



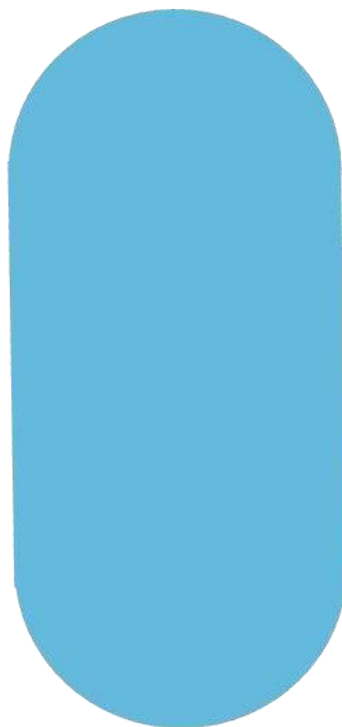
 Part of Shakespeare Martineau

Affordable Housing Statement

Land at Tilstock Road, Tilstock

Boningale Homes Ltd

October 2024



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0. EXECUTIVE SUMMARY

- 0.1. This Affordable Housing Statement, prepared by Marrons on behalf of Boningale Homes Ltd, supports a full application for the development of 70 residential dwellings at Tilstock Road, Tilstock. The proposal includes a diverse range of dwelling types, with units designated as affordable housing, aligning with both the Shropshire Emerging Local Plan and national policies. Specifically, 10 of the proposed units will be affordable. The applicant would be willing and happy to discuss the further details of affording the housing mix with the council following submission.
- 0.2. The report thoroughly examines relevant national and local planning policies, including the National Planning Policy Framework and Shropshire's Core Strategy. It emphasises the pressing need for affordable housing in Shropshire, as evidenced by recent assessments and housing market indicators. The analysis shows a significant shortfall in affordable housing delivery compared to the identified need, necessitating a reconsideration of annual housing targets to meet demand effectively.
- 0.3. In conclusion, the proposal at Tilstock Road seeks to address part of this need by providing well-integrated affordable housing and creating a balanced and sustainable community in Shropshire.



1. INTRODUCTION

- 1.1. This Affordable Housing Statement has been prepared and submitted by Marrons on behalf of Boningle Homes Ltd ("the Applicant") and is in support of a Full Application, for the erection of 70 residential dwellings at land at Tilstock Road, Tilstock ("the Site").
- 1.2. The application is proposed to deliver a range of different dwelling types. By the affordable housing requirements of Policy DP3 of the emerging Local Plan Review for Shropshire and National Policy, 10% of the dwellings are required to meet the definition of affordable set out in national policy. Therefore, 10 of the proposed dwellings are to be affordable, proposing that 15% of dwellings be affordable. Policy DP3 also suggests a mix of 70% social or affordable rent accommodation and 30% intermediate or other affordable housing. A proposed affordable housing plan is shown below.

Figure 1: Affordable Housing Plan



LAND NORTH OF TILSTOCK ROAD - AFFORDABLE HOUSING PLAN



PEGASUS GROUP CO. LTD. | TENDERS/INQUIRY BY: J.P. | APPROVED BY: G.P. | DATE: 26/10/2024 | SCALE: 1:5000 | DRAWING: PSI-105 DE 002 9 10 | CLIENT: BONINGLE HOMES



- 1.3. The figure above shows the location of the affordable housing plots as part of the proposed development. As mentioned in the Planning Statement, paragraph 3.16, bungalows are proposed to be located in the northeastern corner of the site and will be proposed as affordable housing. This location of single-storey bungalows provides those residents with unimpeded views of the surrounding environmental landscape. This location of single-storey bungalows also provides unimpeded views of the surrounding environmental landscape for the two-storey dwellings. The proposed height of the majority of dwellings as two storey reflects the surrounding built form of Tilstock where predominantly 2-storey developments can be found.

- 1.4. On the affordable dwellings located to the centre of the site, these are proposed to be composed of 3-bedroom dwellings. This central placement ensures that these homes are conveniently close to the public park area, located in the middle of the development. This proximity to the park provides easy access to green spaces, and recreational areas, enhancing the quality of life for residents of the affordable housing units. The dwellings are also integrated into the site layout, ensuring they are well-connected to the main shared surfaces and pedestrian routes throughout the development. This placement fosters inclusivity and accessibility for all residents, aligning with the broader aim of creating a cohesive and vibrant community, through the blending of housing types within the core of the development.



2. PLANNING POLICY

National Planning Policy Framework

- 2.1. The National Planning Policy Framework (the “Framework”), which was last updated in December 2023, sets out the Government’s planning policies for England.
- 2.2. The definition of affordable housing is as follows: Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:
- a) *Affordable housing for rent: meets all of the following conditions: (a) the rent is set by the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes, affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).*
 - b) *Starter homes: as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.*
 - c) *Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined by local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.*
 - d) *Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided,*



there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

2.3. In paragraph 20 of the Framework states that strategic policies must make sufficient provision for housing including that which is affordable.

2.4. Paragraph 61 identifies that to determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment.

2.5. Paragraph 63 goes on to state that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing; families with children; older people (including those who require retirement housing, housing-with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes.

2.6. Paragraph 64 states that:

Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:

*a) off-site provision or an appropriate financial contribution in lieu can be robustly justified;
and*

b) the agreed approach contributes to the objective of creating mixed and balanced communities.

2.7. Paragraph 65 identifies that the provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas.

2.8. Paragraph 66 states:

Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified



affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:

- a) provides solely for Build to Rent homes;*
- b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);*
- c) is proposed to be developed by people who wish to build or commission their own homes; or*
- d) is exclusively for affordable housing, a community-led development exception site or a rural exception site.*

Planning Practice Guidance

2.9. 'Housing Needs of Different Groups' (updated 24th May 2021) sets out the guidance for affordable housing.

