



Affordable housing needs in Marlborough Area Neighbourhood Plan – update of 2017 study by Cobweb Consulting

Background

1. In November 2016 Marlborough Area Neighbourhood Plan (MANP) Housing Steering Group commissioned Cobweb Consulting to carry out a survey of housing need in the town and associated parishes of Mildenhall, Savernake and Preshute that comprised the area designated for a potential Neighbourhood Plan. The report was finalised in May 2017. It covered the period 2014 – 2026. Every household in the area was sent a questionnaire or given the opportunity to complete the survey on-line. Some 4,217 questionnaires were distributed, and 24% were completed.
2. Analysis of the data concluded that 107 households wishing to move in the next five years would need social or affordable rented housing, and that 68 households wishing to move in the same period would need shared housing. Averaged over the five-year period this gave an estimate of 35 households per annum.
3. In informal comments on the Housing Need Study (HNS), Wiltshire Council have made the following points:
 - The Approved Development Strategies (ADS) for Wiltshire indicates affordable housing need for Marlborough in the range 50-250 dwellings over the period up to 2036.
 - The identified need from the HNS is for more than 100 affordable homes over the next five years, suggesting that the total housing need to 2036 for the Marlborough area, would be in excess of 250 homes.
 - The housing need survey identifies short term affordable need expressed by households seeking to move in the next 5 years rather than the affordable need identified from backlog need and newly emerging demographic need over the full plan period up to 2036.

- After the immediate future, the subsequent need for affordable homes in Marlborough is likely to be lower in the long term (though no evidence is presented to support this assertion).
 - The HNA does not therefore provide robust and compelling evidence to justify a different approach to the strategic policies in the Local Plan.
4. MANP has now commissioned Cobweb Consulting to provide additional evidence to address these comments and the need for affordable housing, as a supplement to the 2017 HNS, and to extend its timeframe to 2036. This paper sets out our findings.

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5. A Strategic Housing Market Assessment (SHMA) for Swindon and Wiltshire was published in 2017 and is available at www.wiltshire.gov.uk/spp-shma-2017-final. Since the SHMA was completed, the government has made major changes to the National Planning Policy Framework (NPPF) and to Planning Practice Guidance (PPG) which have required revisions to the assessment of the **overall level of housing need** in Wiltshire, but no significant changes have been made to the methodology for assessing **the need for affordable housing**. The methodology used to produce the SHMA estimate of affordable housing need is not described in detail, but we assume that the commissioning Councils considered it compliant with NPPF. The 2017 SHMA estimated that across the whole of Wiltshire there was a need for 14,376 **affordable** housing units over the period 2016-2036, an annual average of $14,376/20=719$ units pa. This is not the same as the overall need for new housing.
6. Our approach to updating the HNS and addressing Wiltshire Council's comments has been to take the post-HNS evidence now available from the SHMA, which was commissioned and agreed by Wiltshire Council, and apply the relevant methodology for assessing affordable housing requirements to the sub-area covered by the MANP.
7. The SHMA does not disaggregate affordable need below local authority level to provide an estimate of the level of need in Marlborough. To develop a basis for disaggregating the Wiltshire-wide estimate of affordable need we considered the factors which are likely to affect the distribution of affordable need across Wiltshire, taking into account also the practical consideration of the availability of data for Marlborough specifically. Two main factors are likely to affect affordable need.
8. **The proportion of people in the county who are in the age groups which most frequently generate new households.** To estimate this we have aggregated the number of people in age groups up to 30 years as even young children will be of

household forming age towards the end of the plan period. Estimates of population are published annually by the Office of National Statistics of population by single year of age for Middle Layer Super Output Areas (MSOAs) in England and Wales (*Table SAPE21DT3a*, ONS 2019). Three MSOAs (referenced E02006634, E02006635 and E02006636) provide a reasonable approximation of the area served by Marlborough Town Council. These MSOAs in aggregate contained 4.45% of the population of Wiltshire aged up to 30 in 2018. This percentage could simply be applied to the SHMA estimate of annual affordable housing need across Wiltshire to give an estimate of the level of need in Marlborough. **This estimate is 639 units over the 2016-2036 period, or 32 units per annum.**

9. **The relative affordability of housing** should also be considered, since if housing were more or less affordable in Marlborough than average, the level of affordable need would require adjustment to reflect this. Affordability is normally measured by a comparison of house prices and incomes. The Office of National Statistics publishes estimates of the ratio of house prices to household incomes at MSOA level, the most recent available data being for 2018 (*Housing affordability ratios for middle layer super output areas, England and Wales, year ending March 2018, ONS undated*). The average ratio across the whole of Wiltshire was 8.8. All the three MSOAs approximating to the area served by Marlborough Town Council had ratios in excess of the county average, suggesting that housing in Marlborough is relatively less affordable than the county average.
10. To adjust the estimate above to take account of housing affordability, the population of each MSOA in Marlborough aged up to 30 years was weighted by its affordability ratio relative to the county average. The resulting estimates of affordable need were then controlled so that the estimates for all MSOAs in the county added up to the SHMA's county total. **This indicates a higher level of affordable need in Marlborough, of 781 units over the 2016-2036 period, or 39 units per annum.** We consider this a more accurate apportionment, as it reflects house prices and incomes as well as the underlying demographic trend.

Comparing the SHMA-derived affordable housing need and the HNS affordable housing need

11. An advantage of apportioning the overall county estimate of affordable housing need to Marlborough (and potentially to other areas within the county) is that it is consistent with the level of need for the county as a whole prepared by or on behalf of Wiltshire Council in the SHMA. The methodology allows for the ready adjustment of the estimate for Marlborough if there are any subsequent changes to the county total of affordable need, or to the ONS population and house price/income estimates.

12. We have examined a number of further variations on the approach to apportioning affordable housing need in Wiltshire to derive an estimate for Marlborough, including simple per capita or per household apportionments. All lead to minor variations in the total. However, it is the scale of the county-wide estimate of 14,376 units of affordable need which is the main determinant of the scale of need in Marlborough. All similar apportionment approaches result in an overall need in the region of 700 units per annum for the period 2016-2036 and an annual average in the region of 35 units or more per annum.
13. The estimate of affordable need derived from the Housing Need Survey was noted above as 35 households per annum. This falls between but is close to both of the estimates derived by apportionment of the SHMA's county-wide need total. **This gives us further confidence that these estimates are robust.**
14. It should be noted that the HNS estimate was firmly based on actual responses to the survey and were not grossed up to reflect the overall number of households in the area (remembering that there was a 24% response rate). The report thus makes it clear that while many of those wishing to move into affordable housing would have taken the opportunity to express their views, not all will have done so. The estimates should therefore be taken as a minimum.
15. Both the estimates produced (in paras. 8 and 10) are substantially above provision for 50-250 affordable units referred to by Wiltshire Council in their comments on the MANP. We consider that, provided that the county-wide estimate of affordable housing need is robust, the approach to apportionment set out here takes account of the main factors likely to influence the distribution of affordable need within the county. **The estimates are need-based rather than being constrained by land availability or other considerations.** Both NPPF and PPG require councils to plan to meet the identified need in an appropriate way. Subsequently, other considerations may need to be considered in establishing the appropriate overall level of housing development and the target for affordable housing in the Marlborough area.
16. Options could include increasing the overall volume of development to ensure 43% affordable development met requirements. Or flexing the 43% upwards in the Marlborough area, to help meet local affordable housing needs.

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