of National Statistics, 2015

Migration trends

1.17 The 2018-based population estimates produced by the Office of National Statistics (ONS) model detail on the origin and destination of people that moved into and out of South Staffordshire in the previous year[7]. The table below shows the 10 authorities which residents in South Staffordshire most commonly moved to in the year up to June 2018. The table also contains a column that details the equivalent proportion of movers from South Staffordshire in the year prior to the 2011 Census that had the same destination - this enables a comparison of the changing relationship between these authorities and South Staffordshire[8].

1.18 The data indicates that Wolverhampton is the authority to which people from South Staffordshire most commonly moved to in the year up to June 2018, followed by Cannock Chase, Shropshire and Dudley. Whilst flows to Wolverhampton have increased marginally in relative scale since the 2011 Census, the increase in flows to Cannock Chase (from 11.0% of

[7] https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/migrationwithintheuk/datasets/internalmigrationbyoriginanddestinationlocalauthoritiessexandsingleyearofagedetailedestimatesdataset

[8] It should be noted that internal flows within South Staffordshire are not included in this analysis as they are not documented in the population estimates, the analysis only concerns people moving into the District from elsewhere in the UK.

all out-migrants from South Staffordshire moving there in 2011 to 14.6% of out-migrants in 2017) and Shropshire has been more marked (from 6.6% of out-migrants in South Staffordshire in 2011 to 8.4% in 2017). In comparison Dudley, Walsall and Birmingham are all areas that have become less common destinations for those leaving South Staffordshire recently (as a smaller proportion of out-migrants from South Staffordshire moved to these areas in 2017 than was the case in 2011).

1.19 It is important to note that the 2018 figures for migration flows are not as accurate as those recorded in the 2011 Census and although the ONS does not provide detail of the margin of error of these estimates they do note that *'these estimates are based on several data sources and estimation processes, and are not exact counts.*[9]*'*

Table 1.2 The ten authorities with which South Staffordshire has the largest outward migration flows in 2018

People that moved out of South Staffordshire in the preceding year			
2018			*2011*
Destination authority area	*Number of South Staffordshire residents that moved there*	*Proportion of all residents leaving South Staffordshire that moved there*	*Proportion of all residents leaving South Staffordshire that moved there*
Wolverhampton	819	14.7%	14.6%
Cannock Chase	812	14.6%	11.0%
Shropshire	471	8.4%	6.6%
Dudley	398	7.1%	8.6%
Stafford	349	6.3%	5.8%
Walsall	251	4.5%	6.4%
Birmingham	215	3.8%	4.5%
Telford & Wrekin	213	3.8%	2.6%
Lichfield	113	2.0%	1.4%
Wyre Forest	81	1.5%	1.0%

ONS Population estimates, 2018; 2011 Census

1.20 The table below shows the 10 authorities from which residents most commonly moved to South Staffordshire in the year up to June 2018. The table also contains a column that details the equivalent proportion of movers to South Staffordshire in the year prior to the 2011 Census that originated from the same location[10].

[9] User information for Table IM2017-1a: Detailed estimates dataset – internal migration by origin and destination local authorities, sex and single year of age, year ending June 2018. (page 2 under Disclosure Control).

[10] As before internal flows within South Staffordshire are not included in this analysis.

1.21 The data indicates that Wolverhampton is the authority people that moved into South Staffordshire most commonly came from in the year up to June 2018, followed by Dudley, Walsall and Cannock Chase. Whilst flows from Wolverhampton have reduced in relative scale since the 2011 Census (from 20.7% of all in-migrants to South Staffordshire in 2011 to 19.6% of in-migrants in 2017), the flows of people are still over 30% higher than the authority from which the second highest number of in-migrants are recorded – Dudley. The data indicates that whilst moves from Cannock Chase and Birmingham have reduced in importance (a smaller proportion of in-migrants to South Staffordshire moved from these areas in 2017 than was the case in 2011), moves from Dudley and Walsall have become more significant (a larger proportion of in-migrants to South Staffordshire moved from Dudley and Walsall in 2017 than was the case in 2011).

Table 1.3 The ten authorities with which South Staffordshire has the largest inward migration flows in 2018

People that moved into South Staffordshire in the preceding year			
2018			*2011*
Original authority area of residence	*Number of people that moved to South Staffordshire*	*Proportion of all people moving to South Staffordshire*	*Proportion of all people moving to South Staffordshire*
Wolverhampton	1,178	19.6%	20.7%
Dudley	887	14.8%	11.0%
Walsall	684	11.4%	10.2%
Cannock Chase	634	10.6%	11.9%
Birmingham	260	4.3%	5.2%
Stafford	228	3.8%	3.7%
Sandwell	220	3.7%	4.0%
Shropshire	206	3.4%	3.6%
Telford and Wrekin	120	2.0%	2.1%
Lichfield	119	2.0%	2.0%

ONS Population estimates, 2018; 2011 Census

Housing market indicators

1.22 It is useful to compare the price of housing in South Staffordshire with the authorities closest to it to see the similarities and differences between the housing markets in the areas. The table below presents the average property price for dwellings sold in South Staffordshire and the surrounding authorities in 2019. The table shows the overall average price of homes sold as well as the average for each dwelling type categorised by the Land Registry.

1.23 The table indicates that homes in South Staffordshire are more expensive than in the other areas profiled, with flats in Shropshire the only accommodation type more expensive than the equivalent in South Staffordshire. Prices in Shropshire are closest to those in South

Staffordshire with Wyre Forest and Stafford the next most similar in price. Prices in Wolverhampton are cheapest followed by Cannock Chase and Telford & Wrekin (the overall average price for these latter two areas is skewed upwards by a greater proportion of detached sales). Prices in Walsall and Dudley are in the middle of the range presented.

Table 1.4 Average property prices in 2019 in South Staffordshire and surrounding authorities

Location	Detached	Semi-detached	Terraced	Flat	Overall average price
South Staffordshire	**£346,982**	**£201,725**	**£185,465**	**£140,893**	**£257,051**
Shropshire	£337,171	£199,125	£178,279	£141,242	£248,238
Telford & Wrekin	£273,117	£156,849	£138,087	£95,422	£194,527
Cannock Chase	£259,610	£157,101	£149,625	£92,594	£186,615
Stafford	£315,946	£191,591	£167,038	£139,162	£238,766
Walsall	£311,480	£176,504	£139,452	£112,006	£185,042
Dudley	£291,149	£180,039	£152,803	£110,396	£191,279
Wolverhampton	£259,901	£160,896	£132,086	£96,717	£167,010
Wyre Forest	£331,959	£194,441	£154,243	£105,648	£212,603

Source: Land Registry

1.24 The table below shows the distribution of sales by property type in each of these areas in 2019, which allows comparison of the profile of dwelling stock in each authority. The data indicates that in South Staffordshire sales of detached and semi-detached houses are most common and sales of flats are least frequent. The data implies that Stafford is the authority with the accommodation profile most similar to South Staffordshire followed by Shropshire and Telford & Wrekin, with Wolverhampton and Walsall recording a profile of property sales that is most distinct.

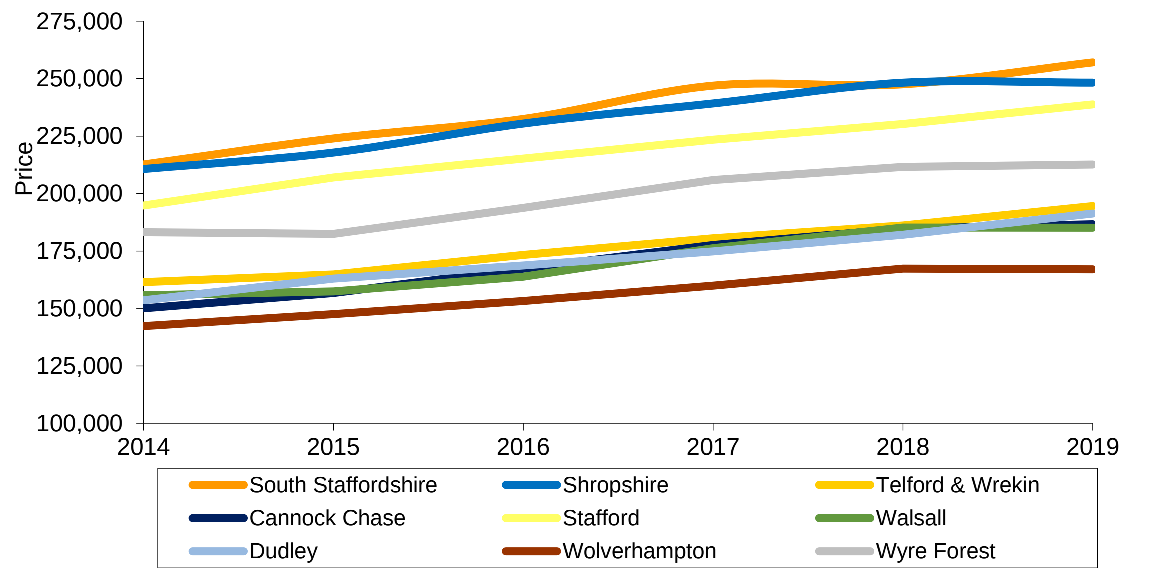
Table 1.5 Distribution of property sales in 2019

Location	Detached	Semi-detached	Terraced	Flat	Total sales
South Staffordshire	**42.3%**	**35.7%**	**16.3%**	**5.7%**	**1,279**
Shropshire	41.9%	30.1%	20.2%	7.8%	4,574
Telford & Wrekin	38.9%	33.7%	22.0%	5.5%	2,476
Cannock Chase	33.3%	44.9%	16.6%	5.2%	1,467
Stafford	44.4%	30.4%	18.9%	6.4%	1,975
Walsall	19.3%	40.6%	30.6%	9.5%	2,834
Dudley	21.9%	43.3%	26.1%	8.6%	3,852
Wolverhampton	19.8%	45.5%	24.6%	10.1%	2,398
Wyre Forest	27.2%	35.6%	28.2%	9.0%	1,318

Source: Land Registry

1.25 The figure below shows the change in average overall property price in each council area over the last five years. The figure shows that prices have continued to rise steadily in all areas, however over the last five years prices have increased the most in Dudley (by 24.6%) and the smallest increase has been recorded in Wyre Forest (16.1%). Prices in South Staffordshire have risen by 20.9% between 2014 and 2019, which is most similar to the price rises in Telford & Wrekin (20.5%) and Stafford (22.6%).

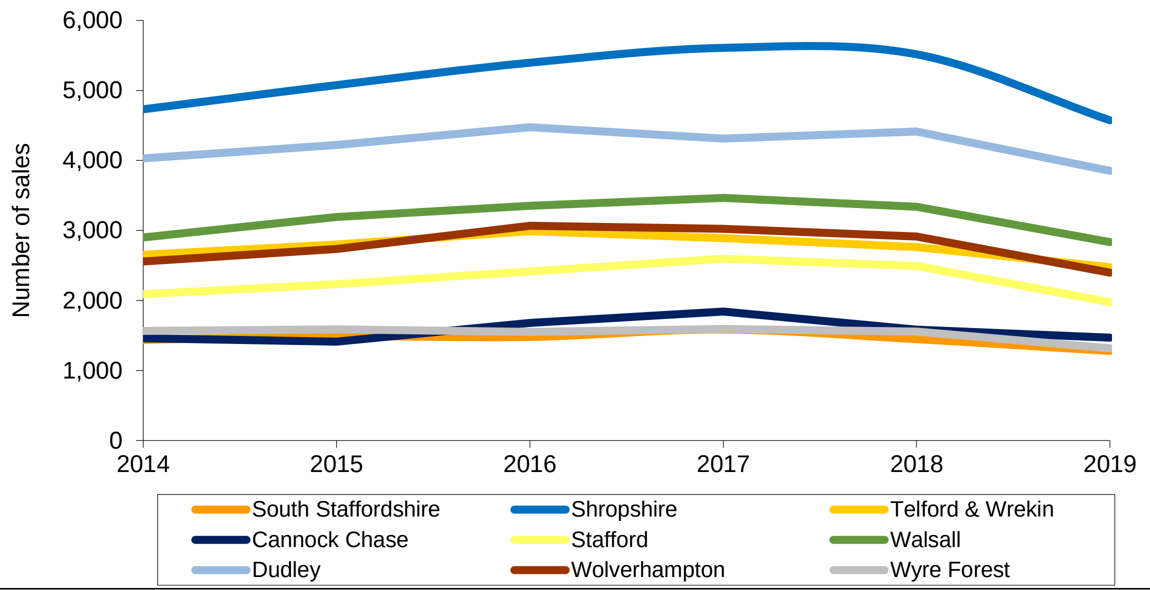
Figure 1.2 Change in overall average price since 2014



Source: Land Registry

1.26 The figure below shows the change in the number of property sales in each council area over the last five years. Wyre Forest has recorded the largest fall in sales (a 15.9% decrease), with South Staffordshire recording the next largest fall at 11.1%. Cannock Chase is the only authority to record a growth in sales (by 0.3% over the five-year period), although Walsall, Shropshire and Dudley have recorded a decrease in sales of less than 5% since 2014.

Figure 1.3 Change in overall sales since 2014



Source: Land Registry

Conclusion

1.27 The analysis of South Staffordshire and its neighbouring authorities presented above suggests that the most established linkages are those with the urban neighbours immediately to the east of the District – Wolverhampton and Dudley reflecting the pattern of migration flows around the Black Country to move radially outwards. It is interesting to note that the flows between South Staffordshire and Wolverhampton are strong both ways. The analysis of the house market suggests that South Staffordshire does not share many characteristics with the authorities with which it shares the greatest migration flows, but is most similar to the other authorities which are principally rural in nature – Shropshire and Stafford. South Staffordshire is therefore fairly unique, closely linked to the Black Country authorities but containing a housing market distinct to this area.

1.28 It has previously been identified as being part of the Greater Birmingham and Black Country Housing Market Area[11] and it is clear that this remains true. In addition, the Council's intention to provide accommodation to address the unmet housing need arising in other parts of the Greater Birmingham and Black Country housing market area, demonstrates that the

[11] This includes the authorities of Birmingham, Bromsgrove, Cannock Chase, Dudley, Lichfield, North Warwickshire, Redditch, Sandwell, Solihull, South Staffordshire, Stratford upon Avon, Tamworth, Walsall and Wolverhampton. See https://www.birmingham.gov.uk/downloads/file/9407/greater_birmingham_hma_strategic_growth_study

relationship between South Staffordshire and these other authorities will continue into the future. Whilst South Staffordshire is part of this identified wider housing market it is appropriate to undertake this study in separation for the other authorities because of the separate local plan timetable it is operating under and the distinct nature of the geography of the district (this study has however closely mirrored the equivalent one being undertaken in the Black Country authorities at a similar time). This approach aligns with what is suggested in the PPG.

Report coverage

1.29 This report is focused on detailing the amount of new housing required over the plan period in South Staffordshire, the size and tenure of housing that would be most suitable for the future population, the housing requirements of specific groups of the population and the level of affordable housing need that exists in the District. The report contains the following:

Chapter 2 presents an examination of the latest data on the labour market and the resident population and a profile of the housing stock in South Staffordshire and the changes that have occurred within them.

Chapter 3 contains a detailed analysis of the cost of property in South Staffordshire and the affordability of the different forms of housing for residents.

Chapter 4 Paragraph 008 of the PPG indicates that '*Strategic policy-making authorities will need to calculate their local housing need figure at the start of the plan-making process*[12]*.'* Chapter sets out the calculation of the local housing need figure for the district.

Chapter 5 disaggregates the local housing need to show the demographic profile of the future population in the housing market area. The chapter uses this information to produce an analysis of the nature of future housing required within the long-term balancing housing markets model (LTBHM).

Chapter 6 sets out the calculation of outputs for the affordable housing needs model strictly in accordance with the PPG approach. The chapter identifies both the type of households in housing need and the tenure of affordable housing that would meet this housing need.

Chapter 7 contains an analysis of the specific housing situation of the particular sub-groups of the population identified within the NPPF.

Chapter 8 is a conclusion summarising the implications of these results.

[12] Reference ID: 2a-008-20190220

Stakeholder consultation

1.30 To help disseminate the purpose of this work and ensure the accuracy of this report (and the assumptions used) stakeholders' views have been sought through the development of this study. A consultation event was held on 18th February 2020, after which written comments were received. This process is documented in Appendix 1.

2. Local housing market drivers

Introduction

2.1 Two main drivers of the housing market are the resident population and the local labour market. They affect the nature of housing demand, including household formation rates and households' investment in housing. This socio-economic situation is important context to be understood before the level of housing need is calculated.

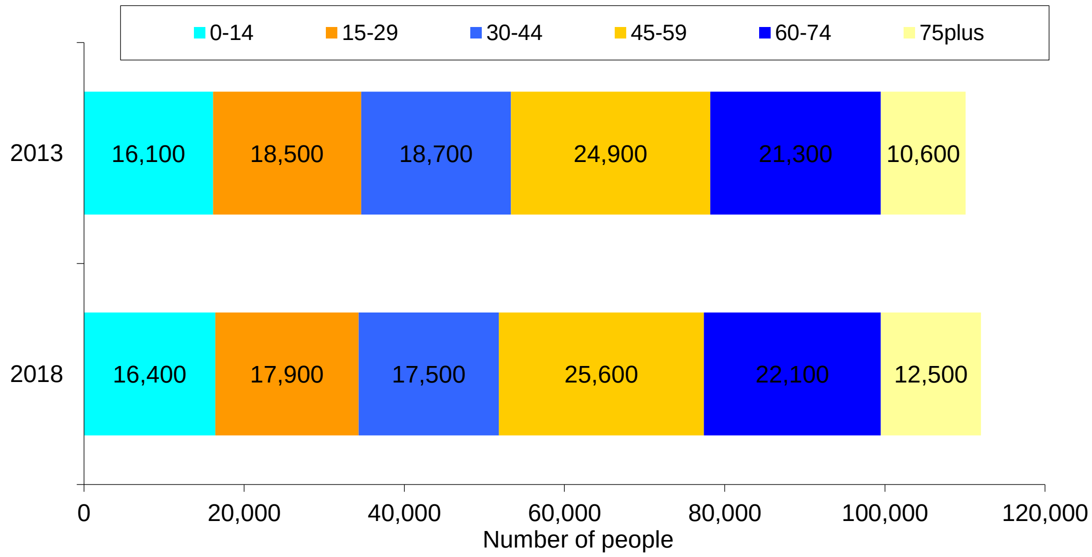
2.2 The first part of this chapter uses the most recently available data to document the current socio-economic profile in South Staffordshire and how it has changed. Analysis of the stock of housing allows an understanding of the current market balance and existing occupation patterns. A range of data sources, including the 2011 Census, are used to provide an overview of the housing stock in South Staffordshire and a comparison to the regional and national situation will be presented where the data is available.

Demography

2.3 The 2018-based population estimates produced by the ONS show the age profile of the population in South Staffordshire and how it has changed over the last 5 years. These population estimates indicate that the resident population in South Staffordshire in 2018 was 112,000 and that since 2013 the population had increased by 1.7%, around 1,900 people. In comparison, the population of the West Midlands region increased by 3.9% over the same period, whilst the population of England grew by 4.0%.

2.4 The figure below illustrates the age composition of the population in South Staffordshire in 2013 and 2018 according to the latest population estimates. The data shows that since 2013 the number of people aged 75 or over has markedly increased in the District. In contrast, the number of people aged between 15 and 44 has decreased. The 2018-based population estimates indicate that the median age in South Staffordshire in 2017 was 47.7, whilst for the West Midlands the figure was 39.5 and across England it was 39.9.

Figure 2.1 Population composition in South Staffordshire (2013 and 2018)



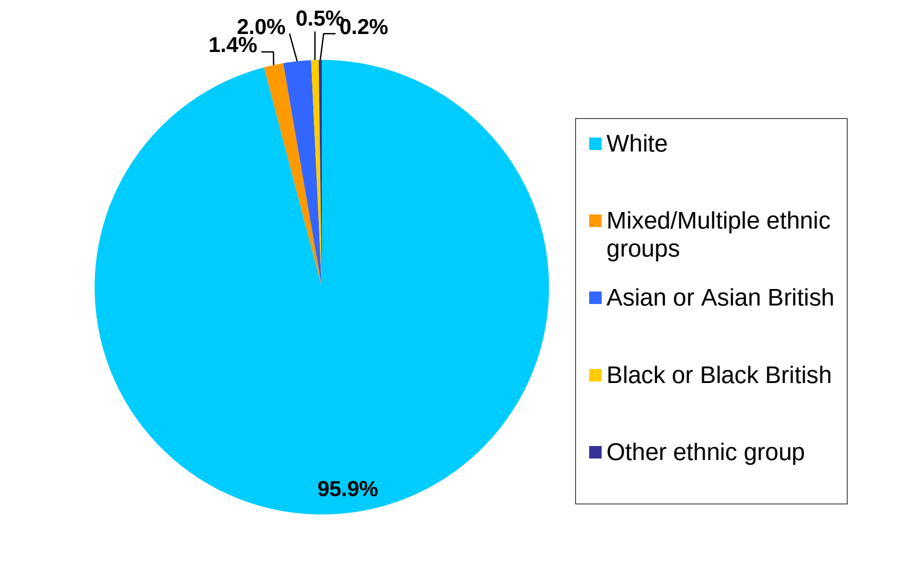
Source: ONS Population estimates, 2018

2.5 The population density in South Staffordshire in 2017 was 275 people per sq. km according to the 2018-based population estimates, notably lower than the figure for the region (454 people per sq. km) and England as a whole (430 people per sq. km).

Ethnicity

2.6 The 2011 Census suggests that the BAME population was 4.1% of the total population in the South Staffordshire, which was notably lower than the regional figure (17.3% in the West Midlands) and the national figure (14.5% in England). The figure below presents the ethnicity of the population in South Staffordshire in 2011. The 'Asian or Asian British' represents the largest BAME group in South Staffordshire area (comprising 2.0% of total population). It should be noted that the 'White' group in South Staffordshire includes 'White Irish' (0.4%) 'White Gypsy and Traveller' (0.1%) and 'White Other' (3.7%) as well as 'White British' (94.6%).

Figure 2.2 Ethnicity of the South Staffordshire population, 2011



Source: 2011 Census

2.7 The 2018-based population estimates estimate that in 2017, just 0.1% of the population of South Staffordshire had been resident in the UK for less than a year, compared to 0.9% in the West Midlands region and 1.0% across England.

Number of households

2.8 The 2016-based household projections indicated that the number of households in South Staffordshire has increased by 3.3% since 2011, reaching 46,305 households in 2016. This compares to the regional average of 3.6% and the national figure of 4.1%. In South Staffordshire, the household population has increased at a notably slower rate than the number of households between 2011 and 2016, resulting in a falling average household size, as is illustrated in the table below. However, at both a regional and a national level, the number of households has risen at the same rate as the population in households and the average size of households has remained unchanged.

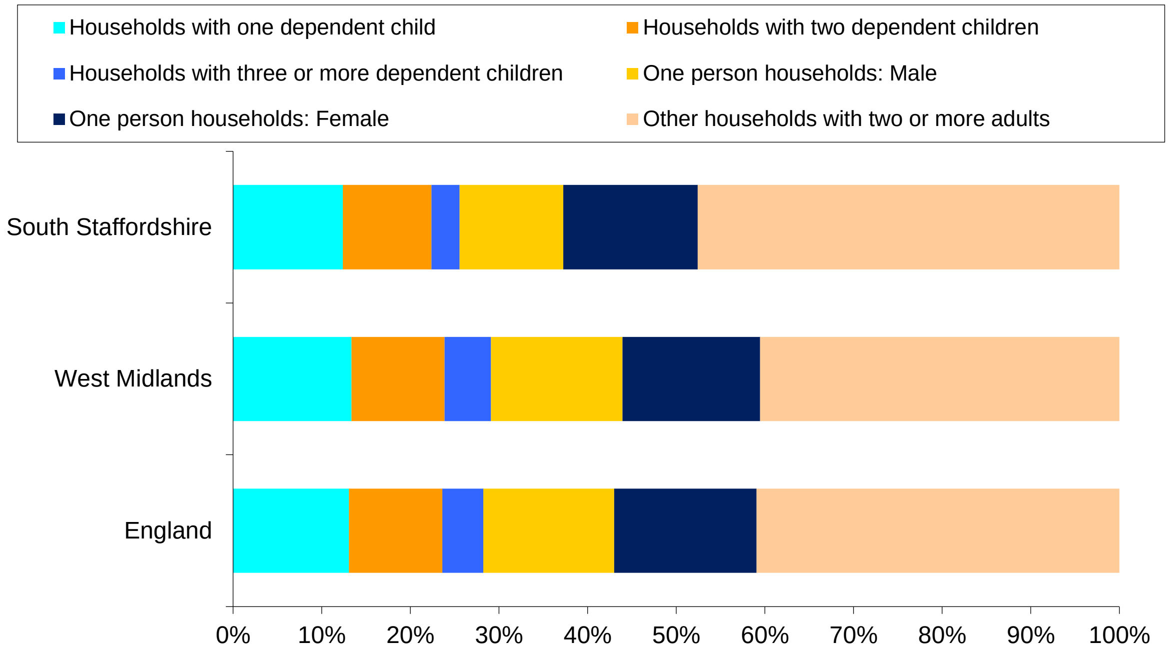
Table 2.1 Change in average household size between 2011 and 2016

Location	*Average household size in 2011*	*Average household size in 2016*
South Staffordshire	2.39	2.34
West Midlands	2.41	2.41
England	2.37	2.37

Source: Mid-year population and household estimates

2.9 The figure below compares the household composition in South Staffordshire in 2016 with that recorded for the West Midlands region and England. The data indicates that there are fewer households with dependent children and more other households with two or more adults in South Staffordshire than are recorded regionally and nationally.

Figure 2.3 Household composition in South Staffordshire, the West Midlands and England, 2016



* Source: 2016-based household projections

Economy

2.10 Considerable data is available on the economic context in South Staffordshire, which enables a profile of the current local economy to be presented.

Employment in South Staffordshire

2.11 NOMIS[13] data on 'job density' (this is a measure of the number of individual jobs[14] per person of working age) for 2018 shows that there are 0.57 jobs per working age person in the District, compared to 0.81 jobs per working age person across the West Midlands region and 0.87 for England as a whole. Whilst the level of job density in South Staffordshire is the same now as was recorded five years ago (also 0.57 in 2013), job density has increased across the region and England as whole (from 0.76 to 0.81 in the West Midlands and from 0.80 to 0.87 nationally).

[13] NOMIS is a website provided by the Office for National Statistics that contains a range of labour market data at a local authority level. www.nomisweb.co.uk.

[14] Jobs includes employees (both full and part-time), self-employed, government-supported trainees and HM Forces.

2.12 Measured by the ONS Business Register and Employment Survey, there were 34,000 individual employee jobs[15] in South Staffordshire in 2018. This is the highest level recorded in the District since the collection of this data was begun in 2015. Overall, the number of employee jobs in South Staffordshire has increased by 3.0% between 2015 and 2018, compared to an increase of 3.9% for the region and an increase of 3.6% nationally over the same time period. It is worth noting that all the figures produced by this data source are rounded to the nearest thousand so fluctuations will appear larger where there is a lower base population.

2.13 Data is also available from the ONS about the number of businesses in the area and how this has changed. This can provide an indication of the state of the economy as an increase in businesses would suggest either new companies moving to the area or an increase in local entrepreneurship. The ONS indicates that in 2019 there were 4,660 enterprises in South Staffordshire. A higher similar proportion of enterprises are micro (with 9 or fewer employees) across South Staffordshire (91.3%) compared with the West Midlands (89.1%) and England (89.3%). In South Staffordshire the number of enterprises has increased by 22.3% between 2014 and 2019 (a rise of 850), larger than both the regional (20.3%) and national (21.1%) increases.

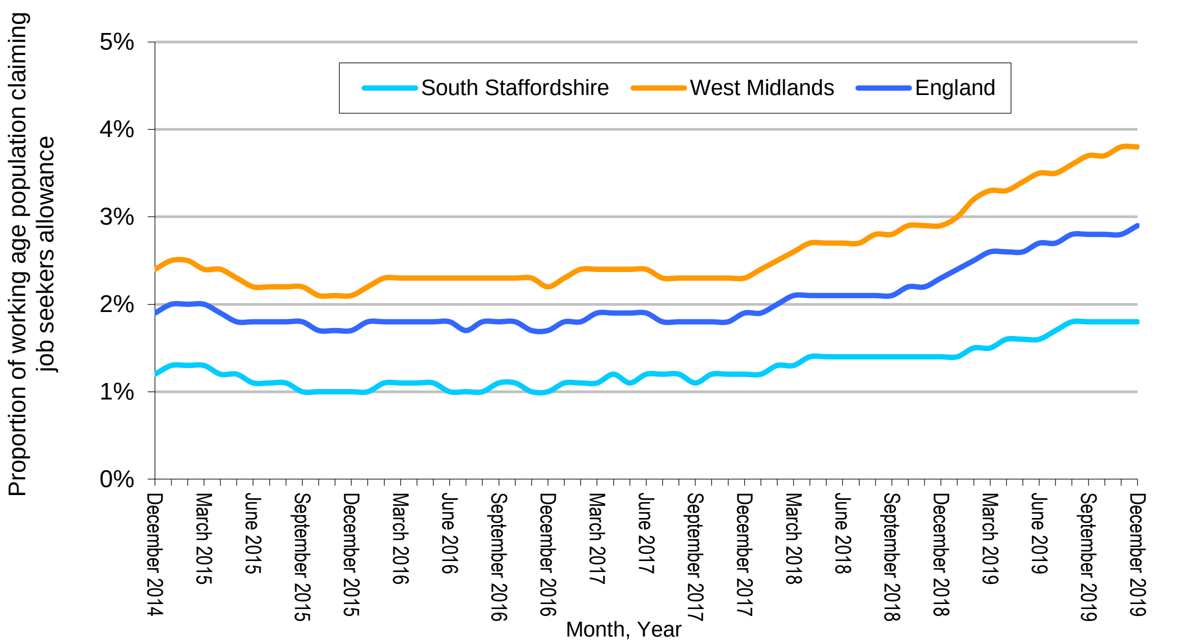
Employment profile of residents in South Staffordshire

2.14 Although the overall economic performance of the District provides important context, an understanding of the effect of the economic climate on the resident population is more pertinent to this study.

2.15 The ONS publishes the number of people claiming Job Seekers Allowance on a monthly basis. This provides a very up-to-date measure of the level of unemployment of residents in an area. The figure below shows the change in the proportion of the working age population claiming Job Seekers Allowance in South Staffordshire, the West Midlands and England over the last five years. The figure indicates that the unemployment level in South Staffordshire, whilst fluctuating, has been lower than the national level and notably lower than the regional figure. Currently 1.8% of the working age population in South Staffordshire are unemployed, compared to 3.8% regionally and the national average of 2.9%. Over the last five years, unemployment has increased in South Staffordshire by 20.9%, compared to a rise of 61.9% in the West Midlands and a growth of 61.9% nationally.

[15] Employee jobs excludes self-employed, government-supported trainees and HM Forces. Employee jobs can be both part-time and full-time. Data also excludes farm-based agriculture.

Figure 2.4 Level of unemployment (2014-2019)



Source: ONS Claimant Count

2.16 The Annual Population Survey presents a 'Standard Occupation Classification' which categorises all working people resident within an area into one of nine groups depending on the nature of the skills that they use. These nine groups are graded from managerial jobs (Groups 1-3) to unskilled jobs (Groups 8-9). As the table below illustrates, some 44.4% of employed residents in South Staffordshire work in Groups 1 to 3, higher than the figure for the West Midlands region, but slightly lower than the national one. Further analysis shows that, since 2013, there has been a considerable increase in the number of people resident in South Staffordshire employed within Groups 8 to 9 and Groups 1 to 3 and a notable fall in the number of people employed within Groups 4 to 5.

Table 2.2 Occupation structure (2018)				
Occupation Groups	*South Staffordshire*	*West Midlands*	*England*	*Change in # of people employed in South Staffordshire since 2013*
Group 1-3: Senior, Professional or Technical	44.4%	42.2%	46.8%	10.9%
Group 4-5: Administrative, skilled trades	16.7%	21.0%	20.0%	-20.0%
Group 6-7: Personal service, Customer service and Sales	19.5%	16.6%	16.3%	-0.9%
Group 8-9: Machine operatives, Elementary occupations	19.5%	19.9%	16.6%	28.6%
Total	100.0%	100.0%	100.0%	-

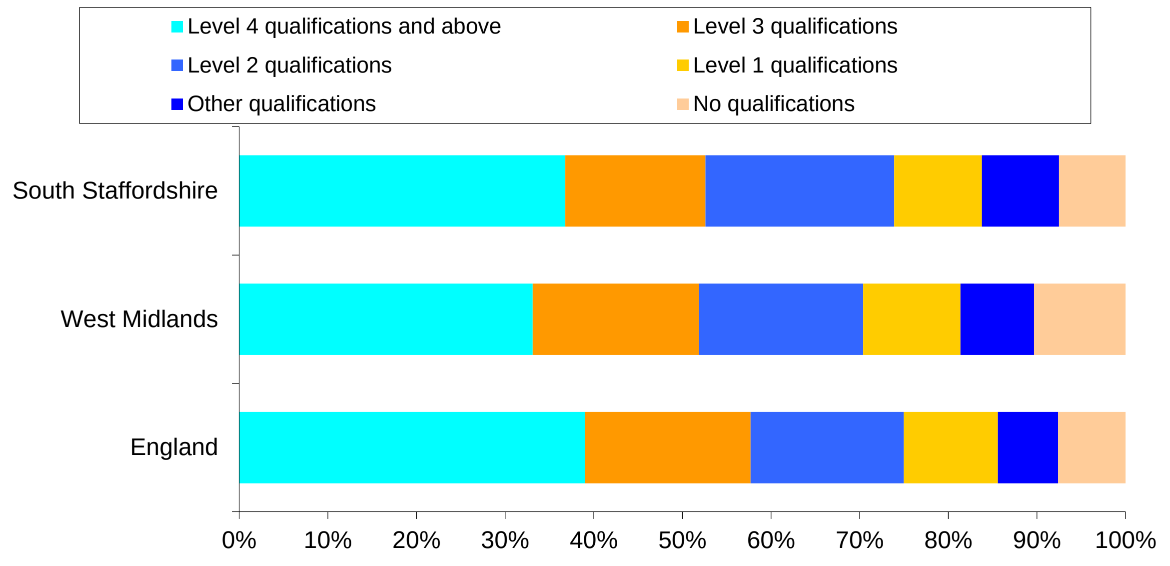
Source: Annual Population Survey, 2018

Qualifications

2.17 An important factor in the ability of any economy to grow is the level of skill of the workforce. The figure below shows the highest qualification level of the working-age residents of South Staffordshire, compared to the regional and national equivalents as recorded in the Annual Population Survey. Level 1 qualification is the lowest (equivalent of any grade at GCSE or O-Level) and Level 4 the highest (undergraduate degree or higher)[16]. The data indicates that 36.8% of working-age residents in South Staffordshire have Level 4 or higher qualifications, higher than the figures for the West Midlands region (31.1%), but below that for England (39.0%). South Staffordshire does however have fewer residents with no qualifications than is found regionally and regionally. It is important to note that, in South Staffordshire, the proportion of working-age residents with Level 4 qualifications or higher has increased notably since 2013 (by 9.9%)

[16] These definitions come from the data source (at www.nomisweb.co.uk/) and may differ slightly from the banding used on the guide to qualification levels located on the www.gov.uk site.

Figure 2.5 Highest qualification level of residents (2018)



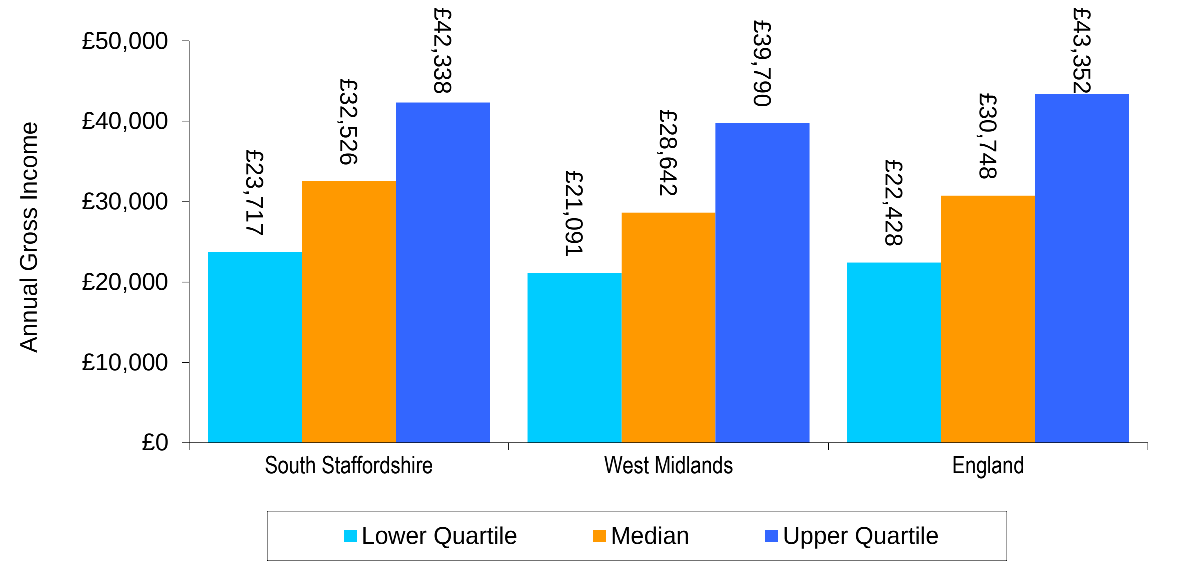
Source: Annual Population Survey, 2018

Income

2.18 Income has a core effect on the level of choice a household has when determining their future accommodation. The mean earned gross income for full-time employees resident in South Staffordshire in 2019 was £37,237, according to the ONS Annual Survey of Hours and Earnings. In comparison, the regional figure was £33,686 and the national average was £37,092. It is important to note that these figures assess individual incomes rather than household incomes. It should also be noted that the median figures (set out in the figure below) provide a more accurate average than the mean figures are they are less influenced by extreme values, however the mean figures are presented for context.

2.19 The figure below shows that despite England recording a higher upper quartile income, the lower quartile and median income levels are higher in South Staffordshire. At all points on the distribution, annual gross income in South Staffordshire is higher than the regional equivalents. In South Staffordshire there is a relatively small difference between higher earners and lower earners (in comparison to nationally).

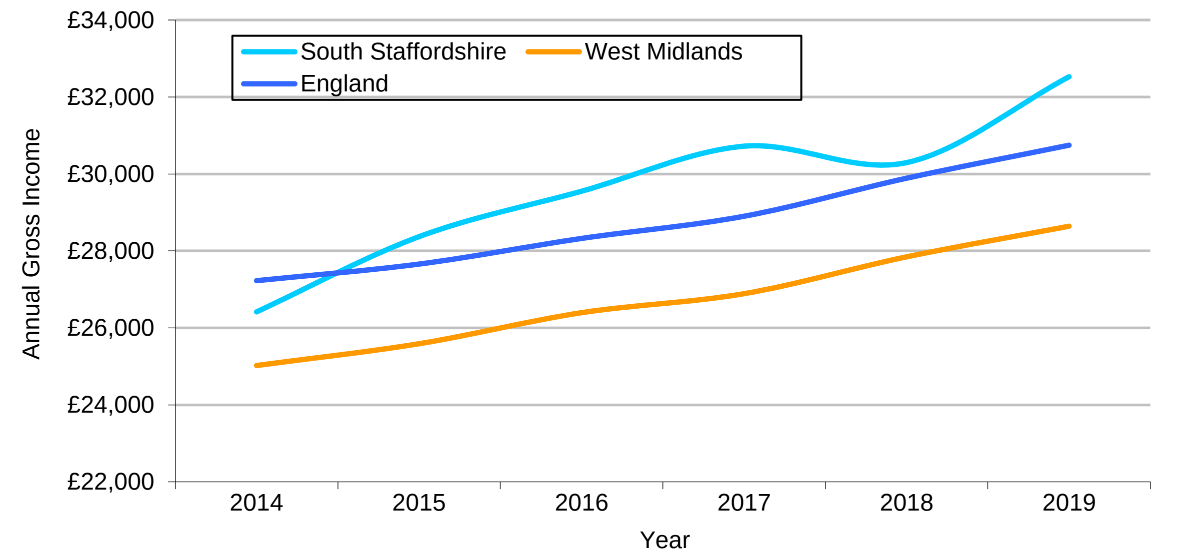
Figure 2.6 Annual gross income of full-time employed residents 2019



Source: ONS Annual Survey of Hours and Earnings (2019)

2.20 The figure below shows the change in the median income of full-time employees resident in South Staffordshire, the West Midlands region and England since 2014. South Staffordshire has recorded the highest increase since 2014 (at 23.1%) followed by the West Midlands (14.5%), and England (12.9%).

Figure 2.7 Change in median annual income of full-time employed residents 2013-2018

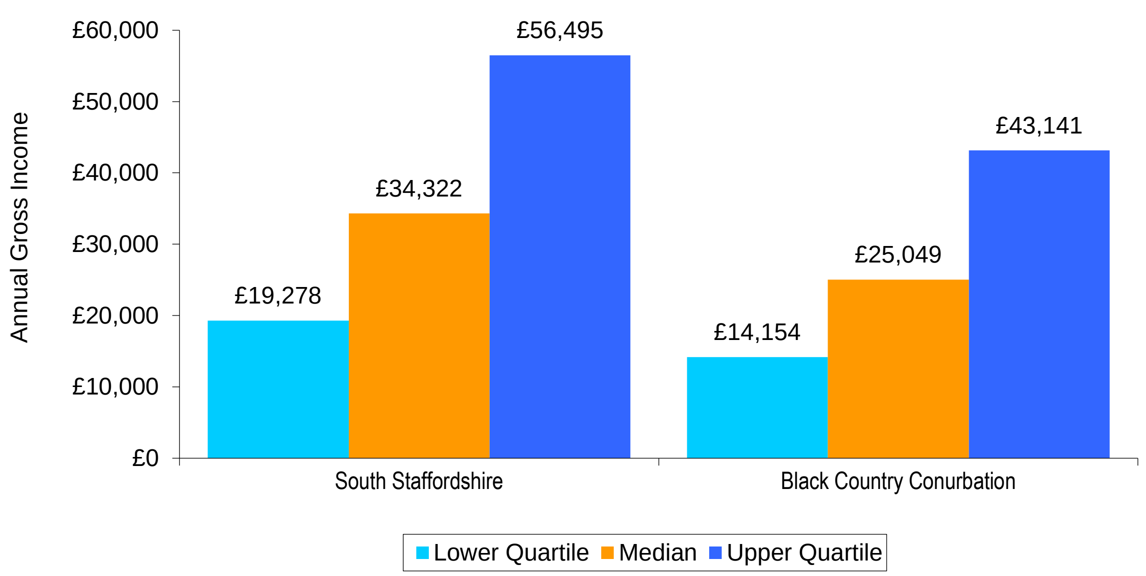


Source: ONS Annual Survey of Hours and Earnings (2014-2019)

Household income

2.21 CACI Paycheck[17] estimates that the mean gross annual household income in South Staffordshire is £42,036, which is 30.6% above the equivalent for the Black Country Conurbation[18] (£32,185). The figure below shows household income at various points on the income distribution for the District alongside the Black Country Conurbation equivalents. The data indicates that households in South Staffordshire are more significantly more affluent than equivalent Black Country-wide households at all points on the income distribution.

Figure 2.8 Distribution of annual gross household income



Source: CACI Paycheck, 2020

Dwelling stock

2.22 The latest Ministry of Housing, Communities and Local Government (MHCLG) live tables[19] indicates that there were 47,150 dwellings in South Staffordshire in 2018, and that, over the last five years, the number of dwellings had increased by 2.5%, over 1,150 properties. In comparison, the dwelling stock in the West Midlands region increased by 3.7% between the 2013 and 2018, whilst the dwelling stock of England increased by 4.0%.

Accommodation profile

2.23 The figure below compares the type of accommodation in South Staffordshire in 2018 with that recorded for the West Midlands region and England. South Staffordshire contains more

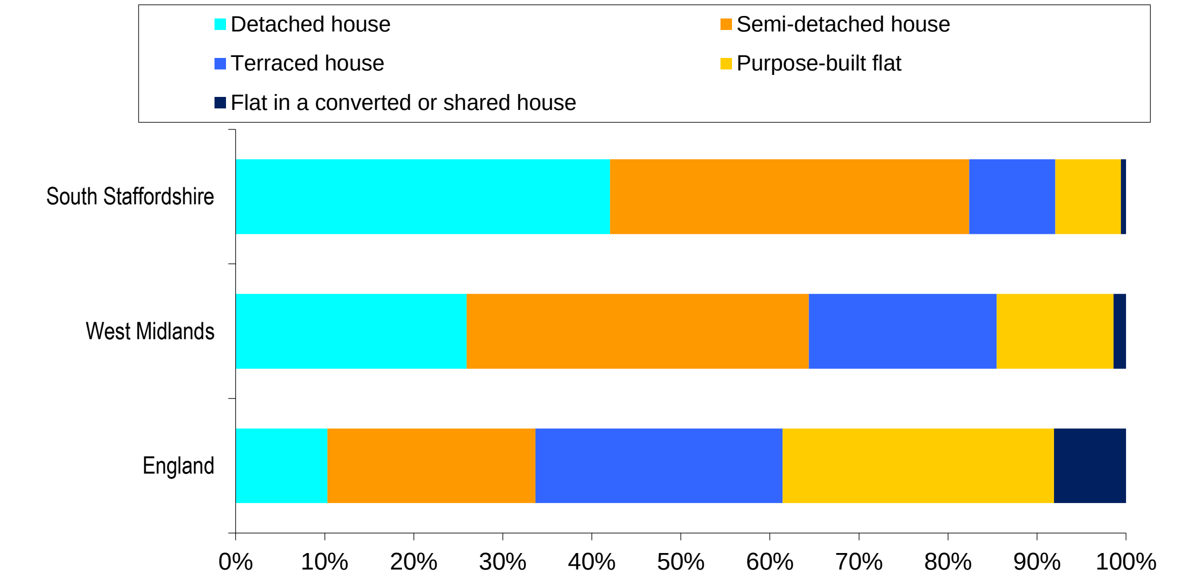
[17] CACI is a commercial company that provides households income data.

[18] This is the four authority areas of Dudley, Sandwell, Walsall and Wolverhampton

[19] https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants

detached and semi-detached houses than the regional and national averages. The District contains notably fewer terraced house and flats than is found across the region and nationally.

Figure 2.9 Dwelling type in South Staffordshire, the West Midlands and England, 2018



Source: Survey of English Housing 2018, modelled 2011 Census data

2.24 The table below compares the size of accommodation (in terms of rooms) in South Staffordshire, the West Midlands region and England. The table indicates that South Staffordshire has a greater proportion of larger homes (homes with 6 or more rooms) and fewer smaller dwellings (four or fewer rooms) than the West Midlands region and England as a whole. Overall, over a third of all dwellings in South Staffordshire have seven or more rooms.

Table 2.3 Size of dwelling stock in the South Staffordshire, the West Midlands and England, 2018

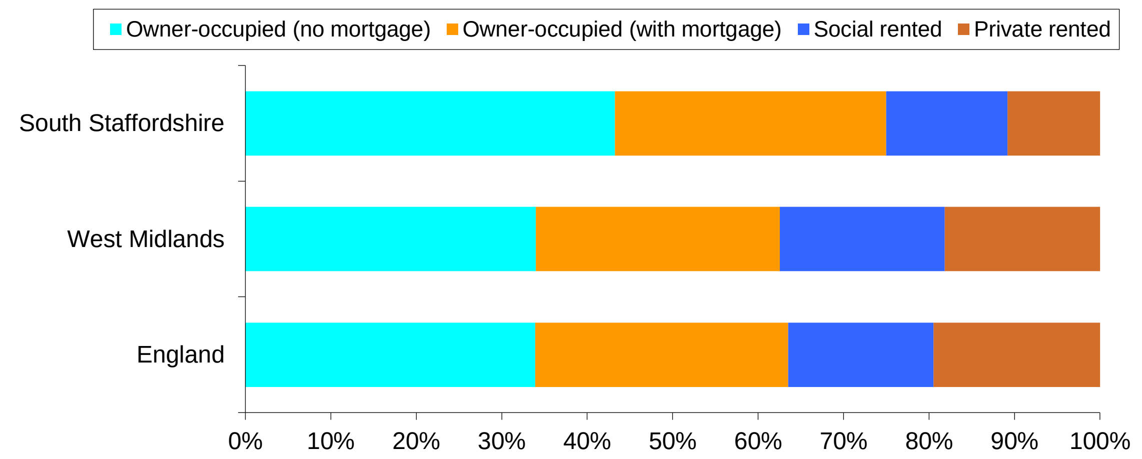
*Property size**	*South Staffordshire*	*West Midlands*	*England*
2 or fewer rooms	0.8%	1.9%	0.7%
3 rooms	5.4%	9.2%	9.7%
4 rooms	15.1%	16.3%	21.3%
5 rooms	20.5%	25.0%	28.7%
6 rooms	20.8%	21.5%	20.2%
7 rooms	15.5%	11.7%	10.7%
8 or more rooms	21.9%	14.3%	8.8%
Total	100.0%	100.0%	100

*The number of rooms available excludes utility rooms but does include bathrooms and kitchens. Source: Survey of English Housing 2018, modelled 2011 Census data

Tenure

2.25 The figure below compares the tenure of households in South Staffordshire in 2017 with that recorded for the West Midlands region and England. The data indicates that 43.2% of households in the District are owner-occupiers without a mortgage, compared to 34.0% in the region and 33.9% nationally. The proportion of owner-occupiers with a mortgage in South Staffordshire (31.7%) is also higher than both the regional (28.5%) and national average (29.6%). Some 14.3% of households in South Staffordshire are resident in the Social Rented sector, lower than the figure for the West Midlands region (19.3%) and the national average (17.0%). Finally, some 10.8% of households in South Staffordshire live in private rented accommodation, compared to 18.2% in both the West Midlands region and 19.5% across England.

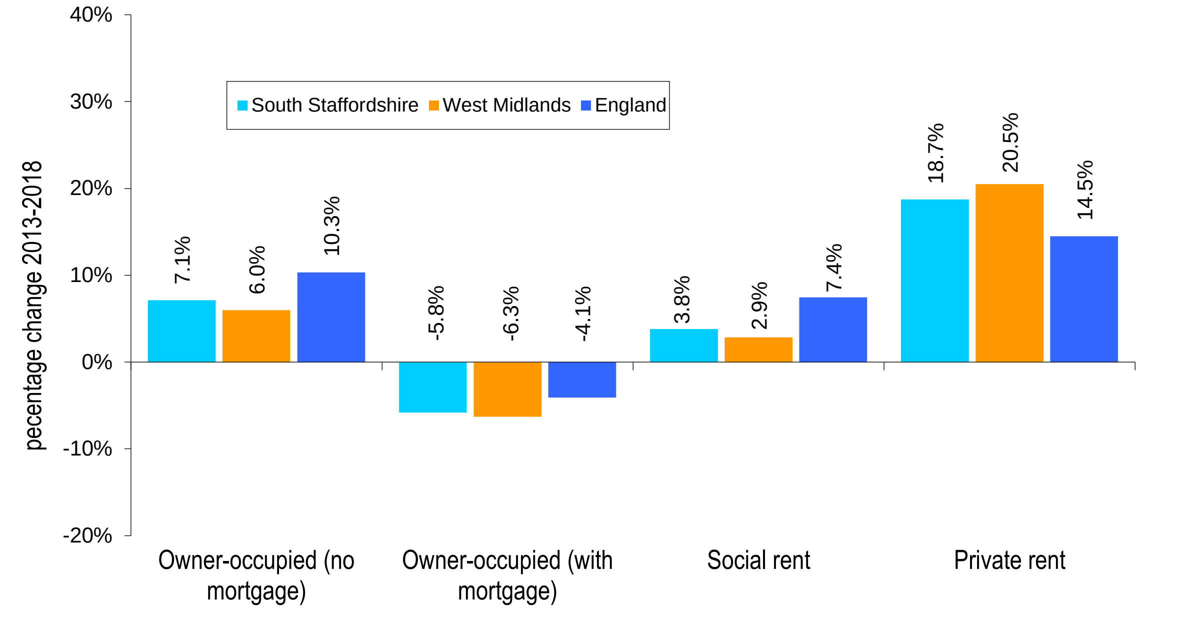
Figure 2.10 Tenure profile in the South Staffordshire, the West Midlands and England, 2018



Source: Survey of English Housing 2017, modelled 2011 Census data

2.26 The figure below shows the change in the size of each tenure between 2013 and 2018. The figure shows that in all areas the private rented sector has increased dramatically and the number of owner-occupiers with no mortgage has also grown. In comparison, the number of owner-occupiers with a mortgage has decreased. The Social Rented sector has generally shown the smallest change.