2.10. Paragraph 006 Reference ID: 67-006-20190722 states that the unmet (gross) need for affordable housing by assessing past trends and current estimates of:

- the number of homeless households;*
- the number of those in priority need who are currently housed in temporary accommodation;*
- the number of households in over-crowded housing;*
- the number of concealed households;*
- the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and*
- the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.*

2.11. Paragraph 007 Reference ID: 67-007-20190722 states that:

There will be a current supply of housing stock that can be used to accommodate households in affordable housing need. As well as future supply. Therefore, assessing the total affordable housing supply requires identifying:

- the number of affordable dwellings that are going to be vacated by current occupiers that are fit for use by other households in affordable housing need;*
- suitable surplus stock (vacant properties); and*
- the committed supply of new net affordable homes at the point of the assessment (number and size).*



- 2.12. Paragraph 008 Reference ID: 67-008-20190722 identifies how the total annual need for affordable housing is calculated:

The total need for affordable housing will need to be converted into annual flows by calculating the total net need (subtract the total available stock from total gross need) and then converting total net need into an annual flow based on the plan period.

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 requirement included in the plan may need to be considered where it could help deliver the required number of affordable homes.

[Building The Homes We Need \(Written Ministerial Statement 2024\)](#)

- 2.13. On the 30th of July 2024, following the general election and Labour's formation of Government, the Secretary of State for Housing, Communities and Local Government announced an eight-week consultation on proposed reforms to the National Planning Policy Framework (NPPF) and other changes to the planning system. The NPPF consultation was accompanied by the 'Building The Homes We Need' Written Ministerial Statement (WMS), which is a material consideration in decision-making.
- 2.14. The government is committed to building 1.5 million homes over the next five years, to make homeownership more affordable. To restore and raise housing targets, there is to be a reverse in changes made last year which saw the loosening of the requirement for local authorities to plan for and meet their housing needs. There are to be changes to the standard method for calculating a local authorities' housing requirement, moving from the previous expectation that the standard method calculation was an advisory starting point, towards a mandatory requirement.
- 2.15. With a focus on delivering more affordable homes, the government are pushing to go further in building a greater share of genuinely affordable homes. Only 110,000 to 130,000 homes are now due to be delivered under the Affordable Homes Programme, down from an aspiration of 'up to 180,000' when it was launched. The government plan to stop the delivery of affordable housing from declining further. This Government aims to ensure that, in the first full financial year of this Parliament (2025-26), the number of Social Rent homes is rising rather than falling.



- 2.16. The Government have published details of the outcome of the new calculation, and for Shropshire, there is a very significant increase in the minimum number of houses to be planned for on an annual basis.
- 2.17. The revised standard method indicates a minimum, baseline requirement of some 2,059 dwellings per year for Shropshire, against the current standard method figure of 1,070 dwellings per year. This is a minimum increase in need of some 989 dwellings per year, an increase of 92%.
- 2.18. This represents a significant step change in need when considered against the annual delivery of housing over the preceding 3 years, which stands at just 1,455 dwellings per annum, thus demonstrating that a significant boost in housing delivery will be required.
- 2.19. This increase of 92% brings an expectation that affordable housing delivery will be expected to deliver.



3. LOCAL POLICY

Shropshire Core Strategy (2006-2026)

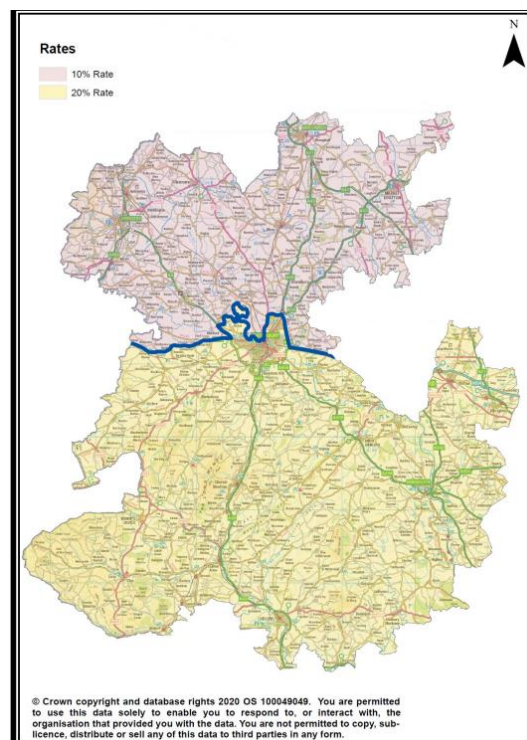
- 3.1. The Core Strategy Development Plan Document (DPD) was formally adopted on the 24th February 2011. This strategy sets out the strategic planning policy for Shropshire, including a 'spatial' vision and objectives, as well as the development strategy for Shropshire, up until 2026.
- 3.2. Policy CS1 identifies a need for affordable housing; the need over the plan period 2006 – 2026 was estimated to be 9,000 affordable dwellings, which equates to 450 dwellings per year. This policy focuses on strategic delivery in terms of location in development of housing to ensure sustainable development.
- 3.3. Policy CS5 underscores the importance of controlling development in line with national planning policies. It permits controlled development in appropriate sites within the countryside, particularly for small-scale economic activities, essential rural worker housing, and affordable housing to meet local needs. The policy also encourages the conversion of rural buildings for economic use, tourism, or community purposes while ensuring compatibility with the surrounding landscape.
- 3.4. Policy CS11 outlines measures to meet the diverse housing needs of Shropshire residents. It sets targets for local needs for affordable housing and advocates for a mix of tenures, including social-rented and intermediate housing. It requires contributions from open-market housing developments towards affordable housing provision and permits exception schemes for affordable housing in designated areas, subject to specific criteria and prioritisation for residents. Within the first 5 years of the plan, the target was 33% affordable housing, with 20% being social rented and 13% intermediate affordable housing. Subsequent targets are to be set through the Housing Strategy for Shropshire. The Shropshire Housing Strategy 2020-2025 does not set out a defined percentage but states that the number of new affordable homes over the last 5 years has averaged at 343 per year, significantly below the requirements.

