

Housing Needs Statement

Caversham Park, Caversham, Reading

On behalf of Beechcroft Developments Ltd.

Date: 21st February 2023 | Pegasus Ref: P23-0278

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Document Management.

Version	Date	Author	Checked/ Approved by:	Reason for revision
RO01v1	21/02/23	NT		



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1. INTRODUCTION

- 1.1. Pegasus Group has been instructed by Beechcroft Developments Ltd to assess the need for sheltered/retirement housing, care home bedspaces, assisted living housing, affordable housing and housing more generally insofar as this will be relevant to the determination of the planning application at Caversham Park.
- 1.2. The need for and benefits arising from the provision of specialist accommodation for older people have been assessed in Appendix 1 of this report. These findings as well as the need for affordable housing and housing more generally are drawn together in this Housing Needs Statement.



2. THE HOUSING CRISIS

The National Position

- 2.1. The national housing crisis is well documented and evidenced in a vast array of documents, including in relation to its causes, its implications and the necessary response as briefly described below.
- 2.2. The housing crisis has arisen largely as a result of the discrepancy between the number of homes built and the need. The Barker Review in 2004 identified that there was a need to build circa 250,000 homes per annum nationally to prevent spiralling house prices and a shortage of affordable homes. However, in the period 2004 to 2012, an average of only 178,000 homes per annum were built.
- 2.3. The former NPPF was then introduced in 2012 containing the Government objectives to significantly boost the supply of housing and to meet housing needs. However, in the period from 2012 to 2016, an average of only 155,000 homes per annum were built.
- 2.4. As a result of the continued shortfall against the need identified in the Barker Review, the Select Committee on Economic Affairs to the House of Lords identified a need to deliver 300,000 homes per annum in the Building More Homes report, July 2016. This number has been confirmed as being needed by the Government in the Budget 2018, the Technical Consultation on Updates to National Planning Policy and Guidance, October 2018 and Planning for the Future, March 2020. In the period 2016–18, an average of 210,000 homes were built.
- 2.5. In response, the Government published a new NPPF in 2018 which subject to minor revisions in 2019 and 2021 is consistent with the current NPPF¹. This seeks to address the under-delivery of housing and the existing backlog in housing supply through a number of mechanisms including the use of the standard method for calculating the minimum local housing need and the use of a more realistic and balanced definition of a deliverable site. In the period 2018–21 an average of 234,000 homes have been built which represents a significant improvement but remains substantially below the identified need for housing.
- 2.6. The balance of need and supply is presented graphically in Figure 2.1 and the cumulative shortfall is presented in Figure 2.2 below.
- 2.7. These figures demonstrate that housing supply nationally has not come close to meeting needs over the previous 15 years in any single year and also illustrates that there is a substantial cumulative shortfall in housing supply. Indeed, since 2004 there have been a total of 3,188,961 completions as compared to a need for 4,250,000 based on the need for 250,000 identified in the Barker Review. This equates to a shortfall in the delivery of over a million homes in 17 years.

¹ The 2018 NPPF was amended to provide additional clarity in 2019, and the standard method was then revised in December 2020. The further revisions in 2021 were not related to housing need or supply.