Figure 2.11 Change in number of households in each tenure 2013 to 2018

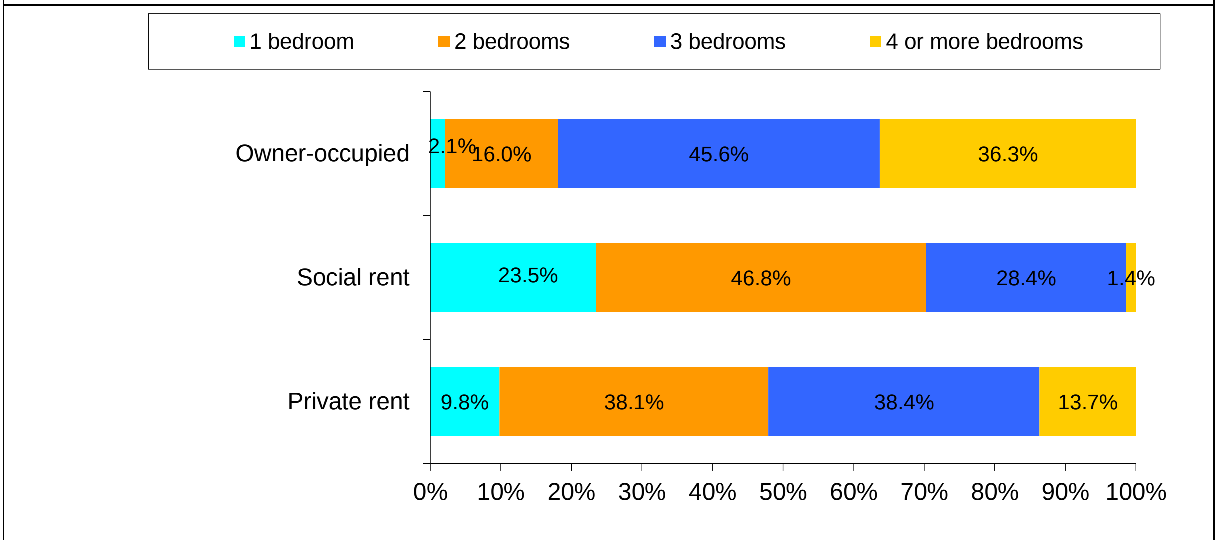


Source: Survey of English Housing 2018, modelled 2011 Census data

Tenure by bedroom

2.27 Finally, it is useful to understand the size of accommodation within each tenure as recorded in the LTBHM model (discussed further in Chapter 4). This is shown in the figure below. The data indicates that in South Staffordshire, rented accommodation is smaller on average than owned dwellings. This pattern is common across the country and reflects of the profile of dwellings built in each sector alongside the size of homes lost from the affordable stock through Right-to-Buy rather than the aspirations of those in the different tenures.

Figure 2.12 Dwelling size within each tenure in South Staffordshire, 2018



3. The cost and affordability of housing

Introduction

3.1 An effective housing needs assessment is founded on a thorough understanding of local housing – what it costs and how this varies. This chapter initially considers the cost of market housing in South Staffordshire in a regional and national context. Subsequently, it assesses the entry-level costs of housing across the different sub-areas in the District as well as the authority as a whole. A comparison of the cost of different tenures will be used to identify the housing market gaps that exist. Finally, the chapter will report changes in affordability as well as the affordability of housing for different groups of the population currently.

Relative prices

3.2 The table below shows the average property price by dwelling type in 2019 in South Staffordshire, the West Midlands region and England as a whole as presented by the Land Registry[20]. The data indicates that, whilst the overall average property price in South Staffordshire is 14.2% lower than the national figure, it is 12.1% higher than the figure for the West Midlands. The data also shows that detached and semi-detached houses and flats in the District are typically slightly cheaper than their regional equivalent and markedly less expensive than the national average, however terraced houses in South Staffordshire are typically more expensive than the regional figures.

3.3 The dwelling profile is not the same across the three areas (with South Staffordshire having a greater proportion of sales of detached houses and a notably smaller proportion of flats than nationally), so a mix adjusted average has therefore been derived to work out what the average price would be were the dwelling mix in South Staffordshire and the West Midlands to be the same profile as is recorded across England. The mix adjusted average price indicates that equivalent properties in South Staffordshire are around 24.9% lower than those found nationally and 0.4% higher than those across the West Midlands as a whole. However, the fact that the profile of homes available skews towards the more expensive property types (detached houses) means that the majority of housing is more expensive than in many neighbouring authorities.

[20] http://landregistry.data.gov.uk/app/standard-reports/report-design?utf8=%E2%9C%93&report=avgPrice

Table 3.1 Average property prices* 2019						
Dwelling type	South Staffordshire		West Midlands		England & Wales	
	Average price	% of sales	Average price	% of sales	Average price	% of sales
Detached	£346,982	42.3%	£353,173	27.2%	£410,557	25.9%
Semi-detached	£201,725	35.7%	£204,035	35.2%	£257,470	29.9%
Terraced	£185,465	16.3%	£169,221	27.2%	£243,649	28.1%
Flat	£140,893	5.7%	£149,246	10.5%	£296,005	16.2%
Overall average price	£257,051	100.0%	£229,367	100.0%	£299,470	100.0%
Mixed adjusted overall average price	£224,944	-	£224,029	-	£299,470	-

*This is average price per sold property. Source: Land Registry, 2020

3.4 The average property price in South Staffordshire has risen by 20.9% between 2014 and 2019 compared to an increase of 14.8% nationally and a growth of 22.5% across the region. The number of sales in South Staffordshire over this period has fallen by 11.1% compared to a decrease of 20.3% in England and a fall of 11.4% for the West Midlands.

3.5 The table below shows the average private rents by dwelling size in 2018-2019 in South Staffordshire, the West Midlands region and England as recorded by the Valuation Office Agency. The data indicates that whilst the overall average rental price in South Staffordshire is 14.7% lower than the national figure, it is 12.4% higher than the figure for the West Midlands. The data also shows that three and four bedroom rents in the District are more expensive than their regional equivalent, however one and two bedroom rents are cheaper than the regional figure. The mix adjusted average rent indicates that equivalent properties in South Staffordshire are around 24.1% lower than those found nationally and 0.6% higher than those in the West Midlands.

Table 3.2 Average private rents in 2018-2019* (price per month)						
Dwelling size	South Staffordshire		West Midlands		England	
	No. of sales	Average price	No. of sales	Average price	No. of sales	Average price
One bedroom	60	£491	7,580	£514	92,160	£731
Two bedroom	240	£610	19,230	£623	210,040	£800
Three bedroom	230	£738	12,750	£723	123,660	£916
Four bedroom	90	£1,228	2,950	£1,111	40,590	£1,611
Overall average rent**	620	£732	45,340	£651	504,970	£858
Mixed adjusted rent	-	£674	-	£670	-	£888

*Recorded between 1 April 2018 to 31 March 2019 **This figure includes the rents for room and studio accommodation which are not presented in this table. Source: Valuation Office Agency, 2019

3.6 The average rents in South Staffordshire have risen by 19.0% between 2013-14 and 2018-19 compared to an increase of 19.2% nationally and a growth of 14.8% across the region. The number of lettings in South Staffordshire over this period has grown by 29.0% compared to a rise of 5.7% in England and a decrease of 18.3% for the West Midlands.

Price by sub-areas

3.7 The Council uses five sub-areas within the District for administrative purposes. These five sub-areas are defined by ward boundaries and have been created to reflect the different characteristics of the District that exist in the different parts of what is a large geographical area. The table below lists the wards that comprise the five sub-areas in South Staffordshire.

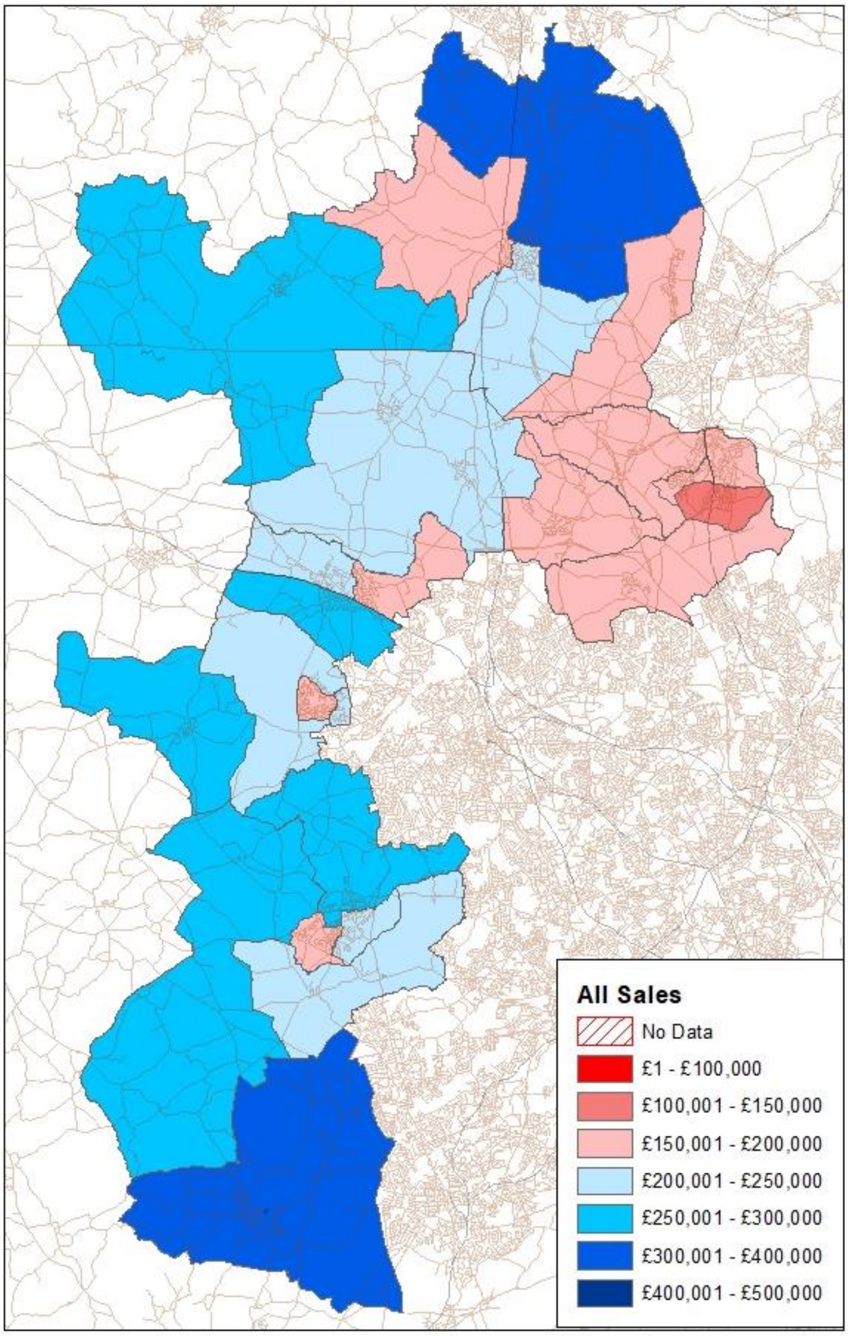
Table 3.3 Wards that comprise each sub-area

Sub-area	*Composite wards*
Northern	Penkridge North East and Acton Trussell, Penkridge West, Penkridge South East, Huntington and Hatherton
North Western	Brewood and Coven, Wheaton Aston, Bishopswood and Lapley
North Eastern	Cheslyn Hay North and Saredon, Featherstone and Shareshill, Essington, Cheslyn Hay South, Great Wyrley Town, Great Wyrley, Landywood
Central	Codsall North, Codsall South, Bilbrook, Perton Dippons, Perton Lakeside, Perton East, Pattingham & Patshull
Southern	Wombourne North & Lower Penn, Wombourne South West, Wombourne South East, Himley and Swindon, Trysull and Seisdon, Kinver

Source: South Staffordshire Council, 2020

3.8 The difference in the price of housing across these five areas has been analysed using Land Registry data. Initially the figure below shows the differences in average price that exist across South Staffordshire. This shows that average prices are highest in the far north and far south of the District and that the east of the District is cheapest, most notably the areas closest to Great Wyrley. Generally, the west of South Staffordshire is more expensive than the east, reflecting the more rural nature of the District here.

Figure 3.1 Variation in property prices across South Staffordshire – Median property prices by ward January 2018 to December 2019



This data covers transactions received at Land Registry from 01/01/18 to 19/12/2019
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Source: Land Registry, 2020

3.9 The table below shows the average property price by dwelling type in 2019 in the five sub-areas in comparison to the figure for the District as a whole. The data indicates that whilst the detached, and terraced houses are most expensive on average in the Southern sub-area, semi-detached houses are most expensive in the North Western sub-area with flats highest priced in the Central sub-area. The North Eastern sub-area records the lowest average price for all dwelling types. Generally, the Southern sub-area is most expensive, followed by the North Western sub-area with Central and Northern sub-areas very similar and the North Eastern sub-area cheapest.

Table 3.4 Average property prices in the sub-areas of South Staffordshire, 2019

Dwelling type	Central		North Eastern		North Western	
	No. of sales	Average price	No. of sales	Average price	No. of sales	Average price
Detached	146	£330,723	94	£314,557	47	£365,141
Semi-detached	129	£198,798	141	£180,725	35	£237,971
Terraced	40	£183,368	73	£154,688	16	£213,684
Flat	27	£162,452	3	*	6	*
Overall average price	342	£250,443	311	£214,491	104	£285,068
Dwelling type	Northern		Southern		South Staffordshire	
	No. of sales	Average price	No. of sales	Average price	No. of sales	Average price
Detached	112	£334,406	141	£387,967	540	£346,982
Semi-detached	74	£197,336	78	£232,429	457	£201,725
Terraced	38	£185,359	39	£228,646	206	£185,465
Flat	13	*	24	£158,262	73	£140,893
Overall average price	237	£253,583	282	£303,363	1,276	£257,051

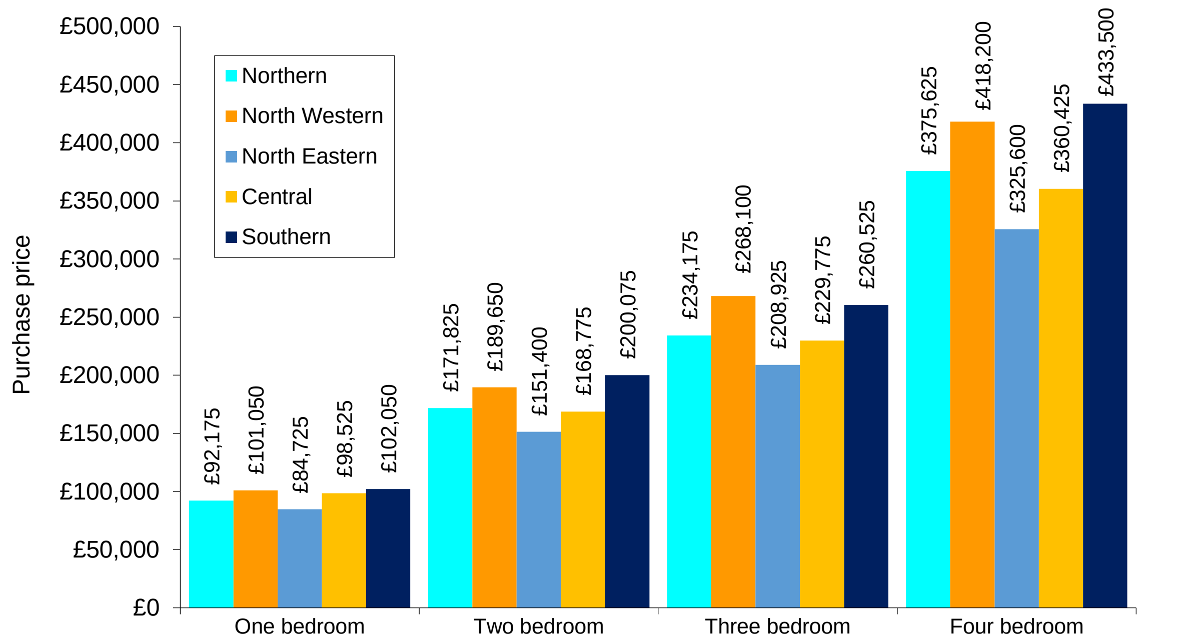
*The number of sales was too small to provide an informative average. Source: Land Registry, 2020

The cost of housing

3.10 To fully understand the affordability of housing within an area, it is necessary to collect data on the cost of housing by number of bedrooms. This ensures that it is possible to assess the ability of households to afford market housing of the size required by that particular household. No published secondary data contains this information at a Local Authority level. As part of this study, we have therefore undertaken a price survey to assess the current cost of market (owner-occupied and private rented) and affordable housing in South Staffordshire. At the time of the price survey there were over 930 homes advertised for sale, and over 190 properties available to rent in South Staffordshire, providing a suitably large sample size for this process.

3.11 Median property prices by number of bedrooms were obtained in each of the five sub-areas in the District via an online search of properties advertised for sale during January 2020. The results of this online price survey are presented in Figure 3.3. The prices recorded include a discount to reflect that the full asking price is not usually achieved (with sales values typically 2.5% lower). The figure shows that, in all price areas, the difference between two and three bedroom homes is smallest.

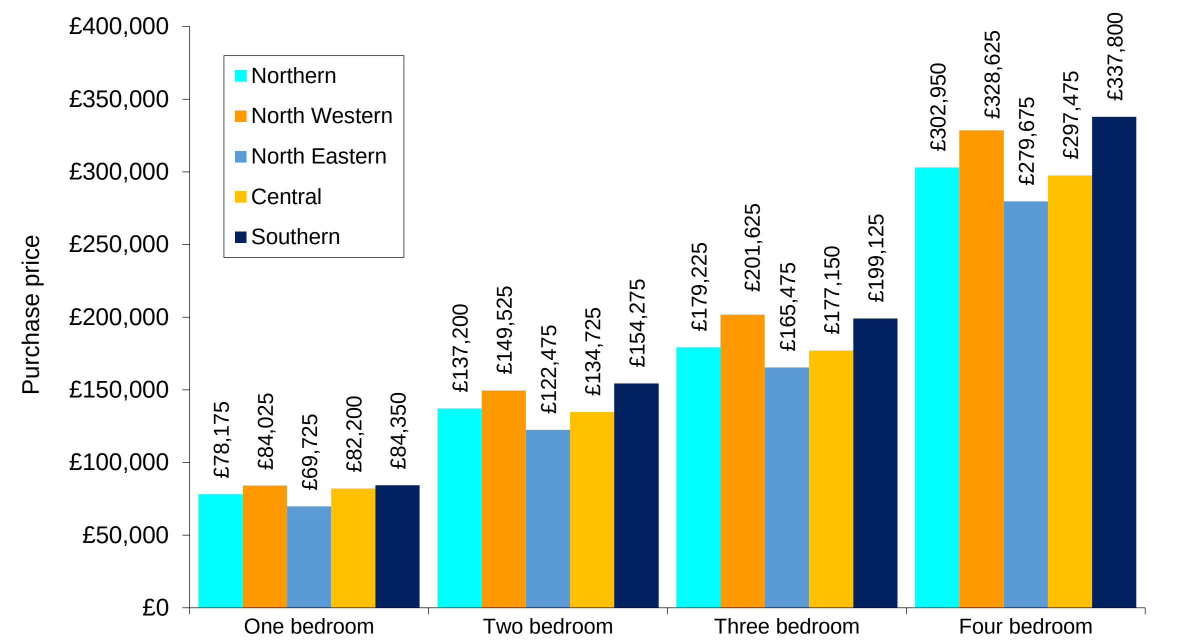
Figure 3.2 Median prices by size and sub-area



Source: Online estate agents survey January 2020

3.12 The online survey also collected information at different points of the price distribution. Entry-level property prices for each sub-area are presented in the figure below. In accordance with the PPG, entry-level prices are based on lower quartile prices (paragraph 021 Reference ID: 2a-021-20190220). This lower quartile price reflects the cost of a home in suitable condition for habitation, some of the properties available in the lowest quartile are sub-standard and will require modernisation and updating which will add further expense to the purchase price.

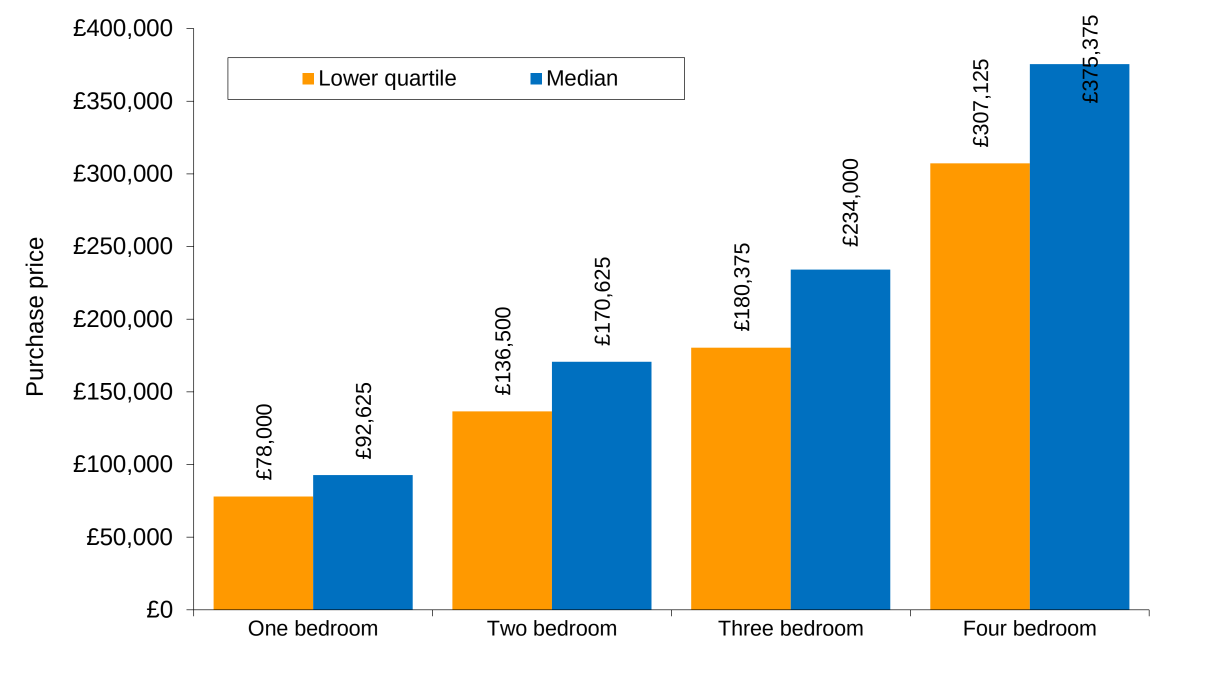
Figure 3.3 Lower quartile prices by size and sub-area



Source: Online estate agents survey January 2020

3.13 The analysis so far has considered price data by sub-area; however, it is useful to also present this information for the District as a whole. Figure 3.4 therefore shows median and entry-level property prices by number of bedrooms across South Staffordshire. The figure indicates that entry-level prices in the District range from £78,000 for a one bedroom home up to £307,125 for a four-bedroom property. Median prices are generally around 20-30% higher than entry-level prices. In terms of market availability, the analysis showed that three-bedroom properties are most commonly available to purchase in South Staffordshire, with four-bedroom homes the next most widely available. The smallest supply is of one-bedroom homes.

Figure 3.4 Property prices by size in South Staffordshire



Source: Online estate agents survey January 2020

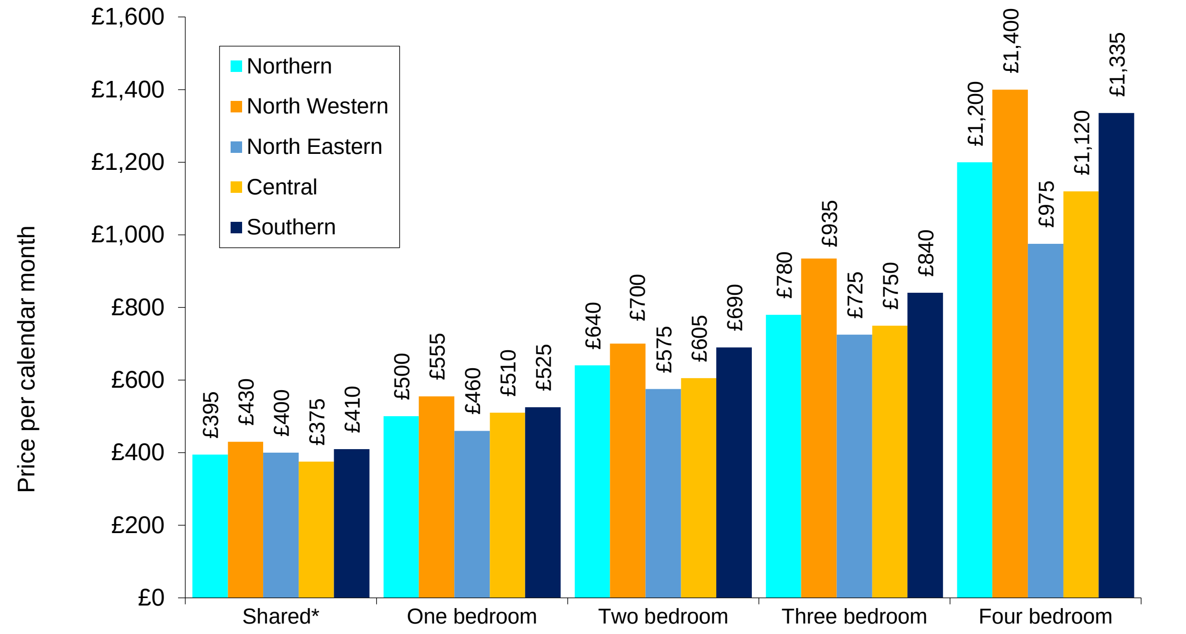
Private rents

3.14 Whilst private rent levels vary across the District, the distinction between the areas is less marked than with owner-occupation, reflecting that location is not as important a determinant in rent levels as the condition and quality of the property. The median price for private rented accommodation by property size in each sub-area is presented in the figure below. The costs recorded are the agreed letting cost rather than the advertised cost, although generally there is little distinction between the two, especially for smaller properties where the demand is high relative to supply. The figure also includes the cost of a shared room within the private rented sector[21].

3.15 The figure shows that the smallest difference is between the cost of a two and three bedroom dwelling in the Northern and Southern sub-areas, whilst the difference between one and two bedroom homes is smallest in the North Western, North Eastern and Central sub-areas.

[21] The Local Housing Allowance regulations, which indicates that single people 35 or under are only entitled to the shared accommodation rate rather than the rate for a one bedroom home, imply that these individuals are deemed suitable to meet their housing needs within the market in this way. The cost of a room within shared accommodation is therefore included as it represents appropriate accommodation for single person households of 35 or under and this group of households will be tested against its ability to afford this in the affordable housing needs model set out in Chapter 5.

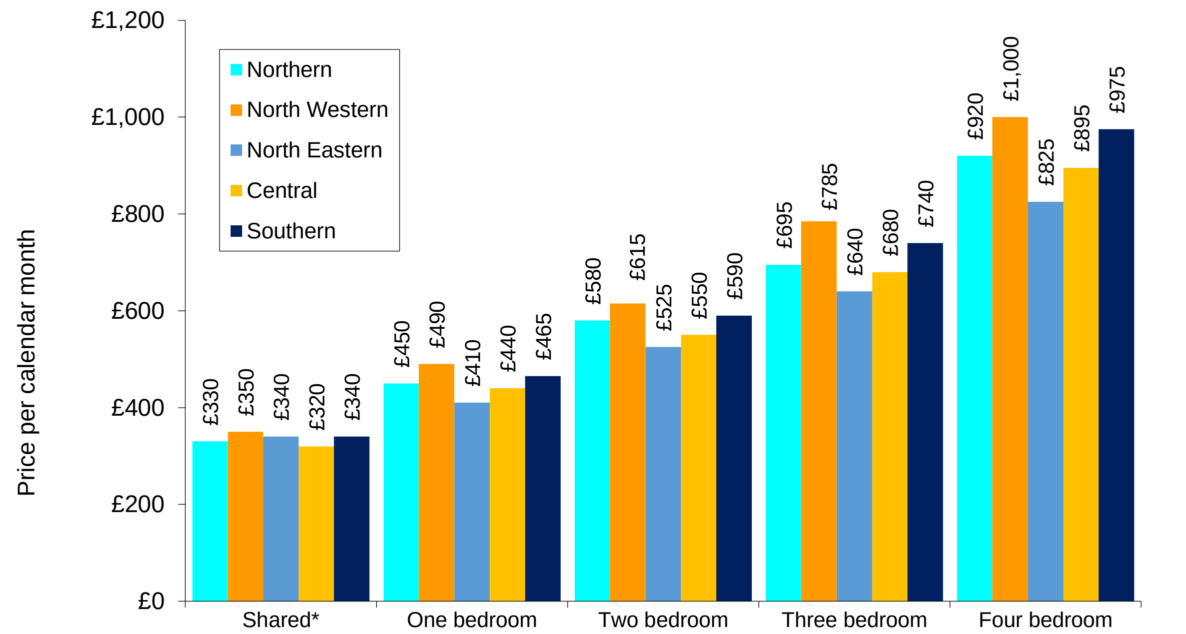
Figure 3.5 Median private rents by size and sub-area



* Shared room is a room in a shared dwelling. Source: Online estate agents survey January 2020

3.16 Entry-level private rents for each sub-area are presented in the figure below. Private rents are highest in the North Western sub-area, followed by the Southern sub-area, the Northern sub-area, the Central sub-area with the North Eastern sub-area cheapest. This pattern is consistent across all dwelling sizes.

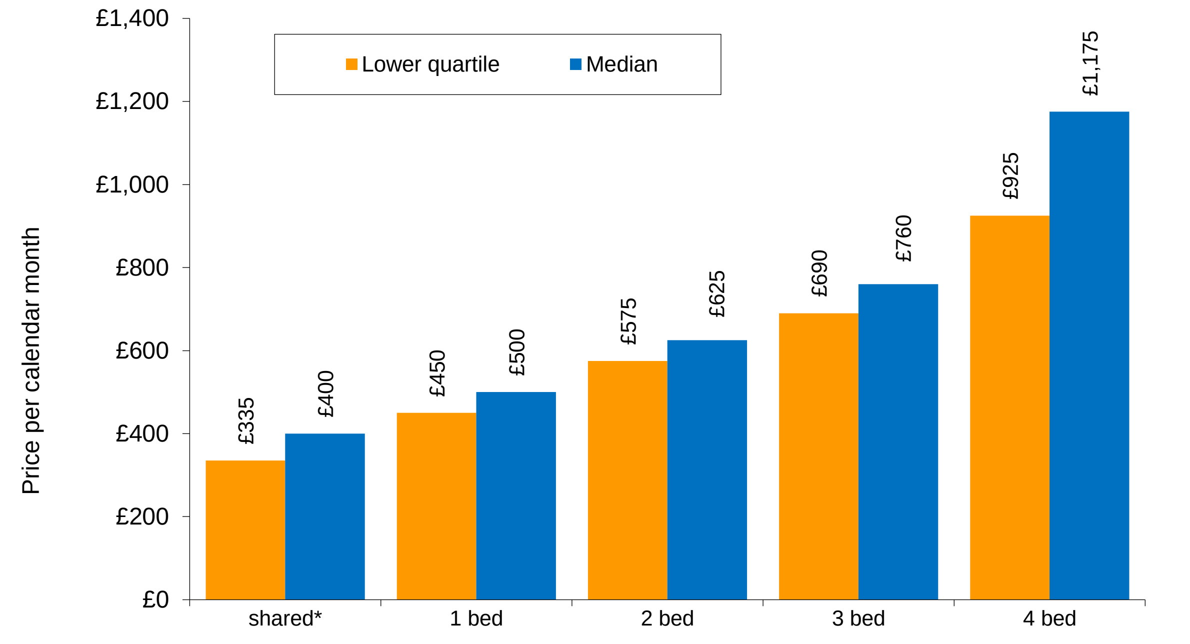
Figure 3.6 Lower quartile private rents by size and sub-area



* Shared room is a room in a shared dwelling. Source: Online estate agents survey January 2020

3.17 The entry-level and median price for private rented accommodation by property size across the whole of South Staffordshire is presented in the figure below. The figure indicates that entry-level rents range from £450 per month for a one-bedroom home, up to £925 per month for a four-bedroom property. The profile of properties available is somewhat different to that for purchase with a greater proportion of one and two-bedroom homes available to rent in the District.

Figure 3.7 Private rents by size in South Staffordshire



* Shared room is a room in a shared dwelling. Source: Online estate agents survey January 2020

Social Rents

3.18 The cost of Social Rented accommodation by dwelling size in South Staffordshire can be obtained from the Regulator of Social Housing's[22] Statistical Data Return dataset. The table below illustrates the cost of Social Rented dwellings in South Staffordshire. The costs are significantly below those for private rented housing, particularly for larger homes, indicating a significant gap between the Social Rented and market sectors.

[22] https://www.gov.uk/government/news/regulator-publishes-statistical-data-return-2017-to-2018

Table 3.5 Average Social Rented costs (per month)	
Bedrooms	*Average cost*
One bedroom	£334
Two bedrooms	£372
Three bedrooms	£413
Four bedrooms	£450

Source: HCA's Statistical Data Return 2019

Affordable Rents

3.19 Affordable Rent is a relatively new product that has been introduced to reduce the requirement for capital subsidy for affordable accommodation. It is within the definition of affordable housing in the NPPF, and is intended to house households on the Housing Register. It is not an intermediate product, but affordable housing for rent that coexists with the existing Social Rent tenure. Whilst the majority of tenancies in South Staffordshire are Social Rent (both existing and new tenancies) in reflection of the Council's current affordable housing population, Affordable Rented accommodation is increasingly common in the District. Due to its different cost level, detail will be presented on its relative affordability in comparison with Social Rent where this is possible (in Chapter 5).

3.20 Affordable Rents can be set at up to 80% of open market rents, implying there is flexibility as to what they may cost. The table below details the Affordable Rent levels charged in South Staffordshire. A comparison with median market rents indicates that Affordable Rent levels are around 50% to 70% of median market rents. The Council has worked with RSLs operating in the District to ensure that the Affordable Rents offered are lower than 80% of median market rents.

Table 3.6 Average Affordable Rented costs (per month)	
Bedrooms	*Average cost*
One bedroom	£361
Two bedrooms	£440
Three bedrooms	£487
Four bedrooms	£531

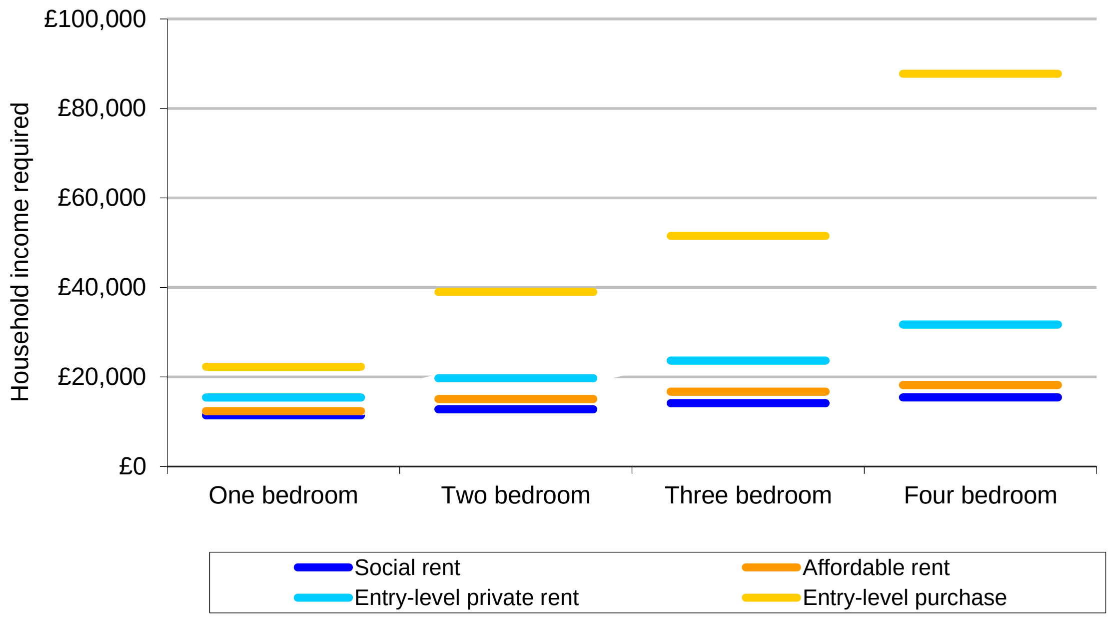
Source: HCA's Statistical Data Return 2019

Analysis of housing market 'gaps'

3.21 Housing market gaps analysis has been developed to allow comparison of the costs of different tenures. The figure below shows the housing ladder that exists for different sizes of property. The housing ladder is illustrated by comparing the different types of housing in terms of the income required to afford them. To do this, we have divided the entry-level property price (set out in Figure 3.4) by 3.5[23] to get an annual income figure (to reflect the likely minimum income required to be granted a mortgage on the property) and multiplied the annual rent by 2.857 to produce a comparable figure. This latter step was carried out for Social Rents (set out in Table 3.5), Affordable Rents (set out in Table 3.6) and market rents (set out in Figure 3.7). These approaches assume a household spends no more than 35% (1/35 = 2.857) of gross household income on rent – this assumption is used to enable a comparison of the different housing costs. The appropriate affordability threshold within South Staffordshire was discussed in detail through the stakeholder consultation process. Appendix 4 sets out the evidence presented on this issue and the data that led to the conclusion reached.

3.22 The figure shows a comparison of the indicative income requirements per household for different types of housing. Measurement of the size of the gaps between these 'rungs of the ladder' helps assess the feasibility of households moving between the tenures – the smaller the gaps, the easier it is for a household to ascend the ladder.

Figure 3.8 Household income required to access housing in South Staffordshire, by number of bedrooms



Source: Online survey of property prices January 2020; HCA's Statistical Data Return 2019

[23] The most recent data available from the Bank of England suggests that the multiple of 3.5 for owner-occupation is most appropriate. (https://www.bankofengland.co.uk/-/media/boe/files/statistics/mortgage-lenders-and-administrators/mlar-longrun-detailed.xlsx?la=en&hash=C19A1AC6C462416B0DA71926A744233793B8049B (table 1.31)). This data indicates that of all residential loans to individuals (both regulated and non-regulated) given in England in 2018 to both joint and single applicants, 3.5 is the median income multiple used (49.2% of loans had used a multiple greater than 3.5 and 50.8% used a multiple lower than 3.5. The mortgages recorded as having an 'other' multiple have been excluded from this calculation) For modelling purposes, it is presumed there is no requirement for a deposit as there is no local level data available on household savings and capital levels to enable this analysis.

3.23 The figures above indicate that, for all dwelling sizes in the Council area, the gap between Affordable Rent and market rent is smaller than the gap between market rent and entry-level home ownership. The gaps for four bedroom accommodation are large; in South Staffordshire an additional £13,500 per year is required to access a four bedroom private rented home over the cost of a four bedroom Affordable Rented property, with a further £56,000 in household income required to move to an owner-occupied home (the gap between Social rent and Affordable Rent is only £2,700 in comparison).

3.24 The table shows the size of the gaps for each dwelling size in South Staffordshire. The table indicates, for example, that three-bedroom market entry rents in the District are 41.5% higher (in terms of income required) than the cost of Affordable Rented. The notable gap recorded between Affordable Rents and market entry rents for most dwelling sizes indicates that intermediate housing could potentially be useful for many households. The very large gap between market entry rents and market entry purchase in all cases indicates notable potential demand for part-ownership products for households in this gap. The small gap between Social Rent and Affordable Rent indicates how closely priced these two tenures are currently.

Table 3.7 Scale of key housing market gaps

Property size	*Social Rent < Affordable Rent*	*Affordable Rent < entry-level rent*	*Entry-level rent < entry-level purchase*
One bedroom	8.0%	24.8%	44.4%
Two bedrooms	18.2%	30.6%	97.8%
Three bedrooms	17.9%	41.5%	117.8%
Four bedrooms	17.9%	74.2%	176.7%

Source: Online survey of property prices January 2020; HCA's Statistical Data Return 2019

Intermediate products

3.25 A range of intermediate options are potentially available for households in South Staffordshire, the costs of these are profiled below.

Intermediate Rent/Rent-to-Buy

3.26 Rent-to-Buy is a route to home ownership where homes are let to working households at an Intermediate Rent (i.e. less than the full market rent) to give them the opportunity to save for a deposit to buy their first home. It is planned that, by landlords providing a discounted rent for tenants for a minimum of 5 years, they will have sufficient time to acquire a deposit so that they may purchase the home. It is set out that the Intermediate Rent must not exceed 80% of the current market rent (inclusive of service charge), however the product is distinct from Affordable Rent which is available to tenants on the same basis as Social Rent.

3.27 Although the availability of Rent-to-Buy in the area is extremely limited currently, its potential suitability for households can be tested by modelling its theoretical cost. The table below sets out the costs of Intermediate Rent in South Staffordshire, presuming that the rent is set as 80% of median market rents. The table shows that, in all instances, other than four-bedroom accommodation, Intermediate Rent is cheaper than market entry rent and can be considered an affordable product. In all cases, it is also more expensive than the Affordable Rent currently charged within South Staffordshire. As in all instances Intermediate Rent is more expensive than Affordable Rent (and is therefore serving a separate portion of the housing market), it will be considered for its suitability for meeting those in housing need in Chapter 5.

Table 3.8 Estimated cost of Intermediate Rent within South Staffordshire (monthly cost)

Bedrooms	*Intermediate Rent*	*Entry-level private rent*	*Affordable Rent*
One bedroom	£400	£450	£361
Two bedrooms	£500	£575	£440
Three bedrooms	£608	£690	£487
Four bedrooms	£940	£925	£531

Source: Online survey of property prices January 2020; HCA's Statistical Data Return 2019

3.28 As the main purpose of this intermediate housing option is to allow households the opportunity to save for a deposit to buy their first home, it is useful to consider whether this product is likely to allow households to build up their savings sufficiently. The table below shows the average income of households in the private rented sector by number of bedrooms that they require[24] alongside the income required to afford the Intermediate Rent[25]. The cost of a 10% deposit[26] for an entry-level owner-occupied home is presented in the fourth column[27]. The next column indicates the time in years it would take on average for a household in the private rented sector to save enough money to afford the deposit required if they were to reside in a home available at Intermediate Rent[28]. The final column sets out the time it would take on average for a household to save for the deposit required were they to reside in entry-level private rented accommodation instead. This analysis is only presented for one to three-bedroom accommodation as four-bedroom Intermediate Rent priced at 80% of median market rent is not cheaper than entry-level private rented accommodation, as discussed above.

3.29 The table shows that households in the private rented sector in South Staffordshire that require a one-bedroom home would take on average 2.0 years to save enough money to afford a 10%

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[24] The household income distribution differentiated by household type (summarised in Figure 3.11) has been adjusted to reflect that nationally the income of private rented households is 91.9% of the figure for all households (according to the English Housing Survey).

[25] Following the approach used in Figures 3.8 the annual Intermediate Rent was multiplied by 2.857 to produce a figure for the annual income required to afford this accommodation (based on 35% of gross income being spent on rent).

[26] This is the typical minimum level of deposit required

[27] District-wide entry-level purchase prices are set out in Figure 3.4.

[28] This is calculated by taking the difference between the average income of households in the private rented sector and the income required to afford intermediate Rent housing and dividing this figure by the cost of a 10% deposit.

deposit on a one-bedroom entry-level home to purchase in the District. If these households were to reside in a home priced at Intermediate Rent, they would be able to save for this deposit within 1.4 years. For all dwelling sizes in South Staffordshire, private rented households would be able to afford a 10% deposit notably quicker if they were to reside in a home priced at Intermediate Rent rather than within the private rented sector. For households requiring a three-bedroom home the reduction in the amount of time required to save for a deposit is most dramatic.

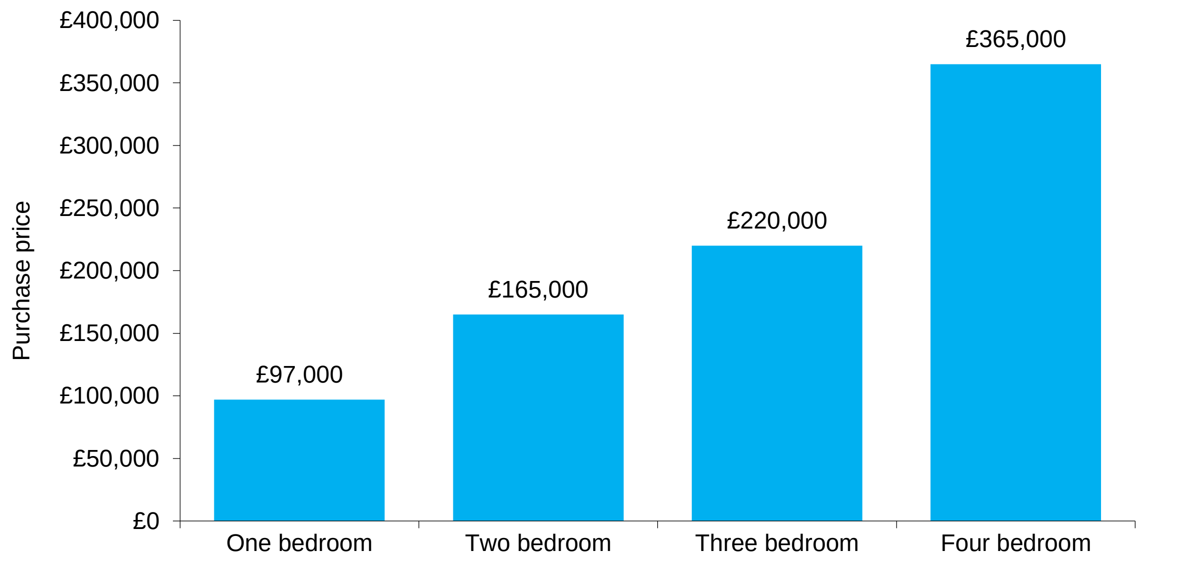
Table 3.9 Average time taken to afford a 10% deposit by households residing in Intermediate Rented accommodation

Bedrooms	*Average income of applicable* households*	*Annual income required to afford Intermediate Rent*	*Cost of 10% deposit of entry-level owner-occupied home*	*Length of time in years taken to acquire deposit*	*Length of time in years taken to acquire deposit if household were to reside in private rented sector*
One bedroom	£19,306	£13,714	£7,800	1.4	2.0
Two bedrooms	£25,006	£17,143	£13,650	1.7	2.6
Three bedrooms	£29,471	£20,846	£18,038	2.1	3.1

*This refers to households that would otherwise be renting in the private rented sector.

3.30 The remainder of the intermediate products profiled are principally available as a new home (whilst some products are available for resale, this supply is very limited). It is therefore useful to set out the purchase price of newbuild dwellings in South Staffordshire at the time of the price survey. These are set out in the figure below.

Figure 3.9 Newbuild home prices by size



Source: Online estate agents survey January 2020

Shared Ownership

3.31 The table below presents the estimated costs of Shared Ownership housing in South Staffordshire as obtained from the online estate agent survey. The open market values are based on newbuild prices set out above. The monthly costs of purchasing the property with a 40% equity share, with a 25% equity share and a 10% equity share are all presented. The monthly costs are based on a 30-year repayment mortgage with an interest rate of 3.79%[29] paid on the equity share owned and a rent payable at 2.75% on the remaining equity (i.e. the part of the house not purchased).

3.32 The table shows that a 25% equity share Shared Ownership is cheaper than market entry rent for one, two and three-bedroom homes, but more expensive for four-bedroom dwellings. A 40% equity share Shared Ownership is cheaper than market entry for one and two-bedroom accommodation whereas three and four-bedroom homes is more expensive than entry-level market to rent (although it is cheaper than entry-level home ownership). A 10% equity share Shared Ownership home is cheaper than market entry housing in all instances.

Shared equity

3.33 Shared equity is a product similar to Shared Ownership that is typically offered by the private sector rather than Registered Providers. With shared equity a mortgage is offered on the equity owned but with no rent due on the remaining equity. Whilst shared equity is not confined to newbuild housing (whilst shared ownership is) and it can be used to access second-hand housing, in South Staffordshire it is only available on new dwellings. The typical proportion of the equity sold for a shared equity product is 75%. The monthly costs of purchasing a shared equity property with a 75% equity share are set out in the table below. The monthly costs are based on a 30-year repayment mortgage with an interest rate of 3.79% paid on the equity share owned.

3.34 Shared equity accommodation with a 75% equity share is more expensive than entry-level private rented accommodation for two to four-bedroom homes, but cheaper for one-bedroom properties. It is also more expensive than all sizes of Shared Ownership accommodation. It is however cheaper than entry-level home ownership in South Staffordshire for all property sizes.

[29] This interest rate is available as a five-year fixed product to potential homeowners with a high loan to value ratio currently. It is also a rate with no additional product fee associated with it. Whilst there are lower interest rates available for those with lower loan to value ratios we are principally assessing households looking to purchase a home for the first time who are likely to have higher loan to value ratios. Lower interest rates are available for those choosing a shorter fixed term period, however we feel that the use of a five-year period provides a known cost for households becoming owners for a good amount of time.

Table 3.10 Estimated cost of intermediate housing in South Staffordshire (monthly cost)

Bedrooms	*Open market value*	*Shared Ownership – 40% equity*	*Shared Ownership – 25% equity*	*Shared Ownership – 10% equityt*	*Shared equity*	*Entry-level private rent*	*Entry-level owner-occupation**
One bedroom	£97,000	£314	£280	£245	£339	£450	£363
Two bedrooms	£165,000	£534	£476	£417	£576	£575	£635
Three bedrooms	£220,000	£712	£634	£556	£768	£690	£840
Four bedrooms	£365,000	£1,182	£1,052	£923	£1,274	£925	£1,430

*The monthly cost of entry-level owner-occupation presuming a 30-year repayment mortgage with an interest rate of 3.79%. Source: Online estate agents survey, January 2020

First Homes

3.35 In February 2020, the Government announced a consultation of the First Homes policy, a potential new initiative to help deliver discounted homes to local people. In August 2020, they published the summary of the consultation responses and the Government's view on the way forward[30], which provided clarity on the purpose and characteristics of the First Home product. This summary indicated that First Homes are intended to be newly built properties sold with a discount of at least 30% below market value. It is anticipated that no interest will be paid on the un-bought equity, rather, when the home is sold on in the future, it will be available at the same proportion of discount for which it was originally bought. First Homes are subject to price caps – outside of London a First Home cannot be sold for more than £250,000.

3.36 The initial consultation suggested that First Homes would be targeted at local people that are unable to purchase a market home in the community where they live or work. The final recommendation was that Local Planning Authorities can set specific local connection restrictions provided they are evidenced; however, these restrictions should only apply for the first three months the property is available for sale, to ensure First Homes do not remain unsold.

3.37 First-time buyers are the target market for this product and this group is identified using the same definition that is used for Stamp Duty Relief for First-Time Buyers as set out in the Finance Act 2018. However, mechanisms also exist to help prioritise members of the armed forces and key workers. Whilst the product is available to those with notable savings levels, First Homes can only be purchased using mortgage finance or equivalent which covers at least 50% of the purchase value. The product is not suitable for investors as a First Home can only be bought if it is the buyer's only home. The purpose of this product is to increase

30 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907214/200728_PUBLICATION_Govt_response_FH_condoc_v4.pdf

owner-occupation, so the dwellings will not be able to be used as holiday homes or buy-to-lets. Outside of London households acquiring a First Home cannot have an income over £80,000. Whilst the Government does allow Local Planning Authorities to set lower income caps, where the need and viability of this option can be evidenced, these local caps are time limited to first three months that the property is for sale.