Shropshire Emerging Local Plan (2016-2038)

- 3.5. Shropshire Council began a review of the Core Strategy Development Plan in 2017, producing a new Local Plan. The Draft Shropshire Local Plan Review (2016-2038) was submitted to the Secretary of State for Examination on 3rd September 2021.

- 3.6. The Shropshire Local Plan Review, as originally submitted, has not been found sound, with numerous and lengthy delays having occurred owing to deficiencies in evidence, dated evidence and an unjustified approach to meeting unmet needs (amongst other wider concerns), with Examination still ongoing. The most recent Local Development Scheme (2023) shows the following timescale:
- Examination: September 2021- May 2024
 - Inspector's report: May 2024
 - Adoption: June 2024.
- 3.7. However, the Examination is still ongoing and further hearing sessions are scheduled for October-December 2024, with additional work on the approach to Gypsy and Traveller sites ongoing, ahead of targeted Hearing Sessions to follow in early 2025. As such, the Council recognise that, if the Plan is capable of being found sound (see accompanying Planning Statement paragraph 5.51), it is unlikely that it will be adopted and thus carry full weight, until Summer 2025.
- 3.8. Policy DP3 requires the provision of affordable housing for residential developments meeting certain criteria, including size and location. Policy DP3 has been prepared having had full regard to a spectrum of evidence-based documents, including the Strategic Market Housing Availability Assessment and Whole Plan Viability testing. Specific percentages are required for affordable housing provision based on geographic areas within Shropshire (10% in the North and 20% in the South). Tilstock is located within the Northern region of Shropshire. (see below).

Figure 2: Shropshire North and South Affordable Housing Requirements



Source: Regulation 19: Pre-Submission Draft of the Shropshire Local Plan



- 3.9. Affordable housing is expected to be integrated into developments and indistinguishable from market housing. The tenure requirements are noted as 70% social or affordable rent accommodation and 30% intermediate or other affordable housing unless local need dictates otherwise. The policy also requires the maintenance of affordable housing units in perpetuity.



4. AFFORDABLE HOUSING NEED

- 4.1. Shropshire Council commissioned the SHMA (2020) to provide an objective assessment of the need for housing in Shropshire, which complies with the National Planning Policy and Published Practice Guidance in part of the local plan development.

The net change in Affordable Housing Supply

- 4.2. The table below sets out the net changes to affordable housing stock as recorded in the government live table (Table 100).
- 4.3. This shows that the Local Authority Stock has reduced between 2010 and 2023 by 241 dwellings (5.67 %) but that this loss has been compensated by the provision of 2026 Housing Association properties (an increase of 15.50 %).
- 4.4. The affordable housing stock has increased in the last 13 years with a net increase of 13.51%.

Table 1. Affordable Housing Stock

Shropshire	Local Authority	Housing association	Other public sector	Total Affordable Provision
2010	4,251	13,067	101	17,419
2011	4,240	13,458	819	18,517
2012	4,203	13,506	821	18,530
2013	4,189	13,547	821	18,557
2014	4,115	13,657	759	18,531
2015	4,135	13,778	728	18,641
2016	4,099	13,841	730	18,670
2017	4,112	14,174	730	19,016
2018	4,282	14,538	734	19,554
2019	4,280	14,669	734	19,683
2020	4,050	14,726	748	19,524
2021	4,065	14,897	627	19,589
2022	4,039	14,922	667	19,628
2023	4,010	15,093	669	19,772
Change 2010-2023	-241	2,026	568	2,353
Average Annual Change	-1	155.8	43.7	181



Percentage Change 2010 to 2023	-4.99%	15.50%	562.38%	13.51%
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- 4.5. Policy CS1 of the adopted local plan, identifies a need for 9,000 affordable dwellings between 2006 and 2026. This equates to 450 affordable houses per annum to accommodate the need. The plan was adopted in 2011, and as such the Policy is both time-expired and out-of-date by new evidence on needs, inconsistencies with the requirements of the Framework and events having overtaken the policy provision.
- 4.6. By comparison, as part of the updated Local Plan Review evidence base, the most recent SHMA concluded a need for 17,574 affordable houses over the 22-year plan period (2016 - 2038), equating to 799 affordable dwellings per annum. This figure is based on the current need, which was estimated to be 3,582 dwelling post-completions (para. 4.122), along with the future need.
- 4.7. The table below displays the housing delivery based on the most up-to-date data available. The Authority Monitoring Report (AMR) data was used up until 2019/20 and then we have utilised Live Table 1008 to set out affordable housing completions. These completions are shown in the table against the identified need set out within the Core Strategy and the more updated SHMA and demonstrate the oversupply/shortfall against the SHMA requirement shown in the right-hand column.