Figure 2.1 – a comparison of need and supply nationally

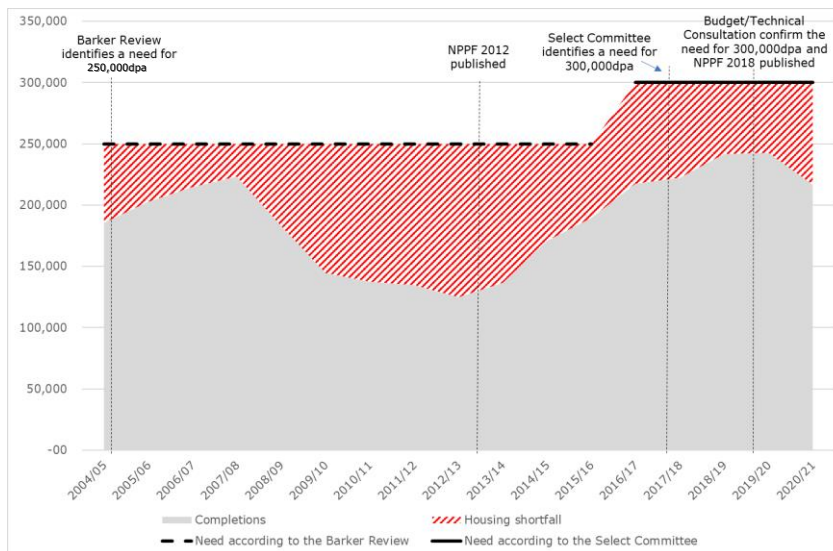
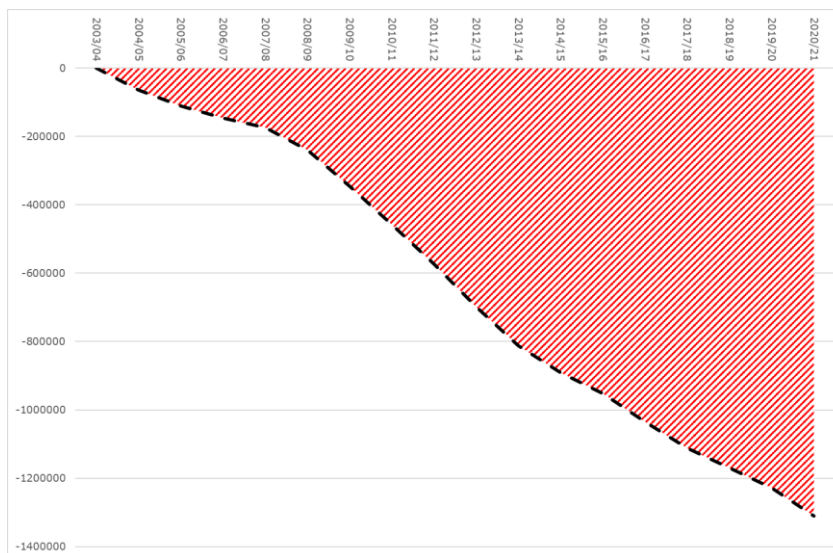


Figure 2.2 – the cumulative shortfall



2.8. As housing need has significantly exceeded the supply, the greater competition for those houses that do exist has had an uplifting effect on the average market value of properties with adverse implications on the accessibility of the housing market to households. There are



many statistics which demonstrate the decreasing accessibility of the market including (but not limited to):

- The lower quartile house price to lower quartile earnings ratio increased from 6.27 to 8.04 from 2004 to 2021 in England according to the DLUHC;
- The median house price to median earnings ratio increased from 6.60 to 9.05 from 2004 to 2021 in England according to the DLUHC;
- The average house price across the UK increased from £153,482 in 2004 to £247,535 in 2021 according to Nationwide;
- The percentage of overcrowded households has increased from 2.5% to 3.5% from 2003/04 to 2019/20 in England according to the DLUHC;
- The number of concealed families has increased from 161,254 in 2001 to 275,954 in 2011 across England according to the Census; and
- The number of households living in shared dwellings has increased from 65,998 in 2001 to 77,955 in 2011 across England according to the Census.

- 2.9. It is clear that housing supply was not meeting housing need under the former NPPF and whilst the position has improved there remain substantial shortfalls with significant adverse effects on accessibility. These effects manifest themselves in real households facing real difficulty and often being unable to access appropriate housing.

The Local Position

- 2.10. As set out above, there is a national housing crisis, which is causing real harm to real households. However, these issues are more pronounced in some areas than in others.
- 2.11. The PPG (2a-004) sets out the standard method for calculating the minimum local housing need and this requires that an affordability adjustment is applied where households are required to spend in excess of 4 times the median income, indicating that the Government consider that housing becomes inaccessible when households have to spend more than 4 times the median income to access a home. This aligns with the fact that most mortgage lenders will only lend up to between 4 and 4½ times a household's income.
- 2.12. In Reading Borough however households have to spend 9.42 times the median income to access a median priced house², meaning that housing is inaccessible to a significant proportion of the population. Whilst housing in Reading Borough is less affordable than it is across the nation (9.05) which itself is described as being in the midst of a housing crisis, housing is comparatively more affordable than in neighbouring LPAs. This however should not detract from the fact that housing remains unaffordable.
- 2.13. Furthermore, the affordability of housing has worsened by 53% in Reading Borough over the preceding decade (2011-21) as compared to 33% across the nation and 38% across the South

Commented [MJ1]: Is the current climate changing this, is it even more difficult now than even 3/4 months ago? Do we need too reflect on interest rate rises here?

² According to the ONS data referenced in the PPG (2a-004).