3.38 The guidance is clear that 30% is the minimum level of discount applied, however Local Planning Authorities will *'be able to require a higher minimum discount of either 40% or 50% on First Homes built in their local area, provided they are able to evidence the need for and viability of homes at this higher discount rate through the local plan-making process' page 4)*. It is useful therefore to understand whether a larger discount would be required in South Staffordshire currently. This is presented in the table below. The table suggests that a 30% discount will be sufficient to ensure newbuild properties are notably cheaper than entry-level owner-occupation and will therefore address a gap in the housing market locally.

Table 3.11 A comparison of the potential price of a First Home with entry-level owner-occupation

Bedrooms	*Newbuild prices*	*Newbuild prices with a 30% discount*	*Entry-level owner-occupation*
One bedroom	£97,000	£67,900	£78,000
Two bedrooms	£165,000	£115,500	£136,500
Three bedrooms	£220,000	£154,000	£180,375
Four bedrooms	£365,000	£255,500	£307,125

Source: Online survey of property prices January 2020

3.39 It is useful to assess the ability of households to build up the 10% deposit likely to be required for a discount market home/Starter Home in South Staffordshire. The total discounted price of these homes is set out in Table 3.11. Following the approach used to produce the analysis set out in Table 3.9, the table below sets out the average time it would take for households resident in the private rented sector paying lower quartile rents to afford a 10% deposit for a First Home.

3.40 The table shows that many households in the private rented sector would be able to build up the deposit required for a First Home in between 1.5 and 3.5 years. A comparison with the final column in Table 3.9 shows that it is a faster avenue into home ownership than purchasing a second-hand home. Although it will prove a useful entry-point for many households, it will be unobtainable for a notable number of households in the private rented sector.

Table 3.12 Average time taken for households residing in the private rented sector to afford a 10% deposit for a First Home				
Bedrooms	*Average income of applicable* households*	*Annual income required to afford entry-level private Rent*	*Cost of 10% deposit of discount market housing*	*Length of time in years taken to acquire deposit*
One bedroom	£19,306	£15,429	£6,790	1.8
Two bedrooms	£25,006	£19,714	£11,550	2.2
Three bedrooms	£29,471	£23,657	£15,400	2.6
Four bedrooms	£39,217	£31,714	£25,550	3.4

*This refers to households that would otherwise be renting in the private rented sector

3.41 The main issue that remains in doubt around First Homes is the expected baseline for Local Authorities to deliver. The new consultation on changes to four aspects of the planning system that was opened in August 2020[31], referred to in Chapter 1, sets out the Government's proposal regarding the baseline. It suggests that *'a minimum of 25 per cent of all affordable housing units secured through developer contributions should be First Homes. This will be a national threshold, set out in planning policy'* (page 48). At the time of writing, the consultation process is still ongoing, however this report is being prepared on the presumption that this proposal will be finalised.

Local Housing Allowance

3.42 Local Housing Allowance (LHA) is the mechanism for calculating Housing Benefit and the housing element of Universal Credit outside of the Social Rented Sector. It is designed to assist people in their ability to pay for their housing, however there is a limit as to how much financial assistance will be provided dependent on the location and size of the property. The LHA cap sets out what this maximum limit for the Broad Rental Market Area (BRMA) in which the claim is made as determined by the Valuation Office Agency. If the rent charged is in excess of this cap, it is the responsibility of the household to pay the shortfall.

3.43 The table below sets out the monthly LHA caps that apply in South Staffordshire, which is covered by three BRMAs – the majority of the District is within the Black Country BRMA, with a portion of households in the west of the District in the Shropshire BRMA and the north of the District in the Mid Staffs BRMA. A comparison with the Affordable Rent levels in South Staffordshire (set out in Table 3.6) indicates that the local Affordable Rents are currently cheaper than the LHA caps for all dwellings sizes in all three BRMA areas. A comparison with the entry-level private rents in South Staffordshire (set out in Figure 3.7) suggests that the LHA caps are 10-25% lower than entry-level private rent. This means that households in receipt of the full LHA applicable in the private rented sector are likely to need additional income sources to be able to pay for their rent.

[31] Changes_to_the_current_planning_system_FINAL_version.pdf

Table 3.13 Local Housing Allowance Cap (per month)			
Bedrooms	*Black Country BRMA*	*Mid Staffs BRMA*	*Shropshire BRMA*
Shared room	£260	£289	£294
One bedroom	£374	£394	£379
Two bedrooms	£455	£494	£474
Three bedrooms	£537	£578	£561
Four bedrooms	£657	£740	£740

Source: Valuation Office Agency 2019

Affordability of housing

3.44 Assessing the affordability of market housing in an area is crucial to understanding the sustainability of the housing market. As discussed further in Chapter 4, the affordability ratio is currently 7.39 in South Staffordshire (with a figure over 4 indicating a market adjustment is required). In comparison the affordability ratio in 2018 in the West Midlands was 6.78, whilst the national figure was 8.00. The affordability ratio in South Staffordshire has risen by 7.7% over the last 5 years (it was 6.68 in 2013). In comparison over the same time period the affordability ratio has risen by 16.1% for the West Midlands (from 5.84 in 2013) and by 18.3% nationally (a 2013 base of 6.76).

Affordability for specific household groups

3.45 The household income distribution referred to in Figure 2.8, differentiated by household type, can be used to assess the ability of households in South Staffordshire to afford the size of home that they require (according to the bedroom standard[32]). The entry-level cost of housing by bedroom size is presented in Figures 3.4 and 3.7 and the test is based on the affordability criteria discussed above.

3.46 The figure below shows the current affordability of households in South Staffordshire by household type and number of bedrooms required. This is the theoretical affordability of households, as the analysis considers all households regardless of whether the household intends to move. It is used to just demonstrate the comparative affordability of different household groups for contextual purposes and does not represent information that the Council needs to plan against.

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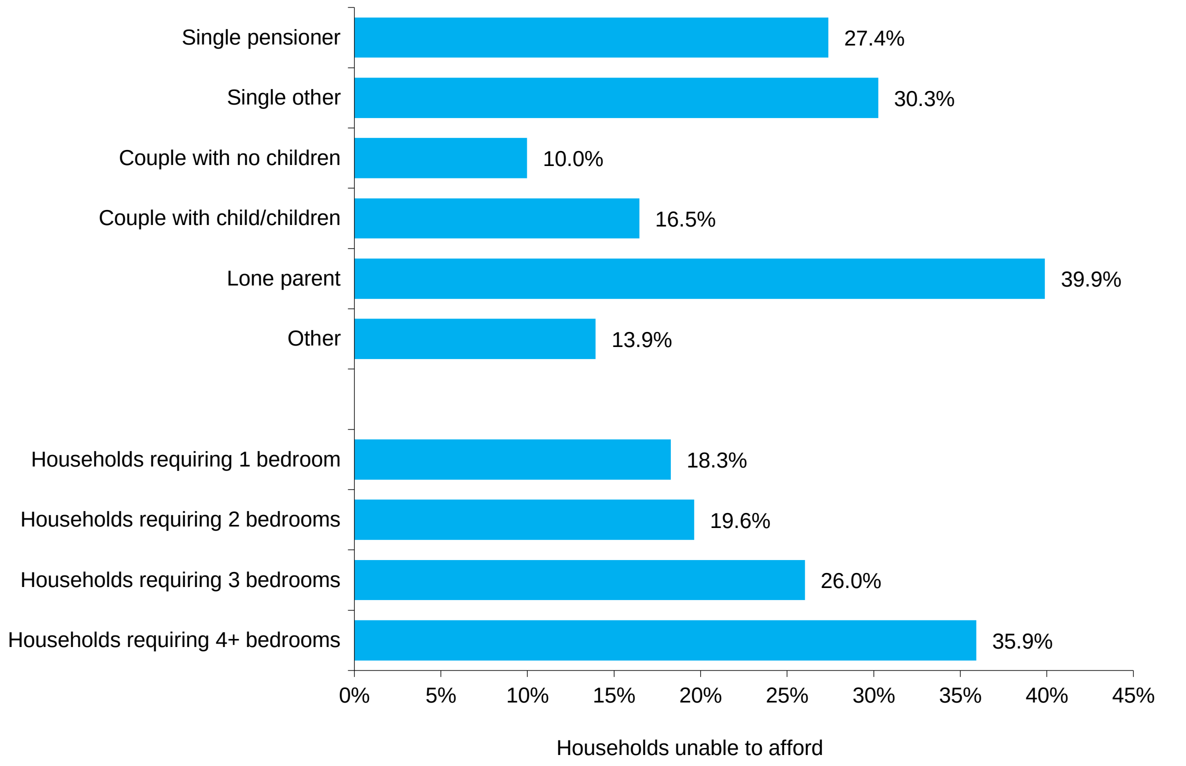
[32] This is the number of bedrooms that is required and is calculated depending on the age, sex and relationship status of the members to the household. A separate bedroom is allocated for each couple and any single person aged 21 or over. Any children aged 10-20 of the same sex is presumed to be able to share a bedroom as are each pair of children under 10 (regardless of gender). Any unpaired child aged 10-20 is paired, if possible, with a child under 10 of the same sex, or, if that is not possible, they are counted as requiring a separate bedroom, as is any unpaired child under 10.

3.47 The data indicates that 39.9% of lone parent households in South Staffordshire would be unable to afford market housing (if they were to move home now). Single person households are also relatively unlikely to be able to afford, whilst couple households without children are most likely to be able to afford market housing in the District. Households requiring a four-bedroom home are least likely to be able to afford this size of market housing in South Staffordshire.

Figure 3.10 Theoretical affordability of market housing*



*Unable to afford both entry-level private rent and entry-level home ownership

4. Overall housing need

4.1 The NPPF indicates that planning authorities should use the Standard Method to establish the overall need for housing. The Standard Method was introduced in 2018 to allow a simple and transparent assessment of the minimum number of homes needed in an area. The full Standard Method was then set out within the PPG published in February 2019[33]. In August 2020, the Government opened a consultation on changes to the Standard Method[34], which led to a revised Standard Method being published within the PPG on 16th December 2020.

4.2 The revised Standard Method calculation retains the majority of the features of the previous iteration to retain stability in the plan-making process, however greater emphasis has been placed on delivering houses in the largest urban areas with the addition of a further step in the calculation that affects the 20 largest cities in England. The aim is to ensure that the Government's ambition for 300,000 new homes per year nationally is deliverable, but the strain is not too great in rural areas and instead there will be greater opportunity for development on brownfield sites in large cities. This prioritization of large cities is intended to make the best use of existing infrastructure, to provide the flexibility for housing development to respond to the structural change currently taking place the retail and commercial sector related to both technological developments and behavioral changes resulting from the coronavirus pandemic, and finally to reduce the environmental impact of new housing development. The approach is still based on a standardised calculation using publicly available data.

4.3 This chapter will describe the steps involved in the revised Standard Method, following the approach described in the revised PPG[35]. It is expected that authorities will follow the Standard Method to determine the minimum annual local housing need figure. The latest approach will be followed to calculate the housing need figure for South Staffordshire. The PPG makes it clear that, whilst it is not mandatory, any deviation from the Standard Method should only be pursued in exceptional circumstances.

Step 1 – Setting the baseline

4.4 The baseline is set using the 2014-based household projections in England[36]. The PPG indicates that '*Using these projections, calculate the projected average annual household growth over a 10-year period (this should be 10 consecutive years, with the current year being used as the starting point from which to calculate growth over that period)*.' The table below

[33] All the steps were described in paragraph 004 (Reference ID: 2a-004-20190220)

[34] See footnote 5.

[35] All the steps are described in paragraph 004 (Reference ID: 2a-004-20201216).

[36] https://www.gov.uk/government/collections/household-projections. Paragraph 005 of the PPG (Reference ID: 2a-005-20190220) states that the 2014-based projections are used (in preference to the more recently published 2016-based projections) as they are more suitable for meeting *'the Government's objective of significantly boosting the supply of homes.'*

sets out the results of Step 1 of the Standard Method. The baseline figure in the South Staffordshire is 209.

Table 4.1 Calculating the baseline figure in South Staffordshire

Local authority area	*Totals households in 2019*	*Totals households in 2029*	*Average annual household growth*
South Staffordshire	47,476	49,569	209

Source: 2014-based household projections, 2016

Step 2 – An adjustment to take account of affordability[37]

4.5 The average annual projected household growth figure produced in Step 1 should then be adjusted to reflect the affordability of the area using the most recent median workplace-based affordability ratios[38]. An adjustment is only required where the ratio is higher than 4 and *'for each 1% the ratio is above 4 (with a ratio of 8 representing a 100% increase), the average household growth should be increased by a quarter of a percent.'* The precise formula is detailed in the PPG:

$$Adjustment\ factor = \left(\frac{Local\ affordability\ ratio\ - 4}{4}\right) x\ 0.25 + 1$$

4.6 The table below sets out the results of Step 2 of the Standard Method calculation for South Staffordshire. The baseline figure, adjusted to take account of affordability in the District, is 254.

Table 4.2 Adjusting to take account of affordability

Local authority area	*Current affordability ratio (a)*	*Adjustment factor (((a-4)/4)*0.25)+1*	*Baseline figure*	*Baseline figure adjusted for affordability*
South Staffordshire	7.39	1.211875	209	254

Source: Ratio of median house price to median gross annual workplace-based earnings by local authority 2018

[37] Paragraph 006 of the PPG (Reference ID: 2a-006-20190220) describes why an affordability ratio is applied – principally to account for any constrained household formation and to ensure that people aren't prevented from undertaking employment opportunities by the prohibitive cost of housing in the area near their proposed workplace. The affordability adjustment also accounts for past under-delivery as described in Paragraph 011 of the PPG (Reference ID: 2a-011-20190220).

[38] https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian

Step 3 – Capping the level of any increase

4.7 As the PPG describes:

> *A cap is then applied which limits the increases an individual local authority can face. How this is calculated depends on the current status of relevant strategic policies for housing. Where these policies were adopted within the last 5 years (at the point of making the calculation), the local housing need figure is capped at 40% above the average annual housing requirement figure set out in the existing policies.*[39]*' Alternatively 'where the relevant strategic policies for housing were adopted more than 5 years ago…, the local housing need figure is capped at 40% above whichever is the higher of:*
>
> a. *the projected household growth for the area over the 10-year period identified in step 1; or*
>
> b. *the average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).*

4.8 In South Staffordshire, the most recent planning document is the Council's 2012 Core Strategy. This is over five years old, so the second of the two approaches described by the PPG is applied.

4.9 The first of the two possible caps is based on a 40% increase of the annual household growth identified in Step 1. This cap is therefore 293 in South Staffordshire (209 x 1.4).

4.10 The second of the two caps is based on a 40% increase to the annual housing requirement set out in the 2012 Core Strategy. This document stated an aim to build at least 3,850 dwellings in the District over 22 years, an annual total of 175. This second cap is therefore 245 in South Staffordshire (175 x 1.4).

4.11 The first of the two caps is higher and represents the upper boundary for any increase, however the annual local housing need figure of 254 per year in South Staffordshire is within this cap and therefore does not need to be modified.

Step 4 – Cities and urban centres uplift

4.12 This is the step that has been introduced within the December 2020 modifications to the calculation. The PPG states that, after the housing need figure has been adjusted as a consequence of the cap, *'a 35% uplift is then applied for those urban local authorities in the top 20 cities and urban centres list.'* The PPG advises that the list of the top 20 cities and urban centres in England is identified by ranking the ONS's list of Major Towns and Cities by population size based on the most recent mid-year population estimates.

4.13 The boundaries of the urban areas created by the ONS's method for identifying the major towns and cities in England are not conterminous with local authority boundaries, with urban areas often spread over several local authorities. The PPG therefore clarifies that it is only the

[39] *'This also applies where the relevant strategic policies have been reviewed by the authority within the 5-year period and found to not require updating.'*

20 authorities which contain the largest proportion of the city or urban centre's population in which the 35% uplift is applied – any other local authority in which the urban area is partly situated is not required to apply the uplift[40]. The PPG finally lists the twenty largest cities and urban centres, as at December 2020, as London, Birmingham, Liverpool, Bristol, Manchester, Sheffield, Leeds, Leicester, Coventry, Bradford, Nottingham, Kingston upon Hull, Newcastle upon Tyne, Stoke-on-Trent, Southampton, Plymouth, Derby, Reading, Wolverhampton, and Brighton and Hove.

4.14 Wolverhampton features on the list (the 19th largest urban area) and whilst the city boundary identified by the ONS is partly within South Staffordshire, the overwhelming majority of the city is located in the Borough of Wolverhampton and the 35% uplift figure should therefore only be applied there and no adjustment is required to the figure for South Staffordshire.

Overall level of housing need

4.15 The final nousing need in South Staffordshire, as assessed using the revised Standard Method, is 254 per year.

2.28 Paragraph 008 of the PPG[41] notes that whilst *'the standard method may change as the inputs are variable…, local housing need calculated using the standard method may be relied upon for a period of 2 years from the time that a plan is submitted to the Planning Inspectorate for examination.'* Whilst Paragraph 010 the PPG includes a number of conditions where it may be appropriate to pursue a higher housing need figure than is indicated by the Standard Method, this assessment is carried out on the basis that the Standard Method figure of 254 per annum will apply.

4.16 As noted in Paragraph 012 of the PPG[42], this approach provides an annual figure which can be applied to a whole plan period. The NPPF requires strategic plans to identify a supply of sites for 15 years, however the Local Plan for South Staffordshire will run from 2018 to 2038, so for the plan-period modelling presented in Chapter 5 of the report, a 20-year period is used. The Council already has dwelling completions for 2018-19 and 2019-20, which amount to 496 homes[43]. For the remaining 18 years of the plan period the requirement is for 4,572 new homes across South Staffordshire (254 per year). Across the twenty-year plan period it is therefore intended that 5,068 new homes will be delivered to address the housing need in South Staffordshire.

[40] In London the uplift applies to all the authorities that comprise Greater London.

[41] Reference ID: 2a-008-20190220

[42] Reference ID: 2a-012-20190220

[43] The Council has chosen this approach as the affordability adjustment is included within the Standard Method calculation specifically to address historic undersupply. This means it is not necessary to include historic under delivery into the local housing need total, which is always recalculated on this basis at the start of the 'current year.'

Addressing housing need from outside South Staffordshire

4.17 As discussed in Chapter 1 (paragraph 1.3), the Council is intending to help meet the unmet housing need arising in the Greater Birmingham Housing Market Area and is preparing to provide 4,000 new homes over the plan period to do this. This is in addition to the 5,068 homes that will be delivered in the District between 2018 and 2038 to meet the local housing need identified by the Standard Method. It is therefore planned that a total 9,068 new dwellings will be delivered in South Staffordshire over the twenty-year plan period.

4.18 As the PPG notes, *'the standard method for assessing housing need ... does not break down the [overall figure] into the housing need of individual groups*[44]*.* Chapter 5 of this report presents the disaggregation of this local housing need figure into the overall sizes, types and tenures of homes required, which means the housing needs of individual groups can be addressed (presented in Chapter 7).

[44] Reference ID: 67-001-20190722

5. Type and tenure of future housing needed

Introduction

5.1 The requirement within paragraph 61 of the NPPF to disaggregate the local housing need figure to *'assess the size, type and tenure of housing needed for different groups in the community'* is reiterated in Paragraph 17 of the PPG. This chapter describes the long-term balancing housing markets (LTBHM) model which determines the future demand for housing by size and tenure based on the profile of the population derived within the local housing need calculation (set out in Chapter 4).

5.2 There are two stages to this process, the first is to disaggregate the local housing need as derived and the need arising from the Greater Birmingham Housing Market Area to be met within South Staffordshire to produce a population profile for the District at the end of the plan period in 2038. The second process uses secondary data to model the future demand for housing arising from this future population and compare it to the current housing stock so that a profile of new accommodation required can be determined[45].

5.3 The demand modelling is described in more detail subsequently, however this chapter initially presents the process for disaggregating the future local population (from both the local housing need and the unmet need from the Greater Birmingham Housing Market Area). The change in the household composition indicated within these projections drives the size and tenure demand profiles generated by the model.

Disaggregating the local housing need

5.4 In South Staffordshire, the Standard Method local housing need of 254 will require the construction of notably more homes than is implied by the official projections as the affordability adjustment made in the Standard Method calculation lifts the housing need above the growth of 209 households per year identified in the 2014-based household projections (as described in Chapter 4). If these 254 homes are built, the population will be larger than projected. It is necessary to determine the profile of this additional population and disaggregate the total local housing need, using the NMSS model,[46] so that appropriate accommodation can be provided for the whole population of South Staffordshire in 2038.

[45] This will include a figure for the amount of affordable accommodation required over the plan period, however this is derived using a different approach and has a different purpose to the equivalent figure in Chapter 6, as described in para 1.8, and the two should not be compared.

[46] The model is detailed in Appendix 2.

5.5 The model takes as its starting point the 2018-based population projections[47]. These projections are then adjusted to make them align with the local housing need figures in South Staffordshire using the following assumptions:

- The Standard Method makes it clear that the uplift in housing it is trying to achieve is partly to reverse the falling level of household formation that have been recorded amongst younger people. The first step is therefore to progressively increase the household formation for all age groups under 45 until it reaches the rate recorded in 2001.
- Once these household formation rates have increased to 2001 levels, any additional homes required by the local housing need will be filled by additional people moving into the area from the rest of the UK. These additional in-migrants will have the same age and gender profile as those that have moved into the area recently from the rest of the UK.
- The age and gender profile of this adjusted population (increased household formation and increased in-migrants) will be aged-on and have the same propensity to have children, move away from the area and die as other residents in South Staffordshire of the same gender and age. In this way it will be possible to estimate how the additional population (above that suggested by the latest population projections) is likely to develop over time.

Disaggregating the unmet need from the Greater Birmingham Housing Market Area

5.6 As discussed in paragraph 1.3, over the Local Plan period, South Staffordshire Council intends to provide 4,000 homes that form part of the unmet need from the Greater Birmingham Housing Market Area. As with the local housing need, to determine the profile of this additional population, the NMSS model is used. It is assumed that these additional homes being built to address unmet need from the Greater Birmingham Housing Market Area, will be filled by people moving out of this conurbation.

5.7 The age and gender profile of these modelled in-migrants will be same as those who are projected to move out of these authority areas according to the 2018-based population projections. The in-migrating residents will be aged-on and have the same propensity to have children, move away from the area and die as other residents of the District of the same gender

[47] The 2018-based population projections are used as a basis as these are the most recent and benefit from the ONS's latest methodology and their most recent data and assumptions on key factors such as fertility and mortality rates and migration flows. MHCLG have chosen to revert to the 2014-based projections for the Standard Method simply because they happen to produce a national housing need total that is closer to their objective of building 300,000 homes a year, not because they have doubts about the ONS's methodology in the latest projections. In accordance with the PPG we have used the 2014-based projections to determine the local housing need, we are using the 2018-based projections to disaggregate this figure in terms of age and gender profile

and age. In this way it will be possible to estimate how the additional population is likely to develop over time.

Total future population in South Staffs

5.8 These two sources of the future population in South Staffordshire are combined to produce a profile of the projected future population in the District at the end of the plan period. The table below sets out the age profile of the population in South Staffordshire in 2038 according to these population projections in comparison to the age profile of the District currently (2018). The table suggests that those aged 75 or over are going to constitute a greater section of the population by the end of the plan period – those aged 75 or over will rise from 12,588 in 2018 to 19,991 in 2038, an increase of 58.8%. Whilst those aged 60 and over will account for over a third of all people in South Staffordshire in 2039, over 30% of people in the District at the end of the plan period will be aged under 30.

Table 5.1 Age of projected population in South Staffordshire in 2038 compared with current age profile

Age	*2018 Population*	*2018 Percentage*	*2038 Population*	*2038 Percentage*
0-14	17,537	15.6%	20,314	15.6%
15-29	16,767	15.0%	18,371	14.2%
30-44	17,506	15.6%	20,621	15.9%
45-59	25,648	22.9%	24,558	18.9%
60-75	22,080	19.7%	25,952	20.0%
75+	12,588	11.2%	19,991	15.4%
Total	112,125	100.0%	129,808	100.0%

Broad economic consequences of the projected growth

5.9 The projections identity that the working age population (those aged between 18 and 64) in South Staffordshire will increase by 3,489 people between 2018 and 2038, which represents growth of 5.4%. If it is assumed that the job density currently recorded in the District[48] is maintained in 2038, it would be anticipated that an extra 1,989 new jobs will exist in South Staffordshire at the end of the plan period. If the job density in South Staffordshire is able to increase to the current level recorded across the West Midlands region[49], it would mean that there would be an additional 2,826 jobs in the District in 2038.

[48] 0.57 jobs per working age person in the district as discussed in paragraph 2.11.

[49] 0.81 jobs per working age person in the West midlands region as discussed in paragraph 2.11.

5.10 It is important to note that, traditionally, the number of people residing in South Staffordshire that are in work, exceeds the number of people working in the District by a factor of 63.4%[50]. It would therefore be anticipated that in 2038 there would be a further 1,261 to 1,792 more people resident in South Staffordshire that were employed in jobs based outside of the District (in addition to the increase in employment levels implied above).

Household profile

5.11 This population projection is then converted into a household projection by:

- Removing from the population projection an estimate of those living in communal establishments such as old people's homes. This is done using the same assumptions as in the official projections. The resulting population is known as the household population.
- Household formation rates are then applied to the household population to produce a household projection. The household formation rates are taken from the official 2018-based household projections, with the adjustments made to return household formation rates to 2001 levels amongst younger age groups as described earlier in the chapter.

5.12 The table below sets out the number of households that will be resident in South Staffordshire in 2038 disaggregated by broad household type according to these projections. The 2018 household profile is also presented as a reference point, as 2018 is the base date for this model.

Table 5.2 Projected household population in South Staffordshire in 2038 by household type

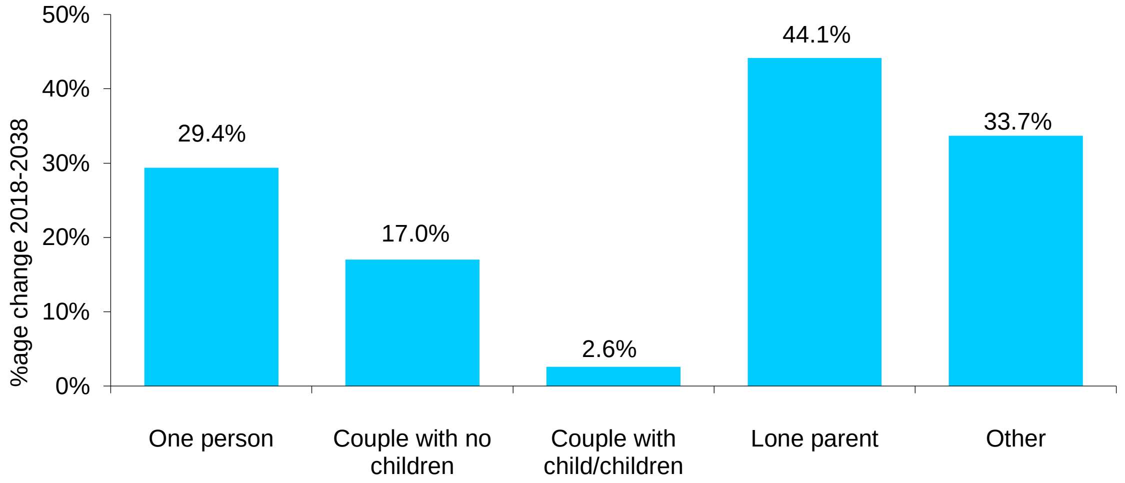
Household type	*2018 Number*	*2018 Percentage*	*2038 Number*	*2038 Percentage*
One person	12,625	27.2%	16,332	29.4%
Couple with no children	14,862	32.0%	17,390	31.3%
Couple with child/children	12,757	27.5%	13,088	23.6%
Lone parent	3,945	8.5%	5,686	10.2%
Other*	2,261	4.9%	3,022	5.4%
Total	46,450	100.0%	55,518	100.0%

*Other households include multi-generational households, student households, households of unrelated people sharing accommodation as well as other groups.

[50] Based on the travel-to-work patterns recorded in the 2011 Census as discussed in chapter 1.

5.13 The figure below indicates the change in these household types that will occur between 2018 and 2038 in South Staffordshire. The figure indicates that the largest relative growth will be in lone parent and 'other' households (from a relatively low base), with the number of single person households also projected to grow notably. The absolute growth in households will be largest for one person households, followed by couple households with no children.

Figure 5.1 Change in household structure in South Staffordshire, 2018 – 2038



Methodology of the demand model

5.14 The demand model uses secondary data to determine the future demand for housing by size and tenure as derived from the profile of household's resident in the area at the end of the plan-period. It is based on both a detailed understanding of the current stock of housing in the district, and also the occupation patterns of households in South Staffordshire and how they are changing. It is driven by the changes projected to the composition of the population over the next 20 years, as set out above.

5.15 The Census provides information on the size (in terms of bedrooms) and tenure of accommodation in South Staffordshire in 2011. This has been adjusted[51] to reflect the changes since 2011 to provide an accommodation profile in 2018.

5.16 The 2011 Census also provides detail on the occupational patterns of different household groups in South Staffordshire, which means that the profile of housing occupied by each household type can be determined. Rather than assuming the current usage patterns for each household type will apply to the future population of that household group, the model assesses the current trends in occupation patterns (recorded by the change in the tenure profile of each

[51] Using the latest data from the Regulator of Social Housing's Statistical Data Return and trends indicated within the English Housing Survey and by the Census.

household type between the 2001 and 2011 Census in South Staffordshire and adjusted to reflect any more recent behavioural trends recorded nationally in the English Housing Survey, with the changes in the size of accommodation occupied within each tenure also accounted for), and models their continuation through to 2038. This approach is in line with the PPG.

5.17 A further adjustment is made to counter the existence of overcrowding, which the PPG indicates should be addressed. Households currently overcrowded will therefore be housed in adequately sized accommodation within the model[52]. This means that the future housing stock will better reflect the requirements of the future population in the area.

5.18 This profile of suitable accommodation for each household type is applied to the size of the household group in 20 years' time. The accommodation profile required in 2038 is then compared to the current accommodation profile and the nature of additional housing required is derived. It should be noted that the model works by matching dwellings to households, so the figures are based on the change in number of households identified within the housing need calculations.

Tenure of housing required

5.19 The tables below show the projected tenure profile in South Staffordshire at the end of the plan period. The profile in 2018 at the start of the plan period is also set out for context. The data shows that, in 2038, the housing stock across South Staffordshire should comprise 72.7% owner-occupied accommodation, 11.3% private rented homes, 1.8% Shared Ownership properties and 14.2% Social Rented/Affordable Rented housing.

Table 5.3 Current tenure and tenure profile projected in South Staffordshire in 2038

Tenure	*Base tenure (2018)*		*Projected tenure (2038)*	
	Number	*Percentage*	*Number*	*Percentage*
Owner-occupied	34,427	74.1%	40,366	72.7%
Private rented	5,024	10.8%	6,254	11.3%
Shared Ownership	377	0.8%	994	1.8%
Social Rent/Affordable Rent	6,622	14.3%	7,905	14.2%
Total	46,450	100.0%	55,518	100.0%

[52] Using the example of a lone parent household residing in a two bedroom property but requiring a three bedroom home, the modelled accommodation profile for this household group would assign this household a three bedroom property rather than a two bedroom dwelling. This means that it is anticipated that for equivalent households in the future, none would be expected to live in an overcrowded home.

5.20 The table below shows the tenure profile required by households resident in South Staffordshire in 2038, in comparison to the tenure profile recorded in the District at the start of the plan period. The difference between these two distributions is the change required to the housing stock over this period. The results show that 65.5% of new housing in South Staffordshire should be owner-occupied, 13.6% private rented, 6.8% should be Shared Ownership and 14.1% Social Rent/Affordable Rent.

Table 5.4 Tenure of new accommodation required in South Staffordshire over the 20-year plan period

Tenure	*Base tenure profile (2018)*	*Tenure profile 2038*	*Change required*	*% of change required*
Owner-occupied	34,427	40,366	5,938	65.5%
Private rent	5,024	6,254	1,230	13.6%
Shared Ownership	377	994	617	6.8%
Social Rent/Affordable Rent	6,622	7,905	1,283	14.1%
Total	46,450	55,518	9,068	100.0%

First Homes

5.21 As discussed in Chapter 3, First Homes are an intermediate product that have been introduced to specifically help potential first-time buyers access home ownership. It is clear from the cost profile of First Homes, set out in Chapter 3, that their likely price-level will mean that they could be suitable for a notable number of households that would otherwise reside in the private rented sector[53]. However, as it is a product that has only recently been introduced into the market, it cannot be modelled using the same trend data as is utilised for the rest of the LTBHM model. The potential demand for this new product over the plan period can be derived by making assumptions about the likelihood of different household groups within the private rented sector to try and acquire this form of housing, informed by an affordability analysis of the tenure and the length of time required to save a deposit[54].

5.22 This approach identifies that, between 2018 and 2038, there would be a potential demand for 498 First Homes in South Staffordshire, which would represent 5.5% of all new housing over this period. These figures are therefore deducted from the total requirement for private rented accommodation (where the LTBHM model presumes they would otherwise be housed). The

[53] The likely price of First Homes is markedly cheaper than entry-level owner-occupation in South Staffordshire and households unable to access owner-occupation without this product would instead find accommodation in the private rented sector.

[54] Footnote 24 describes the income and affordability profile in the private rented sector is derived. Applying this affordability profile to the flow of households moving to a private rented home each year allows the number of these households that could afford First Homes to be modelled.

demand for 498 First Homes in South Staffordshire, identified using this process, should be treated as an indicative figure rather than an absolute target.

Size of housing required within each tenure

5.23 The tables below present the size of owner-occupied accommodation required in South Staffordshire in 20 years' time in comparison to the size profile recorded in the sector at the base date. The implied change to the housing stock is also presented. The data shows that some 30.0% of new owner-occupied housing in South Staffordshire should be two-bedroom homes, with 28.7% being three bedroom units, 22.8% should have four or more bedrooms and 18.6% one bedroom accommodation.

Table 5.5 Size of new owner-occupied accommodation required in South Staffordshire over the next 20 years

Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	724	1,828	1,104	18.6%
Two bedroom	5,504	7,284	1,780	30.0%
Three bedroom	15,701	17,402	1,701	28.7%
Four or more bedrooms	12,498	13,851	1,353	22.8%
Total	34,427	40,366	5,938	100.0%

5.24 This analysis can be repeated for private rented housing and is presented in the table below. The data indicates that, of the 1,230 private rented homes required within South Staffordshire, 31.8% should be two-bedroom properties and a further 23.9% should have one bedroom. Some 23.9% should be homes with four or more bedrooms and 20.5% should be three-bedroom accommodation.

Table 5.6 Size of new private rented accommodation required in South Staffordshire over the next 20 years

Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	492	786	293	23.9%
Two bedroom	1,915	2,306	391	31.8%
Three bedroom	1,930	2,182	252	20.5%
Four or more bedrooms	686	980	294	23.9%
Total	5,024	6,254	1,230	100.0%

5.25 The table below sets out the equivalent analysis for Shared Ownership housing. The data indicates that of the 617 Shared Ownership dwellings required within South Staffordshire, 34.0% should be two-bedroom properties with a further 27.7% three bedroom accommodation. Some 25.8% should have one bedroom and 12.5% should have four or more bedrooms.

Table 5.7 Size of new Shared Ownership accommodation required in South Staffordshire over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	81	240	159	25.8%
Two bedroom	122	332	210	34.0%
Three bedroom	136	307	171	27.7%
Four or more bedrooms	38	115	77	12.5%
Total	377	994	617	100.0%

5.26 The table below shows the size of accommodation required in the Affordable Rented/Social Rented sector. The table shows that, of the 1,283 additional Affordable Rented units required within South Staffordshire over the 20 year plan period, 27.1% should have two bedrooms, 26.5% three bedrooms, 26.0% four or more bedrooms and 20.4% one bedroom. It should be noted that this is the net requirement for new Affordable Rented/Social Rented homes over the plan period. If there is loss of affordable stock through Right-to-Buy, this will also need to be replaced.

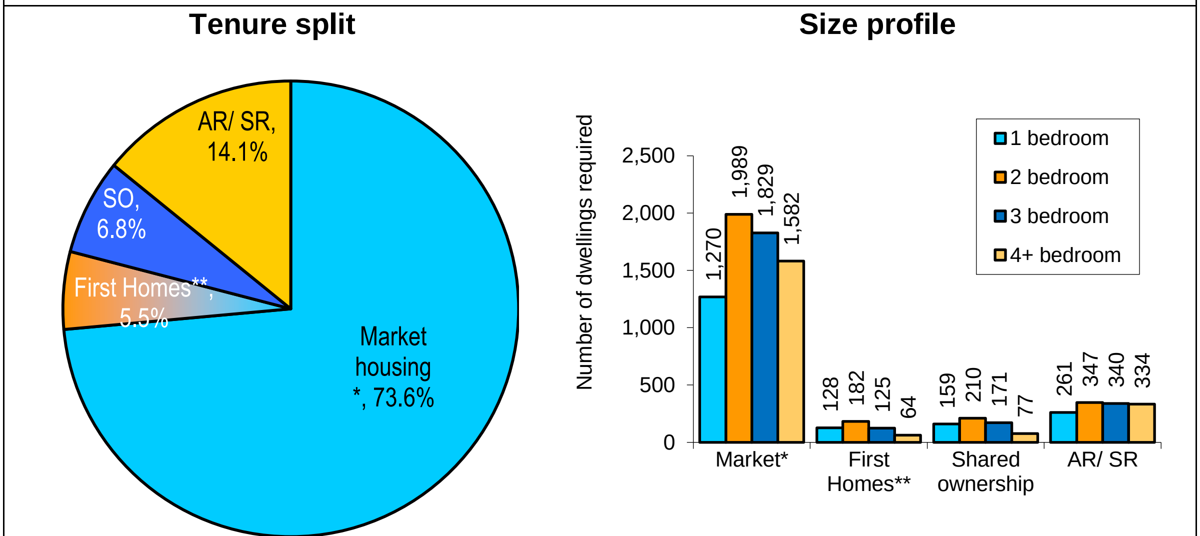
Table 5.8 Size of new Social Rent/Affordable Rent required in South Staffordshire over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	1,553	1,814	261	20.4%
Two bedroom	3,098	3,445	347	27.1%
Three bedroom	1,879	2,220	340	26.5%
Four or more bedrooms	91	425	334	26.0%
Total	6,622	7,905	1,283	100.0%

5.27 The table below shows the size of First Homes that would be required to house some households that would otherwise reside in the private rented sector. The residual private rented requirement, once the potential demand from households for this alternative product has been deducted, is also set out in the table. The model indicates that in South Staffordshire, 36.4% of the First Homes should have two bedrooms, 25.6% one bedroom, 25.1% three bedrooms and 12.9% four or more bedrooms.

Table 5.9 Potential demand for First Homes in South Staffordshire over the next 20 years				
Size of home	*First Homes*		*Residual private rented homes*	
	Number required	*Proportion required*	*Number required*	*Proportion required*
One bedroom	128	25.6%	166	22.7%
Two bedroom	182	36.4%	209	28.6%
Three bedroom	125	25.1%	127	17.4%
Four or more bedrooms	64	12.9%	229	31.4%
Total	498	100.0%	732	100.0%

5.28 The figure and table below summarises the results for presented for each tenure individually above (with the two market tenures merged) and shows the profile of new housing required in South Staffordshire over the next 20 years.

Table 5.10 Profile of new accommodation required in South Staffordshire



Size of home	*Market housing**	*First Homes***	*Shared Ownership*	*Social/ Affordable Rented*
1 bedroom	1,270	128	159	261
2 bedroom	1,989	182	210	347
3 bedroom	1,829	125	171	340
4+ bedrooms	1,582	64	77	334
Total	6,670	498	617	1,283

*Market housing includes both owner-occupied and private rented **First Homes figures represent potential demand rather than a requirement. These figures represent the distribution of housing that should be delivered.

5.29 The outputs of this model are replicated for the sub-areas within South Staffordshire (described in paragraph 3.7) in Appendix 5.

6. Affordable housing need

Introduction

6.1 As indicated in the PPG, it is necessary to undertake a separate calculation of affordable housing need. Paragraph 18 (Reference ID: 2a-018-20190220) to Paragraph 24 (Reference ID: 2a-024-20190220) of the PPG details how affordable housing need should be calculated. The affordable housing need figure is calculated in isolation from the rest of the housing market and is used solely to indicate whether the Local Planning Authority should plan for more dwellings where it could help meet the need for affordable housing.

6.2 The model outlined in the PPG is an assessment of the housing market at a particular point of time (January 2020), and does not consider likely future changes to the housing market that may impact the results (such as future loss of affordable stock through Right to Buy), i.e. it is based on what is known at the time of the assessment. The PPG (Paragraph 19) defines affordable housing need as *'the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market'*.

6.3 Appendix 3 presents the results of the three broad stages of the model used to calculate affordable housing need. This chapter sets out the overall annual estimate of the affordable housing need in South Staffordshire[55] as a consequence of following the steps detailed in the appendix, and the tenure of accommodation most appropriate to meet this need is discussed.

Estimate of net annual affordable housing need

6.4 Once all of the steps of the calculation of the affordable housing needs model (detailed in Appendix 3) have been completed, it is necessary to bring this evidence together to determine the overall net annual affordable housing need. This is set out below.

6.5 Paragraph 024 of the PPG[56] states that the figures in the model need to be converted to annual flows to establish the total need for affordable housing. The first step in this process is to calculate the total net current need. This is derived by subtracting the estimated current affordable housing supply (Stage 3) from the current unmet gross need for affordable housing (Stage 1).

6.6 The second step is to convert this total net current need figure into an annual flow. The PPG indicates that annual flows should be based on the plan period. For the purposes of this study

[55] This will imply a figure for the amount of affordable accommodation required over the plan period, however this is derived using a different approach and has a different purpose to the equivalent figure in Chapter 4, as described in para 1.4, and the two should not be compared.

[56] Reference ID: 2a-024-20190220.

the period of 18 years will be used to fit in with the remaining timeframe of the Local Plan (through to 2038). The final step is to sum the annualised net current need with the total newly arising affordable housing need (Stage 2) and subtract the future annual supply of affordable housing (Stage 4). The table below sets out this process. It leads to a total need for affordable housing of 128 per year in South Staffordshire. In accordance with paragraph 024 of the PPG, this figure should be compared with the local housing need identified following the Standard Method to determine whether an uplift to the local housing need is required. This is discussed in Chapter 8.

Table 6.1 Results of the affordable housing needs model in South Staffordshire	
Stage in calculation	
Stage 1: Current unmet gross need for affordable housing (Total) (Table A5.3)	739
Stage 2: Newly arising affordable housing need (Annual) (Table A5.5)	567
Stage 3: Current affordable housing supply (Total) (Table A5.6)	731
Stage 4: Future housing supply (Annual) (Table A5.9)	440
Stage 5.1 Net current need (Stage 1 - Stage 3) (Total)	8
Stage 5.2 Annualise net current need (Stage 5.1/19) (Annual)	0
Stage 5.3 Total need for affordable housing (Stage 2+ Stage 5.2 – Stage 4) (Annual)	**128**
Total gross annual need (Stage 1/19 + Stage 2) (Annual)	608
Total gross annual supply (Stage 3/19 + Stage 4) (Annual)	480

Overall households in affordable housing need by type (gross)

6.7 The table below gives a breakdown of the gross annual households in need, by household type in South Staffordshire. The table shows that some 4.3% of lone parent households are in housing need compared to 0.7% of couple households with no children. Overall, lone parent households comprise over a quarter of all households in need.

Table 6.2 Annual need requirement by household type in South Staffordshire

Household type	*Need requirement*				
	No. of h'holds in need (gross)	*Not in need*	*Total Number of h'holds*	*% of h'hold type in need*	*As a % of those in need*
One person	129	13,055	13,113	1.0%	21.3%
Couple with no children	106	15,174	15,199	0.7%	17.5%
Couple with child/children	118	12,831	12,846	0.9%	19.4%
Lone parent	178	4,141	4,146	4.3%	29.2%
Other	77	2,348	2,361	3.3%	12.6%
Total	608	47,549	47,666	1.3%	100.0%

Type of affordable home required

6.8 As discussed in Chapter 3, a range of affordable products is available to meet affordable housing need in South Staffordshire. This section will consider the suitability of these different products for meeting affordable housing need.

6.9 As the relative cost of each product is not always the same (for example, in some instances, Shared Ownership housing with a 25% equity share is more expensive than Intermediate Rent, but in other cases the reverse is true), each product is tested individually. The table below illustrates how many households in affordable housing need in South Staffordshire are able to afford the different affordable products. Several intermediate options are affordable to some households, so the table presents the maximum number of households able to afford each product. Households can therefore be included in more than one row. The only exception is the final row which includes only households unable to afford a product more expensive than Social Rent. The Social Rented group also includes those unable to afford any accommodation without support from HB/LHA, as this is the tenure in which these households are most likely to reside.

6.10 The table shows that of the 608 households in gross need each year in South Staffordshire, 14.8% could afford a First Home, 16.8% could afford Shared Ownership with a 40% share, 29.7% could afford Shared Ownership with a 25% share, 43.6% could afford Shared Ownership with a 10% share, 17.4% could afford Intermediate Rent and 40.0% could afford Affordable Rent. Some 47.3% of households in affordable housing need can only afford Social Rent or require support. These figures are based on the products being available at the costs set out in Chapter 3.

Table 6.3 Size and type of affordable home required by those in need (per annum) in South Staffordshire						
Product	*One bed*	*Two bed*	*Three bed*	*Four bed*	*Total*	*Total (%)*
First Home	63	27	-	-	90	14.8%
Shared Ownership – 40% equity share	70	33	-	-	102	16.8%
Shared Ownership – 25% equity share	87	79	14	-	180	29.7%
Shared Ownership – 10% equity share	105	126	34	1	265	43.6%
Intermediate Rent	26	60	21	-	106	17.4%
Affordable Rent	46	108	51	39	243	40.0%
Social Rent/requires assistance	131	92	42	22	288	47.3%
All households	236	218	93	61	608	100.0%

Sensitivity analysis - affordability threshold

6.11 The results presented in this chapter are based on using an affordability test where the cost of housing can constitute up to 35% of gross income and still be affordable in South Staffordshire, reflecting the current market reality. The impact of adjusting this affordability threshold is considered in the table below, which details the results of the PPG affordable housing need model across South Staffordshire where the cost of housing could constitute no more than 25% of gross household income and 30% of gross household income, as well as the 35% of gross household income base scenario.

6.12 In paragraph 020 of the PPG, it is noted that households should be considered against their ability to afford owner-occupation, where that is their aspiration. Unfortunately, the data sources do not collect information on the tenure that the households in need aspire to. To gauge the impact of presuming all households aspire to owner occupation, the final column in the table shows the results of the affordable housing need model if households were tested for their ability to afford market entry owner-occupation rather than market rents.

5.30 The table indicates that the net requirement would increase from 128 to 195 affordable homes per year in South Staffordshire if 30% of gross household income could be spent on housing costs. This would increase further to 262 affordable homes per year if 25% of income could be spent on housing costs. If it was presumed that home ownership was the market access point, then there would be a need for 418 affordable homes per year.

Table 6.4 Impact of different affordability assumptions on affordable housing requirement in South Staffordshire

	Rent payable constitutes no more than:			*Market entry is based on owner-occupation*
	Affordability threshold: 35% of gross household income	*30% of gross household income*	*25% of gross household income*	
Stage 1: Current gross need	739	828	917	1,373
Stage 2: Newly arising need	567	630	692	826
Stage 3: Current supply	731	742	746	812
Stage 4: Future supply	440	440	440	440
Stage 5.1 Net current need	8	86	171	561
Stage 5.2 Annual net current need	0	5	9	31
Stage 5.3 Total annual need	128	195	262	418

7. Requirements of specific groups

Introduction

7.1 Paragraph 59 of the NPPF seeks that *'... that the needs of groups with specific housing requirements are addressed ...'*, and then paragraph 61 requires:

> *... the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).*

7.2 This chapter considers the specific profiles of the specific groups of the population. For each group the analysis will present the relative prevalence of the population, the current accommodation situation and information on their future requirements. As stated in Paragraph: 001 (Reference I D: 67-001-20190722) of the PPG, '*Strategic policy-making authorities will need to consider the extent to which the identified needs of specific groups can be addressed in the area.'* Whilst the LTBHM model (set out in Chapter 5 above) considers all household groups within the model, the results can be broken down to show the accommodation requirements of certain household groups of interest. The results presented in this chapter that are derived from the LTBHM model show the requirements for the entire new population anticipated in the district in 2038 (both that arising from the growth within South Staffordshire and that moving from outside the district as a consequence of the contribution to the unmet housing need elsewhere). It should be noted that, in the PPG, housing needs assessments are divided into three different elements: *'housing and economic needs assessments'*, *'housing needs of different groups'* and *'housing needs of older and disabled people'*. This chapter will contain information that meets the requirements within each of these.

7.3 The chapter looks at the following groups of the population which all have an appreciable impact on the housing market in South Staffordshire:

- Older persons
- People with disabilities
- Family households

7.4 This chapter will also examine the private rented sector in more detail and comment on the level of demand from people wishing to build their own homes. Student housing and the service families are not profiled in detail in this report as South Staffordshire contains no higher education establishments nor Ministry of Defence bases.

Housing Needs of Older People

7.5 Paragraph: 001 of the PPG[57] recognises that '*the need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing.… Offering older people, a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems.'* Page 69 of the NPPF provides the following definition of older people: *'People over or approaching retirement age, including the active, newly retired through to the very frail elderly; and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of retirement and specialised housing for those with support or care needs.'* The analysis of older people presented here will be focused on people aged 65 and over.

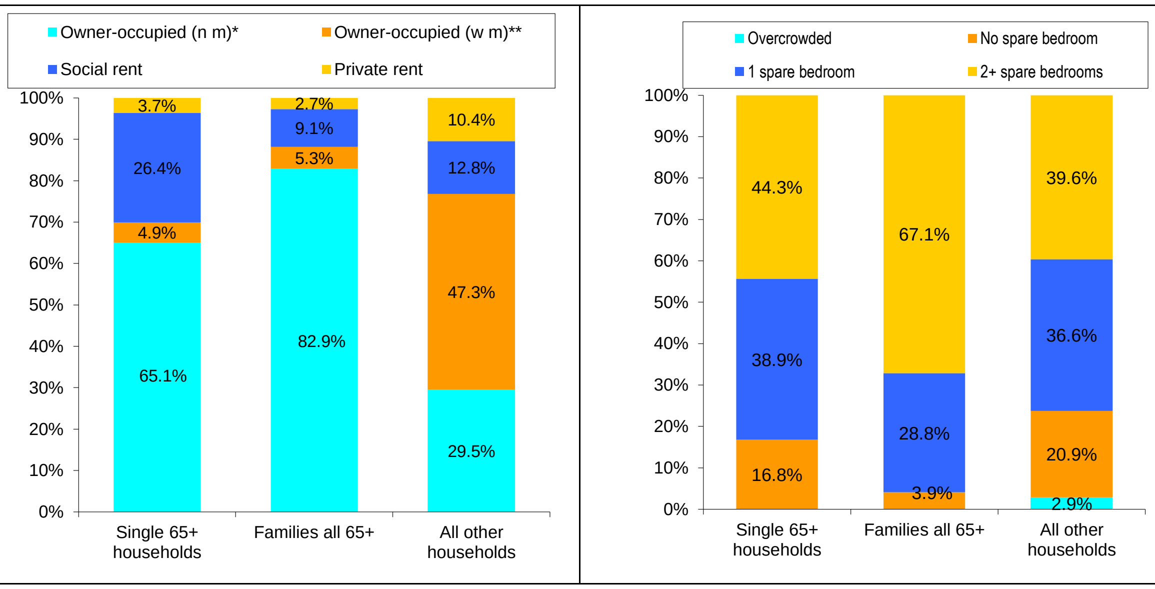
Current situation

7.6 The Census provides detail on the housing situation of older persons at a local level. It is worth noting that in 2011 according to the Census 25.6% of households in South Staffordshire were older person only households (households where all members are 65 or over), compared to 21.5% regionally and 20.7% nationally. Of these older person only households in South Staffordshire in 2011, 52.2% contained only one person, a figure lower than that recorded in the West Midlands region (58.7%) and England (59.6%).