Table 2. Requirements compared to completions

Year	Core Strategy Affordable Homes Requirement	Affordable Completions	Oversupply / Shortfall Against Core Strategy Requirement	2020 SHMA Annual Requirement	Oversupply / Shortfall Against SHMA Requirement
2015/16	450	227	-223		
2016/17	450	441	-9		
2017/18	450	459	9		
2018/19	450	260	-190		
2019/20	450	223	-227		
2020/21		291		799	-508
2021/22		248		799	-551
2022/23		301		799	-498
Total	2,250	2,149	-640	2,397	-1,557
Average		306.25	-80		-519

Source: Shropshire AMR 2019/2020, Live Tables 1008, Core Strategy 2011, Shropshire SHMA 2020



4.8. Table 2 shows the delivery of affordable housing has been consistently and persistently below the demonstrated need. This data indicates that there has been an overall shortfall of 1,557 dwellings, and therefore we can conclude that the Council are failing to deliver the level of affordable housing required as a minimum. Adding this shortfall to the originally identified need for the plan period in paragraph (4.124) should be reviewed.

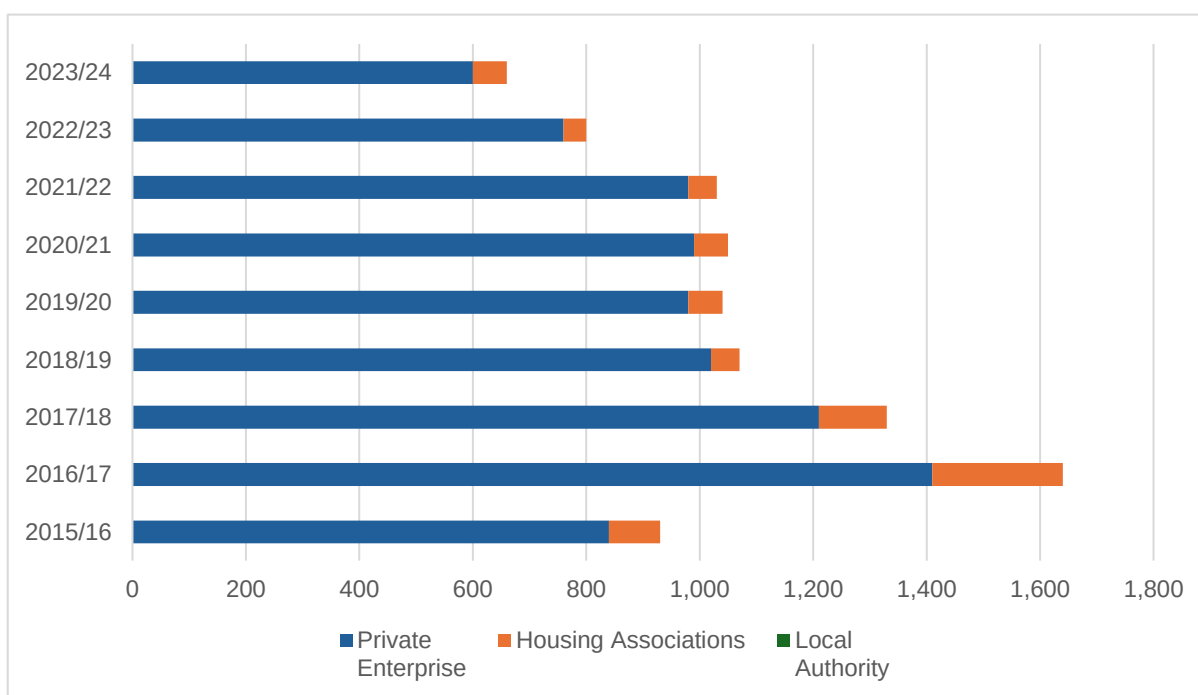
4.9. Based on actual completions of 2,149 affordable dwellings since 2016, the remaining need for the plan period is 15,351 affordable dwellings. This equates to approximately 1,023 dwellings per year over the next 15 years.

4.10. This section shows data comprising of dwellings completed in Shropshire across various periods.

a) Completions Data

4.11. The below figure shows the total completions by tenure in Shropshire from 2015/16 to 2023/24

Figure 3: Shropshire Dwelling Completions by Tenure



Source: Live Tables 253

4.12. The data indicates that private enterprise dwellings make up the largest portion of dwellings being completed in Shropshire, with housing association dwellings being a very distant second and the local authority delivering no dwellings.



4.13. Housing delivery as a whole peaked in 2016/17, for both private enterprises and housing association. Since then, the completion of both private enterprises and more specifically Housing Association have been dwindling since. This reinforces the shortfall noted in Table 2.

4.14. This demonstrates the relationship between market and affordable provision has not been strong and that there have been relatively few affordable dwellings delivered via legal agreements as a part of market-led housing schemes.

b) Dwelling stock

4.15. Table 3 shows the total dwelling stock per year (2009-2022), according to the government Live Table 100 data.

4.16. There has been a total increase of 12.17% in Shropshire from 2010 to 2023 with the total stock rising from 134,343 to 150,689 dwellings.

4.17. The largest percentage increase has been in the other public sector stock; this increased by 562.38%. However, the largest numerical increase was in private-sector dwellings with 13,993 proportionally this only equates to an increase of 11.97%.

4.18. The biggest loss to housing stock was local authority with a 4.99% decrease. However, the housing association stock has increased by 14.2% which does help to fill this void.

4.19. In respect of affordable housing as a whole, the average annual net increase of affordable housing was 184 dwellings per year; this is still much lower than the affordable housing need in Shropshire.