East. This would suggest that the shortfall in delivery compared to housing needs in the Borough is having particularly adverse social and economic effects.



3. POLICY CONTEXT

- 3.1. Section 38(6) of the Act identifies that planning applications are to be determined in accordance with the Development Plan unless material considerations indicate otherwise.

The Development Plan

- 3.2. The Development Plan relevant to this planning application includes the Reading Borough Local Plan (RBLP) which was adopted in November 2019 under the provisions of the 2012 NPPF in accordance with the transitional arrangements of paragraph 220 of the current NPPF.
- 3.3. Policy H1 sets a housing requirement for 15,847 homes, or 689 per annum, over the period 2013–36. This responds to the full objectively assessed need for 699 homes per annum which was identified at the time of adoption as recorded in paragraph 4.4.2. Consequently, over the plan period 230 fewer homes were planned to be provided than were needed as recognised in Policy H1. The Policy sets out that these were intended to be met across the remainder of the Western Berkshire Housing Market Area (HMA) comprising West Berkshire, Wokingham and Bracknell Forest.
- 3.4. In paragraph 4.4.19 of the supporting text of Policy H3 it is recognised that there was a need for 406 affordable homes per annum, but that this would not be able to be met which would in turn have severe consequences including homelessness, households in temporary or unsuitable accommodation, overcrowding, younger people having to remain in the parental home for longer, and impeding economic growth.
- 3.5. Policy H6 sets a requirement for 253 residential care bedspaces for older people in addition to the housing requirement of Policy H1. It also commits to addressing the needs for other forms of specialist accommodation for older people. In paragraph 4.4.52, the RBLP identified a need for 1,189 specialist homes for older people as part of the overall housing requirement of Policy H1.
- 3.6. Policy H12 allows for new student accommodation on suitable sites. Paragraph 4.4.98 indicates that at the time of adoption there was a shortfall of around 1,000 bedspaces and paragraph 4.4.100 also recognises the intention for significant growth in student numbers at the University which could generate an additional need for accommodation. The RBLP nevertheless does not set a requirement for the provision of such accommodation.
- 3.7. Policy H13 addresses the need for Gypsy and Traveller accommodation. In paragraph 4.4.103 it identifies a need for 10–17 permanent pitches, 5 transit pitches, and 2 plots for various forms of such accommodation, but concludes in paragraph 4.4.104 that there are no suitable sites to address this need and therefore relies upon this being addressed outside of the Borough.
- 3.8. In totality, the RBLP therefore identifies a need for:
1. 699 homes per annum (including specialist housing for older people but excluding care home bedspaces),



2. 253 care homes bedspaces which equates to a need for 5.9 homes per annum³,
 3. 1,000 student bedspaces to meet pre-existing needs which equates to a need for 14.2 homes per annum⁴,
 4. as many student bedspaces as will be required to accommodate the planned growth of the University, and
 5. 17-24 units of accommodation for Gypsy and Travellers or between 0.7 and 1.0 per annum.
- 3.9. In total this provides for **a need for the equivalent of 720 homes per annum** plus as many student bedspaces as will be required to accommodate the growth of the University.
- 3.10. In response, the RBLP sets **a requirement for 695 homes per annum** comprising:
1. 689 homes per annum, and
 2. The equivalent of 5.9 homes per annum arising from care home bedspaces.

³ Using the conversion rate required by the PPG (63-016a) this actually equates to 5.86 homes per annum, which is used throughout the remainder of this Statement.

⁴ Using the conversion rate required by the PPG (68-034) this actually equates to 14.2 homes per annum.



4. THE OVERALL NEED FOR HOUSING

Sustainable development

- 4.1. Paragraph 7 of the NPPF confirms that the purpose of the planning system is to contribute to the achievement of sustainable development. Paragraphs 7 and 8b set out that in order to provide for sustainable development the needs of present and future generations, including housing needs, must be met.
- 4.2. It has been established by the courts that the concepts of housing needs and housing requirements are distinct⁵ and should not be confused. This is also confirmed in the PPG (2a-001).
- 4.3. As such it is necessary to consider the need for housing (if this differs from the housing requirement) as this will be the factor that is material to the weight afforded to the provision of housing as a public benefit.