7.7 The figure below shows the tenure profile of older person only households in South Staffordshire in 2011 compared to the remainder of the household population. The figures also set out the occupancy level of these groups. The results show that both of the older person groups record a higher level of owner-occupation without a mortgage than other households. Single older person households were also more likely than average to live in the social rented sector. Older person households were also more likely than average to have multiple spare bedrooms in their home.

[57] Reference ID: 63-001-20190626

Figure 7.1 Profile of accommodation for older person households in South Staffordshire



Source: 2011 Census *Owner–occupied no mortgage ** Owner-occupied with mortgage, includes Shared Ownership.

Future requirement

7.8 The disaggregated local housing need projections (set out in Chapter 5) indicate that the population aged 65 or over is going to increase dramatically in South Staffordshire over the plan period; from 27,238 in 2018, to 38,333 in 2038, a rise of 40.7%. The projections also suggest that there will be an increase in the number of households headed by someone over 65 in South Staffordshire from 17,361 in 2018, to 24,756 in 2038, an increase 42.6%. The projections indicate that the proportion of older persons living alone in South Staffordshire will increase from 40.3% in 2018, to 49.3% in 2038.

7.9 The results of the LTBHM model can be disaggregated into different household groups within the whole population. The table below shows the projected accommodation profile for older person households in South Staffordshire in 2038 arising from that model.

Table 7.1 Type of accommodation projected for 'older person only' households in South Staffordshire in 2038

Size of home	*Owner occupied*	*Private rented*	*First Homes*	*Shared Ownership*	*Social/ Affordable Rented*
1 bedroom	371	73	1	116	1,801
2 bedroom	5,779	552	6	42	2,221
3 bedroom	9,620	310	0	8	126
4+ bedrooms	3,619	73	0	0	38
Total	19,388	1,009	7	166	4,186

7.10 In line with the updated PPG that says '*offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems*' it will be necessary for the Council to consider how the requirements of these groups could be accommodated in the future. It is anticipated that the majority of older person households will reside in the general housing stock in South Staffordshire in 2038 (as they do now) so it is important that new housing is suitable for the widest range of groups.

7.11 There are a range of tools for achieving this, such as following the HAPPI[58] design principles so housing may be suitable for older people (although these design features will appeal more widely across the population), adoption of the Building for Life[59] Standards (these are broad design principles), and adopting the Accessible and Adaptable Standards[60] of construction, as set out in the Building Regulations. The Council will need to determine which approach is most suitable for their requirements and this may vary for different sites in the District. It is worth noting that several stakeholders mentioned specific support for the Accessible Building Standards as defined in Building Regulations, as they are an established standard which provides clarity during the planning process.

Specialist accommodation

7.12 Given the dramatic growth in the older population, and the higher levels of disability and health problems amongst older people, there is likely to be an increased requirement for specialist housing options. As Paragraph 004 of the PPG[61] notes *'the future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered housing, extra care) may need to be assessed'*. To assess this need we have used the approach advocated by the Housing Learning and Improvement Network's (Housing LIN) Strategic Housing for Older People (SHOP) tool, which is the model recommended within Paragraph 004 of the PPG. It should be noted that this tool is only driven by demographic changes and does not consider people's choices or aspirations as to what form of accommodation they would prefer.

7.13 According to the latest information provided by the Council, there are 837 units of Sheltered Housing for older people/retirement housing[62] in South Staffordshire currently, alongside 315

[58] https://www.housinglin.org.uk/Topics/browse/Design-building/HAPPI/

[59] https://www.designcouncil.org.uk/sites/default/files/asset/document/Building%20for%20Life%2012_0.pdf

[60] See paragraph 63-009-20190626 of the PPG and https://www.gov.uk/guidance/housing-optional-technical-standards.

[61] Reference ID: 63-001-20190626

[62] A collection of self-contained units of accommodation (usual bedsits within a communal block), which have on-site warden support (usually daytime only with on call service at night) and communal social areas and activities. This is very similar to the housing type *'Retirement living or sheltered housing'* as defined in the PPG.

Extracare units/supported living housing[63]. It is worth noting that around 74.9% of the Sheltered Housing for older people/retirement housing is in the affordable sector as is 87.0% of the Extracare units/supported living housing, despite the overwhelming propensity of older persons only households to be owner-occupiers.

7.14 The current prevalence of Sheltered Housing for older people/retirement housing in South Staffordshire is 63 per thousand head of population aged 75 or over, with the prevalence rate for Extracare units/supported living housing 23 per thousand head of population aged 75 or over. The SHOP model helps authorities to plan to deliver more of this type of accommodation in response to the growth of the population that utilizes it (principally those aged 75 or over). The SHOP model uses these prevalence rates as the key variant when modelling future demand. For the purposes of this study, it is presumed that these prevalence rates will continue in South Staffordshire over the plan period as they mirror the expectations and usage patterns of local residents. Whilst the SHOP tool advocates increasing the prevalence rate of both forms of housing to the national ideals that it has defined, feedback from the stakeholder consultation indicated that, across the county, the Housing LIN model outputs have overestimated demand, and also that, within South Staffordshire, there are instances of reports of low demand for the facilities that have been newly built to meet this need.

7.15 To establish the potential demand for these accommodation types in South Staffordshire at the end of the plan period, these prevalence rates are applied to the total number of people aged 75 or over in South Staffordshire in 2038 according to the disaggregated local housing need projections. The demand that is derived is then compared to the current stock. This process is summarised in the table below. The future tenure profile of this specialist stock takes account of the modelling that indicates that over three quarters of all older person households will live in market accommodation in 2038, as evidenced in Table 7.1.

7.16 To meet local demand rates in 2038, the model identifies a requirement for 417 additional units of Sheltered housing for older people/ retirement housing and 150 additional Extracare units/ supported living housing in South Staffordshire over the plan period (definitions set out in footnotes 62 and 63). Of the 417 new units of Sheltered housing for older people/retirement housing, some 72% should be market accommodation, with the remainder affordable. Of the 604 new Extracare housing/ supported living housing, 70% should be market and 30% affordable. These are Class C3 dwellings.

[63] Extracare housing is similar to sheltered accommodation, but with enhanced provision for personal care of frailer older people. On-site support is usually provided on a 24 hour rather than day-time only basis. Extracare housing is often focused on addressing the needs of people with dementia. These two housing types are similar to the ‘Extra care housing or housing-with-care’ definition in the PPG. Supported living is a combination of suitable accommodation, with some forms of personal care (like help with washing or cooking).

Table 7.2 Projected requirement for specialist accommodation for older person households in South Staffordshire over the plan period				
Type of specialist accommodation	*Tenure*	*Base profile (2020)*	*Profile 2038*	*Additional units required*
Sheltered housing for older people/ retirement housing	Market	210	510	300
	Affordable	627	744	117
	Total	837	1,254	417
Extracare housing/supported living housing	Market	41	146	105
	Affordable	274	320	46
	Total	315	465	150
All specialist accommodation for older person households	Market	251	656	405
	Affordable	901	1,064	163
	Total	1,152	1,720	568

7.17 The requirement for 568 additional specialist units for older person households represents 6.3% of the total household growth in South Staffordshire for the period 2018 to 2038. The actual numbers and type of specialist accommodation needed may depend on changes in patterns of demand and expectations. It is therefore appropriate to consider this level of need with the acknowledgement that the form of accommodation delivered should not be too prescriptive.

7.18 As well as the need for specialist housing for older people, there will also be an additional requirement for Registered Care[64]. According to Staffordshire County Council figures, there are around 1,140 spaces in nursing and residential care homes in South Staffordshire currently. Utilising information recorded in the HCA's Statistical Data Return 2018, it is estimated that just over a quarter of these are in the affordable sector, with the remaining being a market tenure.

7.19 As part of the process of projecting the future household typology within the disaggregation of the overall housing need figure as, described in Chapter 5, the population that will reside in communal establishments are calculated. The model identifies that in 2038 there will be 2,033 people aged 65 and over in South Staffordshire that will be resident in Registered Care. This figure is dependent on the communal population rates (separated by age and gender), that have been produced through to 2043 for each local authority in England as part of the 2018-based household projections dataset, and therefore presumes that these are accurate.

[64] Residential care homes and nursing homes: These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes. This is the same as the definition in the PPG.

7.20 This implies that there will be a requirement for 893 additional Registered Care spaces between 2020 and 2038, of which 49.7% should be in the affordable sector and 50.3% within a market tenure. The table below details these calculations. The figure of 893 additional bedspaces being required in 2038, corresponds closely with the work undertaken by Staffordshire County Council[65], which has modelled a shortfall of 940 residential care bedspaces in South Staffordshire in 2039.

Table 7.3 Projected requirement for Registered Care for older persons in South Staffordshire over the plan period

Tenure	*Base profile (2020)*	*Profile 2038*	*Additional units required*
Market	828	1277	449
Affordable	312	756	444
Total	1140	2033	893

7.21 It should be noted that the modelling presented above, is based on occupation patterns in this sector recorded prior to the coronavirus pandemic. Whilst the full impact of the coronavirus pandemic on society may not be known for some time, it appears that those living in residential care have been more adversely affected than the wider population. This may change the perception of the sector amongst potential residents and lead to a reduction in the demand for such accommodation. The Council should therefore closely monitor the take-up of Registered Care in South Staffordshire to identify whether the demand pattern identified will be fulfilled.

7.22 The table below brings together the analysis presented in the previous three tables, to show the full profile of accommodation required by older persons in South Staffordshire at the end of the plan period.

[65] https://www.staffordshire.gov.uk/Care-for-all-ages/Information-for-providers/Market-Intelligence/Market-position-statement-intelligence/Evidence-care-homes/Evidence-base-for-care-homes.aspx

Table 7.4 Type of accommodation required for older persons in South Staffordshire in 2038

Size of home	*Market*			*Affordable*		
	*General housing**	Sheltered housing/ retirement housing	Extra care housing/ supported living housing	*General housing**	Sheltered housing/ retirement housing	Extra care housing/ supported living housing
1 bedroom	161	212	72	1,241	512	166
2 bedrooms	5,959	299	74	1,881	233	154
3 bedrooms	9,930	-	-	134	-	-
4+ bedrooms	3,692	-	-	38	-	-
Total in households	19,741	510	146	3,295	744	320
Residential care	1,277			756		

This includes *'age-restricted general market housing'* as defined in the PPG (the type of housing is generally for people aged 55 and over and the active elderly) as well as general housing available to all people. This analysis is focused only on those where all household members are aged 65 or over, there is likely to be additional requirement for age-restricted general market housing from those aged between 55 and 64.

7.23 The majority of older person households in South Staffordshire are likely to remain in general housing, as the Paragraph 012 (ID: 63-012-20190626) of the PPG notes *'Many older people may not want or need specialist accommodation or care and may wish to stay or move to general housing that is already suitable, such as bungalows, or homes which can be adapted to meet a change in their needs.'* The next section looks at the role of adaptations to help households remain in their home.

7.24 It should be noted that the general housing that older people aspire to reside in includes age-restricted general market housing. This is non-specialist housing located on sites that are exclusively used by older people, typically those aged 55 or over. It is hard to gauge the future demand for this accommodation as there is limited evidence of the current supply in South Staffordshire, however it is envisaged that this will increase as the population ages over the plan period and the Council should monitor whether the existing provision is able to meet demand.

7.25 In the stakeholder consultation, Staffordshire County Council noted the *'need for specialist housing locations to be considered in terms of their accessibility and connectivity to local services (shops, GPs, leisure amenities etc) and to public transport which will help people to stay independent for longer and reduce the risk of social isolation'*

People with disabilities

7.26 Paragraph: 002 of the PPG[66] notes that '*The provision of appropriate housing for people with disabilities, including specialist and supported housing, is crucial in ensuring that they live safe and independent lives…. Providing suitable housing can enable disabled people to live more independently and safely, with greater choice and control over their lives.'* Page 70 of the NPPF provides the following definition of disabled people: *'People have a disability if they have a physical or mental impairment, and that impairment has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. These persons include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs.'* Due to a dearth of accurate data on the individual groups within this population, the analysis in this section will consider all those with a specific need unless otherwise stated.

Current situation

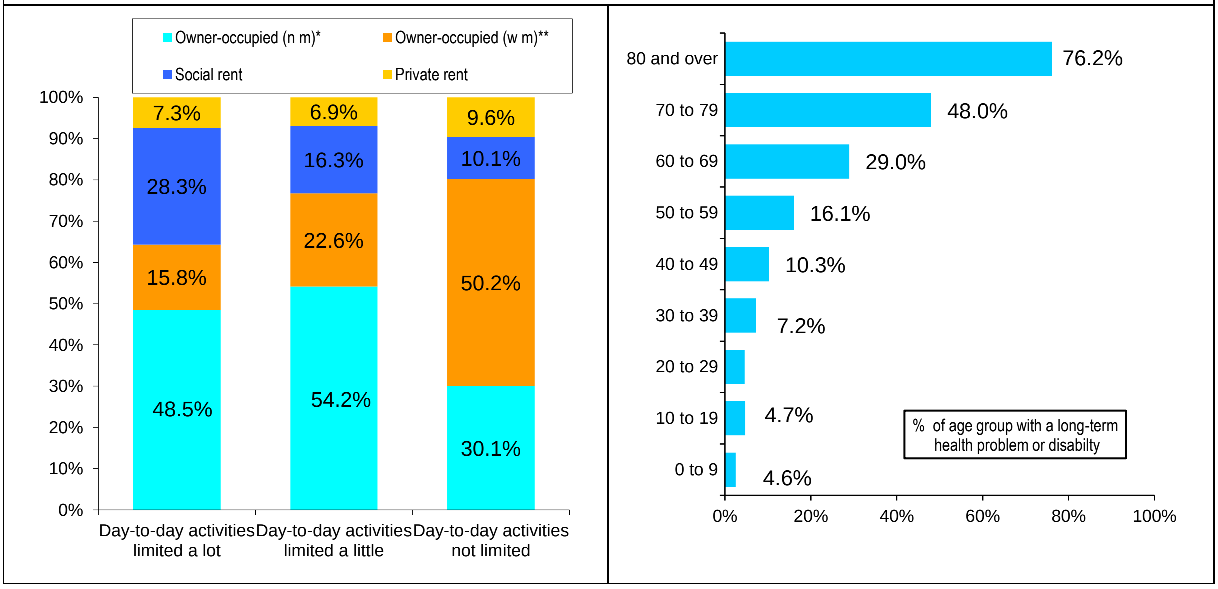
7.27 As is noted in paragraph: 005 of the PPG[67] , *'Multiple sources of information may need to be considered in relation to disabled people who require adaptations in the home, either now or in the future. The Census provides information on the number of people with a long-term limiting illness.'* The figures on the incidence of limiting long-term illness recorded by the Census are therefore used as a starting point. The Census shows that, in 2011, some 18.7% of the resident population in South Staffordshire had a long-term health problem or disability, compared to 19.0% in the West Midlands and 17.9% nationally. Further analysis shows some 44.4% of all residents with a long-term health problem or disability in South Staffordshire had a condition that limited day-to-day activities a lot, with 55.6% having a condition that limited activities a little. In the West Midlands, 47.9% of all residents with a long-term health problem or disability had a condition that limited day-to-day activities a lot and 52.1% had a condition that limited activities a little, with the equivalent figures nationally being 47.1% and 52.9% respectively.

7.28 The figure below shows the tenure profile of people with a long-term health problem or disability in South Staffordshire in 2011 compared to the remainder of the population. The figure also sets out the prevalence of a long-term health problem or disability in the different age groups of the population. The results show that in South Staffordshire, whilst people with a long-term health problem or disability are more likely than average to be owner-occupiers with no mortgage, they are also more likely than average to reside in the Social Rented sector. The analysis also reveals a strong correlation between age and a long-term health problem or disability.

[66] Reference ID: 63-002-20190626

[67] Reference ID: 63-005-20190626

Figure 7.2 Tenure and age profile of people with a long-term problem or disability in South Staffordshire



Source: 2011 Census *Owner–occupied no mortgage ** Owner-occupied with mortgage, includes Shared Ownership.

Number of people in receipt of relevant benefits

7.29 The PPG indicates that a more up-to-date estimate of the number of people with a disability can be acquired by looking at the number of people in an area that are in receipt of Personal Independence Payment[68] or Attendance Allowance. Personal Independence Payment (PIP) helps with some of the extra costs caused by long-term disability, ill-health or terminal ill-health. Data from the Department of Work & Pensions indicates that, as at October 2019, there were 3,510 people in South Staffordshire in receipt of PIP, which equated to 2.7% of the population in the District. In comparison, some 3.3% of the population across the West Midlands and 2.9% of the population of England were in receipt of PIP.

7.30 Attendance Allowance is a benefit for people over the age of 65 who are so severely disabled, physically or mentally, that they need a great deal of help with personal care or supervision. The Department of Work & Pensions data shows that, as at May 2019, there were 3,331 people in South Staffordshire in receipt of Attendance Allowance, which equated to 3.0% of the population in the District. In comparison, some 2.6% of the population in the West Midlands and 2.4% of the population nationally were in receipt of Attendance Allowance.

7.31 The PPG notes that *'whilst these data sources can provide a good indication of the number of disabled people, not all of the people included within these counts will require adaptations in the home.'*

[68] This has replaced Disability Living Allowance.

Projected health of the future population

7.32 The Projecting Older People Information System (POPPI) website[69] and the parallel Projecting Adult Needs and Service Information (PANSI) website[70] model the current and likely future incidence of a range of health issues for each authority in England. The table below sets out the number of people estimated to have one of five health conditions currently as determined by these data sources. The table also indicates the number of people projected to have these conditions in 2038, derived by applying the future prevalence rates used by the POPPI and PANSI modelling to the disaggregated future population for South Staffordshire in 2038, as identified within the local housing need calculation. The table then goes on to report the current and future population in South Staffordshire that require assistance with activities. These figures are derived using the same approach as described for the health condition modelling. The data from PANSI and POPPI is based on current and recent prevalence rates and, whilst these may vary in the future, the figures provide a useful baseline estimate.

7.33 The table shows that the number of those aged 65 or over with a limiting long-term illness that limits them a lot, is expected to increase by 47.0% between 2018 and 2038 in South Staffordshire. This compares to an increase of 70.2% in the number of people aged 18-64 in the District with impaired mobility, a rise of 5.8% in the number of people aged 18-64 in South Staffordshire with a common mental health disorder, an increase of 59.5% in the number of people aged 65 or over with dementia[71], and an increase of 20.7% in the number of people in South Staffordshire with a moderate or severe learning disability.

7.34 The table also shows that the number of those aged 65 or over that are unable to manage at least one mobility activity on their own, is expected to increase by 51.0% between 2018 and 2038, compared to an increase of 45.8% in the number of people aged 65 and over who need help with at least one domestic task, an increase of 44.5% in the number of people aged 65 and over who need help with at least one self-care activity and an increase of 2.9% in the number of people aged 18-64 with a serious personal care disability. It should be noted that these changes better reflect the projected change in the demographics of the population (an ageing population) rather than a notable change in the overall health of people.

[69] https://www.poppi.org.uk/

[70] https://www.pansi.org.uk/

[71] Paragraph 019 (Reference ID: 63-019-20190626) of the PPG notes that *'Evidence has shown that good quality housing and sensitively planned environments can have a substantial impact on the quality of life of someone living with dementia. People with dementia need to have access to care and support to enable them to live independently and homes need to be designed with their needs in mind.'*

Table 7.5 Number of people with particular health issues projected over the Local Plan period in South Staffordshire				
Condition	2018	2038	Total change	% change
Health condition				
People aged 65 and over with an illness*	6,142	9,027	2,885	47.0%
People aged 18-64 with impaired mobility	3,851	6,554	2,703	70.2%
People aged 18-64 with a common mental health problem	12,176	12,882	706	5.8%
People aged 65 and over with dementia	1,942	3,097	1,155	59.5%
People all ages with a learning disability	2,138	2,580	442	20.7%
People requiring assistance with activities				
People aged 65 and over that are unable to manage at least one mobility activity on their own**	4,967	7,502	2,535	51.0%
People aged 65 and over who need help with at least one domestic task***	7,868	11,468	3,600	45.8%
People aged 65 and over who need help with at least one self-care activity****	7,815	11,290	3,475	44.5%
People aged 18-64 with a serious personal care disability*****	605	623	18	2.9%
All people	112,125	129,808	17,682	15.8%

*A limiting long-term illness that limits them a lot. **Activities include going out of doors and walking down the road; getting up and down stairs; getting around the house on the level; getting to the toilet; getting in and out of bed. ***These are activities which, while not fundamental to functioning, are important aspects of living independently such as doing routine housework or laundry, shopping for food, doing paperwork or paying bills. ****These are activities relating to personal care and mobility about the home that are basic to daily living. *****Their physical disability means that they require someone else to help from getting in and out of bed, or getting in and out of a chair, dressing, washing, feeding, and use of the toilet. Source: The Projecting Older People Information System and Projecting Adult Needs and Service Information, 2020, disaggregated local housing need figures, 2020.

Accessible and adaptable housing

7.35 The Nationally Described Space Standards (which set out national minimum space standards) published by the Department for Communities and Local Government in 2015[72] detail the minimum gross internal floor areas required in new dwellings and also the size of storage area required. The Nationally Described Space Standards also provide detail on the requirements

72 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/524531/160519_Nationally_Described_Space_Standard____Final_Web_version.pdf

of dwellings to meet the Accessible and Adaptable dwellings M4(2) and Wheelchair user dwellings M4 (3) standards[73].

7.36 Paragraph 008 of the PPG[74] sets out that *'Accessible and adaptable housing enables people to live more independently, while also saving on health and social costs in the future.'* The same paragraph then goes onto clarify that *'accessible and adaptable housing will provide safe and convenient approach routes into and out of the home and outside areas, suitable circulation space and suitable bathroom and kitchens within the home. Wheelchair user dwellings include additional features to meet the needs of occupants who use wheelchairs, or allow for adaptations to meet such needs.'*

7.37 The PPG[75] also details the data sources that can be used to provide evidence of the need in local planning authorities for dwellings that meet higher accessibility, adaptability and wheelchair housing standards. All of these have been researched, and whilst some have been used to provide the contextual information presented above, others have been used to model the future requirement for adaptable and accessible housing. The most important data input into the model is the CORE LA Area Lettings Reports which provide details about those that have moved into affordable accommodation – both general needs and specialist homes[76]. The other data sources used in the model include the age profile of people in receipt of Disability Living Allowance in the district, the LTBHM modelling outputs on the current and future tenure profile of different household groups, the POPPI and PANSI projections (set out above) and analysis in the English Housing Survey.

7.38 The steps followed in the model to derive the future requirement for adaptable and accessible housing are set out below:

- The CORE LA Area Lettings Reports for the last three years (2015/16 to 2017/18) were examined and the total number of lettings that required a home to meet a mobility need was totalled alongside the total number of lettings (of all types). This was done within the general housing stock and separately within the supported housing[77] stock.
- It is presumed that all of the requirement for adapted housing in the supported housing stock is from older persons households. To determine the requirement for adapted

[73] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/540330/BR_PDF_AD_M1_2015_with_2016_amendments_V3.pdf

[74] Reference ID: 63-008-20190626

[75] Reference ID: 56-007-20150327

[76] This source records whether households that moved into affordable housing in South Staffordshire require fully wheelchair accessible housing, whether they require level access housing, or whether they have other disability related requirements. Conversely, the data also indicates households where there were no disability related housing design or adaptation requirements.

[77] Supported housing in this context refers to specialist housing for households (mainly older person households), such as that listed in Table 7.2.

housing within the general stock that arises from households over 65, the proportion of people in receipt of the higher rate of the disability living allowance that are aged 65 or over in each authority as at May 2019 is calculated using the data published by the Department for Work and Pensions[78]. In South Staffordshire this figure is 83.9%. It is therefore presumed that this proportion of the demand for adapted housing within the general stock arises from households over 65, with the remainder arising from younger households.

- The totals of the number of lettings of adapted housing over the last three years to these three groups; (those in sheltered accommodation, older persons households in general housing and households under 65 in the general stock) are then compared to the total number of lettings to each of these groups over the last three years, to generate a requirement rate for adapted housing for these three household groups in the affordable sector.
- To produce an equivalent requirement rate for adapted housing amongst the same groups of households resident in the market sector, the rate identified for each of these three groups in the affordable sector is adjusted by the difference between the proportion of affordable homes with adaptations nationally and the proportion of market homes with adaptations nationally as recorded by the Survey of English Housing[79].
- The requirement rate for these three groups across the two broad tenures are then applied to the total number of households in these groups in 2018 as indicated by the LTBHM model. This provides us with an estimate of the current requirement for accessible and adaptable housing, differentiated both by the three household groups and the two broad tenures.
- To profile the future requirement, the total number of households under 65 in the general stock that require an adapted home currently is multiplied by the projected change in the number of people aged 18-64 with an impaired mobility in each authority as modelled using the PANSI data set out in Table 7.5 above. The total number of households aged 65 and over in the general stock that require an adapted home currently is multiplied by the projected change in the number of people aged 65 and over that are unable to manage at least one mobility activity on their own in each authority as modelled using the POPPI data set out in Table 7.5 above. The total number of households in sheltered accommodation that require an adapted home currently is also multiplied by this figure derived from the POPPI modelling.
- This provides a total requirement for accessible and adaptable housing in 2038 in South Staffordshire for the three different household groups. These are then divided

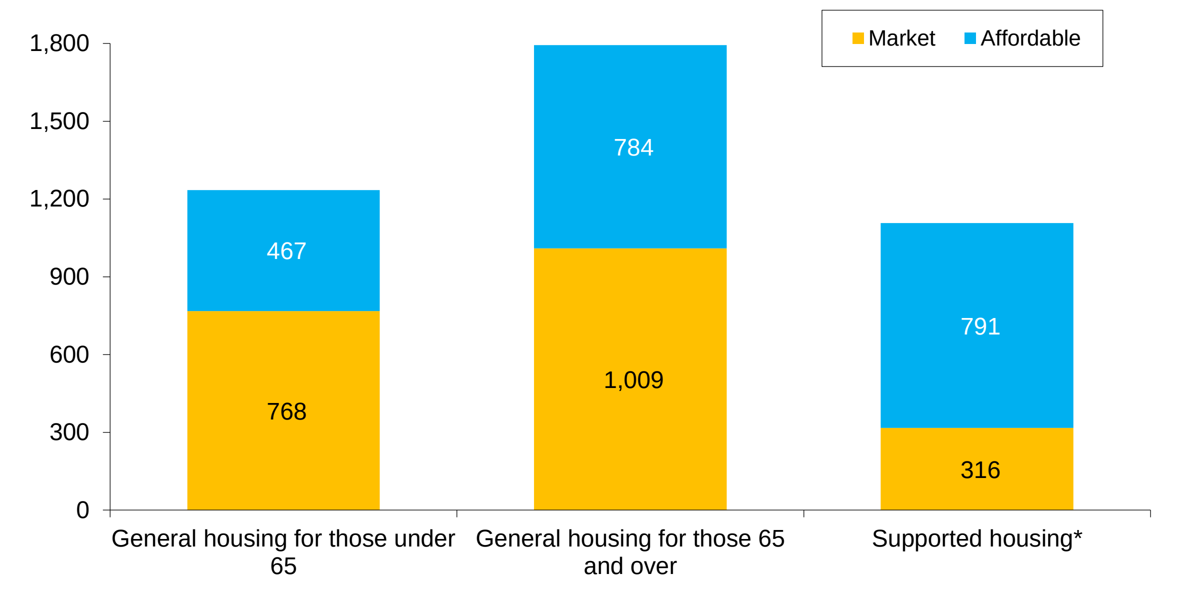
[78] https://stat-xplore.dwp.gov.uk

[79] English Housing Survey Adaptions and accessibility factsheet 2018-19
https://www.gov.uk/government/statistics/english-housing-survey-2018-accessibility-of-english-homes-fact-sheet

by tenure, based on the tenure profile of these groups recorded in 2018, but also taking account of the changes in the tenure profile for each group that are projected to happen by 2038 according to the LTBHM model.

7.39 The figure below shows the final results of this model.

Figure 7.3 Number of accessible and adaptable homes required in South Staffordshire in 2038



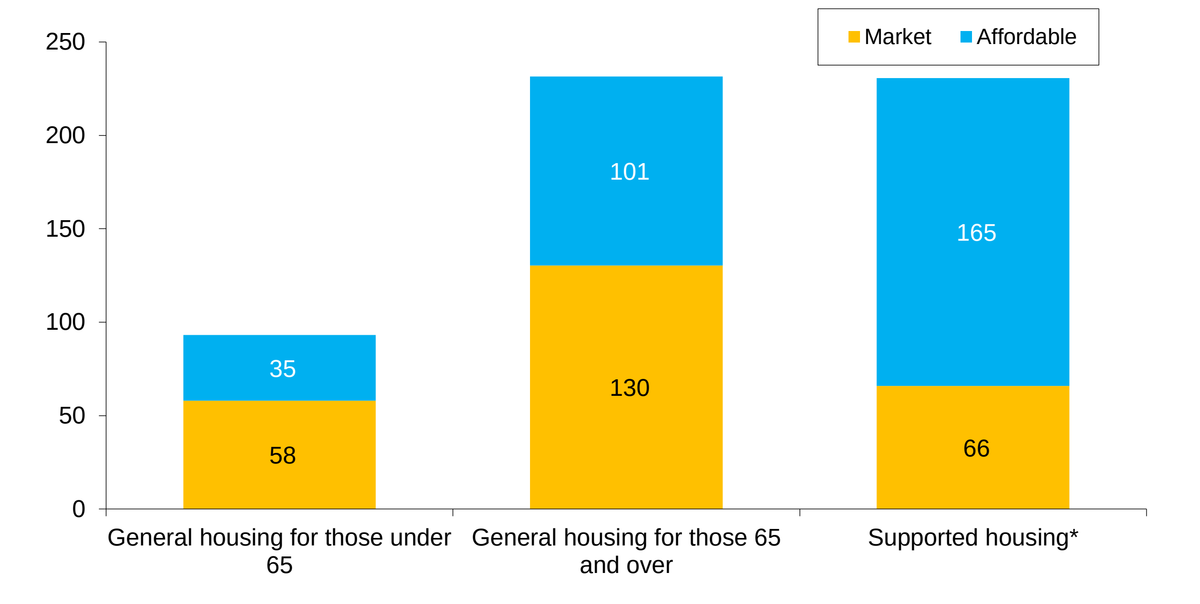
*Supported housing is specialist housing for older person households, such as those listed in Table 7.2.

7.40 The figure indicates the requirement, for accessible and adaptable homes in South Staffordshire in 2038, differentiated by setting, age group and tenure. In total 4,135 accessible and adaptable homes are required in 2038 in South Staffordshire, of which 2,094 should be in the market sector and 2,042 in affordable accommodation. Of the 4,135 accessible and adaptable homes required, 3,028 should be in the general housing stock and 1,107 in supported accommodation.

7.41 The outputs of the LTBHM model and the older persons accommodation modelling have compared the future requirement with the current stock to identify the net change required to be delivered over the plan period. Whilst the future requirement for accessible and adaptable homes has been identified, there is limited information on the number of dwellings that fulfill this criteria in South Staffordshire currently, and therefore there is not a detailed profile of the current stock from which to derive a net requirement. Overall, the requirement for 4,135 accessible and adaptable homes implies that a notable uplift will be required to the number of homes that meet this standard currently, and, that by the end of the plan period, around about 7.4% of the total stock should be available that meet this criteria. This is an estimated requirement for M4(2) Category 2 accessible and adaptable homes.

7.42 There is also a requirement for M4(3) Category 3 homes - wheelchair user dwellings. Using the same data sources but focusing specifically on those that require fully wheelchair accessible housing within the CORE LA Letting Reports figures and the data specifically on wheelchair dwellings within the English Housing Survey, it is possible to follow the same method to produce equivalent results that identify the future requirement for a wheelchair accessible home in South Staffordshire in 2038.

Figure 7.4 Number of wheelchair user dwellings required in South Staffordshire in 2038



*Supported housing is specialist housing for older person households, such as those listed in Table 7.2.

7.43 The figure indicates the requirement, for wheelchair user dwellings in South Staffordshire in 2038, differentiated by setting, age group and tenure. In total, 555 wheelchair user dwellings are required in 2038 in South Staffordshire, of which 254 should be in the market sector and 301 in affordable accommodation. Of the 555 wheelchair user dwellings required, 325 should be in the general housing stock and 230 in supported accommodation. Overall, the requirement for 555 wheelchair user dwellings will mean that by the end of the plan period, around about 1.0% of the total stock should be available to meet this criteria.

7.44 It is important to note that the PPG[80] is clear that the suitability of these requirements should be assessed to determine whether they are viable, and also that the authority should not impose any further requirements to the building regulations beyond what is set out in the building regulations for M4(2) and M4(3) dwellings.

Adaptations and support

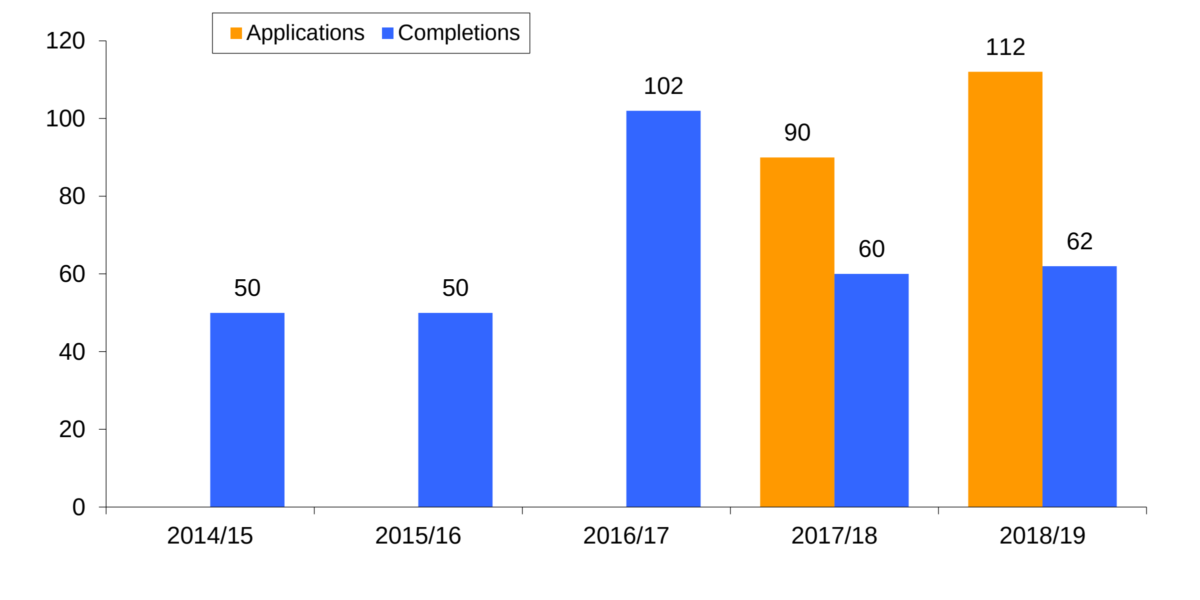
7.45 In addition to specialist accommodation, the Council helps people to remain in their current home by providing support and assistance. Any adaptions to dwellings provided through this

[80] Reference IDs: 56-003-20150327 & 56-008-20160519

mechanism could reduce the requirement for new homes meeting the M4(2) standard, depending on the nature of the adaptation work completed.

7.46 The figure below shows the number of applications for Disabled Facilities Grants for home adaptations that have been received by the Council over the last two years[81] alongside the number of adaptations that have been completed within this programme since 2014/15. The figure shows that the level of completions does not vary significantly across the time period considered, other than a significant increase in 2016/17. The difference between applications and completions relates to the lag between application and completion rather than implies that there are unsuccessful applications.

Figure 7.5 Disabled Facilities Grant applications and completions in South Staffordshire



Source: South Staffordshire Council, 2020

7.47 In this context, paragraph 005 of the PPG[82] notes that '*Applications for Disabled Facilities Grant (DFG) will provide an indication of levels of expressed need, although this will underestimate total need, as there may be a large number of people who would want or need an adaptation, but would not have applied to the DFG.*' The provision of M4(2) homes would reduce the need for these adaptations to be applied to existing dwellings reactively, and make the housing stock more responsive to the evolving needs of the local population.

[81] Data prior to this is not currently available.

[82] Reference ID: 63-005-20190626

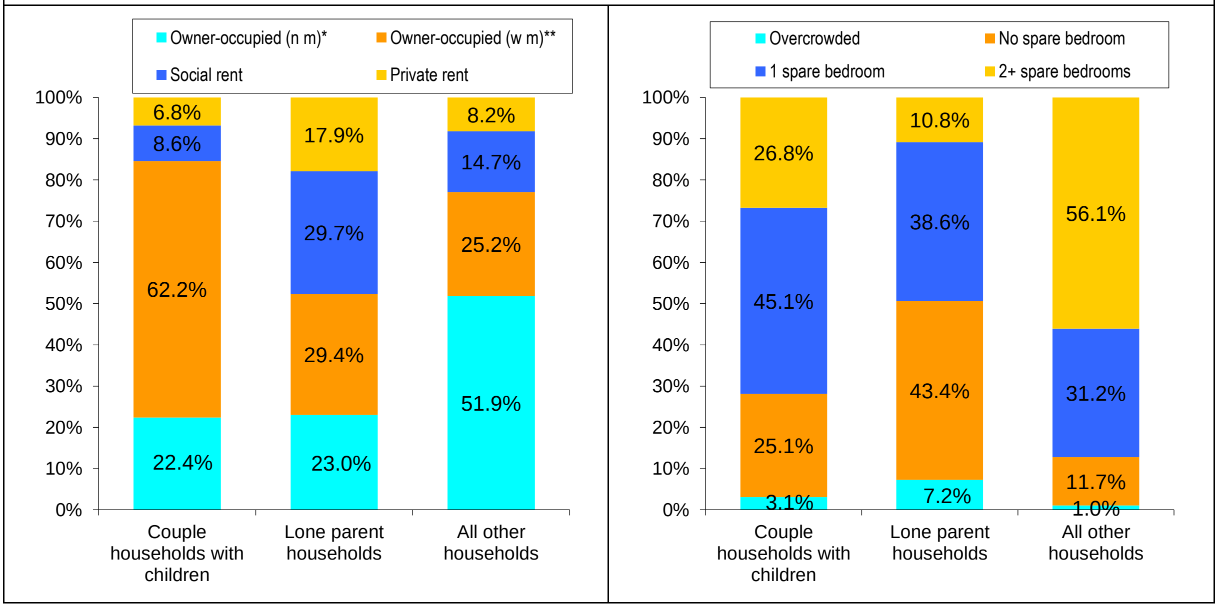
Families with children

Current situation

7.48 The Census provides detail on the housing situation of households with children at a local level. It is worth noting that in 2011, according to the Census, 38.2% of households in South Staffordshire were families with children, a figure higher than the regional figure (37.7%) and the national average (36.0%). The figure below shows the tenure profile of the two main types of 'family with children' households in South Staffordshire in 2011, compared to the remainder of the household population. The figures also set out the occupancy level of these groups.

7.49 The data shows that whilst there are notably fewer owner-occupiers with no-mortgage amongst couple households with children than amongst other households in South Staffordshire, the proportion of this group in the social and private rented sector is lower than recorded for other households. Lone parents however are notably more likely than other households to be in both Social Rented and private rented accommodation. Family households with children are also more likely to be overcrowded and less likely to be under-occupied in South Staffordshire.

Figure 7.6 Profile of accommodation for family households in South Staffordshire



*Owner–occupied no mortgage ** Owner-occupied with mortgage, includes Shared Ownership. Source: 2011 Census

Future requirement

7.50 The disaggregated local housing need projections indicate that the total population of families with children is going to rise from 16,702 in 2018 to 18,774 by 2038, a growth of 12.4%. it is estimated that the proportion of lone parent families within this group will grow from 23.6% in 2018 to 30.3% in 2038. The table below shows the projected accommodation profile for family households in South Staffordshire in 2038 derived from the LTBHM model, presuming that households do not have to reside in overcrowded accommodation. This identifies that intermediate housing will be particularly useful for family households; it is estimated that by 2038, 41.1% of Shared Ownership dwellings and 58.9% of First Homes will be occupied by family households.

Table 7.6 Type of accommodation projected for households with dependent children in 2038 in South Staffordshire

Size of home	*Owner occupied*	*Private rented*	*First Homes*	*Shared Ownership*	*Social/ Affordable Rented*
1 bedroom	0	0	0	0	0
2 bedroom	1,004	242	130	110	994
3 bedroom	6,359	396	105	200	1,904
4+ bedrooms	6,558	302	58	98	313
Total	13,920	940	293	408	3,212

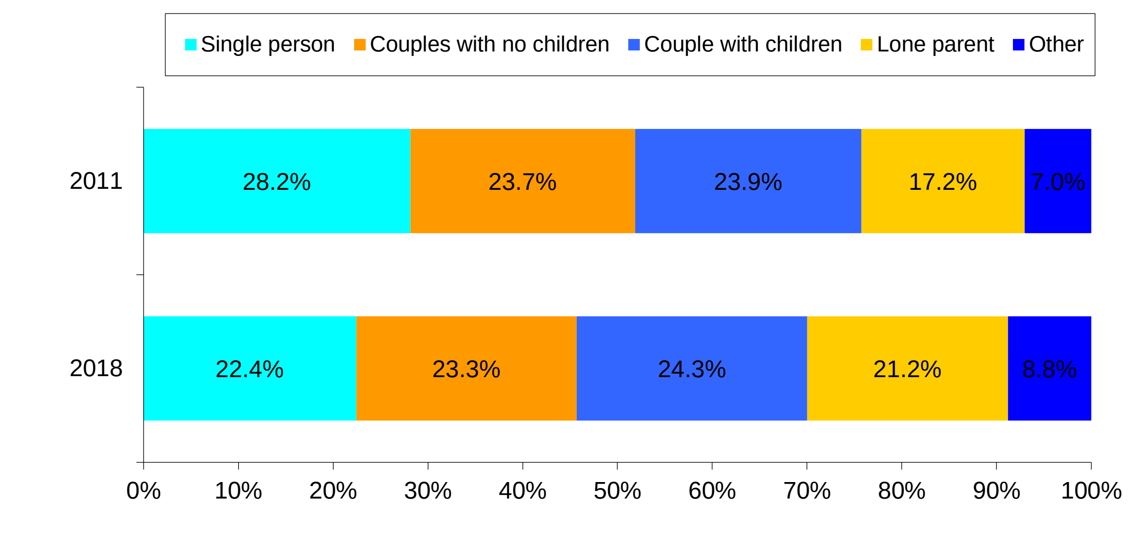
The private rented sector (PRS)

Growth

7.51 The current tenure profile in the District was modelled as part of the LTBHM model. This estimated that there are 5,044 private rented households in South Staffordshire in 2018, which represents 10.8% of households in the District. The private rented sector (PRS) is becoming increasingly important in South Staffordshire; as shown in Figure 2.11, the data indicates that it increased by 18.7% in South Staffordshire between 2013 and 2018 – at a greater rate than was recorded nationally.

7.52 The figure below compares the household composition of the private rented sector in South Staffordshire in 2011, with the profile of households resident in this tenure in South Staffordshire in 2018. The data shows that not only has the private rented sector expanded, but the households in it have diversified.

Figure 7.7 Change in the household composition of the PRS in South Staffordshire

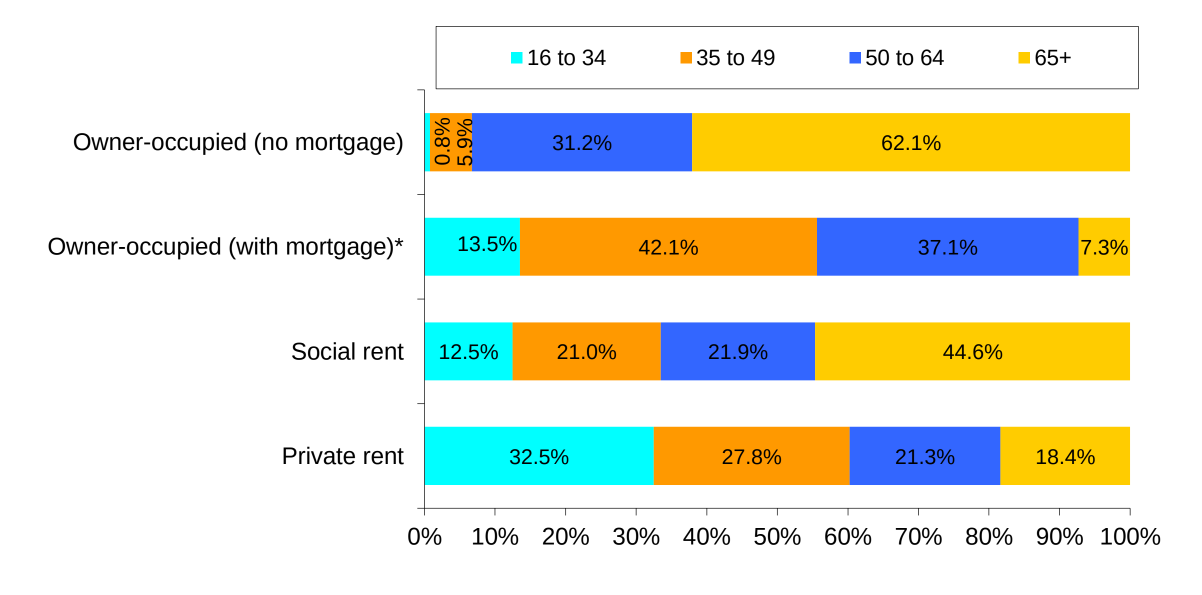


Source: 2011 Census and LTBHM modelling

Those resident in the tenure

7.53 The figure below shows that, whilst the private rented sector has diversified, it is still notably more likely to be occupied by younger households, with almost a third of household reference persons aged 34 or under compared to less than 15% of household reference persons in all other tenures.

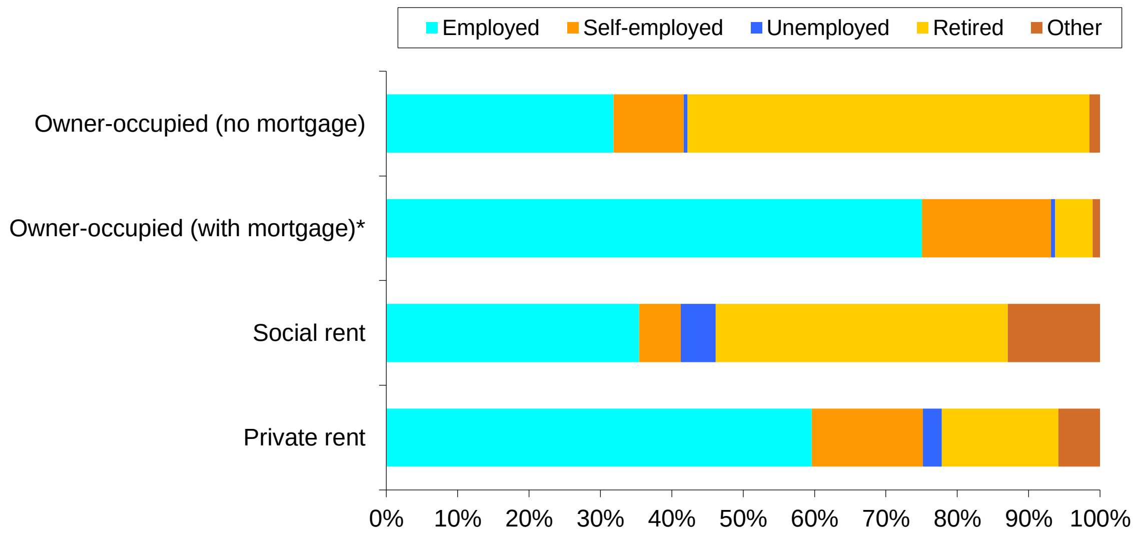
Figure 7.8 Age of household reference person within each tenure in South Staffordshire, 2018



*Includes Shared Ownership Source: LTBHM modelling

7.54 The figure below shows that whilst the majority of household heads in the private rented in South Staffordshire are in work, there are a number where the household head is unemployed or retired.

Figure 7.9 Economic activity of household reference person within each tenure in South Staffordshire, 2018



Source: LTBHM modelling

7.55 The LTBHM model set out in Chapter 4 has been used to model the future housing market. This indicates that the private rented sector is likely to grow further in importance in South Staffordshire over the plan period with the number of homes in the tenure projected to increase by 1,120 households by 2036, a growth of 22.2%.

Current trends

7.56 The PPG suggests that *'market signals reflecting the demand for private rented sector housing could be indicated from the level of changes in rents.'* Therefore, to assess the stability of the sector currently it is useful to consider how the private rent levels charged vary over time. The table below shows the change in private rents over the last five years at both the median and lower quartile level. This data is disaggregated by accommodation size and location. The table shows for example that between 2013/14 and 2018/19 two-bedroom lower quartile rents increased by 11.1% in South Staffordshire.

7.57 Overall, the data suggests that the private rented sector is not under particular pressure in South Staffordshire, as rent levels have risen at a slower rate than recorded nationally in all instances other than for the median price (rent) of four-bedroom homes. It should however be noted that entry-level rents have risen at a faster rate in South Staffordshire than in the West Midlands as a whole, for one, three and four-bedroom accommodation. This implies that affordability in the District is likely to be an issue at the lower end of the market. The data does suggest that four-bedroom rents are the most pressurized in South Staffordshire, followed by one-bedroom rents.

Table 7.7 Change in private rents charged in South Staffordshire, the West Midlands and England between 2013/14 and 2018/19

Lower quartile prices				
Area	One bedroom	Two bedrooms	Three bedrooms	Four+ bedroom
South Staffordshire	13.9%	11.1%	9.2%	12.6%
West Midlands	9.0%	14.1%	9.1%	10.0%
England	14.5%	13.7%	11.8%	15.6%
Median prices				
Area	One bedroom	Two bedrooms	Three bedrooms	Four+ bedroom
South Staffordshire	16.5%	9.1%	7.2%	28.5%
West Midlands	16.5%	13.3%	15.8%	11.2%
England	23.0%	17.4%	16.9%	20.0%

Source: Valuation Office Agency, 2013-14, 2018-19

The benefit-supported private rented sector

7.58 Data available from the Department of Work & Pensions[83] indicates that there were 990 households in the private rented sector in South Staffordshire who were either in receipt of Housing Benefit or were receiving the Housing Element of Universal Credit in August 2018. This represents 19.6% of all households in the tenure and is lower than the equivalent proportion of households in the sector both regionally and nationally (some 24.7% of private rented households in the West Midlands were in receipt of one of these benefits as were 28.3% of private rented households across England). Further analysis shows that the number of private rented tenants in receipt of assistance with their housing costs in South Staffordshire has decreased by 17.6% between 2013 and 2018, in comparison to a regional reduction of 23.3% and a national fall of 13.7% over the same period.

7.59 It is important to recognise the role that the benefit-supported private rented sector plays in alleviating the pressure on the affordable housing stock, by housing some households that would otherwise be resident within the sector; however, it is not an official form of affordable housing as defined by the NPPF. In addition, a comparison of the entry-level private rents with the LHA caps, as set out in Chapter 3, showed there is a notable gap between the two and the housing costs of households in need would not be fully met if they were to reside in this sector as noted in Chapter 3.

[83] https://stat-xplore.dwp.gov.uk

People wishing to build their own homes

7.60 It should be noted that the NPPF specifically refers to people *wishing to build or commission their own homes* within the examples cited in paragraph 61. South Staffordshire have launched a list for people interested in undertaking a self-build development to register themselves. This reached 15 applicants up to December 2019.

7.61 People interested in self-build generally aspire towards a larger home; all of those that provided details indicated that they intend to build a detached home. There is also a high level of interest in building dwellings with a low environmental impact, with four of the ten applicants to provide detail on build type planning to develop an energy efficient property. It is interesting to note that of the 15 applicants to the self-build register in South Staffordshire, three have also joined the self-build register in a different authority as well.

7.62 The PPG suggests that data from the Council's self-build register can be supplemented by information collated on the Self Build Portal[84]. The Self Build Portal presents a limited amount of self-build data at a Local Authority level (it contains more information on the national situation). This source assesses the relative level of self-build demand in each authority in England. South Staffordshire is assessed as having a demand for 13 self-build plots per 100,000 people in 2019. This figure is lower than most of the rural neighbouring authorities – Stafford has a demand of 27 self-build properties per 100,000 people, in Telford & Wrekin the figure is 53, in Wyre Valley it is 64 and in Shropshire it is 10. The figure of 13 for South Staffordshire is similar to that recorded in the more urban neighbouring authorities – Cannock Chase has a demand of 13 self-build properties per 100,000 people, in Wolverhampton the figure is 11 and in Dudley it is 12. The Self Build Portal also indicates that there was an increase in the number of people on the self-build register by 4 between 2018 and 2019.