Table 3: Total Dwelling Stock

Shropshire LPA	Local Authority	Housing association	Other public sector	Private sector (R) ¹	Total Dwelling Stock
2010	4,251	13,067	101	116,924	134,343
2011	4,240	13,458	819	117,055	135,572
2012	4,203	13,506	821	117,623	136,153
2013	4,189	13,547	821	118,297	136,854
2014	4,115	13,657	759	118,988	137,519
2015	4,135	13,778	728	119,884	138,525
2016	4,099	13,841	730	121,108	139,778
2017	4,112	14,174	730	122,522	141,538
2018	4,282	14,538	734	123,711	143,265
2019	4,280	14,669	734	125,249	144,932
2020	4,050	14,726	748	126,800	146,324
2021	4,065	14,897	627	128,168	147,757
2022	4,039	14,922	667	129,635	149,263
2023	4,010	15,093	669	130,917	150,689
Change 2010-2023	-241	2,026	568	13,993	16,346
Average Annual Change	-19	155	43.744	1,076	1,257
Percentage Change 2010 to 2023	-4.99%	15.50%	562.38%	11.97%	12.17%

Source: Live Tables 100

c) Market Signals data

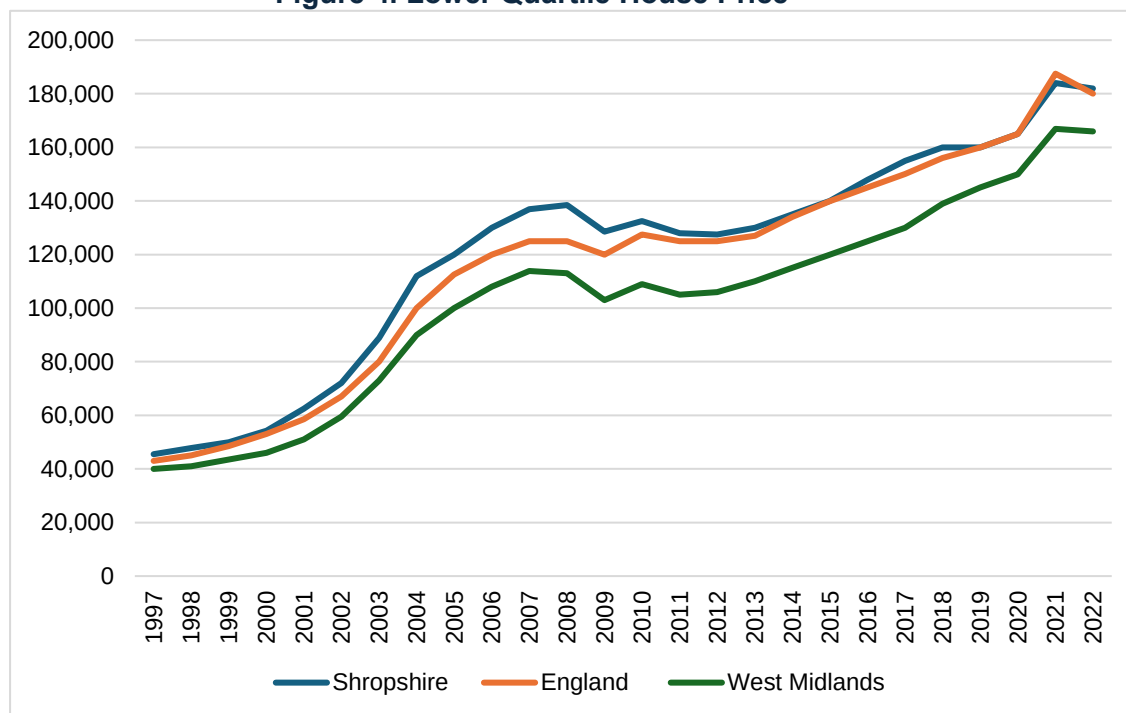
4.20. Figure 2 shows the lower quartile house price change and compares the county of Shropshire to the regional and national data.

4.21. Shropshire's lower quartile housing prices have seen a gradual rise in price since 2009. In the last 5 years, there has been a sharper increase in Lower Quartile House Price, with prices rising by 13% between 2018 and 2022.



4.22. However, Shropshire has a lower quartile house price that is £16,000 greater than the rest of the West Midlands, but just £2,000 higher than the national average.

Figure 4. Lower Quartile House Price



Source: Ratio of house price to workplace-based earnings (lower quartile and median), 1997 to 2022, ONS

4.23. Figure 4 shows the ratio of lower-quartile house prices to lower-quartile gross annual workplace-based earnings in Shropshire and compares them to regional and national data.

4.24. Shropshire consistently has a higher lower quartile house price to lower quartile gross annual workplace-based earnings ratio than the national and regional averages, although the gap between Shropshire, West Midlands and England's ratio has narrowed since 2018.