The adopted housing requirement

- 4.4. As set out above, the RBLP sets a requirement for 695 homes per annum in response to the identified need for 720 homes per annum. The reason that the housing needs were not planned to be met in full is set out in paragraphs 4.4.3 to 4.4.4, which identify that there was no capacity to accommodate more housing than identified by the housing requirement within the Borough.
- 4.5. Circumstances are now very different to the position considered by the examining Inspector.
- 4.6. Firstly, paragraph 61 of the NPPF now requires that the minimum number of homes needed are calculated using the standard method, unless exceptional circumstances justify an alternative approach. No such exceptional circumstances exist in Reading Borough and as such there is currently a need for at least 907 homes per annum as identified by the standard method. It is therefore immediately apparent that there is a substantially greater need for housing than provided for by the RBLP which was prepared on the basis of a need for 720 homes per annum (excluding the newly arising need for student bedspaces).
- 4.7. Paragraph 33 of the NPPF requires that where the need for housing has changed significantly since the point of adoption, as it has in Reading Borough, the Development Plan is likely to be required to be updated in less than five-years from adoption, namely prior to November 2024. This ensures that the Development Plan responds to the need for housing as soon as possible, but clearly in the interim the additional need which is not responded to by the Development Plan should be taken into account as a material consideration.
- 4.8. Secondly, paragraph 4.4.98 of the RBLP identifies that it was anticipated that Reading University would grow to accommodate 16,095 students. However, by 2021/22, there are already 19,390 students⁶ such that there is an additional need beyond that identified by the

⁵ See for example, paragraph 37 of the High Court Judgment of *Gallagher Estates Ltd & Anor v Solihull Metropolitan Borough Council* [2014] EWHC 1283 (Admin).

⁶ According to the HESA data.



standard method which is not reflected in the adopted housing requirement. This again would suggest that the adopted housing requirement has been superseded by events and as such is in need of urgent review.

- 4.9. Thirdly, the examining Inspector found the housing requirement for 695 homes per annum, or 15,985 homes over the plan period to be sound owing to the fact that the evidence base suggested that there was no capacity to deliver more housing. However, the trajectory of the Council in the latest Annual Monitoring Report (AMR) suggests that there is sufficient capacity to deliver 18,396 homes over the plan period⁷ at an average of 800 per annum. Accordingly, the capacity constraints which informed the adopted housing requirement no longer exist according to the evidence base of the Council.
- 4.10. The evidence therefore suggests that the adopted housing requirement is out-of-date and in urgent need of review for numerous reasons, including owing to the fact that it is far too low. In such circumstances, not only did the housing requirement not provide for housing needs as identified at the point of adoption, but it now falls substantially short of doing so. The starting point is therefore that any assessment of the supply of housing relative to the housing requirement will necessarily disregard a substantial proportion of the actual need for housing in Reading Borough and therefore provides no gauge of the need for housing.

Addressing the unmet need

- 4.11. The LPAs within the HMA have agreed a Statement of Common Ground which identifies that the unmet need for 230 homes set out in the RBLP should be addressed within West Berkshire.
- 4.12. West Berkshire Council is currently consulting on a pre-submission draft Local Plan Review, which proposes a housing requirement range. This does not however propose to address the unmet need for 230 homes set out in the RBLP⁸.
- 4.13. As such, at the present time, without any neighbouring LPA proposing to address a proportion of the housing needs of Reading Borough, one needs to have regard to the full need for housing in Reading Borough as this will be material to the weight afforded to the provision of housing which will address this need.

The current overall need for housing

The student population

- 4.14. As set out above, the standard method identifies a minimum need for 907 homes per annum in Reading Borough.
- 4.15. This minimum need however takes no account of the growth in the student population within the Borough, which may place an increased demand on the housing stock.

⁷ Including 40 homes at Caversham Park.

⁸ Whilst this is not set out anywhere, this may be the evidence base of Reading Borough Council now suggests that there is more than sufficient capacity to meet the full housing need which was identified at the point of adoption.