[84] https://nacsba.org.uk/

8. Conclusions

8.1 Chapter 1 considered the geographic context in which the local housing market operates using the latest data on migration patterns and housing market linkages. This analysis concluded that South Staffordshire's most established linkages are those with the neighbouring councils immediately to the west of the district (especially those that constitute the Black Country) reflecting the pattern of migration flows radially from Birmingham and the importance of the City of Birmingham as a regional employment hub. It is therefore suitable to consider South Staffordshire a sub-market, within part of the Greater Birmingham Housing Market Area.

8.2 Chapter 2 considered the drivers of the local housing market in South Staffordshire. It was shown that the population in the District is older than the national average, with fewer family households resident. The employment profile of residents in South Staffordshire indicated that unemployment is lower than nationally and there are more people employed in the most highly skilled roles. This is reflected in the household incomes recorded across South Staffordshire which are lower than regional average. Finally, the chapter noted that South Staffordshire also has a relatively small affordable stock currently.

8.3 Chapter 3 examined the cost of housing in the District. Whilst market accommodation in South Staffordshire is cheaper than regional equivalents, lower local incomes mean the affordability of the market housing remains an issue in the District. The analysis of the local housing market indicated that there is a notable gap between the cost of Affordable Rent and entry-level market housing which could be potentially be filled by intermediate products including discount home ownership options, such as First Homes. It is important to note that the suitability of these intermediate and sub-market products to meet housing need to the extent identified in the report is contingent on them being priced at the levels set out in Chapter 3.

8.4 Chapter 4 documented the derivation of the overall housing need in South Staffordshire following the revised Standard Method set out in paragraph 004 of the PPG[85]. This indicated that a total 9,068 new dwellings will be delivered in South Staffordshire over the twenty year plan period, including 4,000 new homes within the District to help meet the unmet housing need arising in the Greater Birmingham Housing Market Area.

8.5 The report has presented two main models, the Long Term Balancing Housing Markets (LTBHM) model (Chapter 5), which disaggregates the revised Standard Method local housing need calculations to identify the tenure and size of housing that should be sought over the plan period to best accommodate the future population, and the Affordable Housing Need model (Chapter 6), an unconstrained estimate of the amount of affordable housing required. The affordable housing need figure is calculated in isolation from the rest of the housing market and is only used to indicate whether the Standard Method local housing need figure

[85] Reference ID: 2a-004-20201216

should be increased. On completion of the calculation of the need for affordable housing paragraph 024 of the PPG[86] says:

> *'The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments. An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes.'*

8.6 Planning Authorities should consider whether the housing target in the Local Plans should be increased to assist with meeting the need for affordable housing. Once this has been established, the future mix of all housing required over the plan period should be identified. In accordance with the PPG this is derived using a separate approach.

8.7 The total annual affordable housing need in South Staffordshire of 128 per year (as set out in Chapter 6) represents 28.2% of the annual planned growth in the District of 453 dwellings per year. It would be reasonable to expect this proportion of new housing as affordable to be delivered on a large housing site in South Staffordshire, where a figure of 30% would be plausible (subject to viability). Based on the evidence in this report, it is recommended that the Council sets a target of at least 30% of all new housing as affordable on all new sites that meet the minimum dwelling threshold[87]. The Council can therefore be confident that the affordable housing need identified in the model will be addressed by the dwelling growth identified by the Standard Method and no adjustment is required to this figure.

8.8 To determine the size and tenure of the new housing required within the Standard Method local housing need to accord with the PPG, the LTBHM model outputs are used (the change required between 2018 and 2038). This model provides the profile of housing appropriate to meet the population over the plan period and is directly derived from the calculations used to determine the Standard Method local housing need. In comparison, it is not appropriate to base the recommended housing mix on the results of the affordable housing need model as this is an unconstrained figure with the sole purpose of determining whether an uplift to the Standard Method local housing need is required – it does not form a component of the Standard Method local housing need calculations.

[86] Reference ID: 2a-024-20190220

[87] An affordable housing target of 30% should result in the delivery of around 26% of all new housing as affordable (the identified requirement as set out in paragraph 8.11) once sites that do not meet the criteria for an affordable housing obligation have been excluded. The Council's current 5-year housing land supply indicates that 80% of new housing will be delivered on major sites, almost all of which are likely to contribute the full affordable housing requirement.

8.9 Figure 8.1 sets out the size and tenure requirement for the 9,068 dwellings (454 per annum) to be delivered over the plan period (between 2018 and 2038). The Housing White Paper published in February 2017[88] proposes that Local Authorities should *'deliver... a mixed package of affordable housing that can respond to local needs and local markets'* (paragraph A1.24). In addition, paragraph 64 of the NPPF sets out a clear policy expectation that housing sites deliver a minimum of 10% affordable home ownership units, but this can include Shared Ownership homes and discounted market sales products as well as potentially First Homes. The Government's consultation paper[89] on changes to the planning system goes further as at paragraph 48 it proposes *'the Government intends to set out in policy that a minimum of 25 per cent of all affordable housing units secured through developer contributions should be First Homes. This will be a national threshold, set out in planning policy.'*

8.10 The consultation paper is clear that there will be an expectation for local authorities to also provide Affordable Rented/ Social Rented accommodation where this meets the identified needs. We have therefore provided a further distinction within the proposed housing mix to include the potential demand for First Homes (which reduces the requirement for private rented accommodation as they are providing an affordable home ownership opportunity for those that would otherwise reside in this tenure rather than meeting the same housing need that is addressed through Shared Ownership and Affordable Rented/ Social Rented products).

8.11 The overall requirement for 14.1% of housing to be Affordable Rented/ Social Rented and 12.3% affordable home ownership (of which 6.8% could be Shared Ownership[90] and 5.5% First Homes[91]) reflects the mix of housing that would best address the needs of the local population. It does not take into account the funding that will be available to help provide subsidised housing, and it is acknowledged that current funding stream priorities mean that it will be easier to deliver intermediate housing rather than Affordable Rent/ Social Rent. It is important to note that in this scenario First Homes would represent 20.8% of all new affordable housing, so the 25% minimum threshold cited in the consultation paper is not quite reached.

8.12 The profile set out is a guide to the overall mix of accommodation required in South Staffordshire although it is acknowledged that the Council may wish to divert away from this profile in particular instances. It should also be noted that the potential demand for First Homes

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[88] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

[89] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/927157/200805_Changes_to_the_current_planning_system.pdf

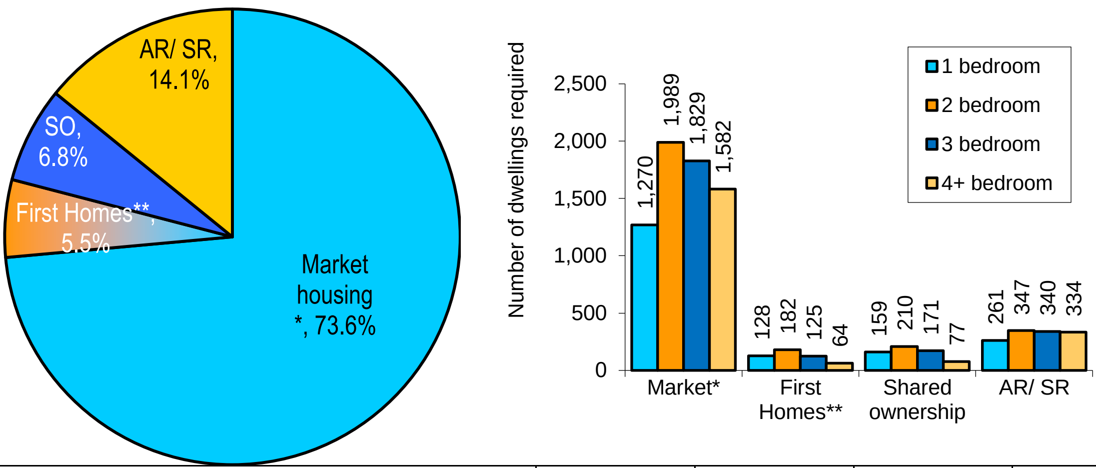
[90] Shared Ownership refers to the version with a 25% equity share as this has been evidenced to cost less than market entry housing in Chapter 3.

[91] The First Homes figure represents a potential demand rather than a requirement and is derived from Table 5.12.

is less robustly evidenced than for the other tenures and should therefore be treated with caution.

Figure 8.1 Requirement for all new housing in South Staffordshire over the plan period

Tenure split | **Size profile**



New housing required 2018 to 2038		*1 bed*	*2 bed*	*3 bed*	*4 bed*
Market housing*	6,670	1,270	1,989	1,829	1,582
First Homes**	498	128	182	125	64
Shared ownership (SO)	617	159	210	171	77
Affordable Rent (AR)/ Social Rent (SR)	1,283	261	347	340	334
Total	6,670	1,270	1,989	1,829	1,582

*Market housing includes both owner-occupied and private rented **First Homes figures represent potential demand rather than a requirement. These figures represent the distribution of housing that should be delivered.

8.13 Chapter 7 considered the housing requirement of particular groups of the population. Paragraph 006 of the PPG[92] notes that '*Plan-making authorities should set clear policies to address the housing needs of groups with particular needs such as older and disabled people….They could also provide indicative figures or a range for the number of units of specialist housing for older people needed across the plan area throughout the plan period.'*

8.14 In terms of specialist dwellings for older persons (Class C3), it is evidenced that in South Staffordshire, 417 additional units of Sheltered housing for older people/ retirement housing[93] and 150 additional Extracare units/ supported living housing[94] are required over the plan period within the housing target. Chapter 7 also identifies that an additional 893 Registered

[92] Reference ID: 63-006-20190626

[93] See footnote 62.

[94] See footnote 63.

Care spaces (nursing and residential care homes) will be required over the next 20 years in South Staffordshire (Class C2). This Registered Care demand identified may be affected by the coronavirus pandemic appearing to have had a greater impact on those living in this sector than the wider population.

8.15 In addition, it is calculated that adapted housing M4(2) Category 2 will be required for 4,135 households by 2038 in South Staffordshire, of which around 555 dwellings should be M4(3) Category 3 homes - wheelchair user dwellings. The most effective approach to ensuring the housing stock has the flexibility to meet the requirements of the future population would be for the Council to implement a policy of universal Category 2 standards in newbuild housing.

Appendix 1. Stakeholder consultation

Introduction

This appendix describes the stakeholder consultation that occurred during the production of this report. This appendix details the consultation process – who was contacted and the nature of the consultation. It also describes the event that took place, including what was discussed. Finally the appendix sets out the submissions received in response to the consultation and the actions that they have resulted in.

Stakeholder workshop

A consultation event on the draft report findings, took place on 18th February 2020. A wide breadth and number of organisations were invited to attend to observe the preliminary outputs of the study and to discuss the methodological assumptions used to derive the estimates. A range of different organisations were invited including developers, agents, Registered Providers, officers from neighbouring councils and planning professionals. In total, 24 different stakeholders attended the event. A full list of those that attended the stakeholder event is set out in the table below. Representatives of housing and planning from South Staffordshire District Council were also present.

Table A1.1 List of attendees to the stakeholder event	
Name	*Organisation*
John Acres	Acres Land and Planning
Tony McGlue	AJM Planning Associates
Stephanie Eastwood	Avison Young
Martin Marais	Barratt David Wilson Homes
Jo Hess	Barratt Homes
Kate Fell	Bloor Homes
Justin Howell	Countryside Properties
Michael Dinn	Gladman
Richard Walters	Hallam Land Management
Sean Rooney	Harris Lamb
Sue Green	HBF
Lesley Birch	Housing Plus Group
Myles Wild-Smith	Lichfields
Neil Cox	Pegasus
Darren Oakley	RPS
Helen Harvey	Shropshire Council
Neil Holly	Stafford BC
Tina Nixon	Staffordshire County Council
Jackie Averill	Staffordshire County Council
Neville Ball	Walsall Council
Rebecca Stevens	Wrekin Housing Group
Ann Parkes	Wrekin Housing Group
Andrea Martin	Wrekin Housing Group
Kylie Anderson	Wrekin Housing Group

The event was a presentation of the relevant national guidance which provides the framework for the study, an overview of the purpose of the report, and the two main models used to obtain the outputs, the assumptions used within the models and the initial study-wide outputs that had been derived. Questions were encouraged throughout and a few topics identified for more in-depth discussion where the topics were likely to be contentious:

- How best to populate the uplift required within the overall housing need calculation (either through increased in-migration or through greater household formation)
- From which area, the people likely to fill the additional dwellings the Council are planning to deliver to assist unmet housing need elsewhere, should be presumed to be moving from (the Black Country or the wider Greater Birmingham Housing Market Area)
- The appropriate affordability threshold to use within the affordable housing need model,
- How best to assess the requirement for specialist accommodation for older persons households.

Summary of discussion at event

The engagement at the event was high and many participants contributed points during the discussion. A summary of the discussion on the key topics is set out below:

It was conceded that it is more likely that new housing built in the District would be occupied by new people moving to South Staffordshire than households forming from within the District as they are generally in a better financial situation. However, there was almost unanimous agreement amongst participants that it was suitable to model that the uplift in housing resulting from the local housing need calculation should result in an increase in household formation rates a as priority. It was noted that this approach most closely reflects what is set out in the PPG, would be most acceptable to local residents, and will attempt to address an ongoing issue within the District (and elsewhere), of potential new households struggling to get onto the housing ladder.

There was less consensus as to where those that will occupy the new housing that the Council is providing to meet unmet housing need from outside the District, should be presumed to be coming from. Whilst some participants advocated this flow of people being based on out-migrants from the Black Country conurbation as this is the area with which South Staffordshire has the strongest links with and is physically closest to, others felt that the Greater Birmingham Housing Market Area is so interlinked that any division within this would just be arbitrary. Overall, amongst those contributing, there was a slight majority for the second approach, in which it is presumed these people will move out of the Birmingham Housing Market Area.

The appropriate affordability threshold used within the affordable housing need model was also discussed at some length. It was explained that the model is meant to reflect current practice in the market rather than make a judgment as to what is a reasonable level to pay. It was clarified that the base scenario utilised the 35% affordability ratio as this was what was identified in the previous study (finalised in 2017) and the market situation had not changed markedly, but also the market analysis and local expenditure data examined during the drafting of the report indicated that 35% was the most accurate. Most participants agreed that 35% was a figure that is normal in South Staffordshire currently, with some arguing that it is fact lower and a small number suggesting it is higher. Many participants noted that the figure was however unsuitable because it was too high a ratio to be sustained and could lead to households falling into affordable housing need. They felt that 30% income threshold was more reasonable, but that 25% has been viewed as a figure which is desirable nationally and that this is what the Council should be aspiring to.

The results presented on the requirement for specialist accommodation over the plan period in the presentation were queried as they seemed to not match local experience. It was explained that these were based on the Housing LIN SHOP model and used the prevalence rates set out there. Feedback provided advised that these were not an accurate guide of the situation in South Staffordshire and the SHOP model approach was prone to exaggerate demand for certain products. It was agreed that the figures would be reworked based on the current local prevalence rates and the draft that was sent round subsequently for consultation contained slightly different results to those set out in the presentation.

More general points made included:

- The need to update the LTBHM outputs in response to the forthcoming 2018-based population and household projections to be published.
- There is uncertainty as to whether the standard method calculation will be replaced in the coming months. The report needs to reflect the most recent version.
- The need for more detail on the requirement for accessible and adaptable and wheelchair user dwellings.
- The intermediate options profiled were agreed to be useful, however further shared ownership options should be presented.
- The need to reflect on the potential impact of the emerging guidance on First Homes.

Written consultation

A copy of the slides used in the presentation alongside a copy of the draft report was sent to all the attendees, as well as those originally invited that were unable to attend. All recipients were encouraged to feedback their views. The deadline for the consultation responses was 6th March (over a two-week period), with a reminder sent to all after a week.

In total 15 submissions were received. These included multiple submissions from some organisations, representing different clients. The table below sets out the key points within the submissions – those that imply an alteration to the report or require a specific response. The responses and actions taken as a consequence of these points are set out in the final column. Some of the submissions were long and contained notable background information. For ease of presentation only the key points from the submission are set out in the table below, however the full submissions are presented in the following section for the purposes of transparency. Where multiple responses were received from the same organisation they contained largely the same information, these have therefore been grouped together in the table below.

Table A1.2 Summary of key points in the stakeholder submission and responses to these points

Organisation marking the submission	Comment that implies alteration to the report or requires a specific response	Action taken, or response to comment
Acres Land and Planning on behalf of Hallam Land Management	The fact that only 1/5 of employed residents living in South Staffordshire, work in the District is quite striking. Clearly most people in South Staffordshire work elsewhere, especially Wolverhampton and the rest of the Black Country, whilst 2/3 of people working in South Staffs, live elsewhere. Figure 1.1 of the report shows that South Staffordshire falls within the Walsall and Wolverhampton Travel to Work Area. This clearly affects the pattern of South Staffordshire's housing needs. Table 1.4 shows that property prices are much higher in South Staffs (amongst all housing types and tenures) than in any of the surrounding authority areas – which would tend to suggest that affordability is lower and therefore that more homes will be needed to offset the supply/demand imbalance. However, it is not clear from the table whether the figures represent the average house price (which may be distorted since South Staffs tends to have larger homes) or is based on price/sq metre, which would tend to equalise the values. Indeed, paragraph 2.26 of the report shows that there are a much higher proportion of larger semi-detached and detached houses with 7 or more rooms in South Staffordshire. Finally, paragraph 1.23 in the conclusion to the Introduction indicates that *'It therefore seems suitable to consider the District as its own housing market, although one with close links to neighbouring authorities. This approach aligns with what is suggested in the PPG*'. Although this may be convenient for data collection and assessment purposes, this seems an astonishing conclusion bearing in mind that the District is clearly not a self-contained housing market and has strong commuting flows across its boundaries in all directions.	This conclusion has been altered.
	Significantly, para 2.9 of the draft report reveals that '*The 2018-based population estimates estimate that in 2017, just 0.1% of the population of South Staffordshire had been resident in the UK for less than a year, compared to 0.9% in the West Midlands region and 1.0% across England'.* This shows a remarkably static and stable population and demonstrates either that people are happy living where they are, or more likely that the lack of new stock (and turnover of existing stock) could be preventing people from finding a suitable home. With very little inward movement and little scope for families to upsize when they need to, or to downsize later in life this can result in a sub-optimal housing distribution – or put simply a waste of space.	We do not believe that this inference can be made from the data. These figures tend to reflect the historic nature of where in-migrants to the country tend to move rather than imply that this pattern is down to a lack of housing available.
	The low level of household change referred to in para 2.10, the downward average household size shown in Table 2.1 and the higher than average number of 2/2+ adult person households (many of whom would be retired) are all signals of this rigidity in the market. Similarly, the minimal stock increase of 2.5% (which is half the average for England and only slightly less than half for the West Midlands) shows an acute tendency towards housing shortfall.	They are partly also a reflection of the traditional demographics of South Staffordshire, particularly in comparison to the West Midlands as a whole.

	The apparent shift (outlined in para 2.14) towards single employee jobs (the highest ever), small companies and SME's within South Staffordshire is marked and would signify a growing need for local housing. Similarly, a very low level of unemployment (1.8%) in South Staffordshire (ref para 2.17) would indicate a greater support for stable home ownership (rather than less) which is far more marked than elsewhere in the West Midlands where unemployment is both higher – and growing. The ONS Earnings figures and the CACI statistics also support this pattern of relatively high income and earnings in South Staffordshire compared with the West Midlands generally – and especially the Black Country.	We do not agree that the high level of SMEs signifies a growing need for housing, however we agree that the other economic data suggests home ownership is likely to continue to be important in the market. This is borne out in the revised LTBHM results.
	Table 3.1 once again quotes relative house prices. Is this price per property or price/square foot or metre?	Price per property, a clarification has been added to the report
	The statistics on rental levels are helpful and informative. The assumption highlighted within paragraph 3.21 that households are spending 35% of their income on housing costs is perhaps over-ambitious. The assumption in the past has always worked on the basis of a 25% or 30% expenditure. The fact that in practice (during a climate of shortage and higher rents) people are paying higher housing costs is unfortunate and some would say unacceptable creating a self-fulfilling prophesy.	Comment noted and more discussion has been presented in the revised report on how the current affordability threshold has been added in a new appendix.
	I would hesitate to question or challenge the comprehensive assessment of various affordable housing need tenures, except of course to emphasise that: 1.firstly, there may be a spurious degree of accuracy in assessing the need for different types, tenures and sizes of housing. Small deviations in assumptions (such as the 30/35% housing expenditure figure) can make a huge difference in outcome, 2. secondly, that most of these options (including the new First Homes model) are likely to be dependent upon the delivery of market housing to cross subsidise the affordable housing. If this be the case, the priority must be to release sufficient sites to ensure that both the market and affordable housing is successfully delivered and 3. Thirdly, as the report acknowledges in paragraph 5.13, '*In paragraph 020 of the PPG it is noted that households should be considered against their ability to afford owner-occupation, where that is their aspiration'.*	In response to individual points: 1.Agreed and this has been transparently set out in the report. 2.Noted 3. There is limited data on the tenure preference for those in affordable housing need, however Chapter 5 considers the level of housing need were it deemed all households were to require owner-occupation. The LTBHM model does consider households likely to aspire to home ownership.
	The report makes it clear that there will be a long term and significant increase in older households, both couples and single people and therefore these are primarily found within owner occupied accommodation. There is no substitute to building more high quality and adaptable private sector housing within South Staffordshire, though this may not be the ideal profile for those people moving out from the Black Country. The size distribution for owner occupied and affordable housing is also very different. The ideal scenario is for elderly people to live happily and independently for as long as they possibly can.	The more detailed outputs presented on the needs of older persons households reflect that in the future they will largely be resident in owner-occupied homes and generally aspire to live independently as long as possible.

	Paragraph 6.35 onwards indicates that there will be a growing need for private rented accommodation particularly amongst younger people. However, whilst this may emerge from modelling, it is not a trend which necessarily arises from people's ambitions, more a product of a shortage of suitable owner-occupied housing and a difficulty in people being able to afford to buy. The First Homes initiative coupled with a modest increase in housing generally may help to stem the need for private rented accommodation which for most people is undoubtedly a sub-optimal choice.	Further analysis has been presented on the capacity of First Homes to help house those that would otherwise be (reluctantly) resident in the private rented sector.
Black Country Planning Authorities	The main concern from the perspective of the Black Country authorities is to ensure that any affordable housing provision in South Staffs addresses need arising from the Black Country. We note that table 1.3 shows that nearly 50% of recent migrates to South Staffs moved from the Black Country (45.9% in 2011 and 49.5% in 2018). This proportion is likely to rise further in the event that the local plan provides, as currently proposed, for 4,000 additional dwellings beyond local housing need to address need arising from the Black Country.	Comment added to report.
	At this stage we understand the most important issue is to agree the figure to be used for the maximum proportion of gross household income that should be expected to be. We agree about the importance of this figure. We would suggest that it should include mortgage payments as well as rent, given that the NPPF includes some forms of ownership within the definition of affordable housing. As was the case with the 2017 SHMA, sensitivity testing should be carried out to check how the affordable housing requirement might vary with different figures. The Black Country and Walsall in particular has low rents but also low gross earnings relative to other authorities in the area. It is noted that rents and houses prices in South Staffs are higher than in the Black Country. Whilst the provision of additional housing in South Staffs may result in a modest reduction in rents and prices, if these homes are to meet the needs of migrants from Walsall and elsewhere in the Black Country it is therefore likely that a high proportion of migrants will need affordable housing. We therefore suggest that a figure of 30% should therefore be used for testing, as well as 33% and 35%. This would align with recent proposals from the West Midlands Combined Authority to define affordable housing based on the cost relative to gross incomes. Reports about this can be found at the links below: https://governance.wmca.org.uk/documents/s3814/2020.01.06_Affordable%20Housing%20Definition%20HLDB%20Jan%202020.pdf https://governance.wmca.org.uk/documents/s3131/2019.07.03%20HLDB%20Affordable%20Housing%20Definition%20FINAL%20Public%20paper.pdf	The commentary and links have been digested and have informed the additional discussion on how the current affordability threshold has been added in a new appendix in the revised report. An additional affordability threshold of 33% has also been included in Chapter 5.
Countryside	Does the use of the historical data best account for the phasing out of help to buy in terms of predicting market future housing requirements?	The analysis on low cost home ownership options in the revised report has been updated to account for the changing landscape and the introduction of First Homes.
	Does the data account for "hidden households" including young adults living at home/with in-laws; families sharing (HMO's)	Yes these households are accounted for within both the LTBHM and the affordable housing needs model.

	Does the OAN need account for economic growth in South Staffs and adjacent areas where residents commute? Given that a big driver for housing demand is employment?	The revised report considers the level of employment growth in South Staffordshire implied by the housing growth planned by the Council. The likely workplace location of these addition residents is also considered.
	Does the data account for sub-standard homes (non-decent) in the current housing stock calculations?	Not explicitly, the Council has other policies that address this issue, which are the outside of the scope of this report.
Gladman	Although footnote 21 briefly discusses which 10-year period and affordability ratio to employ for the household projections and local housing need, Gladman highlight that the 2019 Affordability Ratios will be published on 19th March 2020 and the implications for South Staffordshire should be considered against the evidence and assessments set out in the HMA report.	The Local Housing Need calculation has been updated to include the latest affordability data and the household element of the 2018-based projections.
	It is not considered that the assessment fully recognises the scale of affordable housing need in the district and the implications of the Standard Method on delivering affordable housing needs in full. Analysis set out in the report suggests an annual need for 112 affordable homes per annum which represents approximately 44% of the full local housing need. The Council's latest Annual Monitoring Report 2017/181 states that only 59 affordable units were completed in the 2017/18 monitoring year, whilst the Council delivered an average of 61 units between 2006 and 2018. The Council will need to consider the implications of this given the guidance contained in the PPG which makes clear that the total affordable housing need should be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by market housing led development. 1 South Staffordshire Annual Monitoring Report 2017/18 https://www.sstaffs.gov.uk/doc/180272/name/AMR%202017-18%20FINAL.pdf/ 2 PPG Paragraph: 008 Reference ID: 2a-008-20190220 If it becomes clear that affordable housing need will not be delivered in full then an increase to the total housing figures included in the plan should be considered where it could help to deliver the required number of the affordable homes. Gladman recommend that the Council will need to carefully reconsider this element of the assessment when undertaking the review of the Local Plan as it is unlikely that affordable housing will be delivered to meet the identified need without an increase in the overall housing figure. However, the report does consider housing need uplift separate from the consideration of the demographic baselines assessment and applies a vacancy rate of 3.81% to the Standard Method Figure, which is comparable to current number of unoccupied dwellings in the district and guidance set out in the paragraph 008 of the PPG which states, *"The housing need figure generated using the standard method may change as the inputs are variable and this should be taken into consideration by strategic policy-making authorities."2.*	We are confident that the assessment fully recognises the scale of affordable housing need in the District. A conclusion chapter has been added into the revised report which considers the issue of the implications of the level of affordable housing need identified in considerable detail.

	Gladman support the consideration of the dwelling vacancy in the district, the inclusion of a contribution of up to 4,000 homes towards the wider unmet housing need in the Greater Birmingham HMA and the current cooperation between authorities within the Greater Birmingham HMA. However, it is suggested that greater clarity and consistency is required through paragraphs 2.40 to 2.43 when discussing the application of this variable and its implications for South Staffordshire's housing need and the unmet need of the Greater Birmingham Housing Market Area to be addressed in the district. The current application of a vacancy rate to the Standard Method figure appears to increase the local housing need figure for South Staffordshire, yet decrease the number of homes provided to address the unmet housing need in Greater Birmingham Housing Market Area. This seems somewhat contradictory.	This error in the draft report has been amended.
	Furthermore, it is emphasised that plan-making authorities should engage constructively, actively and on an ongoing basis to maximise the effectiveness of local plan3, particularly with neighbouring authorities, such as Stafford Borough Council, who are also working towards a new Local Plan. In this instance, Gladman would highlight the location in South Staffordshire District to the south of Stafford, which is unconstrained by Green Belt, as a clear opportunity for both South Staffordshire and Stafford Councils to take a wider plan led approach to deliver a sustainable direction for growth. The Council will need to ensure that its ambitions for future economic growth, the provision of affordable homes and accommodation of unmet needs from the Greater Birmingham HMA are fully considered to ensure that its estimate of housing and employment need is robust, supported by a proportionate evidence base document to accompany the Local Plan Review.	Noted
Harris Lamb on behalf of CWC Group & Harris Lamb on behalf of Folkes Holdings & Harris Lamb on behalf of Redrow Almost identical submission received (see full submissions	The purpose of the HMA is to provide evidence to support housing policies in the emerging Local Plan. This includes evidence to inform the overall housing target. We are, therefore concerned that paragraph 1.3 of the study advises that one of the purposes of the HMA is *'identifying the suitable mix of new housing within the approximately 9,000 additional dwellings the Council is intending to deliver during the plan period. The target of approximately 9,000 new homes was the target that the Council identified as its preferred approach during the Issues and Options consultation'*. The HMA should not be used to retrospectively justify a pre-determined housing target that is informed by highly limited evidence.	This was badly worded in the draft report. This section has been revised to reflect that 9,000 dwellings is not a fixed limit.
	As a starting point we support the use of the Standard Method in the HMA to establish South Staffordshire's proportion of the emerging Local Plan's housing requirement. It should, however, be noted that the Standard Method is under review. If the Standard Method is amended during the course of the Plan preparation process it may be necessary to recalculate South Staffordshire's proportion of the Local Plan's housing requirement based upon the revised methodology.	The Standard Method review has been concluded and the report has been updated to reflect the current guidance.

below). All have some same points so addressed as one.	Paragraph 60 of the Framework advises that the Standard Method establishes the 'minimum' number of homes needed in an area. …. Drawing on the HMA, the emerging Local Plan should, as a minimum, seek to deliver housing over and above the Standard Method calculation in order to deliver the South Staffordshire proportion of the housing requirement. However, paragraph 1.9 and 2.42 of the HMA suggest that the emerging Local Plan will only seek to deliver the minimum Standard Method requirement. … The Council should, therefore, establish whether exceptional circumstances exist to support the housing requirement being increased accordingly. Such factors could include the need to increase the housing requirement in order to assist with affordable housing delivery or the economic growth of the district. There is no information included in the HMA explaining how these factors have been considered and tested in order to establish whether exceptional circumstances apply in this instance.	Consideration of an uplift to the identified Local Housing Need is set out in the revised report.
	As detailed in Table 1.1 of the HMA a significant number of people travel into South Staffordshire for work, largely from the Black Country authorities. Only 33.8% of the jobs in South Staffordshire are occupied by South Staffordshire residents. The housing requirement should be increased so that houses are available for the workforce reducing the number of people commuting into the District. Table 1.1 also identifies that a significant number of people commute from South Staffordshire into the Black Country for work. However, as referred to later in these representations, the Black Country authorities are not in a position where they can provide enough houses to meet their own housing growth requirements. This trend is, therefore, difficult to reverse as new housing cannot realistically be provided in the Black County to address this. That being the case, consideration should be given to the gross number of people travelling into South Staffordshire for work, as opposed to the net figure when reviewing how the housing requirement could be amended to take account of commuting patterns.	The Council is hoping that through the delivery of housing to meet unmet need from outside the District to rebalance these figures somewhat, however there is no guarantee that this will be a consequence. The relative nature of the Council areas also means that the commuting patterns are unlikely to change notably.
	Table 1.4 identities the average house prices in South Staffordshire compared to the surrounding authorities. The average price is South Staffordshire is greater than any of the other authorities assessed. Indeed, the average house price in South Staffordshire is nearly 57% more than the neighbouring authority of Wolverhampton City. Consideration should, therefore, be given to increasing the number of houses developed to help with affordability. High average house prices could force some first-time buyers to move to other local authorities' areas. This in turn will reduce the size of the working population in South Staffordshire.	It should be noted that income levels in South Staffordshire are also higher. The ability for South Staffordshire to retain potential first-time buyers is considered within the new First Homes analysis in the revised report.
	Paragraph 2.6 of the HMA advises that the average age of a South Staffordshire resident is 47.7, compared to the West Midlands average of 39.5 and national average of 39.9. South Staffordshire has an aging population. This is likely to be in part due to higher than average house prices, preventing access to the local housing market for first time buyers. South Staffordshire is, therefore, at risk of losing people of working age in the District which could adversely affect economic growth. Additional housing is required to address this.	This is also partly a reflection of the traditional demographics of South Staffordshire, particularly in comparison to the West Midlands as a whole.

	It is suggested by Table 5.1 that the net need for affordable housing in South Staffordshire is 112 dwellings. This figure does not, however, take into account properties that could be lost from the stock due to Right to Buy. Right to Buy should be considered to establish what the true net requirement is. As this information is not available, it is not possible to comment on what impact this would have on the need for affordable housing, but it is likely to be significant. It is our view that the above factors, as a minimum, require the HMA to explore whether or not exceptional circumstances exist to depart from the Standard Method, as the available evidence suggests that this is the case.	There is no explicit step within the affordable housing needs model set out in the PPG, which we have followed, to account for stock loss through Right-to-Buy. It should be noted that it is, in effect, accounted within the re-let calculation, which shows the number of lettings reducing over the three year period presented in Table A3.7.
	Paragraph 2.42 of HMA confirms that the Council is intending to help meet the unmet housing needs arising from the Greater Birmingham Housing Market Area and that the emerging Plan is being prepared on the basis of providing up to 4,000 new homes to assist in meet the housing shortfall. The rational for this figure is that the Council is required to provide 5,010 homes between 2019 and 2037 to address local housing needs as calculated using the Standard Method. An upper limit of 9,000 dwellings has been set over the plan period. This means that the Council is able to provide 3,990 homes to help meet the housing needs of the conurbation. The approach to calculating the extent of the housing shortfall South Staffordshire should plan for is entirely inappropriate. The 9,000 dwelling target can be afforded no weight. It has not been through examination and is the subject of unresolved objectives. There is no sound planning basis for the HMA to simply calculate the contribution South Staffordshire should make to meeting the housing shortfall from the conurbation by simply deducting the Standard Method housing requirement from the 9,000 dwelling figure. ……..However, as it is described as an 'upper limit' by the HMA it would appear that this figure is being treated as the maximum housing target, and therefore includes an allowance for a buffer. If this is the case this is a further flaw with the HMA.	This was badly worded in the draft report. This section has been revised to reflect that 9,000 dwellings is not a fixed limit. There is also a long analysis of the unmet needs within the wider Greater Birmingham Housing Market Area (see the full submission below), however the standard method calculation has been updated since these comments, new data has been published and the respective Councils have moved forward with their Plans so this is not addressed here.
	The emerging plan should include a buffer to allow for allocations not delivering as expected. It is not uncommon for Local Plan allocations not to come forward. This could be for a variety of reasons, including a change in landowners' aspirations, detailed technical work reducing the capacity of sites, or changes to the housing market. Given South Staffordshire is a predominantly Green Belt authority if allocations do not deliver this will cause significant problems with housing delivery as there are few non-Green Belt alternative sites which could come forward for development through the development control process in order to ensure continuity in supply. It is therefore our view a 20%-25% buffer should be added to the housing requirement in order to take account of non-delivery. …..That being the case, if the 9,000 dwelling 'upper limit' includes a buffer of 20-25% the actual housing target being planned for is between 7,200 (20% buffer) and 6,750 dwellings (25% buffer). This in turn reduces the overall contribution that that the emerging Local Plan is making to the unmet housing needs of the conurbation to between 2,200 and 1,750 dwellings. The HMA should be clear that any housing target that it identifies is a minimum target reflecting housing need, and it does not address wider matters such as the application of the buffer.	The identified housing target does not include a buffer. Whether the Council decides to include a buffer within their emerging plan is a matter for the Council that sits outside of this report.

House Builders Federation	LHN of 254 dwellings per annum based on standard methodology calculation using 2014 SNHP, 2019 as the current year and 2018 affordability ratio of 7.39 is mathematically correct. This number should be kept under review until the Local Plan is submitted for examination and revised when appropriate (ID 2a-008-20190220). The Government has also confirmed its intention to review the standard methodology over the next 18 months. If the Government applies a different approach following this proposed review, it may be necessary for the Council to update its LHN assessment.	The standard method calculation has now been confirmed by the Government and the report has been updated in light of this.
	The Government's standard methodology identifies the minimum annual LHN, which is only a starting point. It does not produce a housing requirement figure (ID : 2a-002-20190220). Any ambitions to support economic growth, to deliver affordable housing and to meet unmet housing needs from elsewhere may necessitate a housing requirement figure above the minimum LHN. The NPPG indicates that if previous housing delivery has exceeded the minimum LHN, the Council should consider whether this level of delivery is indicative of greater housing need (ID : 2a-010-20190220). In South Staffordshire, housing delivery in 2018/19 was 273 dwellings per annum. Whilst demographics are a key element to the assessment of LHN, when considering factors to justify an uplift to the LHN, one of the most important is ensuring that the number of new homes takes account of any changes that are anticipated in the local economy. It is relevant to consider current employment trends and how the projected growth of the economically active population fits with the future changes in job numbers in order to align future jobs growth with resident workers. The draft assessment is silent on this issue. As set out in the NPPG, an increase in the total housing figures may be considered where it could help deliver affordable housing (ID : 2a-024-20190220). The affordable housing need is significant, which justifies a housing requirement above LHN (see further comments under Chapters 3 & 5).	Consideration of an uplift to the identified Local Housing Need is set out in the revised report. The revised report also considers the level of employment growth in South Staffordshire implied by the housing growth planned by the Council.
	The meeting of unmet needs from the Greater Birmingham & Black Country Housing Market Area (GB&BBHMA) should be set out in a Statement of Common Ground (SoCG) signed by all respective authorities.	The Council is aware of this comment, but it is outside the remit of this report.
	A lower affordability threshold should also be tested (see further comments on 35% affordability threshold below under Chapter 5).	Additional affordability testing has been presented in the report.
	The Council should re-consider the 35% versus the 30% affordability threshold. In the Housing White Paper the Prime Minister states "*Our broken housing market is one of the greatest barriers to progress in Britain today. Whether buying or renting the fact is that housing is increasingly unaffordable – particularly for ordinary working class people who are struggling to get by … high housing costs hurt ordinary working people the most … working households below-average incomes spend a third or more of their disposable income on housing. This means they have less money to spend on other things every month … I want to fix this broken market so housing is more affordable … The starting point is to build more homes. This will slow the rise in housing costs so that ordinary working families can afford to buy a home and it will also bring the cost of renting down*". The difference between affordable housing need of 112 dwellings per annum (using 35% affordability threshold) and 178 dwellings per annum (using 30% affordability threshold is significant representing 44% or 70% of the District's LHN figure respectively.	Noted. The comments have informed the additional discussion on how the suitable affordability threshold has been determined which has been added in a new appendix in the revised report. Further affordability scenarios have also been presented in the report.

	The NPPG (ID : 67-005-20190722) sets out that households whose needs are not met by the market and which are eligible for one or more of the types of affordable housing set out in the definition of affordable housing in Annex 2 of the 2019 NPPF are considered to be in affordable housing need. Affordable housing need as defined by the NPPG is 364 dwellings per annum. It will also be necessary to consider the target for affordable homeownership in the context of the Government's target of at least 10% of new housing to be provided in this way as set out in 2019 NPPF (para 64).	The report has been updated to reflect the introduction of First Homes into the low cost home ownership range of intermediate products.
	The Council should confirm the calculation of affordable housing need for the 4,000 additional dwellings of unmet housing need from the GB&BBHMA.	Further detail has been provided in the report.
	The statement in para 6.13 is misleading. The provision of specialist accommodation does not reduce the need for new non-specialist housing per se. An older household moving from an existing house into sheltered / retirement / extra care / supported C3 housing should be treated no differently than a younger household moving from an existing house to a new build house. The LHN / housing requirement figure is not reduced. Only elderly households moving into C2 residential care homes should be treated differently.	We concur, the wording in the report has been clarified.
	If the Council wished to adopt optional technical standards for accessible & adaptable homes, additional supporting evidence to justify such a policy approach should be provided. Not all health conditions affect housing. All new housing is built to M4(1) standards which will meet the needs of most households. Many elderly people already live in the District and will not move home therefore adaptation of the existing housing stock will play a part in the solution.	Further evidence has been presented on the requirement for M4(1) standard homes in the revised report.
	The 15 entries on the Council's Self & Custom Build Register do not justify any requirement for the provision of such plots on housing sites.	Noted
Pegasus on behalf of Bloor & Pegasus on behalf of Richborough Estates & Pegasus on behalf of	However, given that the Council has expressed a commitment to delivering 4,000 new homes to meet unmet housing needs arising from within the Greater Birmingham and Black Country Housing Market Area ('The GBBCHMA'), in addition to housing needs arising from within South Staffordshire District, the Local Plan Review should accordingly consider the needs and requirements of these residents, not just residents of South Staffordshire District. This necessitates the use of demographic and household data from within the GBBCHMA Authorities within The Assessment, not just data derived from South Staffordshire District. This requirement covers the consideration of both market and affordable housing, the needs for which are calculated separately within The Assessment.	This is done within the revised LTBHM modelling.

Taylor Wimpey	Chapter 1 concludes by stating: *'The analysis of the house market suggests that South Staffordshire does not share many characteristics with the authorities with which it shares the greatest migration flows … It therefore seems suitable to consider the District as its own housing market'*. Whilst it may be true that analysis of the existing housing market and migration trends suggests that South Staffordshire does not share many characteristics with neighbouring authorities, the existing housing market and migration trends are a product of the adopted (and previous) local plans, which have only ever previously considered the housing and employment requirements of South Staffordshire District. There is a danger when utilising historic data to inform future policy that any forthcoming plan becomes a *'self-fulfilling prophecy'*, whereby historical trends are subsequently reinforced by future policy. This is particularly pertinent for the forthcoming Local Plan Review, whereby 4,000 new dwellings out of a total of 9,010 (44.4%) are planned to meet the needs of neighbouring authorities. This is a significant new policy direction, which is distinct from historical housing market trends and migration patterns. Bloor Homes would therefore suggest caution is exercised when utilising past trends to inform future policy.	Further commentary added to this section of the report. The conclusion on the housing market area boundary has also been altered.
	Chapter 2 sets out that the Standard Method for assessing local housing need identifies a need for 209 new homes per annum, with an additional 45 new homes required as a result of (un)affordability within South Staffordshire, resulting in a requirement of 254 new homes per annum. This number should be kept under review until the Local Plan is submitted for examination and subsequently revised when appropriate (PPG ID 2a-008-20190220). The Government has also confirmed its intention to review the standard methodology over the next 18 months1. If the Government applies a different approach following this proposed review, it may be necessary for the Council to update its local housing needs assessment.	The Standard Method review has been concluded and the report has been updated to reflect the current guidance.

	Paragraph 2.40 of The Assessment acknowledges that Paragraph 010 of the PPG includes a number of conditions where it may be appropriate to pursue a higher housing need figure than is indicated by the Standard Method. However, it goes on to state that *'this assessment is carried out on the basis that the standard method figure of 254 dwelling per annum will apply'*. The 'conditions' referred to within Paragraph 010 are: • growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals); • strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or • an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground. Clearly, the third condition identified above is applicable to South Staffordshire, who has agreed to accommodate additional 4,000 dwellings to meet unmet need arising from within the GBBCHMA. Similarly, the NPPG also indicates that if previous housing delivery has exceeded the minimum local housing need figure derived from the Standard Method, the Council should consider whether this level of delivery is indicative of greater housing need (PPG ID: 2a-010-20190220). In South Staffordshire District, housing delivery in 2018/19 was 273 dwellings per annum (19 dwellings greater than the local housing need figure). Lastly, one of the most important factors in considering any uplift to the local housing need figure is ensuring that the number of new homes takes account of any changes that are anticipated in the local economy. It is relevant to consider current employment trends and how the projected growth of the economically active population fits with the future changes in job numbers in order to align future jobs growth with resident workers. This is particularly relevant given the intention to accommodate 4,000 new dwellings to accommodate needs arising from within the GBBCHMA. The Assessment is currently silent on this issue and should be updated accordingly.	Consideration of an uplift to the identified Local Housing Need is set out in the revised report. The revised report also considers the level of employment growth in South Staffordshire implied by the housing growth planned by the Council.
	Paragraph 2.42 states that: '…*The Council is required to provide up to 5,010 new homes between 2019 and 2037…*'. This should be corrected to read '*…2018 to 2037…*', to reflect the plan period of the Local Plan Review.	The typo on the start date has been amended.
	This paragraph also identifies that the Council has *'…set an upper limit of 9,000 new homes in total in the District over the plan period'*. No justification or evidence has been provided for this 'limit'. It is submitted by Bloor Homes that the total number of new homes to be planned for as part of the Local Plan Review should be 9,010 (5,010 arising from the Standard Method and 4,000 to meet unmet need from the GBBCHMA).	This was badly worded in the draft report. This section has been revised to reflect that 9,000 dwellings is not a fixed limit.
	Paragraphs 3.2 – 3.3 of The Assessment identify that the average house prices within South Staffordshire District is 12.1% higher than the West Midlands region. However, it goes on to state that the dwelling profile of South Staffordshire is not directly comparable to that of the West Midlands region, in that the District has a greater proportion of detached properties than the rest of the region, thus inflating the average house price. The Assessment therefore presents a 'mix adjusted average', concluding that equivalent properties in South Staffordshire are only 0.4% higher than those across the West Midlands Region as a whole. Whilst Bloor Homes accepts the above position, it remains that the housing profile in South Staffordshire is fundamentally different to the West Midlands region as a whole. As such, anyone wishing to move from a neighbouring authority into South Staffordshire District, from one housing typology to another, are likely to face a relative increase in housing price.	Additional commentary on this point has been added to paragraph 3.3.

	This unaffordability is reflected within the Standard Method, which attributes an affordability ratio of 7.39 to South Staffordshire District, equating to an additional 45 dwellings per annum. This relative affordability should be reflected in the Council's overall housing requirement.	The standard method contains an affordability adjustment that accounts for the relative unaffordability in South Staffordshire implied by the ratio quoted.
	Paragraph 4.4 identifies that the 'NMSS model' is utilised to determine the profile of the additional population anticipated to 2037. This model will utilise the 2016-based household projections as a starting point, as these projections include the most recent data on mortality rates and international migration. However, The Assessment then detailed four adjustments which have been made to make the data consistent with the local housing need figure, which utilises the 2014-based household projections. The first of these assumptions is that *'the additional homes required by the local housing need above and beyond those suggested by the latest household projections will be filled by additional people moving into the area from the rest of the UK.*' Bloor Homes disagrees with this assumption. The purpose of the affordability uplift in the Standard Method is to compensate for an existing lack of affordability within an area, which acts as a barrier to home ownership. This barrier is as equally applicable to concealed households and first-time buyers as it is to persons moving into an area from a neighbouring authority.	The approach in the revised draft has been adjusted so that increasing household formation is prioritised instead of growth in the number of households moving to the District.
	It is not understood why the NMSS model does not simply use the 2014-based projections to align with the Standard Method calculation which has already been attributed to the District. This would negate the need to apply any further assumptions to the data.	The most recent projections are used as a basis as these are the most recent and benefit from the ONS's latest methodology and their most recent data and assumptions on key factors such as fertility and mortality rates and migration flows.
	Chapter 5 indicates that, following the application of modelling, the affordable housing need for South Staffordshire District amounts to 112 dwellings per year. ….The results within the Assessment are presented based upon an affordability test where the cost of housing can constitute up to 35% of gross household income and still be affordable in South Staffordshire. By way of comparison, Lichfield District Council and Tamworth Borough Council, also within southern Staffordshire, utilise an assumption of 29%. This is based upon CLG guidance (of 2007), which suggested that 25% of income is a reasonable start point, but also notes that a different figure could be used. It is therefore suggested that the Council re-consider the 35% threshold and, as a minimum, test other scenarios. The difference between affordable housing need of 112 dwellings per annum (using 35% affordability threshold) and 178 dwellings per annum (using 30% affordability threshold) is significant, representing 44% or 70% of the District's local housing need figure respectively	Noted. The comments have informed the additional discussion on how the suitable affordability threshold has been determined which has been added in a new appendix in the revised report. Further affordability scenarios have also been presented in the report.

	Chapter 6 of the Assessment sets out that there is a requirement to ensure that new housing is suitable for a wide range of groups, including elderly persons and persons with disabilities. The Assessment identifies that there are a range of tools for achieving this, including HAPPI design principles, Building for Life standards and Accessible Building Standards (as defined in Building Regulations) and that *'The Council will need to determine which approach is most suitable for their requirements and this may vary for different sites in the District*'. In this regard, Bloor Homes supports the utilisation of the Accessible Building Standards as defined in Building Regulations, given that they are an established standard which allows for clarity during the planning process.	Feedback noted in the report.
	Paragraph 6.13 of the Assessment states: *'…any housing released by households moving to new specialist accommodation would become occupied by other households, reducing the need for new non-specialist accommodation'*. Bloor Homes disagrees with this statement. The provision of specialist accommodation does not necessarily reduce the need for new non-specialist housing. As identified earlier within this representation, new households are commonly formed from concealed households or first-time buyers, rather than an existing homeowner moving to an alternative dwelling. The local housing need figure is not reduced by such a move.	We concur, the wording in the report has been clarified.
RPS on behalf of IM Land	RPS does not wish to challenge the specific maths involved in deriving the final figure (254 dpa). However, this is based on the 2019-2029 average household growth projection and the 2018 affordability ratio (published in March 2019). On this basis, the Council will need to ensure that the inputs are kept up to date as the plan review process progresses; and RPS agrees with the Council's approach to dealing with the cap (step 3) of the standard method formula as mandated by the PPG, given the adoption date is the Local Plan is beyond 5 years.	The Local Housing Need calculation has been updated to include the subsequently published latest affordability data and the household element of the 2018-based projections.
	National policy and supporting practice guidance make clear that the local housing need should be considered as a 'minimum' figure and therefore the starting point for discussions on what should constitute an appropriate housing requirement for South Staffordshire (PPG Reference ID : 2a-002- 20190220). In this regard, the PPG makes clear that there may be circumstances where an uplift to the minimum figure is appropriate, including in relation to growth strategies and unmet need from neighbouring areas. The latter issue is clearly material to the consideration of the housing requirement in South Staffordshire in relation to the unmet need emanating from the Greater Birmingham/BC HMA. It is noted that the draft HMA is primarily focused on housing need issues. Nonetheless, it is still important for the Council to demonstrate that it has adequately addressed the issue of future employment growth, to ensure that there is an appropriate balance between homes (workers) and jobs. Similarly, an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes (PPG Reference ID: 2a-024- 20190220). RPS notes the evidence of a significant level of affordable housing need across the District (gross affordable need of 595dpa) that should be properly considered as part of the preferred options stage.	Consideration of an uplift to the identified Local Housing Need is set out in the revised report. The revised report also considers the level of employment growth in South Staffordshire implied by the housing growth planned by the Council.