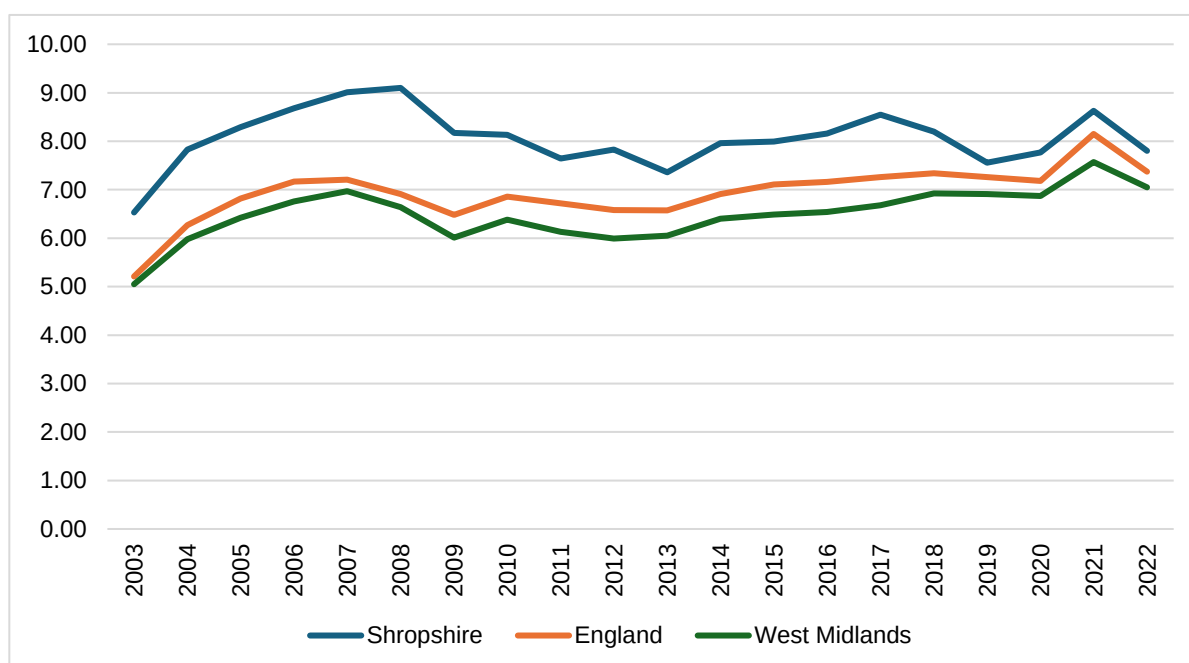
4.25. In terms of the importance of the lower quartile house price, it can assist in considering access to the market for households. Mortgage lenders have an absolute limit set by the UK's Financial Conduct Authority (FCA) on the number of mortgages they're allowed to issue at more than 4.5 times an individual's income.



4.26. Ratios greater than 4 become progressively unaffordable and again are an indication of undersupply, which is why the Standard Method applies an uplift based upon the degree to which the ratio is above this level. In Shropshire, the ratio was 7.8 in 2022, compared to 7.05 regionally and 7.37 nationally.

4.27. The median work-based earnings of £32,954 (in 2022) would generate a mortgage offer at 4 times earnings of £131,816 which is just 52% of the median house price of £250,000 and only 72% of the lower quartile median house price at £182,000.

Figure 5: Ratio of lower quartile house price to lower quartile gross annual workplace-based earnings



Source: Ratio of house price to workplace-based earnings (lower quartile and median), 2003 to 2022, ONS

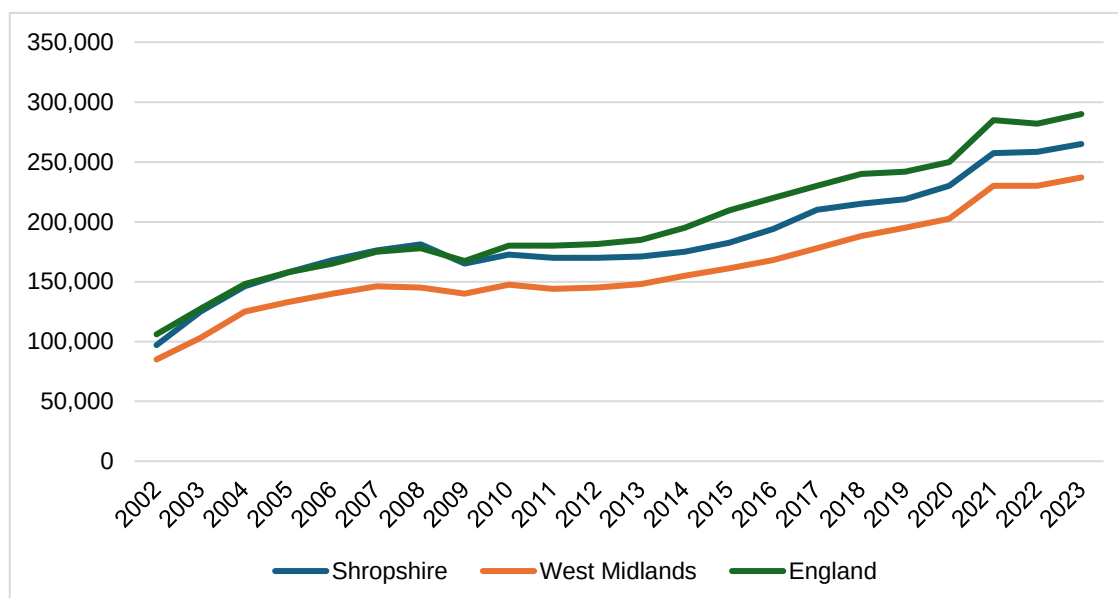
4.28. Figure 5 shows the median house price of Shropshire compared to regional and national levels.

4.29. Shropshire's median house prices in 2022 have fallen below levels seen in 2014, down to below 8 times that of work placed earnings. The 2022 level is only marginally higher than the national house price to workplace ratio. This drop is substantial when taking into account the data size, with an average for the nation not taking into account regional differences. Shropshire's house price to workplace earnings ratio has fallen by 15% when compared to 2009 levels.



4.30. In 2022, Shropshire median house price was roughly £25,000 below the national average but £25,000 above the regional average.