- 4.16. The 2014 projections which are used within the standard method firstly reflect the demographic trends over the period 2009-14 to identify the change in the number of students with the housing stock; and secondly assume that the number of students within communal establishments will remain constant.
- 4.17. Over the period 2009-14, HESA identify that the number of students at the University of Reading reduced from 15,955 to 13,595 and as such the 2014 projections will assume a continuing diminution in student numbers in the housing stock of c.472 per annum. Accordingly, if the number of students in the housing stock remain stable there will be a need to exceed the minimum of the standard method by a sufficient amount to accommodate c.472 students per annum⁹; or if student numbers increase it will be necessary to exceed the minimum of the standard method by a correspondingly greater amount. The data referenced within the PPG (68-034) suggests that in Reading Borough, an average of 3.06 students live in each student only household. This means that there would be a need for 154 homes in excess of the minimum identified by the standard method if student numbers were to remain constant, or more if student numbers increase.
- 4.18. HESA identify that over the period 2014 to 2022, the University has expanded to accommodate an additional 565 students. If this growth persists, then there will clearly be a need for a correspondingly greater number of homes to accommodate students. However, for the remainder of this Statement it is conservatively assumed that there will be no further growth in student numbers and as such there is a need for 154 homes more than the minimum identified by the standard method. This would result in a minimum need for the equivalent of 1,061 homes per annum.

The need for affordable housing

- 4.19. Paragraph 20a of the NPPF also requires that sufficient provision is made for affordable housing and the PPG (2a-024) sets out that this may require the delivery of a greater number of homes than the minimum suggested by the standard method.
- 4.20. The latest assessment of the need for affordable housing was taken into account in the preparation of the RBLP and this identified a need for 406 affordable homes per annum which equates to a need for 9,338 affordable homes over the plan period. However, Policy H3 only seeks between 10% and 30% of the planned 689 homes per annum to be provided as affordable housing, which would provide for between 69 and 207 affordable homes per annum. There is therefore clearly a substantial need for affordable housing in addition to that provided for by the Development Plan.
- 4.21. However, as set out above, the evidence of the Council now suggests that a substantially greater number of homes will be delivered than envisaged by the RBLP, with 18,396 homes being delivered over the plan period. Assuming that these sites all deliver a policy-compliant level of affordable housing of between 10% and 30%, somewhere between 1,840 and 5,519 affordable homes would be delivered in response to the need for 9,338 affordable homes. Accordingly, there demonstrably remains a substantial unmet need for affordable housing within the Borough.

⁹ If the student population move to communal establishments, then it will similarly be necessary to take account of this additional requirement for communal establishments.



- 4.22. Indeed, to meet the full need for 9,338 affordable homes as expected by paragraph 20a of the NPPF, it would be necessary to deliver at least 31,100 homes over the plan period (or 1,353 per annum) assuming that every site could viably support 30% affordable housing.

The record of delivery

- 4.23. The latest Annual Monitoring Report (AMR) identifies that a total of 5,853 homes (excluding care home bedspaces and student bedspaces) have been delivered over the period 2013–22 as compared to the requirement for 6,201 homes which means that 348 fewer homes have been delivered than sought by the housing requirement which itself is substantially too low to meet housing needs.
- 4.24. Compared to the need for 699 homes per annum (excluding care home bedspaces and student bedspaces) identified in the RBLP, this would equate to a shortfall of 438 homes.
- 4.25. Alternatively, the AMR identifies that a total of 6,215 homes (including care home bedspaces, HMOs and student bedspaces) have been delivered as compared to an inferred 'requirement' for 6,349¹⁰ homes, which again is substantially too low to meet housing needs.
- 4.26. Compared to the need for 720 homes per annum (including care home bedspaces and student bedspaces) identified in the RBLP, this would equate to a shortfall of 265 homes.
- 4.27. On any basis, there has therefore demonstrably been a shortfall in the supply of housing relative to both the housing requirement and housing needs identified by the RBLP to date. However, as set out previously, it is now apparent that the need for housing is far greater than assumed in the RBLP and so in reality the shortfalls will be significantly greater.

The supply of housing over the plan period

- 4.28. The trajectory of the AMR suggests that over the period 2022–36, a total of 12,180 homes will be delivered (including care home bedspaces, HMOs and student bedspaces). This compares to the minimum local housing need of the standard method for 12,699 homes over the same period (which assumes that student numbers will decline) or 14,854 homes (assuming student numbers remain constant). Accordingly, assuming that the Council's trajectory is achieved, there remains a need for at least 519 additional homes over the plan period even assuming that the number of students at the University of Reading reduces contrary to recent trends or a need for at least 2,674 homes if student numbers remain constant.

The Council's trajectory

- 4.29. The Council has prepared housing trajectories annually and it is informative to review how accurate these have been. This analysis is set out in Table 4.1 below.