	The scale of affordable housing need is highly sensitive across the various income thresholds for affordability (as illustrated in Table 5.5 of the HMA). However, Table 5.5 also highlights the need for affordable housing (364 dpa) based on consideration of affordable home ownership options. In our view, this would be more consistent with the definition of affordable housing in Annex 2 of the NPPF. Consequently, it is not clear as to why preference has been given to the lowest estimate of affordable housing need in the draft report given the impact of the sensitivity testing carried out.	Noted. The comments have informed the additional discussion on how the suitable affordability threshold has been determined which has been added in a new appendix in the revised report.
Savills on behalf of Barratt	We consider that the standard method calculation set out in Chapter 2 accords with the calculation requirements of the Planning Practice Guidance ('PPG')…. As set out in the PPG, the standard method identifies a minimum annual housing need figure and does not produce a housing requirement figure (Reference ID: 2a-002- 20190220). … There is a significant housing shortfall within the GBHMA and SSC is part of this area. Therefore, it is our opinion that under the duty to cooperate the GBHMA authorities need to consider how they should address this strategic issue and distribute the housing across the HMA authorities.	The Council is making provision to do this, as discussed in Chapters 1 and 5 of the revised report.
	The PPG also states that previous levels of housing delivery in an area or previous assessments of need can also be taken into account when determining housing need where they are greater than the standard method (Reference ID: 2a-010-20190220). The Housing Delivery Test (2019) shows that 273 dwellings were delivered in South Staffordshire between 2018-2019. The previous Strategic Housing Market Assessment ('SHMA') (2017) for South Staffordshire and the Black Country sets out a higher need for the District than the Standard Method, ranging from 259 – 270 dwellings (paragraph 7.20 of the SHMA). We therefore consider that identifying a higher need than the standard method figure could be justified by SSC as the standard method only identifies the minimum housing need and, as stated above, we consider there is justification to identify a higher housing need due to the GBHMA shortfall.	Consideration of an uplift to the identified Local Housing Need is set out in the revised report.
	We support the SSC's approach to contribute housing towards the GBHMA shortfall as it accords with paragraph 60 of the NPPF which states that housing need that cannot be met in neighbouring authorities should be taken into account when establishing the amount of housing to be planned for. The PPG adds that housing need being higher than the standard method where an authority has agreed to accommodate unmet need from neighbouring authorities (Reference ID: 2a-010-20190220). Although we support a figure being provided to contribute towards meeting the GBHMA shortfall (4,000 dwellings proposed), at this time there is no agreement in place between the authorities to confirm the exact distribution figure. To accord with the PPG, the GBHMA Authorities should produce a Statement of Common Ground once they have agreed the distribution of the shortfall (Reference ID: 2a-010-20190220).	Noted. The Council is aware of this comment, but it is outside the remit of this report.
	Paragraph 66 of the NPPF also states that local planning authorities should also look at need for different neighbourhood areas within the District to inform neighbourhood plans. This is a matter we think should be assessed within the DHMA because it currently does not include this detail and we consider that it would be beneficial for it to identify housing need and potential growth in key sustainable settlements in the District such as Kinver.	The revised report includes detailed housing requirement outputs for the five sub-areas of the District.

	The SHMA (2017) suggested that housing delivery should be front loaded in Local Plans as the study area (including Black Country) had not delivered its housing need in full. This approach would allow the market to address any unmet need as quickly as possible. Although South Staffordshire District has been delivering housing in line with its requirement, it is part of the GBHMA which has a significant shortfall. In order to address the housing shortfall as swiftly as possible, we consider that front loading the SSC Local Plan could assist in delivering houses that are in close proximity to the Birmingham conurbation and can be delivered swiftly.	The Council is aware of this comment, however the discussion of this issue is outside the remit of this report.
Staffordshire County Council	6.5 and 6.9 We very strongly support the principle outlined in the cited PPG quotations regarding the importance of a better choice of housing which would suit the changing needs of older people and help them to live independently for longer.	Noted.
	6.12 We have experienced a slight overestimation of need with the Housing LIN SHOP model as take up of extra care spaces has not been as expected, for instance we believe it overestimates the need for extra care by up to 40% and we have therefore applied some caution. The district council may wish to reference our findings here and add its own caveats or build in a level or range of flexibility into its projected requirements – please reference our market position evidence base for care homes and extra care.	Very useful feedback and commentary added to the report. We have adjusted the base data and projected requirement considering this input.
	6.13 We agree with the recommendation here about the types of accommodation and the need for a range of options to give choice and encourage schemes which prevent or delay social care needs.	Noted in report.
	6.14 We believe the reference to POPPI shows the number of people in care rather than the number of places available. This latter data is available in the Additional District level information our market position evidence base for care homes. This is based on actual data from the Care Quality Commission and includes forward housing needs modelling to 2039 based on PSSRU and Census data which takes into account other health and life limiting data. Our modelling shows the need for 940 care beds by 2039 as opposed to SSDC's modelling of 707 by 2037 which the district may also want to reference.	We have adjusted the base data and projected requirement considering this data source. Commentary on this has been added in the report.
	6.15 We agree with the need to plan the provision of specialist housing separately and to influence it through the Council's local planning and planning consent processes.	Noted in report.
	We recommend that there should be reference to the need for specialist housing locations to be considered in terms of their accessibility and connectivity to local services (shops, GPs, leisure amenities etc) and to public transport which will help people to stay independent for longer and reduce the risk of social isolation	Commentary added to report.

whg	Whilst the ever increasing demand for older persons housing is acknowledged our past experience of letting apartments for older people i.e those over 55 years of age at Swallow Place, Penkridge, has been met with challenge. This scheme consisted of 65 new apartments, 45 two bedroom and 20 one bedroom, with fully fitted kitchens including electric oven, hob and extractor fan, fully integrated fridge freezer and washer dryer. A level access shower, fitted wardrobes and private balconies / patios. There is a fitted communal lounge with its own kitchen, lounge furniture and TV along a with buggy store and private parking. The scheme was commissioned as all shared ownership on completion of the project. Six months after completion however only a small number of apartments were sold, demand was low despite using a local estate agent with their level of knowledge and expertise. At this point the business decided to review its strategy and in consultation with South Staffordshire Council agreed a mixed tenure scheme of shared ownership, outright sale and affordable rent. To date we have 34 residents in occupation and 31 remain unoccupied. Our concerns relate to the above and whether the requirement for older persons accommodation needs to be more area specific.	Comments gratefully received and have been reflected in the report.

Full submissions

For ease of reading the table above, only contains the key points within the submission received. For transparency the full submissions are set out in this section.

Acres Land and Planning on behalf of Hallam Land Management

I am writing to you on behalf of Hallam Land Management, which as you know has a key land interest at Sandy Lane in Codsall – a site which forms a logical and sustainable extension to Codsall (a Tier 1 settlement). We have put this site forward as part of the recent ‘Call for Sites’ and discussed it with you previously.

Thank you for consulting us on the HDH Consultants’ draft SHMA report, following the forum meeting on 18th February 2020 at your offices which we found very useful.

Policy Position.

Government policy (expressed within the revised NPPF and the new Planning Policy Guidance document, issued on 9th May 2019) is clear ‘*to support the government’s objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay*’. (para 59 NPPF).

Government policy also stresses that ‘*To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. <u>In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be</u>*

taken into account in establishing the amount of housing to be planned'. (para 60), (my underlining). This is really important in relation to South Staffordshire.

The nature of South Staffordshire.

South Staffordshire is an unusual District geographically with a shape that wraps around the north-western edge of the Birmingham/Black Country conurbation. It has no town centre, focus or urban core – rather it comprises a range of settlements such as Codsall, Penkridge and Womborne, each with a character of its own. As the HDH report explains – South Staffordshire is a genuine 'community of communities'.

Furthermore, since 80% of South Staffordshire is covered by green belt, it is tightly constrained from the policy aspect and has not been able to grow organically. Nor does the form of development within South Staffordshire necessarily relate exactly to its own local 'internal' needs, rather the District serves a much wider housing market area which covers the Black Country to the east, Stafford to the north, Shropshire to the west and Worcestershire to the south.

Overall Housing Needs & Demands.

This 'outward looking' philosophy naturally affects the scale and type of housing need and demand in South Staffordshire. The methodology presented by consultants (HDH Planning & Development) comprised two important elements;

firstly, housing needs generated from within the District of South Staffordshire calculated using the Government's Standard methodology adjusted by the consultants own Long-term balancing housing markets' (LTBHM) model, and

secondly, a share of the anticipated overspill from the Birmingham and Black Country Housing Market Area, which needs to be accommodated as part of the Duty to Co-operate with other local authorities. (In the recent Preferred Options draft of the South Staffordshire Local Plan review, your Council indicated the potential delivery of a provisional figure of 4,000 dwellings to serve the needs of the Black Country and the Council's Preferred Option has been devised accordingly).

The wider outlook of South Staffordshire is reflected in the comment on para 1.2 of the HDH report, where it states that '*South Staffordshire Council is currently 'carrying out a comprehensive Local Plan review in response to the housing shortfall in the Greater Birmingham Housing Market Area*..'.

The fact that only 1/5 of employed residents living in South Staffordshire, work in the District is quite striking. Clearly most people in South Staffordshire work elsewhere, especially Wolverhampton and the rest of the Black Country, whilst 2/3 of people working in South Staffs, live elsewhere. Figure 1.1 of the report shows that South Staffordshire falls within the Walsall and Wolverhampton Travel to Work Area. This clearly affects the pattern of South Staffordshire's housing needs.

Paragraph 1.3 of the report refers to the 9,000 dwellings the Council has resolved to provide in the Preferred Options draft of the emerging Local Plan, which includes 4,000 dwellings for the needs of the Greater Birmingham/Black Country area. However, since the SSDC Preferred Options draft was prepared, the Black Country Urban Capacity Study (published in December 2019) has revealed that the shortfall needed for the Back Country (where most of the migrants to SSDC are likely to originate) is much higher than was initially expected. The report estimates that there will now be a shortfall of some 26,900 dwellings by 2038 – roughly the end date of the South Staffordshire Local Plan. This has been calculated by taking a more realistic view of the re-development of brownfield land for residential uses and perhaps needs to be reflected in the revised figures for South Staffordshire.

Table 1.4 shows that property prices are much higher in South Staffs (amongst all housing types and tenures) than in any of the surrounding authority areas – which would tend to suggest that affordability is lower and therefore that more homes will be needed to offset the supply/demand imbalance. However, it is not clear from the table whether the figures represent the average house price (which may be distorted since South Staffs tends to have larger homes) or is based on price/sq metre, which would tend to equalise the values. Indeed, paragraph 2.26 of the report shows that there are a much higher proportion of larger semi-detached and detached houses with 7 or more rooms in South Staffordshire.

Finally, paragraph 1.23 in the conclusion to the Introduction indicates that *'It therefore seems suitable to consider the District as its own housing market, although one with close links to neighbouring authorities. This approach aligns with what is suggested in the PPG*'. Although this may be convenient for data collection and assessment purposes, this seems an astonishing conclusion bearing in mind that the District is clearly not a self-contained housing market and has strong commuting flows across its boundaries in all directions.

Market drivers.

Significantly, para 2.9 of the draft report reveals that '*The 2018-based population estimates estimate that in 2017, just 0.1% of the population of South Staffordshire had been resident in the UK for less than a year, compared to 0.9% in the West Midlands region and 1.0% across England'.* This shows a remarkably static and stable population and demonstrates either that people are happy living where they are, or more likely that the lack of new stock (and turnover of existing stock) could be preventing people from finding a suitable home. With very little inward movement and little scope for families to upsize when they need to, or to downsize later in life this can result in a sub-optimal housing distribution – or put simply a waste of space.

The low level of household change referred to in para 2.10, the downward average household size shown in Table 2.1 and the higher than average number of 2/2+ adult person households (many of whom would be retired) are all signals of this rigidity in the market. Similarly, the minimal stock increase of 2.5% (which is half the average for England and only slightly less than half for the West Midlands) shows an acute tendency towards housing shortfall.

The apparent shift (outlined in para 2.14) towards single employee jobs (the highest ever), small companies and SME's within South Staffordshire is marked and would signify a growing need for local housing. Similarly, a very low level of unemployment (1.8%) in South Staffordshire (ref para 2.17) would indicate a greater support for stable home ownership (rather than less) which is far more marked than elsewhere in the West Midlands where unemployment is both higher – and growing. The ONS Earnings figures and the CACI statistics also support this pattern of relatively high income and earnings in South Staffordshire compared with the West Midlands generally – and especially the Black Country.

Setting Housing Needs.

The methodology for calculating housing needs using the Standard Method appears sound insofar as it reflects the growth in projected households using the 2014 based household projections. However, as the statistics for South Staffordshire show, the District has an acutely repressed housing market brought about by a tight policy climate which has resulted in a very low level of stock and household change in the past – the figures are therefore self-reinforcing creating a vicious circle of shortage.

Cost and affordability of housing.

Table 3.1 once again quotes relative house prices. Is this price per property or price/square foot or metre?

The statistics on rental levels are helpful and informative. The assumption highlighted within paragraph 3.21 that households are spending 35% of their income on housing costs is perhaps over-ambitious. The assumption in the past has always worked on the basis of a 25% or 30% expenditure. The fact that in practice (during a climate of shortage and higher rents) people are paying higher housing costs is unfortunate and some would say unacceptable creating a self-fulfilling prophesy.

Type & Tenure of housing needed.

I would hesitate to question or challenge the comprehensive assessment of various affordable housing need tenures, except of course to emphasise that:

firstly, there may be a spurious degree of accuracy in assessing the need for different types, tenures and sizes of housing. Small deviations in assumptions (such as the 30/35% housing expenditure figure) can make a huge difference in outcome,

secondly, that most of these options (including the new First Homes model) are likely to be dependent upon the delivery of market housing to cross subsidise the affordable housing. If this be the case, the priority must be to release sufficient sites to ensure that both the market and affordable housing is successfully delivered and

Thirdly, as the report acknowledges in paragraph 5.13, '*In paragraph 020 of the PPG it is noted that households should be considered against their ability to afford owner-occupation, where that is their aspiration'.*

Requirements of specific groups within the population.

The report refers to the extract from Para 61 of the NPPF which states that: .' *the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes)'.*

The report makes it clear that there will be a long term and significant increase in older households, both couples and single people and therefore these are primarily found within owner occupied accommodation. There is no substitute to building more high quality and adaptable private sector housing within South Staffordshire, though this may not be the ideal profile for those people moving out from the Black Country. The size distribution for owner occupied and affordable housing is also very different. The ideal scenario is for elderly people to live happily and independently for as long as they possibly can.

Paragraph 6.35 onwards indicates that there will be a growing need for private rented accommodation particularly amongst younger people. However, whilst this may emerge from modelling, it is not a trend which necessarily arises from peoples ambitions, more a product of a shortage of suitable owner occupied housing and a difficulty in people being able to afford to buy. The First Homes initiative coupled with a modest increase in housing generally may help to stem the need for private rented accommodation which for most people is undoubtedly a sub-optimal choice.

Conclusions

The report lacks any conclusions at the moment, which will no doubt follow.

The data sources are helpful and the findings interesting, but there remains a clear tension between meeting housing needs and delivering housing against a backdrop of such a large proportion of green belt.

We do not wish to challenge the methodology or the findings, per se, but we have made some observations which hopefully will be helpful to the Council as it considers the next steps in formulating its housing strategy and develops the next stage of the Local Plan.

Black Country Planning Authorities

Thank you for inviting us to the event on 18th February and to comment on the draft report. I am responding on behalf of the four Black Country local planning authorities of Walsall, Dudley, Sandwell and City of Wolverhampton.

We assume we will be formally consulted on the final version as part of the next stage of consultation on the South Staffs Local Plan.

The document is an update to the 2017 SHMA that was prepared jointly between South Staffs and the Black Country authorities but takes account of changes to the NPPF and Planning Practice Guidance. It appears to adhere to the revised national policy and guidance.

The main concern from the perspective of the Black Country authorities is to ensure that any affordable housing provision in South Staffs addresses need arising from the Black Country. We note that table 1.3 shows that nearly 50% of recent migrates to South Staffs moved from the Black Country (45.9% in 2011 and 49.5% in 2018). This proportion is likely to rise further in the event that the local plan provides, as currently proposed, for 4,000 additional dwellings beyond local housing need to address need arising from the Black Country.

The precise quantity and mix of affordable housing needed for the Black Country cannot be confirmed until we carry out our own updated assessment, and agreement under the duty to cooperate is made with neighbouring authorities to confirm the quantities of housing need to be exported. However, at this stage we understand the most important issue is to agree the figure to be used for the maximum proportion of gross household income that should be expected to be spent on rent, as set out in paragraph 3.21.

We agree about the importance of this figure. We would suggest that it should include mortgage payments as well as rent, given that the NPPF includes some forms of ownership within the definition of affordable housing. As was the case with the 2017 SHMA, sensitivity testing should be carried out to check how the affordable housing requirement might vary with different figures.

The Black Country and Walsall in particular has low rents but also low gross earnings relative to other authorities in the area. It is noted that rents and houses prices in South Staffs are higher than in the Black Country. Whilst the provision of additional housing in South Staffs may result in a modest reduction in rents and prices, if these homes are to meet the needs of migrants from Walsall and elsewhere in the Black Country it is therefore likely that a high proportion of migrants will need affordable housing. We therefore suggest that a figure of 30% should therefore be used for testing, as well as 33% and 35%. This would align with recent proposals from the West Midlands Combined Authority to define affordable housing based on the cost relative to gross incomes. Reports about this can be found at the links below:

https://governance.wmca.org.uk/documents/s3814/2020.01.06_Affordable%20Housing%20Definition%20HLDB%20Jan%202020.pdf

https://governance.wmca.org.uk/documents/s3131/2019.07.03%20HLDB%20Affordable%20Housing%20Definition%20FINAL%20Public%20paper.pdf

Countryside

Thank you for the hosting the consultation event on the above, it was really useful to have an early insight.

There are just a few comments from me:

Does the use of the historical data best account for the phasing out of help to buy in terms of predicting market future housing requirements?

- Does the data account for “hidden households” including young adults living at home/with in-laws; families sharing (HMO’s)
- Does the OAN need account for economic growth in South Staffs and adjacent areas where residents commute? Given that a big driver for housing demand is employment?
- Does the data account for sub-standard homes (non-decent) in the current housing stock calculations?

Gladman

This letter provides Gladman Developments Ltd (Gladman) representations in response to the South Staffordshire Housing Market Assessment Draft Report (2020) produced by HDH Planning & Development Ltd.

Gladman has considerable experience in the development industry across a number of sectors, including residential and employment development. From that experience, we understand the need for the planning system to provide local communities with the homes and jobs that are needed to ensure residents have access to the homes and employment opportunities that are required to meet future development needs of the area and contribute towards sustainable economic development.

Gladman has been involved in contributing to the plan preparation process across England through the submission of written representations and participation at local plan public examinations. It is on the basis of that experience that these representations have been prepared.

National Planning Policy Framework and Planning Practice Guidance

On 24th July 2018, the Ministry of Housing, Communities and Local Government (MHCLG) published the revised National Planning Policy Framework (NPPF 2018). This publication forms the first revision of the Framework since 2012 and implements changes that have been informed through the Housing White Paper, The Planning for the Right Homes in the Right Places consultation and the draft NPPF (2018) consultation. On 19th February 2019, MHCLG published a further revision to the NPPF (2019) and implements further changes to national policy.

The revised Framework introduces a number of major changes to national policy. The changes reaffirm the Government's commitment to ensuring up-to-date plans are in place which provide a positive vision for the areas they cover. In determining the minimum number of homes needed, strategic plans should be based upon a Local Housing Need (LHN) assessment, conducted using the standard method as set out in the Planning Practice Guidance (PPG) unless exceptional circumstances justify an alternative approach. Any decision to progress a Local Plan Review must be formulated on the basis of meeting this requirement as a minimum.

The Government published updates to its Planning Practice Guidance (PPG) on 13th September 2018. The updated PPG provides further clarity on how specific elements of the Framework should be interpreted when preparing local plans. In particular, the updated Housing Needs Assessment chapter confirms that the NPPF (2019) expects local planning authorities to follow the standard method for assessing local housing needs, and that the standard method identifies the minimum housing need figure and not a final housing requirement.

The calculation of objectively assessed needs (OAN) for housing has been a subject of much debate as part of Local Plan examinations and s.78 appeals since its initial introduction through the NPPF in 2012, with interested parties grappling with the issue of OAN with varying outcomes depending on local circumstances. To simplify the assessment the Government through the Revised Framework has introduced the standardised method which should be undertaken through the 3-stage process outlined in the PPG.

Whilst the PPG advises that the standard method is not mandatory, there is an expectation that other methods can only be used in exceptional circumstances.

<u>South Staffordshire Housing Market Assessment</u>

The South Staffordshire draft Housing Market Assessment (HMA) Report sets out the Standard Method for calculating housing need and the implications for the district. Section 2 of the draft report identifies that household growth in South Staffordshire for the period 2019-2029 is projected as 2093 households, equating to 209 per annum. Once the 2018 Affordability Ratio of 7.39 is applied, the local housing need is 253.64 or rounded, 254 dwellings per annum, this equates to an uplift for market signals of approximately 21% to address affordability.

Although footnote 21 briefly discusses which 10-year period and affordability ratio to employ for the household projections and local housing need, Gladman highlight that the 2019 Affordability Ratios will be published on 19th March 2020 and the implications for South Staffordshire should be considered against the evidence and assessments set out in the HMA report.

It is not considered that the assessment fully recognises the scale of affordable housing need in the district and the implications of the Standard Method on delivering affordable housing needs in full. Analysis set out in the report suggests an annual need for 112 affordable homes per annum which represents approximately 44% of the full local housing need. The Council's latest Annual Monitoring

Report 2017/181 states that only 59 affordable units were completed in the 2017/18 monitoring year, whilst the Council delivered an average of 61 units between 2006 and 2018. The Council will need to consider the implications of this given the guidance contained in the PPG which makes clear that the total affordable housing need should be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by market housing led development.

1 South Staffordshire Annual Monitoring Report 2017/18
https://www.sstaffs.gov.uk/doc/180272/name/AMR%202017-18%20FINAL.pdf/

2 PPG Paragraph: 008 Reference ID: 2a-008-20190220

If it becomes clear that affordable housing need will not be delivered in full then an increase to the total housing figures included in the plan should be considered where it could help to deliver the required number of the affordable homes. Gladman recommend that the Council will need to carefully reconsider this element of the assessment when undertaking the review of the Local Plan as it is unlikely that affordable housing will be delivered to meet the identified need without an increase in the overall housing figure.

However, the report does consider housing need uplift separate from the consideration of the demographic baselines assessment and applies a vacancy rate of 3.81% to the Standard Method Figure, which is comparable to current number of unoccupied dwellings in the district and guidance set out in the paragraph 008 of the PPG which states,

“The housing need figure generated using the standard method may change as the inputs are variable and this should be taken into consideration by strategic policy-making authorities.”2.

Gladman support the consideration of the dwelling vacancy in the district, the inclusion of a contribution of up to 4,000 homes towards the wider unmet housing need in the Greater Birmingham HMA and the current cooperation between authorities within the Greater Birmingham HMA. However, it is suggested that greater clarity and consistency is required through paragraphs 2.40 to 2.43 when discussing the application of this variable and its implications for South Staffordshire’s housing need and the unmet need of the Greater Birmingham Housing Market Area to be addressed in the district. The current application of a vacancy rate to the Standard Method figure appears to increase the local housing need figure for South Staffordshire, yet decrease the number of homes provided to address the unmet housing need in Greater Birmingham Housing Market Area. This seems somewhat contradictory.

Furthermore, it is emphasised that plan-making authorities should engage constructively, actively and on an ongoing basis to maximise the effectiveness of local plan3, particularly with neighbouring authorities, such as Stafford Borough Council, who are also working towards a new Local Plan.

In this instance, Gladman would highlight the location in South Staffordshire District to the south of Stafford, which is unconstrained by Green Belt, as a clear opportunity for both South Staffordshire and Stafford Councils to take a wider plan led approach to deliver a sustainable direction for growth.

The Council will need to ensure that its ambitions for future economic growth, the provision of affordable homes and accommodation of unmet needs from the Greater Birmingham HMA are fully considered to ensure that its estimate of housing and employment need is robust, supported by a proportionate evidence base document to accompany the Local Plan Review.

Gladman welcome the opportunity to comment on the Draft Housing Market Assessment Report and look forward to reviewing and commenting on consultations documents on the Local Plan Review in due course. I hope you have found this representation to be constructive and if you have any questions regarding the contents of this response, then please do not hesitate to contact.

Harris Lamb on behalf of CWC Group

Harris Lamb Planning Consultancy (***'HLPC'***) are instructed by CWC Group (***'CWC'***) to submit representations to the South Staffordshire Housing Market Assessment (***"HMA"***) consultation. We have a number of concerns with the draft HMA, and specifically the conclusion that 9,000 dwellings is the 'upper limit' (paragraph 2.42) of the amount of housing that should be planned for in the emerging South Staffordshire Local Plan. In addition to these representations, we have submitted a Vision Document relating to CWC's land interest at Wall Heath, Kingswinford.

The purpose of the HMA is to provide evidence to support housing policies in the emerging Local Plan. This includes evidence to inform the overall housing target. We are, therefore concerned that paragraph 1.3 of the study advises that one of the purposes of the HMA is *'identifying the suitable mix of new housing within the approximately 9,000 additional dwellings the Council is intending to deliver during the plan period. The target of approximately 9,000 new homes was the target that the Council identified as its preferred approach during the Issues and Options consultation'*.

The HMA should not be used to retrospectively justify a pre-determined housing target that is informed by highly limited evidence. The HMA should seek to, amongst other things, establish the appropriate quantum of housing that should be delivered in the Plan area based on the guidance in the National Planning Policy Framework (***"the Framework"***) and the National Planning Practice Guidance (***"NPPG"***), drawing upon relevant evidence. As a starting point the approach of the draft HMA is flawed. The HMA does not properly support the suggested 9,000 dwelling target.

There are effectively two components to the proposed housing requirement. The first component is the number of dwellings required to support the housing needs of South Staffordshire. The second element is the number of dwellings the emerging plan will accommodate to help deliver the unmet housing needs of the conurbation. There are a number of problems with both elements of the housing requirement, as detailed below.

South Staffordshire's Housing Needs

As a starting point we support the use of the Standard Method in the HMA to establish South Staffordshire's proportion of the emerging Local Plan's housing requirement. It should, however, be noted that the Standard Method is under review. If the Standard Method is amended during the course of the Plan preparation process it may be necessary to recalculate South Staffordshire's proportion of the Local Plan's housing requirement based upon the revised methodology.

Paragraph 60 of the Framework advises that the Standard Method establishes the 'minimum' number of homes needed in an area. The Standard Method figure included in the HMA is, therefore, the absolute minimum number of dwellings that should be provided to meet the South Staffordshire element of the housing requirement. Drawing on the HMA, the emerging Local Plan should, as a minimum, seek to deliver housing over and above the Standard Method calculation in order to deliver the South Staffordshire proportion of the housing requirement. However, paragraph 1.9 and 2.42 of the HMA suggest that the emerging Local Plan will only seek to deliver the minimum Standard Method requirement. The increase in the housing number over and above this relates solely to meeting the housing needs of the conurbation. Adopting this approach means that the emerging Plan is not flexible or able to adopt to change, such as the failure of emerging allocations to deliver. No analysis has been undertaken within the HMA as to whether this minimum figure should be exceeded and if so by what margin. This is a fundamental failing of the HMA.

The Framework advises at paragraph 60 that the Standard Method housing requirement should be used, unless exceptional circumstances justify an alternative approach which also reflects future demographic trends and market signals. The Council should, therefore, establish whether exceptional circumstances exist to support the housing requirement being increased accordingly. Such factors could include the need to increase the housing requirement in order to assist with affordable housing delivery or the economic growth of the district. There is no information included in the HMA explaining how these factors have been considered and tested in order to establish whether exceptional circumstances apply in this instance. This requirement cannot be ignored, particularly given that a range of factors exist that constitute exceptional circumstances.

As detailed in Table 1.1 of the HMA a significant number of people travel into South Staffordshire for work, largely from the Black Country authorities. Only 33.8% of the jobs in South Staffordshire are occupied by South Staffordshire residents. The housing requirement should be increased so that houses are available for the workforce reducing the number of people commuting into the District.

Table 1.1 also identifies that a significant number of people commute from South Staffordshire into the Black Country for work. However, as referred to later in these representations, the Black Country authorities are not in a position where they can provide enough houses to meet their own housing growth requirements. This trend is, therefore, difficult to reverse as new housing cannot realistically be provided in the Black County to address this. That being the case, consideration should be given to the gross number of people travelling into South Staffordshire for work, as opposed to the net figure when reviewing how the housing requirement could be amended to take account of commuting patterns.

Table 1.4 identities the average house prices in South Staffordshire compared to the surrounding authorities. The average price is South Staffordshire is greater than any of the other authorities assessed. Indeed, the average house price in South Staffordshire is nearly 57% more than the neighbouring authority of Wolverhampton City. Consideration should, therefore, be given to increasing the number of houses developed to help with affordability. High average house prices could force some first-time buyers to move to other local authorities' areas. This in turn will reduce the size of the working population in South Staffordshire.

Paragraph 2.6 of the HMA advises that the average age of a South Staffordshire resident is 47.7, compared to the West Midlands average of 39.5 and national average of 39.9. South Staffordshire has an aging population. This is likely to be in part due to higher than average house prices, preventing access to the local housing market for first time buyers. South Staffordshire is, therefore, at risk of losing people of working age in the District which could adversely affect economic growth. Additional housing is required to address this.

It is suggested by Table 5.1 that the net need for affordable housing in South Staffordshire is 112 dwellings. This figure does not, however, take into account properties that could be lost from the stock due to Right to Buy. Right to Buy should be considered to establish what the true net requirement is. As this information is not available, it is not possible to comment on what impact this would have on the need for affordable housing, but it is likely to be significant.

It is our view that the above factors, as a minimum, require the HMA to explore whether or not exceptional circumstances exist to depart from the Standard Method, as the available evidence suggests that this is the case.

Helping to Address the Growth Requirements of the Conurbation

Paragraph 60 of the Framework advises that in addition to the Local Housing Needs figure, any need that cannot be met within neighbouring authorities should be taken into account in establishing the amount of housing to be planned for. Paragraph 2.42 of HMA confirms that the Council is intending to help meet the unmet housing needs arising from the Greater Birmingham Housing Market Area and that the emerging Plan is being prepared on the basis of providing up to 4,000 new homes to assist in meet the housing shortfall. The rational for this figure is that the Council is required to provide 5,010 homes between 2019 and 2037 to address local housing needs as calculated using the Standard Method. An upper limit of 9,000 dwellings has been set over the plan period. This means that the Council is able to provide 3,990 homes to help meet the housing needs of the conurbation. The approach to calculating the extent of the housing shortfall South Staffordshire should plan for is entirely inappropriate.

The 9,000 dwelling target can be afforded no weight. It has not been through examination and is the subject of unresolved objectives. There is no sound planning basis for the HMA to simply calculate the contribution South Staffordshire should make to meeting the housing shortfall from the conurbation by simply deducting the Standard Method housing requirement from the 9,000 dwelling figure. The HMA should seek to establish what proportion of the shortfall South Staffordshire should accommodate having regard to the extent of the shortfall, the quantum of the shortfall that has/is being met by other local authorities within the housing market area and the functional relationship of South Staffordshire to the wider conurbation.

The HMA housing shortfall arises from the inability of Birmingham and the Black Country to meet their own housing growth requirements. The Birmingham Development Plan was adopted in January 2017. Policy PG1 – Overall Levels of Growth, advises Birmingham's objectively assessed housing needs figure for the period 2011-31 is 89,000 dwellings (the equivalent of 4,450 dpa). This level of housing development cannot be accommodated within the City's administrative area. The Birmingham Development Plan has therefore been prepared on the basis of the delivery of 51,000 dwellings within the plan area, with the shortfall of 37,900 dwellings to be delivered in neighbouring authority areas through the Duty to Cooperate.

Since the adoption of the Birmingham Development Plan Birmingham City Council has produced a new Strategic Housing Land Availability Assessment 2018 (***"SHLAA"***). This document suggests sites within the urban area of Birmingham can deliver a total of 61,403 dwellings during the course of the plan period. This supply consists of 14,047 completions between 2011/12 and 2017/18. The remaining 47,356 dwellings can be delivered on sites either allocated for development by the Birmingham Development Plan, have planning permission, or are identified as potentially being suitable for development by the SHLAA.

It cannot however be assumed all of the Birmingham SHLAA sites will come forward for housing development. The SHLAA confirms at paragraph 2.2 that the inclusion of a site in the SHLAA does not mean it will be developed for housing, it does not mean housing is the only suitable use for the site and it does not necessarily mean, where it is not already the case, planning permission will be granted for housing. Circumstances may change over time.

The SHLAA is not an allocations document. It has not been the subject of examination or independent testing in the same way the capacity figures in the Birmingham Development Plan Policy PG1 have been. In addition, we are not aware of any suggestion by the City Council that Policy pg1 is of an out of date policy, or the residual housing shortfall identified should not be planned for by other authorities in the plan area. That being the case, the fact the most recent Birmingham SHLAA indicates there is additional residential capacity in Birmingham, does not change the extent of the shortfall which should be planned for to meet the growth requirements of Birmingham identified by Policy PG1. The starting point is the 37,900 shortfall figure identified by Policy PG1.

Furthermore, if the Birmingham SHLAA is to be treated as new and relevant evidence, other material considerations that have arisen since the adoption of the Birmingham Development Plan should also be taken into account in establishing the extent of the shortfall. This includes the Standard Method, which can be used to establish a new minimum housing requirement for Birmingham. As referred to above, the adopted Birmingham Development Plan includes a housing requirement equivalent to 4,550 dwellings per annum. However, the Standard Method housing requirement for Birmingham City is a minimum of 4,975 dwellings. The Standard Method housing requirement for Birmingham increases the overall housing requirement for the City by 8,500 dwellings compared to that included within the Birmingham Development Plan.

In addition, the extent of the housing shortfall identified by Birmingham Development Plan Policy PG1 is only to 2031. The emerging South Staffordshire plan is being prepared to have an end date of 2037. The Birmingham Development Plan will be reviewed in due course and the plan period extended accordingly. All evidence currently suggests Birmingham City Council will remain unable to meet its housing requirement in subsequent versions of the Local Plan review beyond 2031. Birmingham City Council will inevitably have to ask neighbouring authorities, including South Staffordshire, to make a contribution in their replacement Local Plans to meet the growth of Birmingham beyond 2031. If South Staffordshire fails to make an appropriate contribution toward the unmet housing requirements of the conurbation emerging through the Birmingham Local Plan review process it could result in the emerging South Staffordshire plan being found either unsound or requiring significant amendments to accommodate additional development requirements. That being the case, it is essential the emerging South Staffordshire Plan includes appropriate provision for meeting a proportion of Birmingham's housing shortfall.

The Black Country authorities are also in a position of relying upon other authorities within the HMA to deliver a significant amount of housing to help meet their growth requirements. The Black Country Core Strategy ("***BCCS***") is in the process of being replaced by the Black Country Plan. The Issues and Options consultation was undertaken on the emerging replacement Plan in July and September 2017. The consultation document advised that 78,000 dwellings are required between 2014 and 2036 in order to meet the growth requirements of the Black Country (3,545 dpa). However, this figure will need to be revised upward in subsequent versions of the Plan.

The Issues and Options consultation document was published before the revisions to the PPG that required the application of the 2014 household projections in the Standard Method calculation. If the updated guidance on the Standard Method calculation is used it results in a housing requirement of 3,761 dwellings for the Black Country, the equivalent of 8,742 dwellings during the Plan period.

The Issues and Options consultation draft for the Black Country Plan estimates that sites within the urban area could deliver 56,000 dwellings. However, in order to achieve this all sites currently being built out and sites with planning permission will need to be delivered as expected and other sites will need to come forward with increased densities. This leaves a shortfall of approximately 22,000 dwellings that need to be provided outside of the urban area. This shortfall will need to be accommodated on land within the Green Belt within the Black Country and neighbouring authorities. However, Green Belt development opportunities within the Black Country are highly limited. In addition, it is highly unlikely all identified SHLAA sites will be found to be deliverable or capable of allocation and the density assumptions within the Black Country Plan are extremely ambitious. The 22,000 dwelling shortfall identified therefore represents a robust, conservative starting point for understanding the combined housing shortfall of the conurbation.

The total shortfall identified by Policy PG1 of the Birmingham Development Plan and the Issues and Options consultation draft for the replacement Black Country Plan is 55,800 dwellings. This figure should be used as a starting point for the distribution of the shortfall amongst the authorities within the HMA.

To date there has been highly limited progress with the authorities within the HMA in the preparation of Local Plans to assist in meeting the unmet growth requirements of the conurbation. The position can be summarised as follows:

1) Lichfield District – The Preferred Options consultation version of the Lichfield District Local Plan suggests Lichfield District could make a contribution of 4,500 dwellings to meet the requirements of the conurbation.

2) North Warwickshire Borough – The North Warwickshire Local Plan is currently the subject of examination. It makes reference to testing the potential to deliver 3,790 dwellings to meet the needs of the conurbation. However, the Local Plan Inspector has noted a significant proportion of the housing requirement is dependent upon infrastructure which is the subject of an undetermined Housing Infrastructure Funding bid for £58m. Until the outcome of the HIF bid is known, there is some uncertainty regarding whether the allocations are deliverable.

3) Solihull MBC – The emerging Solihull Local Plan makes reference to the Council “testing” the provision of 2,000 dwellings to meet the growth requirements of the conurbation.

4) Redditch Borough – Due to a lack of urban capacity the current Redditch Local Plan (2017) relies upon the Bromsgrove Local Plan in meeting a significant proportion of its housing requirement. It is highly unlikely any significant new urban capacity will be found in future versions of the Redditch Local Plan. As such Redditch Borough will not make any contribution toward meeting the growth requirements of the conurbation.

5) Tamworth – The most recent Tamworth Local Plan was adopted in 2016. Due to a lack of urban capacity the Local Plan relies on the Lichfield District and the North Warwickshire Local Plans in meeting a significant proportion of the Borough's housing requirement. It is highly unlikely any new significant urban capacity will be found in future versions of the Plan and as such Tamworth will not play any role in meeting the growth requirements of the conurbation.

6) Cannock Chase District – Cannock Chase District is currently in the process of preparing a replacement Local Plan, the Issues and Options document (May-June 2019) acknowledges the district will need to play a role in helping to meet the unmet housing requirements of the conurbation. No contribution figure is identified. However, there are various constraints to development in Cannock Chase, including the Cannock Chase AONB, the Cannock Chase SAC and the Green Belt. This therefore limits the ability of Cannock Chase to accommodate significant new development.

7) Stratford on Avon – Only part of Stratford on Avon District is within the HMA. Work on a replacement plan is due to be scheduled next year. Whilst the replacement plan potential will need to assist in meeting the growth requirements of the conurbation any contribution is not known.

8) Bromsgrove District – The Bromsgrove District Plan Review Update Further Consultation document was produced in September 2019. Whilst the consultation document acknowledges Bromsgrove District will have to play a role in helping to meet the growth requirements of the conurbation no housing contribution figure is provided.

In summary, Lichfield, North Warwickshire and Solihull are preparing Local Plans which, between them, make a maximum contribution of 10,290 dwellings toward the housing shortfall. Redditch and Tamworth are unable to make any contribution to the shortfall. That being the case, Bromsgrove District, Cannock Chase, Stratford on Avon and South Staffordshire will need to make significant contributions to addressing the remaining 45,510 dwelling shortfall.

On this basis the 4,000 dwelling figure is in our view, entirely inadequate. It is less than 10% of the overall housing shortfall. Even if the full extent of the shortfall (55,800 dwellings) were to be distributed equally amongst the seven HMA authorities that can accommodate development (excluding Redditch and Tamworth) each authority would need to accommodate c8,000 units. However, as referred to above, no authority has committed to accommodating this quantum of development, and South Staffordshire has a better functional relationship to the conurbation than the majority of these authorities.

Non implementation and the use of a Buffer

As referred to above, paragraph 2.42 of HMA advises that the Council has set an ‘upper limit’ of 9,000 new homes in total over the Plan period. It is not clear from either the HMA or the Issues and Options consultation whether or not the 9,000 dwellings is the total number of dwellings that will be allocated for development and if this figure in intended to include a buffer. However, as it is described as an ‘upper limit’ by the HMA it would appear that this figure is being treated as the maximum housing target, and therefore includes an allowance for a buffer. If this is the case this is a further flaw with the HMA.

The emerging plan should include a buffer to allow for allocations not delivering as expected. It is not uncommon for Local Plan allocations not to come forward. This could be for a variety of reasons, including a change in landowners’ aspirations, detailed technical work reducing the capacity of sites, or changes to the housing market. Given South Staffordshire is a predominantly Green Belt authority if allocations do not deliver this will cause significant problems with housing delivery as there are few non-Green Belt alternative sites which could come forward for development through the development control process in order to ensure continuity in supply.

It is therefore our view a 20%-25% buffer should be added to the housing requirement in order to take account of non-delivery. This is the approach adopted by Lichfield District, as identified in the consultation draft Preferred Options Local Plan Committee Report, which refers to a requirement for a 20%-25% buffer to take account of non-delivery. Whilst a significant proportion of Lichfield District is within the Green Belt the northern section of the District is within the open countryside and that being the case Lichfield District is less constrained than South Staffordshire in terms of alternative development locations. The use of a 20%-25% buffer is therefore in our view entirely appropriate in this instance.

That being the case, if the 9,000 dwelling 'upper limit' includes a buffer of 20-25% the actual housing target being planned for is between 7,200 (20% buffer) and 6,750 dwellings (25% buffer). This in turn reduces the overall contribution that that the emerging Local Plan is making to the unmet housing needs of the conurbation to between 2,200 and 1,750 dwellings. The HMA should be clear that any housing target that it identifies is a minimum target reflecting housing need, and it does not address wider matters such as the application of the buffer.

Harris Lamb on behalf of Folkes Holdings

Harris Lamb Planning Consultancy (***'HLPC'***) are instructed by Folkes Holdings (***'Folkes'***) to submit representations to the South Staffordshire Housing Market Assessment (***"HMA"***) consultation. We have a number of concerns with the draft HMA, and specifically the conclusion that 9,000 dwellings is the 'upper limit' (paragraph 2.42) of the amount of housing that should be planned for in the emerging South Staffordshire Local Plan. In addition to these representations, we have also submitted briefing notes regarding the South Staffordshire Green Belt Study and the South Staffordshire Landscape Sensitivity Study, alongside a Vision Document relating to Folkes' land interest at Lawnswood, South Staffordshire.

The purpose of the HMA is to provide evidence to support housing policies in the emerging Local Plan. This includes evidence to inform the overall housing target. We are, therefore concerned that paragraph 1.3 of the study advises that one of the purposes of the HMA is *'identifying the suitable mix of new housing within the approximately 9,000 additional dwellings the Council is intending to deliver during the plan period. The target of approximately 9,000 new homes was the target that the Council identified as its preferred approach during the Issues and Options consultation'*.

The HMA should not be used to retrospectively justify a pre-determined housing target that is informed by highly limited evidence. The HMA should seek to, amongst other things, establish the appropriate quantum of housing that should be delivered in the Plan area based on the guidance in the National Planning Policy Framework (***"the Framework"***) and the National Planning Practice Guidance (***"NPPG"***), drawing upon relevant evidence. As a starting point the approach of the draft HMA is flawed. The HMA does not properly support the suggested 9,000 dwelling target.

There are effectively two components to the proposed housing requirement. The first component is the number of dwellings required to support the housing needs of South Staffordshire. The second element is the number of dwellings the emerging plan will accommodate to help deliver the unmet housing needs of the conurbation. There are a number of problems with both elements of the housing requirement, as detailed below.

South Staffordshire's Housing Needs

As a starting point we support the use of the Standard Method in the HMA to establish South Staffordshire's proportion of the emerging Local Plan's housing requirement. It should, however, be noted that the Standard Method is under review. If the Standard Method is amended during the course of the Plan preparation process it may be necessary to recalculate South Staffordshire's proportion of the Local Plan's housing requirement based upon the revised methodology.

Paragraph 60 of the Framework advises that the Standard Method establishes the 'minimum' number of homes needed in an area. The Standard Method figure included in the HMA is, therefore, the absolute minimum number of dwellings that should be provided to meet the South Staffordshire element of the housing requirement. Drawing on the HMA, the emerging Local Plan should, as a minimum, seek to deliver housing over and above the Standard Method calculation in order to deliver the South Staffordshire proportion of the housing requirement. However, paragraph 1.9 and 2.42 of the HMA suggest that the emerging Local Plan will only seek to deliver the minimum Standard Method requirement. The increase in the housing number over and above this relates solely to meeting the housing needs of the conurbation. Adopting this approach means that the emerging Plan is not flexible or able to adopt to change, such as the failure of emerging allocations to deliver. No analysis has been undertaken within the HMA as to whether this minimum figure should be exceeded and if so by what margin. This is a fundamental failing of the HMA.

The Framework advises at paragraph 60 that the Standard Method housing requirement should be used, unless exceptional circumstances justify an alternative approach which also reflects future demographic trends and market signals. The Council should, therefore, establish whether exceptional circumstances exist to support the housing requirement being increased accordingly. Such factors could include the need to increase the housing requirement in order to assist with affordable housing delivery or the economic growth of the district. There is no information included in the HMA explaining how these factors have been considered and tested in order to establish whether exceptional circumstances apply in this instance. This requirement cannot be ignored, particularly given that a range of factors exist that constitute exceptional circumstances.

As detailed in Table 1.1 of the HMA a significant number of people travel into South Staffordshire for work, largely from the Black Country authorities. Only 33.8% of the jobs in South Staffordshire are occupied by South Staffordshire residents. The housing requirement should be increased so that houses are available for the workforce reducing the number of people commuting into the District.

Table 1.1 also identifies that a significant number of people commute from South Staffordshire into the Black Country for work. However, as referred to later in these representations, the Black Country authorities are not in a position where they can provide enough houses to meet their own housing growth requirements. This trend is, therefore, difficult to reverse as new housing cannot realistically be provided in the Black County to address this. That being the case, consideration should be given to the gross number of people travelling into South Staffordshire for work, as opposed to the net figure when reviewing how the housing requirement could be amended to take account of commuting patterns.

Table 1.4 identities the average house prices in South Staffordshire compared to the surrounding authorities. The average price is South Staffordshire is greater than any of the other authorities assessed. Indeed, the average house price in South Staffordshire is nearly 57% more than the neighbouring authority of Wolverhampton City. Consideration should, therefore, be given to increasing the number of houses developed to help with affordability. High average house prices could force some first-time buyers to move to other local authorities' areas. This in turn will reduce the size of the working population in South Staffordshire.

Paragraph 2.6 of the HMA advises that the average age of a South Staffordshire resident is 47.7, compared to the West Midlands average of 39.5 and national average of 39.9. South Staffordshire has an aging population. This is likely to be in part due to higher than average house prices, preventing access to the local housing market for first time buyers. South Staffordshire is, therefore, at risk of losing people of working age in the District which could adversely affect economic growth. Additional housing is required to address this.

It is suggested by Table 5.1 that the net need for affordable housing in South Staffordshire is 112 dwellings. This figure does not, however, take into account properties that could be lost from the stock due to Right to Buy. Right to Buy should be considered to establish what the true net requirement is.

As this information is not available, it is not possible to comment on what impact this would have on the need for affordable housing, but it is likely to be significant.

It is our view that the above factors, as a minimum, require the HMA to explore whether or not exceptional circumstances exist to depart from the Standard Method, as the available evidence suggests that this is the case.

Helping to Address the Growth Requirements of the Conurbation

Paragraph 60 of the Framework advises that in addition to the Local Housing Needs figure, any need that cannot be met within neighbouring authorities should be taken into account in establishing the amount of housing to be planned for. Paragraph 2.42 of HMA confirms that the Council is intending to help meet the unmet housing needs arising from the Greater Birmingham Housing Market Area and that the emerging Plan is being prepared on the basis of providing up to 4,000 new homes to assist in meet the housing shortfall. The rational for this figure is that the Council is required to provide 5,010 homes between 2019 and 2037 to address local housing needs as calculated using the Standard Method. An upper limit of 9,000 dwellings has been set over the plan period. This means that the Council is able to provide 3,990 homes to help meet the housing needs of the conurbation. The approach to calculating the extent of the housing shortfall South Staffordshire should plan for is entirely inappropriate.

The 9,000 dwelling target can be afforded no weight. It has not been through examination and is the subject of unresolved objectives. There is no sound planning basis for the HMA to simply calculate the contribution South Staffordshire should make to meeting the housing shortfall from the conurbation by simply deducting the Standard Method housing requirement from the 9,000 dwelling figure. The HMA should seek to establish what proportion of the shortfall South Staffordshire should accommodate having regard to the extent of the shortfall, the quantum of the shortfall that has/is being met by other local authorities within the housing market area and the functional relationship of South Staffordshire to the wider conurbation.

The HMA housing shortfall arises from the inability of Birmingham and the Black Country to meet their own housing growth requirements. The Birmingham Development Plan was adopted in January 2017. Policy PG1 – Overall Levels of Growth, advises Birmingham's objectively assessed housing needs figure for the period 2011-31 is 89,000 dwellings (the equivalent of 4,450 dpa). This level of housing development cannot be accommodated within the City's administrative area. The Birmingham Development Plan has therefore been prepared on the basis of the delivery of 51,000 dwellings within the plan area, with the shortfall of 37,900 dwellings to be delivered in neighbouring authority areas through the Duty to Cooperate.

Since the adoption of the Birmingham Development Plan Birmingham City Council has produced a new Strategic Housing Land Availability Assessment 2018 (***"SHLAA"***). This document suggests sites within the urban area of Birmingham can deliver a total of 61,403 dwellings during the course of the plan period. This supply consists of 14,047 completions between 2011/12 and 2017/18. The remaining 47,356 dwellings can be delivered on sites either allocated for development by the Birmingham Development Plan, have planning permission, or are identified as potentially being suitable for development by the SHLAA.

It cannot however be assumed all of the Birmingham SHLAA sites will come forward for housing development. The SHLAA confirms at paragraph 2.2 that the inclusion of a site in the SHLAA does not mean it will be developed for housing, it does not mean housing is the only suitable use for the site and it does not necessarily mean, where it is not already the case, planning permission will be granted for housing. Circumstances may change over time.

The SHLAA is not an allocations document. It has not been the subject of examination or independent testing in the same way the capacity figures in the Birmingham Development Plan Policy PG1 have been. In addition, we are not aware of any suggestion by the City Council that Policy pg1 is of an out of date policy, or the residual housing shortfall identified should not be planned for by other authorities in the plan area. That being the case, the fact the most recent Birmingham SHLAA indicates there is additional residential capacity in Birmingham, does not change the extent of the shortfall which should be planned for to meet the growth requirements of Birmingham identified by Policy PG1. The starting point is the 37,900 shortfall figure identified by Policy PG1.

Furthermore, if the Birmingham SHLAA is to be treated as new and relevant evidence, other material considerations that have arisen since the adoption of the Birmingham Development Plan should also be taken into account in establishing the extent of the shortfall. This includes the Standard Method, which can be used to establish a new minimum housing requirement for Birmingham. As referred to above, the adopted Birmingham Development Plan includes a housing requirement equivalent to 4,550 dwellings per annum. However, the Standard Method housing requirement for Birmingham City is a minimum of 4,975 dwellings. The Standard Method housing requirement for Birmingham increases the overall housing requirement for the City by 8,500 dwellings compared to that included within the Birmingham Development Plan.

In addition, the extent of the housing shortfall identified by Birmingham Development Plan Policy PG1 is only to 2031. The emerging South Staffordshire plan is being prepared to have an end date of 2037. The Birmingham Development Plan will be reviewed in due course and the plan period extended accordingly. All evidence currently suggests Birmingham City Council will remain unable to meet its housing requirement in subsequent versions of the Local Plan review beyond 2031. Birmingham City Council will inevitably have to ask neighbouring authorities, including South Staffordshire, to make a contribution in their replacement Local Plans to meet the growth of Birmingham beyond 2031. If South Staffordshire fails to make an appropriate contribution toward the unmet housing requirements of the conurbation emerging through the Birmingham Local Plan review process it could result in the emerging South Staffordshire plan being found either unsound or requiring significant amendments to accommodate additional development requirements. That being the case, it is essential the emerging South Staffordshire Plan includes appropriate provision for meeting a proportion of Birmingham's housing shortfall.

The Black Country authorities are also in a position of relying upon other authorities within the HMA to deliver a significant amount of housing to help meet their growth requirements. The Black Country Core Strategy (“***BCCS***”) is in the process of being replaced by the Black Country Plan. The Issues and Options consultation was undertaken on the emerging replacement Plan in July and September 2017. The consultation document advised that 78,000 dwellings are required between 2014 and 2036 in order to meet the growth requirements of the Black Country (3,545 dpa). However, this figure will need to be revised upward in subsequent versions of the Plan.

The Issues and Options consultation document was published before the revisions to the PPG that required the application of the 2014 household projections in the Standard Method calculation. If the updated guidance on the Standard Method calculation is used it results in a housing requirement of 3,761 dwellings for the Black Country, the equivalent of 8,742 dwellings during the Plan period.

The Issues and Options consultation draft for the Black Country Plan estimates that sites within the urban area could deliver 56,000 dwellings. However, in order to achieve this all sites currently being built out and sites with planning permission will need to be delivered as expected and other sites will need to come forward with increased densities. This leaves a shortfall of approximately 22,000 dwellings that need to be provided outside of the urban area. This shortfall will need to be accommodated on land within the Green Belt within the Black Country and neighbouring authorities. However, Green Belt development opportunities within the Black Country are highly limited. In addition, it is highly unlikely all identified SHLAA sites will be found to be deliverable or capable of allocation and the density assumptions within the Black Country Plan are extremely ambitious. The 22,000 dwelling shortfall identified therefore represents a robust, conservative starting point for understanding the combined housing shortfall of the conurbation.