Figure 6. Median House Price



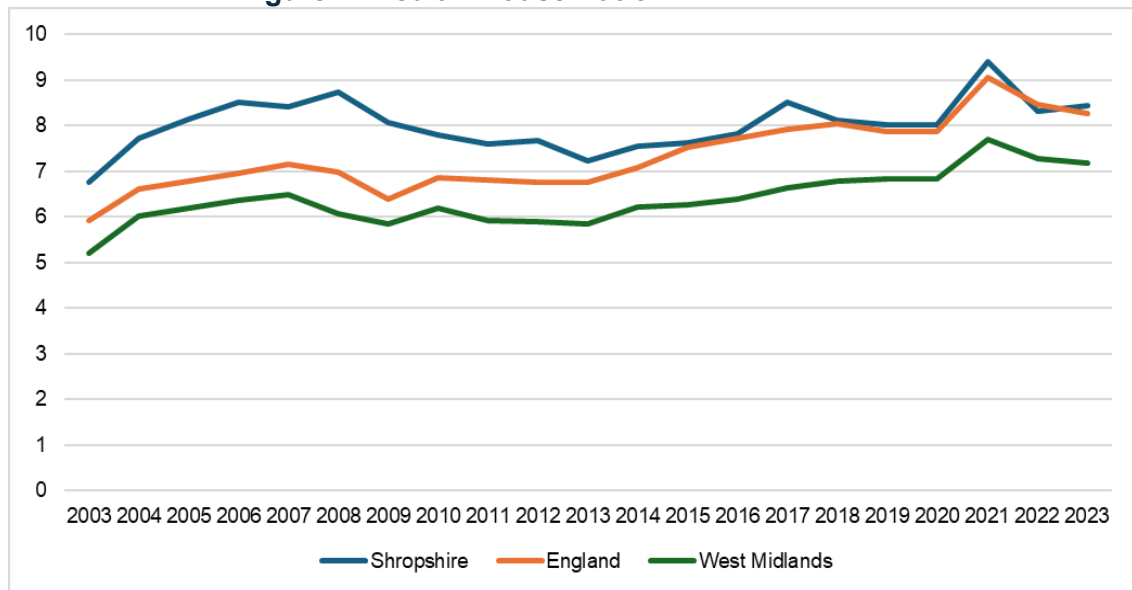
Source: Ratio of house price to workplace-based earnings (lower quartile and median), 2002 to 2023, ONS

4.31. Figure 6 shows the ratio of median house price to median gross annual workplace-based earnings in Shropshire and at a regional and national Level

4.32. The data demonstrates that the ratio fluctuates largely for Shropshire. In 2003 the ratio was much higher at 6.76 than both the national average (5.92) and regional (5.20) average. Whereas now Shropshire is more consistent with the affordability ratio of England as a whole. In 2022 the affordability ratio for Shropshire was 8.01 compared to 8.28 nationally and 7.17 for West Midlands.



Figure 7. Median House Ratio

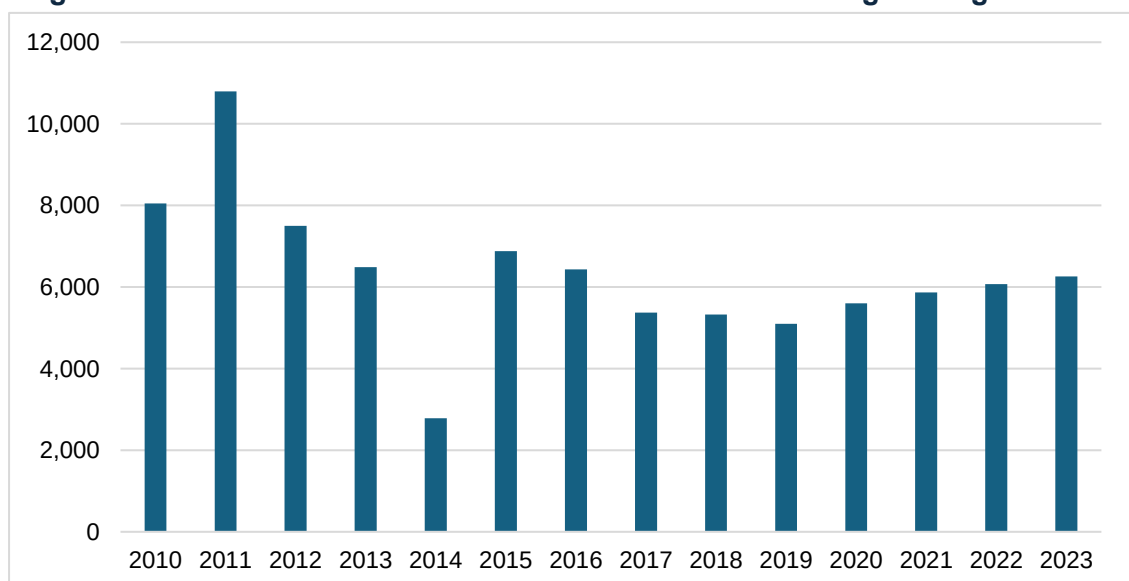


Source: Ratio of house price to workplace-based earnings (lower quartile and median), 2003 to 2023, ONS.

4.33. Figure 7 demonstrates the number of households on Local Authorities' waiting list from 2010 to 2023. The highest amount was in 2011 with 10,798 households and the lowest level was in 2014 with just 2,783 households. In recent years the number has slowly begun to increase. The last recorded number of households was 6,259

4.34. It should be noted that changes to how households are recorded on waiting lists mean that they are not directly comparable with previous years.

Figure 8. Number of households on local authorities' housing waiting list.