¹⁰ This appears to have been calculated on the basis of the requirements of Policy H1 and Policy H6 but also includes a 'requirement' for 1,000 student bedspaces over the plan period which is not set out in any of the policies of the RBLP.



Table 4.1 – accuracy of previous trajectories

		2013/ 14	2014/ 15	2015/ 16	2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22
2012/ 13	Completions	361	594	746	813	736	952	545	610	858
	Trajectory	444	744	965	914	975	804	734	680	727
AMR	Cumulative accuracy	-19%	-20%	-21%	-18%	-20%	-13%	-15%	-14%	-11%
2013/ 14	Completions		594	746	813	736	952	545	610	858
	Trajectory		565	970	1146	1111	851	746	698	727
AMR	Cumulative accuracy		5%	-13%	-20%	-24%	-17%	-19%	-18%	-14%
2014/ 15	Completions			746	813	736	952	545	610	858
	Trajectory			771	913	1110	964	761	770	798
AMR	Cumulative accuracy			-3%	-7%	-18%	-14%	-16%	-17%	-14%
2015/ 16	Completions				813	736	952	545	610	858
	Trajectory				809	622	910	1035	886	903
AMR	Cumulative accuracy				0%	8%	7%	-10%	-14%	-13%
2016/ 17	Completions					736	952	545	610	858
	Trajectory					786	880	1041	741	646
AMR	Cumulative accuracy					-6%	1%	-18%	-18%	-10%
2017/ 18	Completions						952	545	610	858
	Trajectory						692	923	839	841
AMR	Cumulative accuracy						38%	-7%	-14%	-10%
2018/ 19	Completions							545	610	858
	Trajectory							599	942	982
AMR	Cumulative accuracy							-9%	-25%	-20%
2019/ 20	Completions								610	858
	Trajectory								486	956
AMR	Cumulative accuracy								26%	2%
2020/ 21	Completions									858
	Trajectory									890
AMR	Cumulative accuracy									-4%

- 4.30. The preceding table demonstrates that for any previous trajectory which has covered more than 3 years, the forecasts of the Council have proved to be over-optimistic by between 10% and 14%. Assuming that the current forecasts are equally as accurate, it would be expected that somewhere between 10,464 and 11,011 homes would be delivered between 2022 and 2036 rather than the 12,180 homes identified by the latest forecasts of the Council.
- 4.31. This compares to the minimum need (which assumes that student numbers will decline) for 12,699 homes or the minimum need (assuming student numbers remain constant) for 14,854 homes. On this basis, there is likely to be a need to identify sites that can provide for between an additional 1,688 and 2,235 homes if student numbers decline or for between an additional 3,843 and 4,390 homes if student numbers remain constant.
- 4.32. Indeed, from a very cursory analysis of the Council's trajectory it is apparent that the supply has been overstated in numerous regards. For example:
1. Paragraph 71 of the NPPF identifies that a windfall allowance may be relied upon where there is compelling evidence that this will provide a reliable source of supply. The RBLP proposed a windfall allowance of 127 homes per annum. However, it has already become apparent that this does not form a reliable source of supply, as since adoption an average of only 99 homes per annum have been delivered from this source and 127 homes per annum has not been achieved once. Therefore, even optimistically assuming



that current rates persist¹¹, 140 fewer homes will be delivered within five-years and 392 over the plan period than assumed by the Council.

2. Numerous of the prior approvals relied upon in the Council's trajectory have not been implemented within three years and as such have now expired, including at Havell House, Greyfriars House, Eaton Court, Sapphire Plaza, 54 Queens Road, and 85-87 Basingstoke Road, which reduce the supply by 203 homes within five-years and across the plan period.

- 4.33. In summary, whilst the trajectory of the Council is over-stated, even if this is relied upon, there is a clear need for c.2,674 additional homes over the plan period. With a more realistic trajectory, there is likely to be a need for c.4,000 additional homes.