The total shortfall identified by Policy PG1 of the Birmingham Development Plan and the Issues and Options consultation draft for the replacement Black Country Plan is 55,800 dwellings. This figure should be used as a starting point for the distribution of the shortfall amongst the authorities within the HMA.

To date there has been highly limited progress with the authorities within the HMA in the preparation of Local Plans to assist in meeting the unmet growth requirements of the conurbation. The position can be summarised as follows:

1) Lichfield District – The Preferred Options consultation version of the Lichfield District Local Plan suggests Lichfield District could make a contribution of 4,500 dwellings to meet the requirements of the conurbation.

2) North Warwickshire Borough – The North Warwickshire Local Plan is currently the subject of examination. It makes reference to testing the potential to deliver 3,790 dwellings to meet the needs of the conurbation. However, the Local Plan Inspector has noted a significant proportion of the housing requirement is dependent upon infrastructure which is the subject of an undetermined Housing Infrastructure Funding bid for £58m. Until the outcome of the HIF bid is known, there is some uncertainty regarding whether the allocations are deliverable.

3) Solihull MBC – The emerging Solihull Local Plan makes reference to the Council “testing” the provision of 2,000 dwellings to meet the growth requirements of the conurbation.

4) Redditch Borough – Due to a lack of urban capacity the current Redditch Local Plan (2017) relies upon the Bromsgrove Local Plan in meeting a significant proportion of its housing requirement. It is highly unlikely any significant new urban capacity will be found in future versions of the Redditch Local Plan. As such Redditch Borough will not make any contribution toward meeting the growth requirements of the conurbation.

5) Tamworth – The most recent Tamworth Local Plan was adopted in 2016. Due to a lack of urban capacity the Local Plan relies on the Lichfield District and the North Warwickshire Local Plans in meeting a significant proportion of the Borough's housing requirement. It is highly unlikely any new significant urban capacity will be found in future versions of the Plan and as such Tamworth will not play any role in meeting the growth requirements of the conurbation.

6) Cannock Chase District – Cannock Chase District is currently in the process of preparing a replacement Local Plan, the Issues and Options document (May-June 2019) acknowledges the district will need to play a role in helping to meet the unmet housing requirements of the conurbation.

No contribution figure is identified. However, there are various constraints to development in Cannock Chase, including the Cannock Chase AONB, the Cannock Chase SAC and the Green Belt. This therefore limits the ability of Cannock Chase to accommodate significant new development.

7) Stratford on Avon – Only part of Stratford on Avon District is within the HMA. Work on a replacement plan is due to be scheduled next year. Whilst the replacement plan potential will need to assist in meeting the growth requirements of the conurbation any contribution is not known.

8) Bromsgrove District – The Bromsgrove District Plan Review Update Further Consultation document was produced in September 2019. Whilst the consultation document acknowledges Bromsgrove District will have to play a role in helping to meet the growth requirements of the conurbation no housing contribution figure is provided.

In summary, Lichfield, North Warwickshire and Solihull are preparing Local Plans which, between them, make a maximum contribution of 10,290 dwellings toward the housing shortfall. Redditch and Tamworth are unable to make any contribution to the shortfall. That being the case, Bromsgrove District, Cannock Chase, Stratford on Avon and South Staffordshire will need to make significant contributions to addressing the remaining 45,510 dwelling shortfall.

On this basis the 4,000 dwelling figure is in our view, entirely inadequate. It is less than 10% of the overall housing shortfall. Even if the full extent of the shortfall (55,800 dwellings) were to be distributed equally amongst the seven HMA authorities that can accommodate development (excluding Redditch and Tamworth) each authority would need to accommodate c8,000 units. However, as referred to above, no authority has committed to accommodating this quantum of development, and South Staffordshire has a better functional relationship to the conurbation than the majority of these authorities.

Non implementation and the use of a Buffer

As referred to above, paragraph 2.42 of HMA advises that the Council has set an ‘upper limit’ of 9,000 new homes in total over the Plan period. It is not clear from either the HMA or the Issues and Options consultation whether or not the 9,000 dwellings is the total number of dwellings that will be allocated for development and if this figure in intended to include a buffer. However, as it is described as an ‘upper limit’ by the HMA it would appear that this figure is being treated as the maximum housing target, and therefore includes an allowance for a buffer. If this is the case this is a further flaw with the HMA.

The emerging plan should include a buffer to allow for allocations not delivering as expected. It is not uncommon for Local Plan allocations not to come forward. This could be for a variety of reasons, including a change in landowners’ aspirations, detailed technical work reducing the capacity of sites, or changes to the housing market. Given South Staffordshire is a predominantly Green Belt authority if allocations do not deliver this will cause significant problems with housing delivery as there are few non-Green Belt alternative sites which could come forward for development through the development control process in order to ensure continuity in supply.

It is therefore our view a 20%-25% buffer should be added to the housing requirement in order to take account of non-delivery. This is the approach adopted by Lichfield District, as identified in the consultation draft Preferred Options Local Plan Committee Report, which refers to a requirement for a 20%-25% buffer to take account of non-delivery. Whilst a significant proportion of Lichfield District is within the Green Belt the northern section of the District is within the open countryside and that being the case Lichfield District is less constrained than South Staffordshire in terms of alternative development locations. The use of a 20%-25% buffer is therefore in our view entirely appropriate in this instance.

That being the case, if the 9,000 dwelling 'upper limit' includes a buffer of 20-25% the actual housing target being planned for is between 7,200 (20% buffer) and 6,750 dwellings (25% buffer). This in turn reduces the overall contribution that that the emerging Local Plan is making to the unmet housing needs of the conurbation to between 2,200 and 1,750 dwellings. The HMA should be clear that any housing target that it identifies is a minimum target reflecting housing need, and it does not address wider matters such as the application of the buffer.

Harris Lamb on behalf of Redrow

Harris Lamb Planning Consultancy ***('HLPC')*** are instructed by Redrow Homes Limited ***('Redrow')*** to submit representations to the South Staffordshire Housing Market Assessment (***"HMA***") consultation. We have a number of concerns with the draft HMA, and specifically the conclusion that 9,000 dwellings is the 'upper limit' (paragraph 2.42) of the amount of housing that should be planned for in the emerging South Staffordshire Local Plan.

The purpose of the HMA is to provide evidence to support housing policies in the emerging Local Plan. This includes evidence to inform the overall housing target. We are, therefore concerned that paragraph 1.3 of the study advises that one of the purposes of the HMA is *'identifyingthe suitable mix of new housing within the approximately 9,000 additional dwellings the Council is intending to deliver during the plan period. The target of approximately 9,000 new homes was the target that the Council identified as its preferred approach during Issues and Options consultation'.*

The HMA should not be used to retrospectively justify a pre-determined housing target that is informed by highly limited evidence. The HMA should seek to, amongst other things, establish the appropriate quantum of housing that should be delivered in the Plan area based on the guidance in the National Planning Policy Framework (***"the Framework")*** and the National Planning Practice Guidance (" ***NPPG"),*** drawing upon relevant evidence. As a starting point the approach of the draft HMA is flawed. The HMA does not properly support the suggested 9,000 dwelling target.

There are effectively two components to the proposed housing requirement. The first component is the number of dwellings required to support the housing needs of South Staffordshire. The second element is the number of dwellings the emerging plan will accommodate to help deliver the unmet housing needs of the conurbation. There are a number of problems with both elements of the housing requirement, as detailed below.

South Staffordshire's Housing Needs

As a starting point we support the use of the Standard Method in the HMA to establishing the South Staffordshire proportion of the emerging Local Plan's housing requirement. It should, however, be noted that the Standard Method is under review. If the Standard Method is amended during the course of the Plan preparation process it may be necessary to recalculate South Staffordshire's proportion of the Local Plan's housing requirement based upon the revised methodology.

Paragraph 60 of the Framework advises the Standard Method establishes the 'minimum' number of homes needed in an area. The Standard Method figure included in the HMA is, therefore, the absolute minimum number of dwellings that should be provided to meet the South Staffordshire element of the housing requirement. Drawing on the HMA the emerging Local Plan should, as a minimum, seek to deliver housing over and above the Standard Method to deliver the South Staffordshire proportion of the housing requirement. However, paragraph 1.9 and 2.42 of the HMA suggest that the emerging Local Plan will only seek to deliver the minimum Standard Method requirement. The increase in the housing number over and above this relates solely to meeting the housing needs of the conurbation. Adopting this approach means that the emerging Plan is not flexible or able to adapt to change, such as if emerging allocations do not deliver. No analysis is undertaken within the HMA as to whether this minimum figure should be exceeded, and if so by what margin. This is a fundamental failing of the HMA.

The Framework advises at paragraph 60 that the Standard Method housing requirement should be used, unless exceptional circumstances justify an alternative approach which also reflects future demographic trends and market signals. The Council should, therefore, establish whether exceptional circumstances exist to support the housing requirement being increased accordingly. Such factors could include the need to increase the housing requirement in order to assist with affordable housing delivery or the economic growth of the district. There is no information included in the HMA explaining how these factors have been considered and tested in order to establish whether exceptional circumstances apply in this instance. This requirement cannot be ignored, particularly given that there appear to be a range of factors that constitute exceptional circumstances.

As detailed in Table 1.1 of the HMA a significant number of people travel in to South Staffordshire for work, largely from the Black Country authorities. Only 33.8% of the jobs in South Staffordshire are occupied by South Staffordshire residents. Consideration should be given to increasing the housing requirement so that houses are available for the workforce, reducing the number of people commuting into the District.

Table 1.1 also identifies that a significant number of people commute from South Staffordshire into the Black County for work. However, as referred to later in these representations, the Black Country authorities are not in a position where they can provide enough houses to meet their own housing growth requirement. This trend is, therefore, difficult to reverse as new housing cannot realistically be provided in the Black County to address this. That being the case consideration should be given to the gross number of people traveling into South Staffordshire for work, as opposed to the net figure when reviewing how the housing requirement could be amended to take account of commuting patterns.

Table 1.4 identifies the average house prices in South Staffordshire compared to the surrounding authorities. The average price is South Staffordshire is greater than any of the other authorities assessed. Indeed, the average housing price in South Staffordshire is nearly 57% more than the neighbouring authority of Wolverhampton City. Consideration should, therefore , be given to increasing the number of houses developed to help with affordability. High average house prices could force some first time buyers to move to other local authorities areas. This in turn will reduce the size of the working population in South Staffordshire.

Paragraph 2.6 of the HMA advises that the average age of a South Staffordshire resident is 47.7, compared to the West Midlands average of 39.5 and national average of 39.9. South Staffordshire has an aging population. This is likely to be in part due to higher than average house prices, preventing access to the local housing market by first time buyers. South Staffordshire is, therefore, at risk of losing people of working age in the District which could adversely affect economic growth. Additional housing is required to address this.

It is suggested by Table 5.1 that the net need for affordable housing in South Staffordshire is 112 dwellings. This figure does not, however, take into account properties that could be lost from the stock due to Right to Buy. Right to Buy should be considered to establish what the true net requirement is. As this information is not available it is not possible to comment on what impact this would have on the need for affordable housing, but it is likely to be significant.

It is our view that the above factors, as a minimum, require the HMA to explore whether or not exceptional circumstances exist to depart from the Standard Method, as the available evidence suggests that this is the case.

Helping to Address the Growth Requirements of the Conurbation

Paragraph 60 of the Framework advises that in addition to the Local Housing Needs figure, any need that cannot be met within neighbouring authorities should be taken into account in establishing the amount of housing to be planned for. Paragraph 2.42 of HMA confirms that the Council is intending to help meet the unmet housing needs arising from the Greater Birmingham Housing Market Area and that the emerging Plan is being prepared on the basis of providing up to 4,000 new homes to assisting in meet the housing shortfall. The rational for this figure is that the Council is required to provide 5,01O between 2019 and 2037 to address local housing needs as calculated using the Standard Method. An upper limit of 9,000 dwellings has been set over the plan period. This means that the Council is able to provide 3,990 homes to help meet the housing needs of the conurbation. The approach to calculating the extent of the housing shortfall South Staffordshire should plan for is entirely inappropriate.

The 9,000 dwelling target can be afforded no weight. It has not been through examination and is the subject of unresolved objectives. There is no sound planning basis for the HMA to simply calculate the contribution South Staffordshire should make to meeting the housing shortfall from the conurbation by simply deducting the Standard Method housing requirement from the 9,0000 dwelling figure. The HMA should seek to establish what proportion of the shortfall South Staffordshire should accommodate having regard to the extent of the shortfall, the quantum of the shortfall that has/is being met by other local authorities within the housing market area and the functional relationship of South Staffordshire to the conurbation.

The HMA housing shortfall arises from the inability of Birmingham and the Black Country to meet their own housing growth requirements. The Birmingham Development Plan was adopted in January 2017. Policy PG1 - Overall Levels of Growth, advises Birmingham's objectively assessed housing needs figure for the period 2011-31 is 89,000 dwellings (the equivalent of 4,450 dpa). This level of housing development cannot be accommodated within the City's administrative area. The Birmingham Development Plan has therefore been prepared on the basis of the delivery of 51,000 dwelling within the plan area, with the shortfall of 37,900 dwelling to be delivered in neighbouring authority areas through the Duty to Cooperate.

Since the adoption of the Birmingham Development Plan, Birmingham City Council has produced a new Strategic Housing Land Availability Assessment 2018 (***"SH LAA").*** This document suggests sites within the urban area of Birmingham can deliver a total of 61,403 dwellings during the course of the plan period. This supply consists of 14,047 completions between 2011/12 and 2017/18. The remaining 47,356 dwellings can be delivered on sites either allocated for development by the Birmingham Development Plan, have planning permission, or identified as potentially being suitable for development by the SHLAA.

It cannot however be assumed all of the Birmingham SHLAA sites will come forward for housing development. The SHLAA confirms at paragraph 2.2 that the inclusion of a site in the SHLAA does not mean it will be developed for housing, it does not mean housing is the only suitable use for the site and it does not necessarily mean, where it is not already the case, planning permission will be granted for housing. Circumstances may change over time.

The SHLAA is not an allocations document. It has not been the subject of examination or independent testing in the same way the capacity figures in the Birmingham Development Plan policy PG1 have been. In addition, there is no suggestion by the City Council, that we are aware of, that policy PG1 is of an out of date policy, or the residual housing shortfall identified should not be planned for by other authorities in the plan area. That being the case, the fact the most recent Birmingham SHLAA indicates there is additional residential capacity in Birmingham does not change the extent of the shortfall which should be planned for to meet the growth requirements of Birmingham identified by policy PG1. The starting point is the 37,900 shortfall figure identified by Policy PG1.

Furthermore, if the Birmingham SHLAA is to be treated as new and relevant evidence, other material considerations that have arisen since the adoption of the Birmingham Development Plan should also be taken into account in establishing the extent of the shortfall. This includes the Standard Method, which can be used to establish a new minimum housing requirement for Birmingham. As referred to above, the adopted Birmingham development plan includes a housing requirement equivalent to 4,550 dwellings per annum. However, the Standard Method housing requirement for Birmingham City is a minimum of 4,975 dwellings. The Standard Method housing requirement for Birmingham increases the overall housing requirement for the City by 8,500 dwellings compared to that included within the Birmingham Development Plan.

In addition, the extent of the housing shortfall identified by Birmingham Development Plan Policy PG1 is only to 2031. The emerging South Staffordshire plan is being prepared to have an end date of 2037. The Birmingham Development Plan will be reviewed in due course and the plan period extended accordingly. All evidence currently suggests Birmingham City Council will remain unable to meet its housing requirement in subsequent versions of the Local Plan review beyond 2031. Birmingham City Council will inevitably have to ask neighbouring authorities, including South Staffordshire, to make a contribution in their replacement Local Plans to meet the growth of Birmingham beyond 2031. If South Staffordshire fails to make an appropriate contribution toward the unmet housing requirements of the conurbation emerging through the Birmingham Local Plan review process it could result in the emerging South Staffordshire plan being found either unsound, or requiring significant amendments to accommodate additional development requirements. That being the case, it is essential the emerging South Staffordshire plan includes appropriate provision for meeting a proportion of Birmingham's housing shortfall.

The Black Country authorities are also in a position of relying upon other authorities within the HMA to deliver a significant amount of housing to help meet their growth requirements. The Black Country Core Strategy **("BCCS")** is in the process of being replaced by the Black Country Plan. Issues and Options consultation was undertaken on the emerging replacement Plan in July and September 2017. The consultation document advised 78,000 dwellings are required between 2014 and 2036 in order to meet the growth requirements of the Black Country (3,545 dpa). However, this figure will need to be revised upward in subsequent versions of the plan.

The Issues and Options consultation document was published before the revisions to the PPG that required the application of the 2014 household projections in the Standard Method calculation. If the updated guidance on the Standard Method calculation is used it results in a housing requirement of 3,761 dwellings for the Black Country, the equivalent of 8,742 dwellings during the Plan period.

The Issues and Options consultation on the Black Country Plan estimates sites within the urban area could deliver 56,000 dwellings. However, in order to achieve this all sites currently being built out and sites with planning permission will need to be delivered as expected and other sites will need to come forward with increased densities. This leaves a shortfall of approximately 22,000 dwellings that needs to be provided outside of the urban area. This shortfall will need to be accommodated on land within the Green Belt within the Black Country and neighbouring authorities. However, Green Belt development opportunities within the Black Country are highly limited. In addition, it is highly unlikely all identified SHLAA sites will be found to be deliverable or capable of allocation and the density assumptions within the Black Country Plan are extremely ambitious. The 22,000 dwelling shortfall identified, therefore, represents a robust, conservative starting point for understanding the combined housing shortfall of the conurbation.

The total shortfall identified by policy PG1 of the Birmingham Development Plan and the Issues and Options consultation draft replacement Black Country Plan is 55,800 dwellings. This figure should be used as a starting point for the distribution of the shortfall amongst the authorities within the HMA.

To date, there has been highly limited progress with the authorities within the HMA in the preparation of Local Plans to assist in meeting the unmet growth requirements of the conurbation. The position can be summarised as follows:

i. Lichfield District - The Preferred Options consultation version of the Lichfield District Local Plan suggests Lichfield District could make a contribution of 4,500 dwellings to meet the requirements of the conurbation.
ii. North Warwickshire Borough - The North Warwickshire Local Plan is currently the subject of examination. It makes reference to testing the potential to deliver 3,790 dwellings to meet the needs of the conurbation. However, the Local Plan Inspector has noted a significant proportion of the housing requirement is dependent upon infrastructure which is the subject of an undetermined Housing Infrastructure Funding bid for £58m. Until the outcome of the HIF bid is known, there is some uncertainty regarding whether the allocations are deliverable.
iii. Solihull MBC - The emerging Solihull Local Plan makes reference to the Council "testing" the provision of 2,000 dwellings to meet the growth requirements of the conurbation.
iv. Redditch Borough - Due to a lack of urban capacity the current Redditch Local Plan (2017) relies upon the Bromsgrove Local Plan in meeting a significant proportion of its housing requirement. It is highly unlikely any significant new urban capacity will be found in future versions of the Redditch Local Plan. As such Redditch Borough will not make any contribution toward meeting the growth requirements of the conurbation.
v. Tamworth - The most recent Tamworth Local Plan was adopted in 2016. Due to a lack of urban capacity the Local Plan relies on the Lichfield District and the North Warwickshire Local Plans in meeting a significant proportion of the Borough's housing requirement. It is highly unlikely any new significant urban capacity will be found in future versions of the Plan and as such Tamworth will not play any role in meeting the growth requirements of the conurbation.
vi. Cannock Chase District - Cannock Chase District is currently in the process of preparing a replacement Local Plan. The Issues and Options document (May-June 2019) acknowledges the District will need to play a role in helping to meet the unmet housing requirements of the conurbation. No contribution figure is identified. However, there are various constraints to development in Cannock Chase, including the Cannock Chase AONB, the Cannock Chase SAC and the Green Belt. This therefore limits the ability of Cannock Chase to accommodate significant new development.
vii. Stratford on Avon - Only part of Stratford on Avon District is within the HMA. Work on a replacement plan is due to be scheduled next year. Whilst the replacement plan potential will

need to assist in meeting the growth requirements of the conurbation any contribution is not known.

viii. Bromsgrove District - The Bromsgrove District Plan Review Update Further Consultation document was produced in September 2019. Whilst the consultation document acknowledges Bromsgrove District will have to play a role in helping to meet the growth requirements of the conurbation no housing contribution figure is provided.

In summary, Lichfield, North Warwickshire and Solihull are preparing Local Plans which, between them, make a maximum contribution of 10,290 dwellings toward the housing shortfall. Redditch and Tamworth are unable to make any contribution to the shortfall. That being the case, Bromsgrove District, Cannock Chase, Stratford on Avon and South Staffordshire will need to make significant contributionsto addressing the remaining 45,510 dwelling shortfall.

On this basis the 4,000 dwelling figure is in our view, entirely inadequate. It is less than 10% of the overall housing shortfall. Even if the full extent of the shortfall (55,800 dwellings) were to be distributed equally amongst the seven HMA authorities that can accommodate development (excluding Redditch and Tamworth) each authority would need to accommodate c8,000 units. However, as referred to above, no authority has committed to accommodating this quantum of development, and South Staffordshire has a better functional relationship to the conurbation than the majority of these authorities.

Non-Implementation and the Use of a Buffer

As referred to above, paragraph 2.42 of HMA advises that the Council has set an 'upper limit' of 9,000 new homes in total over the Plan period. It is not clear from either the HMA or the Issues and Options consultation whether or not the 9,000 dwellings is the total number of dwellings that will be allocated for development and if this figure is intended to include a buffer. However, as it is described as an 'upper limit' by the HMA it would appear that this figure is being treated as the maximum housing target, and therefore includes an allowance for a buffer. If this is the case this is a further flaw with the HMA.

The emerging Plan should include a buffer to allow for allocations not delivering as expected. It is not uncommon for Local Plan allocationsnot to come forward. This could be for a variety of reasons, including a change in land owners' aspirations, detailed technical work reducing the capacity of sites, or changes to the housing market. Given South Staffordshire is a predominantly Green Belt authority if allocations do not deliver this will cause significant problems with housing delivery as there are few non-Green Belt alternative sites which could come forward for development through the development control process in order to ensure continuity in supply.

It is therefore our view a 20%-25% buffer should be added to the housing requirement in order to take account of non-delivery. This is the approach adopted by Lichfield District, as identified in the consultation draft Preferred Options Local Plan Committee Report, which refers to a requirement for a 20%-25% buffer to take account of non-delivery. Whilst a significant proportion of Lichfield District is within the Green Belt the northern section of the District is within the open countryside and that being the case Lichfield District is less constrained than South Staffordshire in terms of alternative development locations. The use of a 20%-25% buffer is, therefore, in our view entirely appropriate in this instance.

That being the case, if the 9,000 dwelling 'upper limit' includes a buffer of 20-25% the actual housing target being planned for is between 7,500 (20% buffer) and 6,750 dwellings (25% buffer). This in turn reduces the overall contribution that that the emerging Local Plan is making to the unmet housing needs of the conurbation to between 2,500 and 1,750 dwellings. The HMA should be clear that any housing target that it identifies is a minimum target reflecting housing need, and it does not address wider matters such as the application of the buffer.

House Builders Federation

CHAPTER 2 : LOCAL HOUSING NEEDS (LHN)

- LHN of 254 dwellings per annum based on standard methodology calculation using 2014 SNHP, 2019 as the current year and 2018 affordability ratio of 7.39 is mathematically correct.
- This number should be kept under review until the Local Plan is submitted for examination and revised when appropriate (ID 2a-008-20190220). The Government has also confirmed its intention to review the standard methodology over the next 18 months. If the Government applies a different approach following this proposed review, it may be necessary for the Council to update its LHN assessment.
- It is agreed that a cap is not applicable because "where the relevant strategic policies for housing were adopted more than 5 years ago", the LHN figure is capped at 40% above whichever is the higher of the projected household growth for the area over the 10-year period identified in Step 1 (293 dwellings per annum) or the average annual housing requirement figure set out in the most recently adopted strategic policies (245 dwellings per annum).

HOUSING REQUIREMENT

- The Government's standard methodology identifies the minimum annual LHN, which is only a starting point. It does not produce a housing requirement figure (ID : 2a-002-20190220). Any ambitions to support economic growth, to deliver affordable housing and to meet unmet housing needs from elsewhere may necessitate a housing requirement figure above the minimum LHN.
- The NPPG indicates that if previous housing delivery has exceeded the minimum LHN, the Council should consider whether this level of delivery is indicative of greater housing need (ID : 2a-010-20190220). In South Staffordshire, housing delivery in 2018/19 was 273 dwellings per annum.
- Whilst demographics are a key element to the assessment of LHN, when considering factors to justify an uplift to the LHN, one of the most important is ensuring that the number of new homes takes account of any changes that are anticipated in the local economy. It is relevant to consider current employment trends and how the projected growth of the economically active population fits with the future changes in job numbers in order to align future jobs growth with resident workers. The draft assessment is silent on this issue.
- As set out in the NPPG, an increase in the total housing figures may be considered where it could help deliver affordable housing (ID : 2a-024-20190220). The affordable housing need is significant, which justifies a housing requirement above LHN (see further comments under Chapters 3 & 5).
- The meeting of unmet needs from the Greater Birmingham & Black Country Housing Market Area (GB&BBHMA) should be set out in a Statement of Common Ground (SoCG) signed by all respective authorities.

CHAPTER 3 : AFFORDABILITY

- A lower affordability threshold should also be tested (see further comments on 35% affordability threshold below under Chapter 5).

CHAPTER 5 : AFFORDABLE HOUSING NEED

- The Council should re-consider the 35% versus the 30% affordability threshold. In the Housing White Paper the Prime Minister states "*Our broken housing market is one of the greatest barriers to progress in Britain today. Whether buying or renting the fact is that housing is increasingly unaffordable – particularly for ordinary working class people who are struggling to get by … high housing costs hurt ordinary working people the most … working households below-average incomes spend a third or more of their disposable income on housing. This means they have less money to spend on other things every month … I want to fix this broken market so housing is more affordable … The starting point is to build more homes. This will slow the rise in housing costs so that ordinary working families can afford to buy a home and it will also bring the cost of renting down*". The difference between affordable housing need of 112 dwellings per annum (using 35% affordability threshold) and 178 dwellings per annum (using 30% affordability threshold is significant representing 44% or 70% of the District's LHN figure respectively.
- The NPPG (ID : 67-005-20190722) sets out that households whose needs are not met by the market and which are eligible for one or more of the types of affordable housing set out in the definition of affordable housing in Annex 2 of the 2019 NPPF are considered to be in affordable housing need. Affordable housing need as defined by the NPPG is 364 dwellings per annum. It will also be necessary to consider the target for affordable homeownership in the context of the Government's target of at least 10% of new housing to be provided in this way as set out in 2019 NPPF (para 64).
- The Council should confirm the calculation of affordable housing need for the 4,000 additional dwellings of unmet housing need from the GB&BBHMA.

CHAPTER 6 : SPECIFIC GROUPS

- The statement in para 6.13 is misleading. The provision of specialist accommodation does not reduce the need for new non-specialist housing per se. An older household moving from an existing house into sheltered / retirement / extra care / supported C3 housing should be treated no differently than a younger household moving from an existing house to a new build house. The LHN / housing requirement figure is not reduced. Only elderly households moving into C2 residential care homes should be treated differently.
- If the Council wished to adopt optional technical standards for accessible & adaptable homes, additional supporting evidence to justify such a policy approach should be provided. Not all health conditions affect housing. All new housing is built to M4(1) standards which will meet the needs of most households. Many elderly people already live in the District and will not move home therefore adaptation of the existing housing stock will play a part in the solution.
- The 15 entries on the Council's Self & Custom Build Register do not justify any requirement for the provision of such plots on housing sites.

The aforementioned comments are submitted without prejudice to responses submitted by other parties and any future representations submitted by the HBF during the next stages of consultation in the preparation of the South Staffordshire Local Plan, at which time the Council's preferred options for policy requirements and proposed site allocations and other sources of housing land supply will be known.

Pegasus on behalf of Bloor

1.0 INTRODUCTION

1.1 Pegasus Group is instructed by Bloor Homes to response to South Staffordshire District Council's (hereafter referred to as 'The Council') *'Housing Market Assessment Pre-Consultation Draft*' dated February 2020, prepared by HDH Planning and Development (hereafter referred to as 'The Assessment').

1.2 This response considers The Assessment in its current draft form. Bloor Homes reserves the right to comment further upon any finalised version, which is anticipated to be published in April 2020.

2.0 GENERAL COMMENTS

Scope of The Assessment

2.1 Bloor Homes is supportive of the Council's intentions to identify and meet the specific housing needs and requirements of both existing and future residents during the period of the forthcoming Local Plan Review (2018-2037).

2.2 However, given that the Council has expressed a commitment to delivering 4,000 new homes to meet unmet housing needs arising from within the Greater Birmingham and Black Country Housing Market Area ('The GBBCHMA'), in addition to housing needs arising from within South Staffordshire District, the Local Plan Review should accordingly consider the needs and requirements of these residents, not just residents of South Staffordshire District.

2.3 This necessitates the use of demographic and household data from within the GBBCHMA Authorities within The Assessment, not just data derived from South Staffordshire District. This requirement covers the consideration of both market and affordable housing, the needs for which are calculated separately within The Assessment.

3.0 Chapter 1 – Introduction

3.1 The introductory Chapter of The Assessment sets out a number of considerations in respect of the existing housing market, including commuting flows, migration trends and housing market indicators.

3.2 The Chapter concludes by stating: *'The analysis of the house market suggests that South Staffordshire does not share many characteristics with the authorities with which it shares the greatest migration flows … It therefore seems suitable to consider the District as its own housing market'*.

3.3 Whilst it may be true that analysis of the existing housing market and migration trends suggests that South Staffordshire does not share many characteristics with neighbouring authorities, the existing housing market and migration trends are a product of the adopted (and previous) local plans, which have only ever previously considered the housing and employment requirements of South Staffordshire District.

3.4 There is a danger when utilising historic data to inform future policy that any forthcoming plan becomes a *'self-fulfilling prophecy'*, whereby historical trends are subsequently reinforced by future policy.

3.5 This is particularly pertinent for the forthcoming Local Plan Review, whereby 4,000 new dwellings out of a total of 9,010 (44.4%) are planned to meet the needs of neighbouring authorities. This is a significant new policy direction, which is distinct from historical housing market trends and migration patterns.

3.6 Bloor Homes would therefore suggest caution is exercised when utilising past trends to inform future policy.

4.0 Chapter 2 – Market Drivers and the Extent of Housing Need

4.1 Chapter 2 sets out that the Standard Method for assessing local housing need identifies a need for 209 new homes per annum, with an additional 45 new homes required as a result of (un)affordability within South Staffordshire, resulting in a requirement of 254 new homes per annum.

4.2 This number should be kept under review until the Local Plan is submitted for examination and subsequently revised when appropriate (PPG ID 2a-008-20190220). The Government has also confirmed its intention to review the standard methodology over the next 18 months1. If the Government applies a different approach following this proposed review, it may be necessary for the Council to update its local housing needs assessment.

1 Government response to the technical consultation on updates to national planning policy and guidance (February 2019)

4.3 Paragraph 2.40 of The Assessment acknowledges that Paragraph 010 of the PPG includes a number of conditions where it may be appropriate to pursue a higher housing need figure than is indicated by the Standard Method. However, it goes on to state that *'this assessment is carried out on the basis that the standard method figure of 254 dwelling per annum will apply'*. The 'conditions' referred to within Paragraph 010 are:

- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
- strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
- an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.

4.4 Clearly, the third condition identified above is applicable to South Staffordshire, who has agreed to accommodate additional 4,000 dwellings to meet unmet need arising from within the GBBCHMA.

4.5 Similarly, the NPPG also indicates that if previous housing delivery has exceeded the minimum local housing need figure derived from the Standard Method, the Council should consider whether this level of delivery is indicative of greater housing need (PPG ID: 2a-010-20190220). In South Staffordshire District, housing delivery in 2018/19 was 273 dwellings per annum (19 dwellings greater than the local housing need figure).

4.6 Lastly, one of the most important factors in considering any uplift to the local housing need figure is ensuring that the number of new homes takes account of any changes that are anticipated in the local economy. It is relevant to consider current employment trends and how the projected growth of the economically active population fits with the future changes in job numbers in order to align future jobs growth with resident workers. This is particularly relevant given the intention to accommodate 4,000 new dwellings to accommodate needs arising from within the GBBCHMA. The Assessment is currently silent on this issue and should be updated accordingly.

4.7 Paragraph 2.42 states that: '…*The Council is required to provide up to 5,010 new homes between 2019 and 2037…*'. This should be corrected to read '*…2018 to 2037…*', to reflect the plan period of the Local Plan Review.

4.8 This paragraph also identifies that the Council has *'…set an upper limit of 9,000 new homes in total in the District over the plan period'*. No justification or evidence has been provided for this 'limit'. It is submitted by Bloor Homes that the total number of new homes to be planned for as part of the

Local Plan Review should be 9,010 (5,010 arising from the Standard Method and 4,000 to meet unmet need from the GBBCHMA).

5.0 Chapter 3 – The Cost and Affordability of Housing

5.1 Paragraphs 3.2 – 3.3 of The Assessment identify that the average house prices within South Staffordshire District is 12.1% higher than the West Midlands region. However, it goes on to state that the dwelling profile of South Staffordshire is not directly comparable to that of the West Midlands region, in that the District has a greater proportion of detached properties than the rest of the region, thus inflating the average house price.

5.2 The Assessment therefore presents a 'mix adjusted average', concluding that equivalent properties in South Staffordshire are only 0.4% higher than those across the West Midlands Region as a whole.

5.3 Whilst Bloor Homes accepts the above position, it remains that the housing profile in South Staffordshire is fundamentally different to the West Midlands region as a whole. As such, anyone wishing to move from a neighbouring authority into South Staffordshire District, from one housing typology to another, are likely to face a relative increase in housing price.

5.4 This unaffordability is reflected within the Standard Method, which attributes an affordability ratio of 7.39 to South Staffordshire District, equating to an additional 45 dwellings per annum.

5.5 This relative affordability should be reflected in the Council's overall housing requirement.

6.0 Chapter 4 – Type and Tenure of Future Housing Needed

6.1 Paragraph 4.4 identifies that the 'NMSS model' is utilised to determine the profile of the additional population anticipated to 2037. This model will utilise the 2016-based household projections as a starting point, as these projections include the most recent data on mortality rates and international migration.

6.2 However, The Assessment then detailed four adjustments which have been made to make the data consistent with the local housing need figure, which utilises the 2014-based household projections.

6.3 The first of these assumptions is that *'the additional homes required by the local housing need above and beyond those suggested by the latest household projections will be filled by additional people moving into the area from the rest of the UK.*' Bloor Homes disagrees with this assumption. The purpose of the affordability uplift in the Standard Method is to compensate for an existing lack of affordability within an area, which acts as a barrier to home ownership. This barrier is as equally applicable to concealed households and first-time buyers as it is to persons moving into an area from a neighbouring authority.

6.4 It is not understood why the NMSS model does not simply use the 2014-based projections to align with the Standard Method calculation which has already been attributed to the District. This would negate the need to apply any further assumptions to the data.

7.0 Chapter 5 – Affordable Housing Need

7.1 Chapter 5 indicates that, following the application of modelling, the affordable housing need for South Staffordshire District amounts to 112 dwellings per year.

7.2 A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than a particular percentage of gross income.

7.3 The results within the Assessment are presented based upon an affordability test where the cost of housing can constitute up to 35% of gross household income and still be affordable in South Staffordshire.

7.4 By way of comparison, Lichfield District Council and Tamworth Borough Council, also within southern Staffordshire, utilise an assumption of 29%. This is based upon CLG guidance (of 2007), which suggested that 25% of income is a reasonable start point, but also notes that a different figure could be used2.

2 Lichfield District Council and Tamworth Borough Council – Housing and Economic Development Need Assessment (September 2019)

7.5 It is therefore suggested that the Council re-consider the 35% threshold and, as a minimum, test other scenarios. The difference between affordable housing need of 112 dwellings per annum (using 35% affordability threshold) and 178 dwellings per annum (using 30% affordability threshold) is significant, representing 44% or 70% of the District's local housing need figure respectively.

8.0 Chapter 6 – Requirements of Specific Groups of the Population

8.1 Chapter 6 of the Assessment sets out that there is a requirement to ensure that new housing is suitable for a wide range of groups, including elderly persons and persons with disabilities. The Assessment identifies that there are a range of tools for achieving this, including HAPPI design principles, Building for Life standards and Accessible Building Standards (as defined in Building Regulations) and that *'The Council will need to determine which approach is most suitable for their requirements and this may vary for different sites in the District*'.

8.2 In this regard, Bloor Homes supports the utilisation of the Accessible Building Standards as defined in Building Regulations, given that they are an established standard which allows for clarity during the planning process.

8.3 Paragraph 6.13 of the Assessment states: *'…any housing released by households moving to new specialist accommodation would become occupied by other households, reducing the need for new non-specialist accommodation'*. Bloor Homes disagrees with this statement.

8.4 The provision of specialist accommodation does not necessarily reduce the need for new non-specialist housing. As identified earlier within this representation, new households are commonly formed from concealed households or first-time buyers, rather than an existing homeowner moving to an alternative dwelling. The local housing need figure is not reduced by such a move.

Pegasus on behalf of Richborough Estates

1.0 INTRODUCTION

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6.0 Chapter 4 – Type and Tenure of Future Housing Needed

6.1 Paragraph 4.4 identifies that the 'NMSS model' is utilised to determine the profile of the additional population anticipated to 2037. This model will utilise the 2016-based household projections as a starting point, as these projections include the most recent data on mortality rates and international migration.

6.2 However, The Assessment then detailed four adjustments which have been made to make the data consistent with the local housing need figure, which utilises the 2014-based household projections.

6.3 The first of these assumptions is that *'the additional homes required by the local housing need above and beyond those suggested by the latest household projections will be filled by additional people moving into the area from the rest of the UK.*' Richborough Estates disagrees with this assumption. The purpose of the affordability uplift in the Standard Method is to compensate for an existing lack of affordability within an area, which acts as a barrier to home ownership. This barrier is as equally applicable to concealed households and first-time buyers as it is to persons moving into an area from a neighbouring authority.

6.4 It is not understood why the NMSS model does not simply use the 2014-based projections to align with the Standard Method calculation which has already been attributed to the District. This would negate the need to apply any further assumptions to the data.

7.0 Chapter 5 – Affordable Housing Need

7.1 Chapter 5 indicates that, following the application of modelling, the affordable housing need for South Staffordshire District amounts to 112 dwellings per year.

7.2 A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than a particular percentage of gross income.

7.3 The results within the Assessment are presented based upon an affordability test where the cost of housing can constitute up to 35% of gross household income and still be affordable in South Staffordshire.

7.4 By way of comparison, Lichfield District Council and Tamworth Borough Council, also within southern Staffordshire, utilise an assumption of 29%. This is based upon CLG guidance (of 2007), which suggested that 25% of income is a reasonable start point, but also notes that a different figure could be used2.

2 Lichfield District Council and Tamworth Borough Council – Housing and Economic Development Need Assessment (September 2019)

7.5 It is therefore suggested that the Council re-consider the 35% threshold and, as a minimum, test other scenarios. The difference between affordable housing need of 112 dwellings per annum (using 35% affordability threshold) and 178 dwellings per annum (using 30% affordability threshold) is significant, representing 44% or 70% of the District's local housing need figure respectively.

8.0 Chapter 6 – Requirements of Specific Groups of the Population

8.1 Chapter 6 of the Assessment sets out that there is a requirement to ensure that new housing is suitable for a wide range of groups, including elderly persons and persons with disabilities. The Assessment identifies that there are a range of tools for achieving this, including HAPPI design principles, Building for Life standards and Accessible Building Standards (as defined in Building Regulations) and that '*The Council will need to determine which approach is most suitable for their requirements and this may vary for different sites in the District*'.

8.2 In this regard, Richborough Estates supports the utilisation of the Accessible Building Standards as defined in Building Regulations, given that they are an established standard which allows for clarity during the planning process.

8.3 Paragraph 6.13 of the Assessment states: *'…any housing released by households moving to new specialist accommodation would become occupied by other households, reducing the need for new non-specialist accommodation'*. Richborough Estates disagrees with this statement.

8.4 The provision of specialist accommodation does not necessarily reduce the need for new non-specialist housing. As identified earlier within this representation, new households are commonly formed from concealed households or first-time buyers, rather than an existing homeowner moving to an alternative dwelling. The local housing need figure is not reduced by such a move.

Pegasus on behalf of Taylor Wimpey

1.0 INTRODUCTION

1.1 Pegasus Group is instructed by Taylor Wimpey UK Ltd (hereafter referred to as 'Taylor Wimpey') to response to South Staffordshire District Council's (hereafter referred to as 'The Council') '*Housing Market Assessment Pre-Consultation Draft*' dated February 2020, prepared by HDH Planning and Development (hereafter referred to as 'The Assessment').

1.2 This response considers The Assessment in its current draft form. Taylor Wimpey reserves the right to comment further upon any finalised version, which is anticipated to be published in April 2020.

2.0 GENERAL COMMENTS

Scope of The Assessment

2.1 Taylor Wimpey is supportive of the Council's intentions to identify and meet the specific housing needs and requirements of both existing and future residents during the period of the forthcoming Local Plan Review (2018-2037).

2.2 However, given that the Council has expressed a commitment to delivering 4,000 new homes to meet unmet housing needs arising from within the Greater Birmingham and Black Country Housing Market Area ('The GBBCHMA'), in addition to housing needs arising from within South Staffordshire District, the Local Plan Review should accordingly consider the needs and requirements of these residents, not just residents of South Staffordshire District.

2.3 This necessitates the use of demographic and household data from within the GBBCHMA Authorities within The Assessment, not just data derived from South Staffordshire District. This requirement covers the consideration of both market and affordable housing, the needs for which are calculated separately within The Assessment.

3.0 Chapter 1 – Introduction

3.1 The introductory Chapter of The Assessment sets out a number of considerations in respect of the existing housing market, including commuting flows, migration trends and housing market indicators.

3.2 The Chapter concludes by stating: *'The analysis of the house market suggests that South Staffordshire does not share many characteristics with the authorities with which it shares the greatest migration flows … It therefore seems suitable to consider the District as its own housing market'*.

3.3 Whilst it may be true that analysis of the existing housing market and migration trends suggests that South Staffordshire does not share many characteristics with neighbouring authorities, the existing housing market and migration trends are a product of the adopted (and previous) local plans, which have only ever previously considered the housing and employment requirements of South Staffordshire District.

3.4 There is a danger when utilising historic data to inform future policy that any forthcoming plan becomes a *'self-fulfilling prophecy'*, whereby historical trends are subsequently reinforced by future policy.

3.5 This is particularly pertinent for the forthcoming Local Plan Review, whereby 4,000 new dwellings out of a total of 9,010 (44.4%) are planned to meet the needs of neighbouring authorities. This is a significant new policy direction, which is distinct from historical housing market trends and migration patterns.

3.6 Taylor Wimpey accordingly suggests that caution is exercised when utilising past trends to inform future policy.

4.0 Chapter 2 – Market Drivers and the Extent of Housing Need

4.1 Chapter 2 sets out that the Standard Method for assessing local housing need identifies a need for 209 new homes per annum, with an additional 45 new homes required as a result of (un)affordability within South Staffordshire, resulting in a requirement of 254 new homes per annum.

4.2 This number should be kept under review until the Local Plan is submitted for examination and subsequently revised when appropriate (PPG ID 2a-008-20190220). The Government has also confirmed its intention to review the standard methodology over the next 18 months1. If the Government applies a different approach following this proposed review, it may be necessary for the Council to update its local housing needs assessment.

1 Government response to the technical consultation on updates to national planning policy and guidance (February 2019)

4.3 Paragraph 2.40 of The Assessment acknowledges that Paragraph 010 of the PPG includes a number of conditions where it may be appropriate to pursue a higher housing need figure than is indicated by the Standard Method. However, it goes on to state that *'this assessment is carried out on the basis that the standard method figure of 254 dwelling per annum will apply'*. The 'conditions' referred to within Paragraph 010 are:

- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
- strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
- an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.

4.4 Clearly, the third condition identified above is applicable to South Staffordshire, who has agreed to accommodate additional 4,000 dwellings to meet unmet need arising from within the GBBCHMA.

4.5 Similarly, the NPPG also indicates that if previous housing delivery has exceeded the minimum local housing need figure derived from the Standard Method, the Council should consider whether this level of delivery is indicative of greater housing need (PPG ID: 2a-010-20190220). In South Staffordshire District, housing delivery in 2018/19 was 273 dwellings per annum (19 dwellings greater than the local housing need figure).

4.6 Lastly, one of the most important factors in considering any uplift to the local housing need figure is ensuring that the number of new homes takes account of any changes that are anticipated in the local economy. It is relevant to consider current employment trends and how the projected growth of the economically active population fits with the future changes in job numbers in order to align future jobs growth with resident workers. This is particularly relevant given the intention to accommodate 4,000 new dwellings to accommodate needs arising from within the GBBCHMA. The Assessment is currently silent on this issue and should be updated accordingly.

4.7 Paragraph 2.42 states that: '…*The Council is required to provide up to 5,010 new homes between 2019 and 2037…*'. This should be corrected to read '*…2018 to 2037…*', to reflect the plan period of the Local Plan Review.

4.8 This paragraph also identifies that the Council has *'…set an upper limit of 9,000 new homes in total in the District over the plan period'*. No justification or evidence has been provided for this 'limit'. It is submitted by Taylor Wimpey that the total number of new homes to be planned for as part of the Local Plan Review should be 9,010 (5,010 arising from the Standard Method and 4,000 to meet unmet need from the GBBCHMA).

5.0 Chapter 3 – The Cost and Affordability of Housing

5.1 Paragraphs 3.2 – 3.3 of The Assessment identify that the average house prices within South Staffordshire District is 12.1% higher than the West Midlands region. However, it goes on to state that the dwelling profile of South Staffordshire is not directly comparable to that of the West Midlands region, in that the District has a greater proportion of detached properties than the rest of the region, thus inflating the average house price.

5.2 The Assessment therefore presents a 'mix adjusted average', concluding that equivalent properties in South Staffordshire are only 0.4% higher than those across the West Midlands Region as a whole.

5.3 Whilst Taylor Wimpey accepts the above position, it remains that the housing profile in South Staffordshire is fundamentally different to the West Midlands region as a whole. As such, anyone wishing to move from a neighbouring authority into South Staffordshire District, from one housing typology to another, are likely to face a relative increase in housing price.

5.4 This unaffordability is reflected within the Standard Method, which attributes an affordability ratio of 7.39 to South Staffordshire District, equating to an additional 45 dwellings per annum.

5.5 This relative (un)affordability should be reflected in the Council's overall housing requirement.

6.0 Chapter 4 – Type and Tenure of Future Housing Needed

6.1 Paragraph 4.4 identifies that the 'NMSS model' is utilised to determine the profile of the additional population anticipated to 2037. This model will utilise the 2016-based household projections as a starting point, as these projections include the most recent data on mortality rates and international migration.

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6.3 The first of these assumptions is that *'the additional homes required by the local housing need above and beyond those suggested by the latest household projections will be filled by additional people moving into the area from the rest of the UK.'* Taylor Wimpey fundamentally disagrees with this assumption. The purpose of the affordability uplift in the Standard Method is to compensate for an existing lack of affordability within an area, which acts as a barrier to home ownership. This barrier is as equally applicable to concealed households and first-time buyers as it is to persons moving into an area from a neighbouring authority.

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7.4 By way of comparison, Lichfield District Council utilises an assumption of 29%. This is based upon CLG guidance (of 2007), which suggested that 25% of income is a reasonable start point, but also notes that a different figure could be used2.

2 Lichfield District Council and Tamworth Borough Council – Housing and Economic Development Need Assessment (September 2019)

7.5 It is therefore contended that the Council should re-consider the 35% threshold and, as a minimum, test other scenarios. The difference between affordable housing need of 112 dwellings per annum (using 35% affordability threshold) and 178 dwellings per annum (using 30% affordability threshold) is significant, representing 44% or 70% of the District's local housing need figure respectively.

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8.4 The provision of specialist accommodation does not necessarily reduce the need for new non-specialist housing. As identified earlier within this representation, new households are commonly formed from concealed households or first-time buyers, rather than an existing homeowner moving to an alternative dwelling. The local housing need figure is not reduced by such a move.

RPS on behalf of IM Land

The Council's approach to Local Housing Need (Standard Method)

RPS has the following points to make on this:

- RPS does not wish to challenge the specific maths involved in deriving the final figure (254 dpa). However, this is based on the 2019-2029 average household growth projection and the 2018 affordability ratio (published in March 2019). On this basis, the Council will need to ensure that the inputs are kept up to date as the plan review process progresses; and
- RPS agrees with the Council's approach to dealing with the cap (step 3) of the standard method formula as mandated by the PPG, given the adoption date is the Local Plan is beyond 5 years.

The Council's approach to the Housing Requirement

- National policy and supporting practice guidance make clear that the local housing need should be considered as a 'minimum' figure and therefore the starting point for discussions on what should constitute an appropriate housing requirement for South Staffordshire (PPG Reference ID : 2a-002- 20190220).
- In this regard, the PPG makes clear that there may be circumstances where an uplift to the minimum figure is appropriate, including in relation to growth strategies and unmet need from neighbouring areas. The latter issue is clearly material to the consideration of the housing requirement in South Staffordshire in relation to the unmet need emanating from the Greater Birmingham/BC HMA.
- It is noted that the draft HMA is primarily focused on housing need issues. Nonetheless, it is still important for the Council to demonstrate that it has adequately addressed the issue of future employment growth, to ensure that there is an appropriate balance between homes (workers) and jobs.
- Similarly, an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes (PPG Reference ID: 2a-024- 20190220). RPS notes the evidence of a significant level of affordable housing need across the District (gross affordable need of 595dpa) that should be properly considered as part of the preferred options stage.

Affordable Housing Need

The Consultants representing the Council asked for specific comments on the affordability threshold assumptions applied in the calculation of affordable housing need. In this regard,

- The scale of affordable housing need is highly sensitive across the various income thresholds for affordability (as illustrated in Table 5.5 of the HMA).
- The thresholds considered in the draft HMA range from 25% to 35% of gross household income. The report recommends an affordable housing need of 112dpa (net) based on 25% housing affordability and is based on those households in need of social/affordable rented, intermediate rent and shared ownership properties (Table 5.4).
- However, Table 5.5 also highlights the need for affordable housing (364 dpa) based on consideration of affordable home ownership options. In our view, this would be more consistent with the definition of affordable housing in Annex 2 of the NPPF.
- Consequently, it is not clear as to why preference has been given to the lowest estimate of affordable housing need in the draft report given the impact of the sensitivity testing carried out.

Please accept these comments on the basis of the information available at this time. These comments are submitted without prejudice to responses submitted by other parties and any future representations submitted by the RPS/IML during the next stages of consultation in the preparation of the South Staffordshire Local Plan, at which time the Council's preferred options for policy requirements and proposed site allocations and other sources of housing land supply will be known.

Savills on behalf of Barratt

Further to the consultation event that Barratt West Midlands ('Barratt') attended in February 2020, I am writing to you in response to the South Staffordshire Council ('SSC') Draft Housing Market Assessment ('DHMA') consultation.

We consider that the standard method calculation set out in Chapter 2 accords with the calculation requirements of the Planning Practice Guidance ('PPG'). The housing need in South Staffordshire has been assessed as being 254 dwellings per year. As set out in the PPG, the standard method identifies a minimum annual housing need figure and does not produce a housing requirement figure (Reference ID: 2a-002- 20190220). Therefore, paragraphs 2.41 and 2.42 of the DHMA should not be referring to SSC being required to provide 5,010 dwellings for the proposed 19 year plan period to meet local housing need as this figure is based on the minimum standard method figure. Instead, the Council should consider whether there is justification to uplift the standard method figure. We consider that there is justification due the Greater Birmingham Housing Market Area ('GBHMA') shortfall. Paragraph 24 of the National Planning Policy Framework ('NPPF') requires local planning authorities to cooperate with each other on strategic matters that cross administrative boundaries. There is a significant housing shortfall within the GBHMA and SSC is part of this area. Therefore, it is our opinion that under the duty to cooperate the GBHMA authorities need to consider how they should address this strategic issue and distribute the housing across the HMA authorities.