The five-year land supply position

- 4.34. The latest AMR sets out the current 5YLS position of the Council. It suggests that the Council is able to demonstrate a 6.30yrs against the adopted housing requirement for the purposes of paragraph 74 of the NPPF. Whilst this position has not been calculated in accordance with national policy and the RBLP¹², and as such is significantly over-stated¹³, it is agreed that the Council is able to demonstrate a 5YLS and as such the most important policies are not rendered out-of-date through footnote 8 of the NPPF.
- 4.35. However, as set out previously, the housing requirement against which the 5YLS is being assessed is now out-of-date, owing to the fact that the need for housing is substantially greater and the level of constraints relied upon within the housing requirement demonstrably do not exist. Accordingly, whilst footnote 8 of the NPPF is not engaged, this provides absolutely no indication that there is not a need for housing or that the RBLP sufficiently responds to the need for housing as would be required to provide for sustainable development.
- 4.36. Indeed, compared to the minimum need for 1,061 homes per annum which currently exists (assuming student numbers do not increase), even based on the supply identified by the Council, there would be a 4.20yrs with a shortfall of 893 homes; or once the supply is adjusted to take account of the levels of windfall development achieved and the sites upon which planning permission has expired, there would be a 3.89yrs with a shortfall of 1,236 homes.
- 4.37. Therefore, notwithstanding the existence of a 5YLS there is clearly a pressing need for additional housing within the current five-year period.

¹¹ Notwithstanding recent trends.

¹² Including for example as it is not calculated against the housing requirement set out in strategic policies for 689 homes per annum as required by paragraph 74 of the NPPF; it applies the Liverpool approach to addressing previous under-supply contrary to the explicit requirement of the examining Inspector in paragraph 26 of her Final Report; and it includes numerous sites upon which planning permission has expired contrary to the definition of a deliverable site within the NPPF.

¹³ The initial analysis of Pegasus Group suggests that the Council is actually able to demonstrate a 5.42yrs against the adopted housing requirement.



The policy consequences

- 4.38. The weight afforded to the benefits of the provision of housing will be material to the determination of the planning application.
- 4.39. In accordance with the consistent finding of the Secretary of State in recovered appeal decisions in recent times, the provision of housing should be afforded at least significant if not substantial or very substantial weight even where a 5YLS is able to be demonstrated¹⁴. However, in Reading Borough, it is also clear that there is a substantial need for additional housing notwithstanding the 5YLS position and as such if anything it would be expected that the weight afforded would be greater if anything.

Summary

- 4.40. In summary:
1. The housing requirement of the Development Plan was based on an assessment of housing need which is now demonstrably substantially too low, and on a level of constraint which demonstrably does not exist, such that whilst there is a sufficient supply to meet the adopted housing requirement within five-years and across the plan period, this provides no indication that housing needs will be met as is required to provide for sustainable development.
 2. To date, too few homes have been delivered to meet the adopted housing requirement, let alone the full need for housing and as such there is a significant pre-existing need for housing.
 3. Against any up-to-date assessment of housing needs and using any trajectory, there is a substantial shortfall of housing relative to housing needs across the current five-year period (with a shortfall of between 893 and 1,236 homes) and across the plan period (with a shortfall of between 519 and 4,390 homes).
 4. In such circumstances, it would be expected that the provision of housing would be afforded at least significant if not greater weight as a public benefit.

Commented [MJ2]: Can we not hedge our bets here and suggest the weight is substantial? Then leave it to the LPA to come up with a counter argument to less weight

¹⁴ See for example the recovered appeal decisions at Land West of Knights Hill Village, Oxford Brookes University, Land at Love Lane in Woolwich, Land at VIP Trading Estate in London, Land to the East of Newport Road and to the East and West of Cranfield Road in Woburn Sands, Land off Station Road in Long Melford, Anglia Square in Norwich, Land off Audlem Road/Broad Lane in Stapeley, and Land at Sandleford Park in Newbury.



5. THE NEED FOR AFFORDABLE HOUSING

The latest assessment of need

- 5.1. As set out previously, the latest assessment of the need for affordable housing was considered during the examination of the RBLP and identified a need for 406 affordable homes per annum.

The policy response

- 5.2. Notwithstanding this, the RBLP recognises that within the overall housing requirement for 689 homes per annum, only between 10% and 30% affordable housing could be viably delivered. This would provide for between 69 and 207 affordable homes per annum such that only between 17% and 51% of the need for affordable housing would be met. The remaining substantial shortfall of between 49% and 83% of affordable housing needs were not therefore planned to be met and as such there is a substantial need for affordable housing in addition to that provided for by the Development Plan.

The record of delivery

- 5.3. It can be calculated from recent AMR's that there has been a total of 902 affordable homes delivered from 2013–22, as compared to the need for 3,654 affordable homes. As such, 2,752 fewer affordable homes have been delivered than were needed. There is therefore clearly a substantial pre-existing need for affordable housing.

The supply of affordable housing over the plan period

- 5.4. The trajectory in the latest AMR suggests that 12,180 homes will be delivered over the period 2022–36 (including care home bedspaces, HMOs and student bedspaces). Assuming that between 10% and 30% of these are delivered as affordable housing, this would provide for a supply of between 1,218 and 3,654 affordable homes in addition to the 902 completed from 2013–22. In total therefore, over the plan period, assuming that the trajectory is achieved and that every site delivers a policy-compliant level of affordable housing, somewhere between 2,120 and 4,556 affordable homes will be delivered in response to the need for 9,338 affordable homes. There is therefore an unmet need for an additional 4,782 to 7,218 affordable homes over the plan period, with only 23% to 49% of the needs being proposed to be met.

The real-world effects

- 5.5. As set out in the RBLP, the evident shortfall of affordable housing has severe consequences including homelessness, households in temporary or unsuitable accommodation, overcrowding, younger people remaining in the parental home for longer and impeding economic growth.

Summary

- 5.6. By any measure there is a truly exceptional need for additional affordable homes to be weighed in the planning balance. Even without the particular circumstances in Reading



Borough, it is common practice to afford the provision of such housing substantial weight and it would be expected that at least this level of weight would be afforded in this instance.



6. THE NEED FOR SPECIALIST HOUSING FOR OLDER PEOPLE

The Development Plan

- 6.1. Policy H6 suggested that there was a need for 253 care home bedspaces over the period 2013–36 and the supporting text to Policy H6 suggested that there was a need for 1,189 other forms of specialist housing for older people.

The record of delivery

- 6.2. The latest AMR records that over the period 2013–22, there was a net loss of 57 care home bedspaces, as compared to the need for 99 bedspaces over this period. Therefore, there has already been a shortfall of 156 care home bedspaces.
- 6.3. The AMR does not however record the number of other specialist homes for older people.

The latest assessment of need

- 6.4. The need for such accommodation will change as the population ages. The need for such accommodation is therefore calculated using up-to-date information in Appendix 1. This identifies a need for 1,612 specialist homes for older people including 1,067 sheltered/retirement homes and 393 extra care homes across the Borough by the end of the plan period, as well as a need for 1,090 care home bedspaces within 5 miles or 1,900 care home bedspaces within 10 miles by the end of the plan period.

Summary

- 6.5. The latest evidence demonstrates that there is a pressing need for specialist accommodation for older people as well as care home bedspaces to which the proposed development will respond. Appendix 1 also sets out the additional benefits of providing such accommodation including by reducing the number of falls amongst the older population, providing accommodation which is designed to respond to the needs of the older population, improvements to the health and quality of life of residents, reducing the cost burden on health and social care systems, and reducing currently under-occupied homes to accommodate younger households currently struggling to access the housing ladder.
- 6.6. In light of these numerous additional benefits provided by specialist accommodation for older people, even **greater weight** is normally afforded to such provision than by other forms of housing development.

Commented [MJ3]: Can we suggest very substantial?



7. CONCLUSIONS

7.1. The preceding analysis demonstrates that perhaps unsurprisingly there is a substantial need for all forms of specialist accommodation for older people, affordable housing and housing more generally in Reading Borough. In particular, it identifies that:

1. There is a need for far more housing than provided for by the Development Plan.
2. There has been an under-delivery of care home bedspaces, affordable homes and homes more generally even against the adopted housing requirement which is far too low to address housing needs.
3. There is a substantial unmet need for between 893 and 1,236 homes within five years and between 519 and 4,390 homes across the plan period.
4. There is a truly exceptional unmet need for between 4,782 to 7,218 affordable homes across the plan period.
5. There is a substantial need for 1,090 or 1,900 care home bedspaces within 5 and 10 miles of the proposed development respectively.
6. There is a **substantial** need for 1,067 sheltered/retirement homes.
7. There is a **significant** need for 393 assisted living units.
8. Given the extent of the needs it would be expected that at least **significant if not greater weight** would be afforded to the provision of housing to address general housing needs, at least substantial weight would be afforded to the provision of affordable housing and substantial weight would be afforded to the provision of specialist accommodation for older people.

Commented [MJ4]: Very substantial?

Commented [MJ5]: Substantial or very substantial?

Commented [MJ6]: As above, is there any argument to suggest higher weight for any categories of housing?





Town & Country Planning Act 1990 (as amended)
Planning and Compulsory Purchase Act 2004

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