The PPG also states that previous levels of housing delivery in an area or previous assessments of need can also be taken into account when determining housing need where they are greater than the standard method (Reference ID: 2a-010-20190220). The Housing Delivery Test (2019) shows that 273 dwellings were delivered in South Staffordshire between 2018-2019. The previous Strategic Housing Market Assessment ('SHMA') (2017) for South Staffordshire and the Black Country sets out a higher need for the District than the Standard Method, ranging from 259 – 270 dwellings (paragraph 7.20 of the SHMA). We therefore consider that identifying a higher need than the standard method figure could be justified by SSC as the standard method only identifies the minimum housing need and, as stated above, we consider there is justification to identify a higher housing need due to the GBHMA shortfall.

We support the SSC's approach to contribute housing towards the GBHMA shortfall as it accords with paragraph 60 of the NPPF which states that housing need that cannot be met in neighbouring authorities should be taken into account when establishing the amount of housing to be planned for. The PPG adds that housing need being higher than the standard method where an authority has agreed to accommodate unmet need from neighbouring authorities (Reference ID: 2a-010-20190220). Although we support a figure being provided to contribute towards meeting the GBHMA shortfall (4,000 dwellings proposed), at this time there is no agreement in place between the authorities to confirm the exact distribution figure. To accord with the PPG, the GBHMA Authorities should produce a Statement of Common Ground once they have agreed the distribution of the shortfall (Reference ID: 2a-010-20190220).

The PPG requires strategic policy-making authorities to calculate their local housing need figure at the start of the plan-making process and it requires that this number be kept under review and revised where appropriate until the Local Plan is submitted for Examination (Reference ID: 2a-008-20190220). This will be particularly important when / if the distribution of the HMA housing shortfall is agreed between the HMA authorities before Autumn 2021 when SSC expect to submit the Local Plan Review.

Paragraph 66 of the NPPF also states that local planning authorities should also look at need for different neighbourhood areas within the District to inform neighbourhood plans. This is a matter we think should be assessed within the DHMA because it currently does not include this detail and we consider that it would be beneficial for it to identify housing need and potential growth in key sustainable settlements in the District such as Kinver.

The SHMA (2017) suggested that housing delivery should be front loaded in Local Plans as the study area (including Black Country) had not delivered its housing need in full. This approach would allow the market to address any unmet need as quickly as possible. Although South Staffordshire District has been delivering housing in line with its requirement, it is part of the GBHMA which has a significant shortfall. In order to address the housing shortfall as swiftly as possible, we consider that front loading the SSC Local Plan could assist in delivering houses that are in close proximity to the Birmingham conurbation and can be delivered swiftly.

Staffordshire County Council

6.5 and 6.9 We very strongly support the principle outlined in the cited PPG quotations regarding the importance of a better choice of housing which would suit the changing needs of older people and help them to live independently for longer.

6.12 We have experienced a slight overestimation of need with the Housing LIN SHOP model as take up of extra care spaces has not been as expected, for instance we believe it overestimates the need for extra care by up to 40% and we have therefore applied some caution. The district council may wish to reference our findings here and add its own caveats or build in a level or range of flexibility into its projected requirements – please reference our market position evidence base for care homes and extra care.

6.13 We agree with the recommendation here about the types of accommodation and the need for a range of options to give choice and encourage schemes which prevent or delay social care needs.

6.14 We believe the reference to POPPI shows the number of people in care rather than the number of places available. This latter data is available in the Additional District level information our market position evidence base for care homes. This is based on actual data from the Care Quality Commission and includes forward housing needs modelling to 2039 based on PSSRU and Census data which takes into account other health and life limiting data. Our modelling shows the need for 940 care beds by 2039 as opposed to SSDC's modelling of 707 by 2037 which the district may also want to reference.

6.15 We agree with the need to plan the provision of specialist housing separately and to influence it through the Council's local planning and planning consent processes.

We recommend that there should be reference to the need for specialist housing locations to be considered in terms of their accessibility and connectivity to local services (shops, GPs, leisure amenities etc) and to public transport which will help people to stay independent for longer and reduce the risk of social isolation

WHG

Whilst the ever increasing demand for older persons housing is acknowledged our past experience of letting apartments for older people i.e those over 55 years of age at Swallow Place, Penkridge, has been met with challenge.

This scheme consisted of 65 new apartments, 45 two bedroom and 20 one bedroom, with fully fitted kitchens including electric oven, hob and extractor fan, fully integrated fridge freezer and washer dryer. A level access shower, fitted wardrobes and private balconies / patios.

There is a fitted communal lounge with its own kitchen, lounge furniture and TV along a with buggy store and private parking. The scheme was commissioned as all shared ownership on completion of the project. Six months after completion however only a small number of apartments were sold, demand was low despite using a local estate agent with their level of knowledge and expertise. At this point the business decided to review its strategy and in consultation with South Staffordshire Council agreed a mixed tenure scheme of shared ownership, outright sale and affordable rent. To date we have 34 residents in occupation and 31 remain unoccupied.

Our concerns relate to the above and whether the requirement for older persons accommodation needs to be more area specific .

Appendix 2. Details of the NMSS model

Overview

The NMSS model is an Excel spreadsheet model which seeks to replicate as closely as is reasonably practicable the methods used by MHCLG and ONS in producing the official population and household projections. It was developed by Neil McDonald to support local authorities and others in estimating objectively assessed housing needs. It has been widely used in Local Plan preparation; Local Plan examinations; and S78 planning appeals and inspectors have been happy to rely on its conclusions.

The model takes as its starting point a set of official projections – currentl the 2018-based projections. It is a 'stepping model' which means it takes one year's population figures and estimates of births, deaths and migration flows in the ensuing 12-month period to produce an estimate of the following year's population. That process is then repeated year by year until the end of the projection period is reached.

The estimates of births, deaths and migration flows are based on flow rates derived from official projections and these can be adjusted to produce variant projections. The flow rates are applied to the previous year's population which means that if the model is being used to explore, say, the consequences of assuming higher outflows of students than envisaged in the official projections, the impact this will have on births, deaths and migration flows is automatically taken into account.

Appendix 3. Detail of the calculation of the affordable housing need in South Staffordshire

This appendix sets out the results of the three broad stages of the model used to calculate affordable housing need. Within each of the three stages there are a number of detailed calculations many of which themselves have a number of components. This appendix presents details of how each of these stages is calculated using locally available data for South Staffordshire.

Stage 1: Current unmet gross need for affordable housing

The first stage of the model assesses current need. This begins with an assessment of housing suitability, before the affordability test is applied to determine the number of these households that require affordable housing and are therefore in current need.

The PPG sets out four particular categories of unsuitable housing that should be specifically identified. These are presented in the table below for South Staffordshire, which also indicates the number of households in each category and the source of the data. The final column represents the revised total for each of these categories once any double counting between them has been taken into account. Households can be unsuitably housed for more than one reason, so it is important that they are only counted once.

The first table shows that there are 1,962 households currently in unsuitable housing or lacking their own housing in South Staffordshire and the most common reason for unsuitability is overcrowding. This figure of 1,962 represents 4.1% of all households in the District.

Table A3.1 Current households who lack their own housing or live in unsuitable housing in South Staffordshire			
Element	*Source*	*Number of households*	*Revised number of households*
Homeless households	South Staffordshire Council's H-CLIC return for 4th quarter 2019.	51	51
Households in temporary accommodation	Section 9 of the Council's H-CLIC return.	3	0[95]
Overcrowded households	2011 Census modelled to January 2020. This was done by calculating the annual change in the number of overcrowded households (in terms of rooms not bedrooms as bedrooms were not included in the 2001 Census) recorded in South Staffordshire between the 2001 and 2011 Census. The nine-year change for each tenure recorded from this source was averaged against the latest nine-year change for each tenure recorded nationally by the English Housing Survey. This average was applied to the 2011 Census figures for overcrowding in each tenure to derive an estimate for 2020.	1,009	1,009
Concealed households*	2011 Census modelled to January 2020. This was done by calculating the annual change in the number of concealed households recorded in each authority between the 2001 and 2011 Census and applying this the number of concealed households identified in the 2011 Census.	801	667[96]
Other groups	The Council's housing register as of January 2020. Only households that are on the register due to a category of unsuitable housing are included (excluding overcrowded, temporary, concealed and homeless households accounted for above).	234	234
Total		2,098	1,962

Source: 2011 Census data modelled to 2020, the Council's Housing Register, the Council's H-CLIC return December 2019 *Concealed households include couples, people with young children and single adults over 25 sharing a kitchen, bathroom or WC with another household.

Affordability

Some of these households in unsuitable housing are likely to be able to afford alternative accommodation in the market sector without requiring subsidy. The ability of these households to afford the cost of entry-level market housing (whichever is the cheaper of entry-level private rent and entry-level owner-occupation) of the appropriate size (set out in Figures 3.4 and 3.7) is therefore tested. The housing register and the H-CLIC return detail the size of

[95] All households in temporary accommodation are included within the Homeless count.

[96] The 2011 Census indicated that 16.7% of concealed households were also overcrowded in South Staffordshire.

accommodation required by homeless households and households unsuitably housed for other reasons. For overcrowded households and concealed households, the household composition recorded for these households in the Census is used to determine the size requirement profile. To test overcrowded households the income distribution for each dwelling size requirement, identified using the CACI income profile for the District, is adjusted to reflect that nationally the income of overcrowded households is 96.8% of the figure for all households (according to the English Housing Survey). Similarly, for homeless, concealed and 'other' unsuitably housed households the income distribution is adjusted to reflect that nationally the income of Social Rented households is 53.7% of the figure for all households (according to the English Housing Survey).

These households in unsuitable housing or lacking their own housing are therefore tested for their ability to afford market housing in their authority using an affordability test where the cost of housing can constitute up to 35% of gross income and still be affordable in South Staffordshire[97]. The impact of using other thresholds is examined in the analysis in chapter 5. The table below shows the number of unsuitably housed households requiring different dwelling sizes and the proportion of these households able to afford the market-entry point (either to rent or to buy, whichever is cheaper). The number of households that are therefore in current need is shown in the final column.

Table A3.2 Affordability of households in unsuitable housing in South Staffordshire

Number of bedrooms required	*Unsuitable housed households*	*Percentage unable to afford both entry-level private rent and entry-level owner-occupation*	*Households in current need*
One bedroom	451	39.7%	179
Two bedroom	596	37.3%	223
Three bedroom	519	33.2%	172
Four or more bedrooms	396	41.7%	165
Total	1,962	37.7%	739

, 37.7% (739 households) of unsuitably housed households or households lacking their own housing in South Staffordshire are in current need. For the purposes of the housing needs assessment, households considered to be in housing need have been split into two categories: current occupiers of affordable housing in need that would make the property available when they move (this includes occupiers of Social Rented and Shared Ownership accommodation

[97] See Appendix 4 for the justification of this figure.

that are not living with another household currently), and other households. It is estimated that some 299 households in need in South Staffordshire currently live in affordable housing that would become available for reuse[98].

Total current need

The table below summarises the first stage of the assessment of affordable housing need as set out by PPG. The data shows that there are an estimated 739 households in current need in South Staffordshire.

Table A3.3 Stage 1: Current unmet gross need in South Staffordshire	
Component	
Homeless households and those in temporary accommodation	50
Overcrowded and concealed households	548
Other groups	141
Total current housing need (gross)	739

Stage 2: Newly arising affordable housing need

In addition to Current Need, there will also be Newly Arising (ongoing) Need. This forms the second stage of the affordable housing need model. This calculation, as per paragraph 021 of the PPG (Reference ID: 2a-021-20190220), is based on two elements:

- Number of newly forming households each year (× proportion unable to afford market housing)
- Plus existing households falling into need per year

Need from newly forming households

One of the outputs produced within the process of disaggregating the total housing need into a future population and household typology (as described in Chapter 4) is the calculation of the number of households that will form over the plan period in South Staffordshire. This figure is then averaged to provide an annual estimate for the number of newly forming households. Using this methodology, it is estimated that 887 new households will form per year in the South

[98] For those households who lack their own housing or live in unsuitable housing it was necessary to not only establish the number of housheolds in each category, but also their current tenure (alongside the type of household they were and the size of home they required). This was obtained from the original data sources detailed in Table 5.1.

Staffordshire area. This represents a household formation rate of 1.9%, higher than the figure of 1.4% recorded nationally by the English Housing Survey[99].

To assess the ability of these households to afford entry-level market housing (whichever is the cheaper of entry-level private rent and entry-level owner-occupation) of the appropriate size, the household composition for these new households identified within the disaggregation process are used to determine the appropriate size requirement profile. To test newly forming households' ability to afford market housing, the income distribution for each dwelling size requirement is adjusted to reflect that nationally the income of newly forming households is 70.2% of the figure for all households (according to the English Housing Survey). The table below details the derivation of newly arising need from newly forming households. It shows that 39.8% of newly forming households will be unable to afford market housing in South Staffordshire (both private rent and owner-occupation), which means that there will be an annual affordable housing requirement from 353 newly forming households.

Table A3.4 Newly arising need from new household formation (per annum) in South Staffordshire

Component	
Number of newly forming households	887
Proportion unable to afford entry-level market housing (both entry-level private rent and entry-level owner-occupation)	39.8%
Number of newly forming households requiring affordable accommodation	353

Existing households falling into need

The current PPG does not provide detail on how this step should be calculated, however the previous version (of the PPG) recommended that this figure is derived by looking at recent trends in households applying for affordable housing. Analysis of the lettings of affordable accommodation within South Staffordshire over the last three years indicates that there were 645 households that fell into need over the last three years in South Staffordshire, excluding those that were newly forming households (which have featured in the previous step). Annualised this is 215 (645/3) households per year in affordable housing need.

[99] The relatively high household formation rate reflects that increased household formation is being prioritised within the disaggregation of the local housing need figure as discussed in chapter 5, but also that the population in South Staffordshire is due to increase through in-migration from the Greater Birmingham Housing Market Area (as the Council helps meet the unmet need from this area), and these households will be younger on average than is typically in the District and will therefore result in greater household formation. It is also worth noting that whilst the figure of 1.7% may appear high, the household formation rate nationally was above 2% between 1995/16 and 2000/01 (and also in 2004/05) and it is only more recently that it has dropped below 1.8% for a sustained period (it was most recently 1.8% four years ago in 2012/13).

Total newly arising need

The table below summarises the second stage of the assessment of affordable housing need as set out by the PPG. The table indicates that 567 (353+215) households will be in newly arising need per annum in South Staffordshire.

Table A3.5 Stage 2 Newly arising need (per annum) in South Staffordshire	
Component	
New household formation (gross per year)	887
Proportion of new households unable to buy or rent in the market	39.8% (353)
Existing households falling into need	215
Total newly arising housing need (gross per year)	567

Stage 3: Current affordable housing supply

Paragraph 022 (Reference ID: 2a-022-20190220) of the PPG indicates that the current supply of stock available to offset the current need includes stock from current occupiers of affordable housing in need, surplus stock from vacant properties and the committed supply of new affordable units. Units to be taken out of management are removed from the calculation.

Current occupiers of affordable housing in need

It is important when considering net need levels to discount households already living in affordable housing. This is because the movement of such households within affordable housing will have an overall nil effect in terms of housing need. As established when calculating current need (paragraph 6 of this appendix), there are 299 households currently in need already living in affordable housing in South Staffordshire.

Surplus stock

A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. Established good practice suggests that if the vacancy rate in the affordable stock is in excess of 3%, some of the vacant units should be considered as surplus stock which can be included within the supply to offset housing need. South Staffordshire records a vacancy rate in the affordable sector of 0.3%. As the vacancy rate is lower than the 3% benchmark[100], no vacant dwellings are considered available to be brought back into use to increase the supply of affordable housing in South Staffordshire.

[100] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/11812/Strategic_Housing_Market_Assessments-_Practice_Guidance.pdf (page 47)

Committed supply of new affordable units

The PPG indicates that '*the committed supply of new net affordable homes at the point of the assessment (number and size)'* be taken into account within the model. The Council has provided their list of committed affordable housing developments as at January 2020. All of the sites have been examined and only those in which development at the site has started or where the site is expected to be delivered in 2020 have been included. In total, there are 432 new affordable homes committed across South Staffordshire currently (although it is acknowledged that these will be delivered over the next few years).

Planned units to be taken out of management

The PPG states that the *'units to be taken out of management'* should be quantified. The Council has indicated that there are no affordable housing replacement schemes that will lead to a net loss of affordable accommodation and so a figure of 0 is used for this stage.

Total current affordable housing supply

Having been through the four components in order to assess the current affordable housing supply, the stage of the model is summarised in the tables below. The data shows that there will be an estimated 731 affordable homes available in South Staffordshire.

Table A3.6 Stage 3 Affordable housing supply in South Staffordshire

Component	
Affordable dwellings occupied by households in need	299
Surplus stock	0
Committed supply of affordable housing	432
Units to be taken out of management	0
Total affordable housing stock available	731

Stage 4: Future housing supply of social re-lets and intermediate affordable housing

The future supply of affordable housing is the flow of affordable housing arising from the existing stock that is available to meet future need[101]. It is split between the annual supply of social re-lets and the annual supply of re-lets within the intermediate sector[102].

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[101] Whilst this is not a step that is detailed in the current PPG, it is logically required to reflect that there is a flow of housing becoming available to meet need as well as a flow of households requiring affordable housing (Stage 2 of the model). This stage has also been included in all previous iterations of this model that have been published in government guidance.

[102] The intermediate sector includes all affordable tenures other than social rented and Affordable Rented.

The future supply of Social/Affordable Rented housing

This is an estimate of likely future re-lets from the existing RSL rented stock (both social rent and Affordable Rent). Data on the affordable accommodation lettings within South Staffordshire over the last three years as recorded in the CORE LA Area Lettings tables[103]is used for this figure. The table below sets out the number of RSL rented lettings that have occurred in the last three years, excluding lets made within brand new properties (the figures only include re-lets). The average number of re-lets across the Social and Affordable Rented sector over the three-year period was 416 per annum in South Staffordshire.

Table A3.7 Past RSL rented supply (re-lets only)

Year	*Number of re-lets*
2015/16	440
2016/17	403
2017/18	405
Average	416

Source: Social Housing Lettings in England - Local Authority Level Tables 2015/16, 2016/17 and 2017/18

It should be noted that the affordable housing need model is an assessment of the housing market at a particular point of time (January 2020) and does not consider likely future changes to the housing market that may impact the results – such as future loss of affordable stock through Right-to-Buy or gain in affordable dwellings from future new build programmes[104].

Supply of intermediate housing

In most local authorities, the amount of intermediate housing (mostly Shared Ownership) available in the stock is fairly limited (as is the case in South Staffordshire). However, it is still important to consider to what extent the supply may be able to help those in need of affordable housing. Therefore, we include an estimate of the number of intermediate units that become available each year, based on applying the estimated re-let rate for the Social Rented sector[105] (6.3% in South Staffordshire) to the estimated stock for each form of intermediate housing. This is set out in the table below. It is estimated that around 24 units of intermediate housing

[103] CORE (COntinuous REcording) is a national information source funded by the Department for Communities and local Government that records information on the characteristics of both private registered providers and local authority new social housing tenants and the homes they rent and buy.

https://www.gov.uk/government/collections/rents-lettings-and-tenancies

[104] The loss of homes through Right-to-Buy would mean that the number of dwellings in the total stock is reduced so the re-let rate applies to a smaller total stock each year and will therefore produce a smaller supply of affordable housing. The reverse is true if future affordable housing delivery means that the total stock increase in size.

[105] This is calculated by dividing the average number of relets (416 as set out in the previous step) by the total stock of social and affordable housing as set out in the HCA's Statistical Data Return, 2019.

will become available to meet housing needs from the existing stock each year in the South Staffordshire.

Table A3.8 Estimated intermediate supply in South Staffordshire		
Intermediate tenure	*Stock*	*Annual re-lets*
Shared Ownership	378	24

Source: HCA's Statistical Data Return 2019, Council LAHS 2019

Annual future supply of affordable housing

The total future supply of affordable housing is the sum of the Social Rented supply and the intermediate supply as set out in the tables below.

Table A3.9 Stage 4 Future supply of all affordable housing (per annum) in South Staffordshire	
Component	
Annual supply of Social/Affordable Rented re-lets	416
Annual supply of intermediate housing available for re-let or resale at sub-market levels	24
Annual supply of all affordable housing	440

Appendix 4. Evidence to support the affordability threshold used in the report

The affordability threshold

As part of the process of identifying future needs for affordable housing, the Planning Practice Guidance (Paragraph: 021 Reference ID: 2a-021-20190220) states that planning authorities should *'identify the minimum household income required to access lower quartile (entry level) market housing (strategic policy-making authorities can use current costs in this process, but may wish to factor in anticipated changes in house prices and wages)'.* Current cost can be identified as the percentage of household income spent on housing in the local market at the time of the assessment. This can be assessed through both a quantitative and qualitative analysis of the local housing market. The results of this analysis are presented below.

Quantitative analysis

A comparison of the median private rent across South Staffordshire ascertained from the housing market price survey (set out in Figure 3.7) with the median household income in the private rented sector in the District (using the CACI income profiles summarised in Figure 2.8) shows that on average households in the tenure in South Staffordshire spend 34.8% of the household income on rent. When lower quartile household incomes in the private rented sector are compared to lower quartile rents it can be seen that households at this level in South Staffordshire typically spend 38.6% of their income on rent.

The information provided by CACI Paycheck, on the average amount paid on private rent by households in this tenure in South Staffordshire, can be compared to the average household income in the sector. This shows that private rented households spend on average 35.7% of their household income on private rent.

Qualitative research

The affordability thresholds in operation in the market have also been substantiated through discussions with letting agents and mortgage brokers about the workings of the local market. Landlords want to let property at a rent that the tenant can afford so to avoid the expense of recovering rent arrears, evictions and re-letting, and lenders want to avoid the expensive repossession process. Both go to some length to ensure properties are affordable to the tenants or occupiers. Letting agents use credit reference agencies (such as Experian) and lenders require potential borrowers to fill out very detailed forms on all aspects of a household's expenditure.

The comments from letting agents were varied (some did not wish to engage). It was clear that multi-person households (either living as couples or just together) spend a relatively greater proportion of their income on housing and that for larger properties this may be over 50%. The letting agents considered this to be affordable – because the household afforded it (as evidenced by the fact that they do not fall into arrears). Lower down the market, at the level we are considering (i.e. the lower quartile point) the general feedback was in the range of 30% to 40% of gross household income was affordable.

This evidence indicated that the lower quartile figures derived from the quantitative analysis would be too high to base the affordability test on and that the median figures are more appropriate. The median figures were then rounded down to the nearest 5% to better match the qualitative information and ensure the affordability thresholds used were not above average.

Conclusion

The report however is not trying to judge what is affordable but reflect how the market currently operates as per the Planning Practice Guidance - it presents a policy-off assessment of the level of affordable housing need. The market analysis presented above clearly shows that the current threshold in the South Staffordshire is 35%.

We include within the report the results of the model when alternative affordability thresholds are used to be transparent about the consequences of using this position, however the qualitative and quantitative data obtained from the market indicates that the baseline current position is as described.

Appendix 5. Sub-area results for the type and tenure of new housing needed

Introduction

Chapter 5 also presents the tenure and size of new accommodation required over the twenty-year plan period in South Staffordshire. This appendix sets out the equivalent results for each of the five constituent sub-areas of the District separately. The methodology behind the results is the same as described in Chapter 5. The sub-areas are introduced in paragraph 3.7.

Southern sub-area

The table below shows the tenure profile required by households resident in the Southern sub-area of South Staffordshire in 2038 time in comparison to the tenure profile recorded in the sub-area at the start of the plan period. The difference between these two distributions is the change required to the housing stock over this period. The results show that 63.8% of new housing in Southern sub-area of South Staffordshire should be owner-occupied, 12.2% private rented, 7.3% should be Shared Ownership and 16.7% Social Rent/Affordable Rent.

Table 5.4a Tenure of new accommodation required in the Southern sub-area over the 20 year plan period

Tenure	*Base tenure profile (2018)*	*Tenure profile 2038*	*Change required*	*% of change required*
Owner-occupied	8,742	10,267	1,525	63.8%
Private rent	1,274	1,564	291	12.2%
Shared Ownership	57	232	176	7.3%
Social Rent/Affordable Rent	1,561	1,960	399	16.7%
Total	11,632	14,023	2,391	100.0%

First Homes

This approach described in Chapter 5 identifies that, between 2018 and 2038, there would be a potential demand for 103 First Homes in the Southern sub-area of South Staffordshire, which would represent 4.3% of all new housing over this period. These figures are therefore deducted from the total requirement for private rented accommodation (where the LTBHM model presumes they would otherwise be housed). The demand for 103 First Homes in the Southern sub-area of South Staffordshire, identified using this process, should be treated as an indicative figure rather than an absolute target.

Size of housing required within each tenure

The tables below present the size of owner-occupied accommodation required in Southern sub-area of South Staffordshire in 20 years' time in comparison to the size profile recorded in the sector at the base date.

Table 5.5a Size of new owner-occupied accommodation required in the Southern sub-area over the next 20 years

Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	256	528	272	17.9%
Two bedroom	1,501	1,951	451	29.5%
Three bedroom	3,514	4,043	529	34.7%
Four or more bedrooms	3,471	3,745	274	17.9%
Total	8,742	10,267	1,525	100.0%

This analysis can be repeated for private rented housing and is presented in the table below.

Table 5.6a Size of new private rented accommodation required in the Southern sub-area over the next 20 years

Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	147	230	83	28.7%
Two bedroom	515	595	80	27.6%
Three bedroom	408	471	63	21.6%
Four or more bedrooms	204	269	64	22.2%
Total	1,274	1,564	291	100.0%

The table below sets out the equivalent analysis for Shared Ownership housing.

Table 5.7a Size of new Shared Ownership accommodation required in the Southern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	15	61	47	26.5%
Two bedroom	18	77	59	33.7%
Three bedroom	18	66	48	27.5%
Four or more bedrooms	6	28	22	12.3%
Total	57	232	176	100.0%

The table below shows the size of accommodation required in the Affordable Rented/Social Rented sector.

Table 5.8a Size of new Social Rent/Affordable Rent required in the Southern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	521	587	66	16.5%
Two bedroom	562	709	147	36.7%
Three bedroom	448	554	105	26.4%
Four or more bedrooms	29	110	81	20.3%
Total	1,561	1,960	399	100.0%

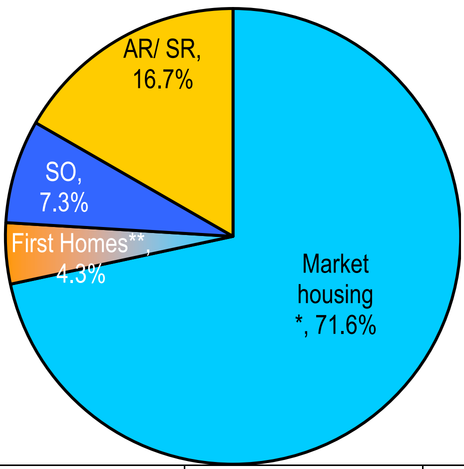
The table below shows the size of First Homes that would be required to house some households that would otherwise reside in the private rented sector. The residual private rented requirement, once the potential demand from households for this alternative product has been deducted, is also set out in the table.

Table 5.9a Potential demand for First Homes in the Southern sub-area over the next 20 years				
Size of home	*First Homes*		*Residual private rented homes*	
	Number required	*Proportion required*	*Number required*	*Proportion required*
One bedroom	35	33.4%	49	26.0%
Two bedroom	30	29.4%	50	26.5%
Three bedroom	26	25.3%	37	19.6%
Four or more bedrooms	12	11.9%	52	27.8%
Total	103	100.0%	187	100.0%

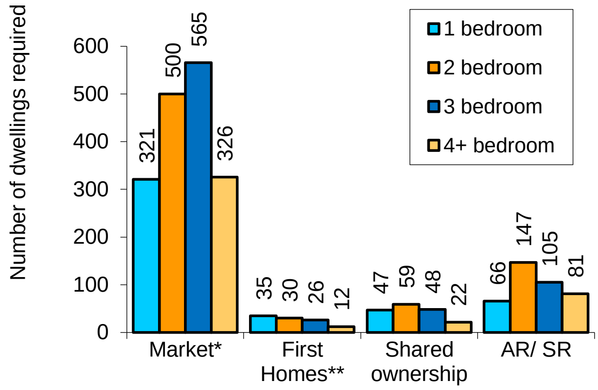
The figure and table below summarises the results for presented for each tenure individually above (with the two market tenures merged) and shows the profile of new housing required in the Southern sub-area of South Staffordshire over the next 20 years.

Table 5.10a Profile of new accommodation required in the Southern sub-area

Tenure split



Size profile



Size of home	*Market housing**	*First Homes***	*Shared Ownership*	*Social/ Affordable Rented*
1 bedroom	321	35	47	66
2 bedroom	500	30	59	147
3 bedroom	565	26	48	105
4+ bedrooms	326	12	22	81
Total	1,713	103	176	399

*Market housing includes both owner-occupied and private rented **First Homes figures represent potential demand rather than a requirement. These figures represent the distribution of housing that should be delivered.

Northern sub-area

The table below shows the tenure profile required by households resident in the Northern sub-area of South Staffordshire in 2038 time in comparison to the tenure profile recorded in the sub-area at the start of the plan period. The difference between these two distributions is the change required to the housing stock over this period. The results show that 69.8% of new housing in Northern sub-area of South Staffordshire should be owner-occupied, 10.5% private rented, 6.0% should be Shared Ownership and 13.7% Social Rent/Affordable Rent.

Table 5.4b Tenure of new accommodation required in the Northern sub-area over the 20 year plan period				
Tenure	*Base tenure profile (2018)*	*Tenure profile 2038*	*Change required*	*% of change required*
Owner-occupied	4,799	5,593	794	69.8%
Private rent	816	935	120	10.5%
Shared Ownership	122	190	68	6.0%
Social Rent/Affordable Rent	960	1,116	156	13.7%
Total	6,696	7,834	1,138	100.0%

First Homes

This approach described in Chapter 5 identifies that, between 2018 and 2038, there would be a potential demand for 61 First Homes in the Northern sub-area of South Staffordshire, which would represent 5.4% of all new housing over this period. These figures are therefore deducted from the total requirement for private rented accommodation (where the LTBHM model presumes they would otherwise be housed). The demand for 61 First Homes in the Northern sub-area of South Staffordshire, identified using this process, should be treated as an indicative figure rather than an absolute target.

Size of housing required within each tenure

The tables below present the size of owner-occupied accommodation required in Northern sub-area of South Staffordshire in 20 years' time in comparison to the size profile recorded in the sector at the base date.

Table 5.5b Size of new owner-occupied accommodation required in the Northern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	41	219	177	22.3%
Two bedroom	610	868	258	32.4%
Three bedroom	2,173	2,402	229	28.9%
Four or more bedrooms	1,975	2,105	130	16.4%
Total	4,799	5,593	794	100.0%

This analysis can be repeated for private rented housing and is presented in the table below.

Table 5.6b Size of new private rented accommodation required in the Northern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	51	85	34	28.5%
Two bedroom	265	309	43	36.3%
Three bedroom	373	386	14	11.4%
Four or more bedrooms	127	156	28	23.7%
Total	816	935	120	100.0%

The table below sets out the equivalent analysis for Shared Ownership housing.

Table 5.7b Size of new Shared Ownership accommodation required in the Northern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	17	39	22	31.9%
Two bedroom	37	61	25	36.0%
Three bedroom	52	65	13	18.9%
Four or more bedrooms	16	25	9	13.2%
Total	122	190	68	100.0%

The table below shows the size of accommodation required in the Affordable Rented/Social Rented sector.

Table 5.8b Size of new Social Rent/Affordable Rent required in the Northern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	127	169	42	26.9%
Two bedroom	514	554	40	25.7%
Three bedroom	306	333	27	17.1%
Four or more bedrooms	12	59	47	30.3%
Total	960	1,116	156	100.0%

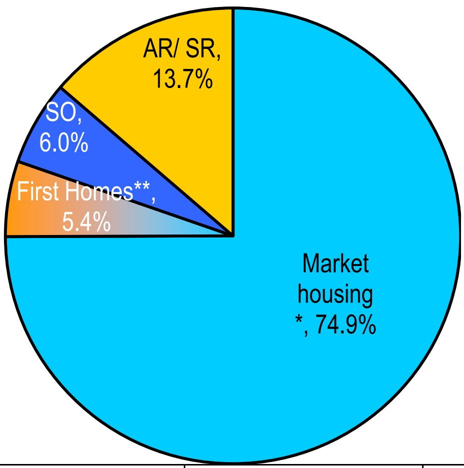
The table below shows the size of First Homes that would be required to house some households that would otherwise reside in the private rented sector. The residual private rented requirement, once the potential demand from households for this alternative product has been deducted, is also set out in the table.

Table 5.9b Potential demand for First Homes in the Northern sub-area over the next 20 years				
Size of home	*First Homes*		*Residual private rented homes*	
	Number required	*Proportion required*	*Number required*	*Proportion required*
One bedroom	19	31.7%	15	25.2%
Two bedroom	24	38.8%	20	33.8%
Three bedroom	10	16.6%	4	6.1%
Four or more bedrooms	8	12.9%	20	35.0%
Total	61	100.0%	59	100.0%

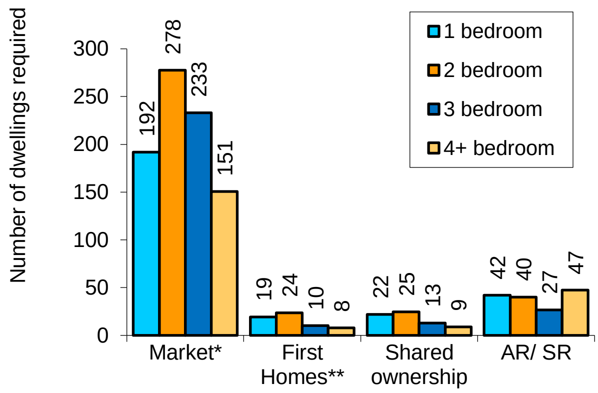
The figure and table below summarises the results for presented for each tenure individually above (with the two market tenures merged) and shows the profile of new housing required in the Northern sub-area of South Staffordshire over the next 20 years.

Table 5.10b Profile of new accommodation required in the Northern sub-area

Tenure split



Size profile



Size of home	*Market housing**	*First Homes***	*Shared Ownership*	*Social/ Affordable Rented*
1 bedroom	192	19	22	42
2 bedroom	278	24	25	40
3 bedroom	233	10	13	27
4+ bedrooms	151	8	9	47
Total	853	61	68	156

*Market housing includes both owner-occupied and private rented **First Homes figures represent potential demand rather than a requirement. These figures represent the distribution of housing that should be delivered.

North Western sub-area

The table below shows the tenure profile required by households resident in the North Western sub-area of South Staffordshire in 2038 time in comparison to the tenure profile recorded in the sub-area at the start of the plan period. The difference between these two distributions is the change required to the housing stock over this period. The results show that 64.9% of new housing in North Western sub-area of South Staffordshire should be owner-occupied, 12.3% private rented, 6.5% should be Shared Ownership and 16.3% Social Rent/Affordable Rent.

Table 5.4c Tenure of new accommodation required in the North Western sub-area over the 20 year plan period

Tenure	*Base tenure profile (2018)*	*Tenure profile 2038*	*Change required*	*% of change required*
Owner-occupied	3,595	4,265	670	64.9%
Private rent	756	883	127	12.3%
Shared Ownership	38	105	67	6.5%
Social Rent/Affordable Rent	544	712	168	16.3%
Total	4,933	5,966	1,033	100.0%

First Homes

This approach described in Chapter 5 identifies that, between 2018 and 2038, there would be a potential demand for 62 First Homes in the North Western sub-area of South Staffordshire, which would represent 6.0% of all new housing over this period. These figures are therefore deducted from the total requirement for private rented accommodation (where the LTBHM model presumes they would otherwise be housed). The demand for 62 First Homes in the North Western sub-area of South Staffordshire, identified using this process, should be treated as an indicative figure rather than an absolute target.

Size of housing required within each tenure

The tables below present the size of owner-occupied accommodation required in North Western sub-area of South Staffordshire in 20 years' time in comparison to the size profile recorded in the sector at the base date. It should be noted that there is a very close distribution between two, three and four bedroom owner-occupied homes within this sub-area. The main reason for the four bedroom requirement being relatively high is that the occupation patterns amongst some wealthy household groups in this sub-area being projected to continue (couple households with children most notably, it may however be that in the future these households will be more evenly spread across the District and therefore the requirement for four-bedroom owner-occupied homes may be relatively lower in the North Western area and higher in other sub-areas.

Table 5.5c Size of new owner-occupied accommodation required in the North Western sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	121	220	99	14.8%
Two bedroom	649	844	195	29.1%
Three bedroom	1,442	1,622	179	26.8%
Four or more bedrooms	1,383	1,579	197	29.4%
Total	3,595	4,265	670	100.0%

This analysis can be repeated for private rented housing and is presented in the table below.

Table 5.6c Size of new private rented accommodation required in the North Western sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	73	105	32	25.4%
Two bedroom	269	319	51	39.8%
Three bedroom	295	311	16	12.5%
Four or more bedrooms	120	148	28	22.3%
Total	756	883	127	100.0%

The table below sets out the equivalent analysis for Shared Ownership housing.

Table 5.7c Size of new Shared Ownership accommodation required in the North Western sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	10	28	18	26.6%
Two bedroom	12	35	23	33.8%
Three bedroom	12	31	18	27.1%
Four or more bedrooms	4	12	8	12.4%
Total	38	105	67	100.0%

The table below shows the size of accommodation required in the Affordable Rented/Social Rented sector.

Table 5.8c Size of new Social Rent/Affordable Rent required in the North Western sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	112	153	41	24.5%
Two bedroom	278	306	28	16.6%
Three bedroom	138	189	51	30.5%
Four or more bedrooms	17	64	48	28.3%
Total	544	712	168	100.0%

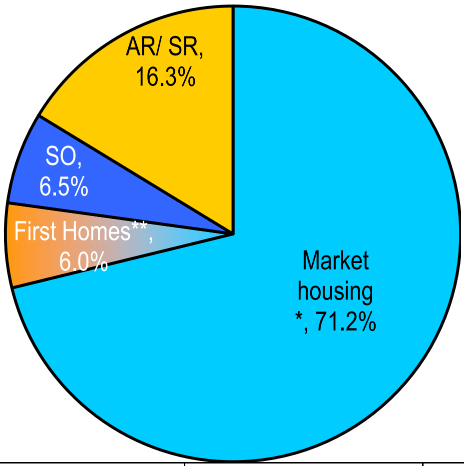
The table below shows the size of First Homes that would be required to house some households that would otherwise reside in the private rented sector. The residual private rented requirement, once the potential demand from households for this alternative product has been deducted, is also set out in the table.

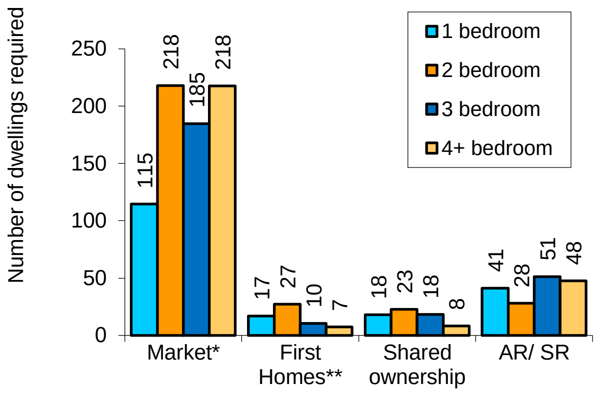
Table 5.9c Potential demand for First Homes in the North Western sub-area over the next 20 years				
Size of home	*First Homes*		*Residual private rented homes*	
	Number required	*Proportion required*	*Number required*	*Proportion required*
One bedroom	17	27.2%	16	23.8%
Two bedroom	27	43.9%	23	35.9%
Three bedroom	10	16.9%	5	8.4%
Four or more bedrooms	7	12.0%	21	32.0%
Total	62	100.0%	65	100.0%

The figure and table below summarises the results for presented for each tenure individually above (with the two market tenures merged) and shows the profile of new housing required in the North Western sub-area of South Staffordshire over the next 20 years.

Table 5.10c Profile of new accommodation required in the North Western sub-area

Tenure split	Size profile





Size of home	*Market housing**	*First Homes***	*Shared Ownership*	*Social/ Affordable Rented*
1 bedroom	115	17	18	41
2 bedroom	218	27	23	28
3 bedroom	185	10	18	51
4+ bedrooms	218	7	8	48
Total	735	62	67	168

*Market housing includes both owner-occupied and private rented **First Homes figures represent potential demand rather than a requirement. These figures represent the distribution of housing that should be delivered.

North Eastern sub-area

The table below shows the tenure profile required by households resident in the North Eastern sub-area of South Staffordshire in 2038 time in comparison to the tenure profile recorded in the sub-area at the start of the plan period. The difference between these two distributions is the change required to the housing stock over this period. The results show that 63.2% of new housing in North Eastern sub-area of South Staffordshire should be owner-occupied, 18.0% private rented, 7.5% should be Shared Ownership and 11.4% Social Rent/Affordable Rent.

Table 5.4d Tenure of new accommodation required in the North Eastern sub-area over the 20 year plan period				
Tenure	*Base tenure profile (2018)*	*Tenure profile 2038*	*Change required*	*% of change required*
Owner-occupied	9,128	10,344	1,217	63.2%
Private rent	1,007	1,352	346	18.0%
Shared Ownership	46	190	144	7.5%
Social Rent/Affordable Rent	1,919	2,137	219	11.4%
Total	12,099	14,024	1,925	100.0%

First Homes

This approach described in Chapter 5 identifies that, between 2018 and 2038, there would be a potential demand for 121 First Homes in the North Eastern sub-area of South Staffordshire, which would represent 6.3% of all new housing over this period. These figures are therefore deducted from the total requirement for private rented accommodation (where the LTBHM model presumes they would otherwise be housed). The demand for 121 First Homes in the North Eastern sub-area of South Staffordshire, identified using this process, should be treated as an indicative figure rather than an absolute target.

Size of housing required within each tenure

The tables below present the size of owner-occupied accommodation required in North Eastern sub-area of South Staffordshire in 20 years' time in comparison to the size profile recorded in the sector at the base date.

Table 5.5d Size of new owner-occupied accommodation required in the North Eastern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	79	329	251	20.6%
Two bedroom	1,440	1,806	366	30.0%
Three bedroom	4,965	5,239	274	22.6%
Four or more bedrooms	2,644	2,970	326	26.8%
Total	9,128	10,344	1,217	100.0%

This analysis can be repeated for private rented housing and is presented in the table below.

Table 5.6d Size of new private rented accommodation required in the North Eastern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	72	152	80	23.2%
Two bedroom	432	531	99	28.7%
Three bedroom	423	497	73	21.1%
Four or more bedrooms	80	173	93	27.0%
Total	1,007	1,352	346	100.0%

The table below sets out the equivalent analysis for Shared Ownership housing.

Table 5.7d Size of new Shared Ownership accommodation required in the North Eastern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	5	37	31	21.8%
Two bedroom	16	66	50	34.7%
Three bedroom	20	66	46	31.8%
Four or more bedrooms	4	21	17	11.7%
Total	46	190	144	100.0%

The table below shows the size of accommodation required in the Affordable Rented/Social Rented sector.

Table 5.8d Size of new Social Rent/Affordable Rent required in the North Eastern sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	221	283	62	28.3%
Two bedroom	1,091	1,139	48	22.0%
Three bedroom	593	627	34	15.7%
Four or more bedrooms	13	88	74	34.0%
Total	1,919	2,137	219	100.0%

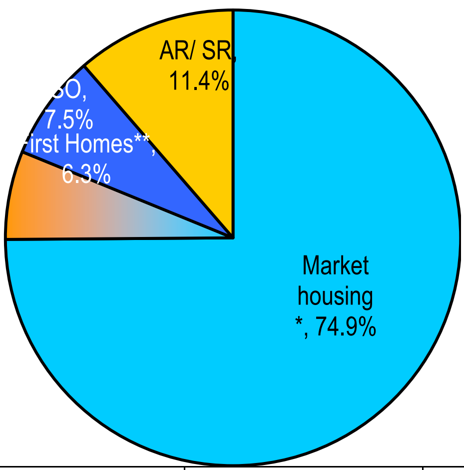
The table below shows the size of First Homes that would be required to house some households that would otherwise reside in the private rented sector. The residual private rented requirement, once the potential demand from households for this alternative product has been deducted, is also set out in the table.

Table 5.9d Potential demand for First Homes in the North Eastern sub-area over the next 20 years				
Size of home	*First Homes*		*Residual private rented homes*	
	Number required	*Proportion required*	*Number required*	*Proportion required*
One bedroom	30	24.5%	50	22.5%
Two bedroom	40	33.5%	59	26.1%
Three bedroom	33	27.2%	40	17.9%
Four or more bedrooms	18	14.8%	75	33.5%
Total	121	100.0%	225	100.0%

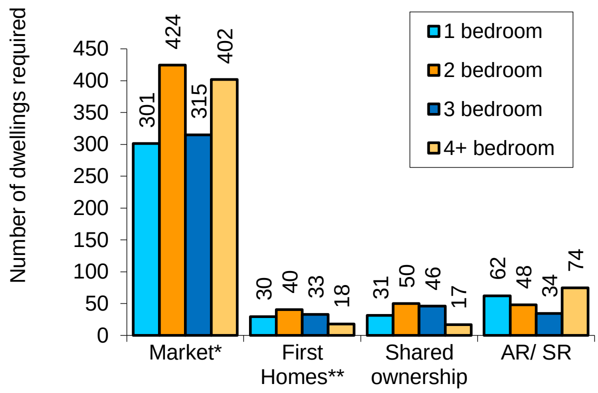
The figure and table below summarises the results for presented for each tenure individually above (with the two market tenures merged) and shows the profile of new housing required in the in North Eastern sub-area of South Staffordshire over the next 20 years.

Table 5.10d Profile of new accommodation required in the North Eastern sub-area

Tenure split



Size profile



Size of home	*Market housing**	*First Homes***	*Shared Ownership*	*Social/ Affordable Rented*
1 bedroom	301	30	31	62
2 bedroom	424	40	50	48
3 bedroom	315	33	46	34
4+ bedrooms	402	18	17	74
Total	1,442	121	144	219

*Market housing includes both owner-occupied and private rented **First Homes figures represent potential demand rather than a requirement. These figures represent the distribution of housing that should be delivered.

Central sub-area

The table below shows the tenure profile required by households resident in the Central sub-area of South Staffordshire in 2038 time in comparison to the tenure profile recorded in the sub-area at the start of the plan period. The difference between these two distributions is the change required to the housing stock over this period. The results show that 67.1% of new housing in Central sub-area of South Staffordshire should be owner-occupied, 13.4% private rented, 6.3% should be Shared Ownership and 13.2% Social Rent/Affordable Rent.

Table 5.4e Tenure of new accommodation required in the Central sub-area over the 20 year plan period

Tenure	*Base tenure profile (2018)*	*Tenure profile 2038*	*Change required*	*% of change required*
Owner-occupied	8,164	9,896	1,732	67.1%
Private rent	1,172	1,518	347	13.4%
Shared Ownership	114	276	162	6.3%
Social Rent/Affordable Rent	1,639	1,980	340	13.2%
Total	11,089	13,670	2,581	100.0%

First Homes

This approach described in Chapter 5 identifies that, between 2018 and 2038, there would be a potential demand for 151 First Homes in the Central sub-area of South Staffordshire, which would represent 5.8% of all new housing over this period. These figures are therefore deducted from the total requirement for private rented accommodation (where the LTBHM model presumes they would otherwise be housed). The demand for 151 First Homes in the Central sub-area of South Staffordshire, identified using this process, should be treated as an indicative figure rather than an absolute target.

Size of housing required within each tenure

The tables below present the size of owner-occupied accommodation required in Central sub-area of South Staffordshire in 20 years' time in comparison to the size profile recorded in the sector at the base date.

Table 5.5e Size of new owner-occupied accommodation required in the Central sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	227	532	305	17.6%
Two bedroom	1,304	1,815	511	29.5%
Three bedroom	3,607	4,096	489	28.2%
Four or more bedrooms	3,026	3,453	427	24.7%
Total	8,164	9,896	1,732	100.0%

This analysis can be repeated for private rented housing and is presented in the table below.

Table 5.6e Size of new private rented accommodation required in the Central sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	151	214	63	18.3%
Two bedroom	435	552	117	33.8%
Three bedroom	431	517	87	25.0%
Four or more bedrooms	156	235	79	22.9%
Total	1,172	1,518	347	100.0%

The table below sets out the equivalent analysis for Shared Ownership housing.

Table 5.7e Size of new Shared Ownership accommodation required in the Central sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	34	75	41	25.5%
Two bedroom	39	92	54	33.0%
Three bedroom	33	79	45	28.0%
Four or more bedrooms	8	30	22	13.5%
Total	114	276	162	100.0%

The table below shows the size of accommodation required in the Affordable Rented/Social Rented sector.

Table 5.8e Size of new Social Rent/Affordable Rent required in the Central sub-area over the next 20 years				
Size of home	*Base size profile (2018)*	*Size profile 2038*	*Change required*	*% of change required*
One bedroom	571	621	50	14.7%
Two bedroom	653	738	85	24.9%
Three bedroom	394	517	123	36.1%
Four or more bedrooms	21	103	83	24.3%
Total	1,639	1,980	340	100.0%

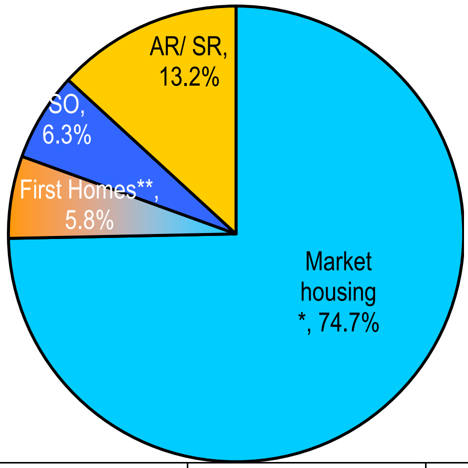
The table below shows the size of First Homes that would be required to house some households that would otherwise reside in the private rented sector. The residual private rented requirement, once the potential demand from households for this alternative product has been deducted, is also set out in the table.

Table 5.9e Potential demand for First Homes in the Central sub-area over the next 20 years				
Size of home	*First Homes*		*Residual private rented homes*	
	Number required	*Proportion required*	*Number required*	*Proportion required*
One bedroom	27	18.0%	36	18.5%
Two bedroom	60	39.6%	58	29.4%
Three bedroom	45	30.2%	41	21.0%
Four or more bedrooms	18	12.2%	61	31.2%
Total	151	100.0%	196	100.0%

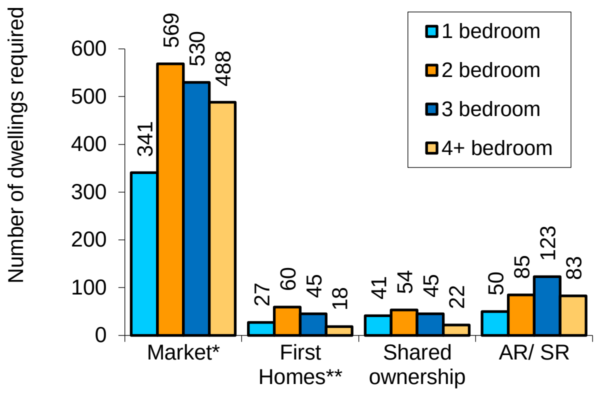
The figure and table below summarises the results for presented for each tenure individually above (with the two market tenures merged) and shows the profile of new housing required in the Central sub-area of South Staffordshire over the next 20 years.

Table 5.10e Profile of new accommodation required in the Central sub-area

Tenure split



Size profile



Size of home	*Market housing**	*First Homes***	*Shared Ownership*	*Social/ Affordable Rented*
1 bedroom	341	27	41	50
2 bedroom	569	60	54	85
3 bedroom	530	45	45	123
4+ bedrooms	488	18	22	83
Total	1,928	151	162	340

*Market housing includes both owner-occupied and private rented **First Homes figures represent potential demand rather than a requirement. These figures represent the distribution of housing that should be delivered.

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- Housing market area wide and site specific Viability Analysis
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