Source: Live Table 600

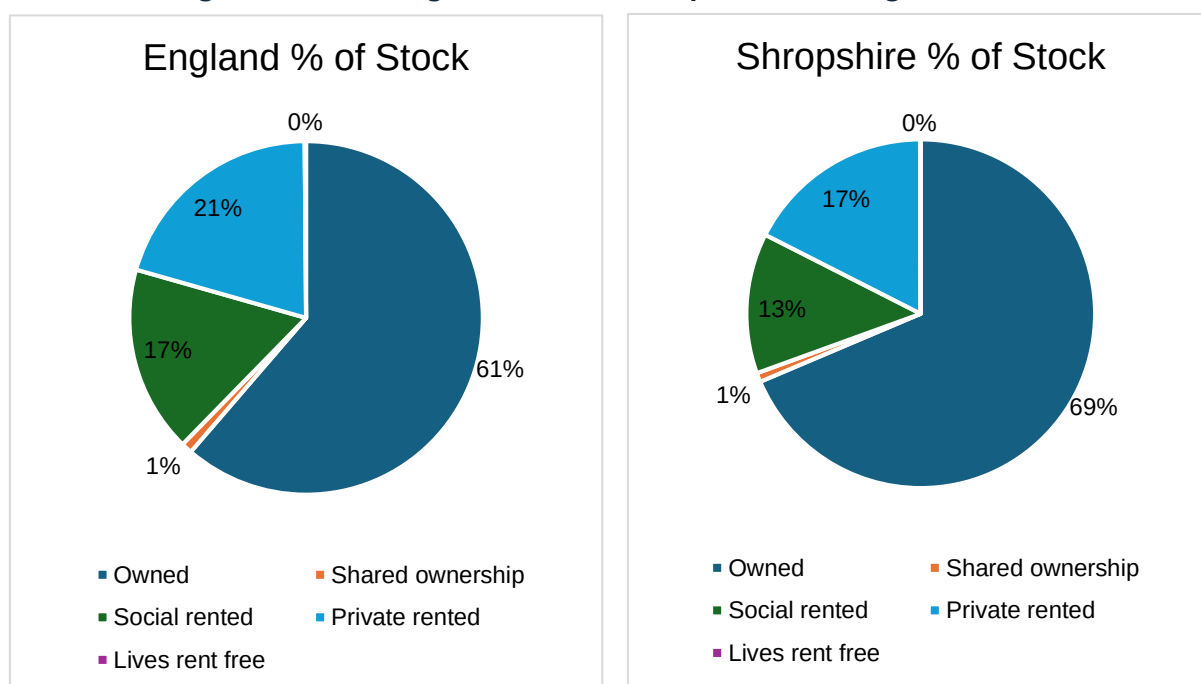


d) Tenure Profile Data

4.35. Figure 8 shows the percentage of occupancy by tenure in Shropshire and England using census data from 2021.

4.36. According to the data, Shropshire had 8% more owned dwellings than the national average. In terms of rental properties, the majority were privately rented (17%), which is consistent with the national trend but it is lower than the national average of 21%. Shropshire has only 13% of households living in social rented housing, which is 5% less than the national average.

Figure 9. Percentage of stock in Shropshire and England, 2021



Source: Census (2021) –TS054 Tenure

e) Private Rent Data

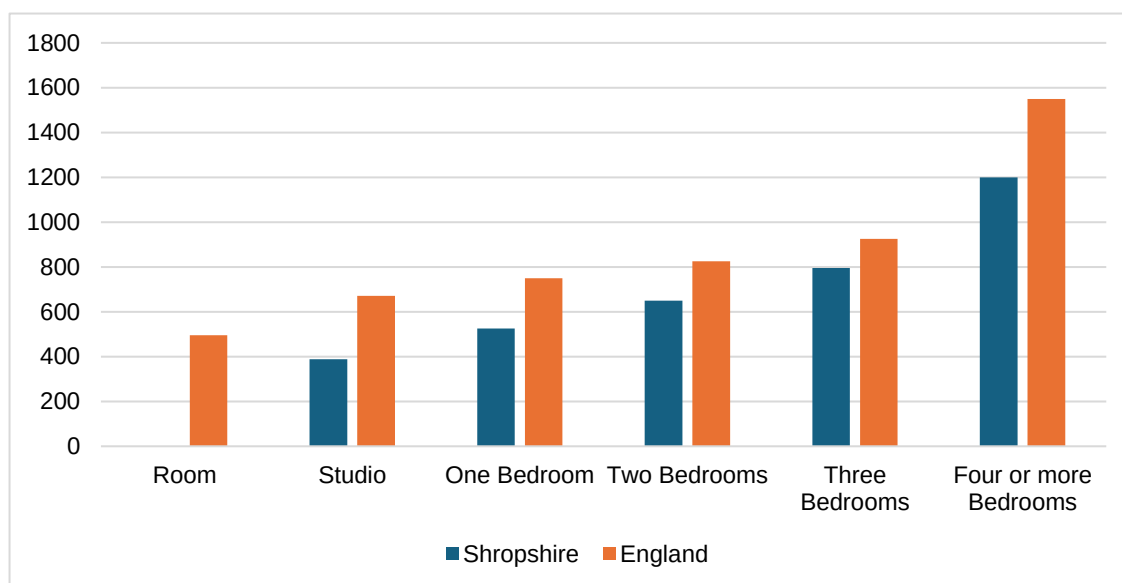
4.37. Figure 9 demonstrates the private rental market statistics of Shropshire from the 1st of October 2022 to the 30th of September 2023.

4.38. Based on the data, houses with four or more bedrooms have the highest private rents. There is a clear association between the number of bedrooms and the private rent charged, which is consistent with national trends.



4.39. Shropshire's market statistics closely correlate with national averages. However, there are three notable differences: first, there is no recorded data for Room type dwellings; second, the average rent for Studio apartments in Shropshire is 388, which is almost half of the national average of 671; and third, for properties with four or more bedrooms, Shropshire's average rent is £350 less than the national average.

Figure 10. Median Private Rental Market Statistics



Source: Private Rental Market Statistics, ONS – 1 October 2022 to 30 September 2023

f) Transactions Data

4.40. Figure 10 shows the price paid per dwelling type in Shropshire in 2023.

4.41. The data demonstrates the most common house price range paid was £200,001 - £300,000 made up of mainly Semi-detached properties (468), followed by detached at 249 properties.

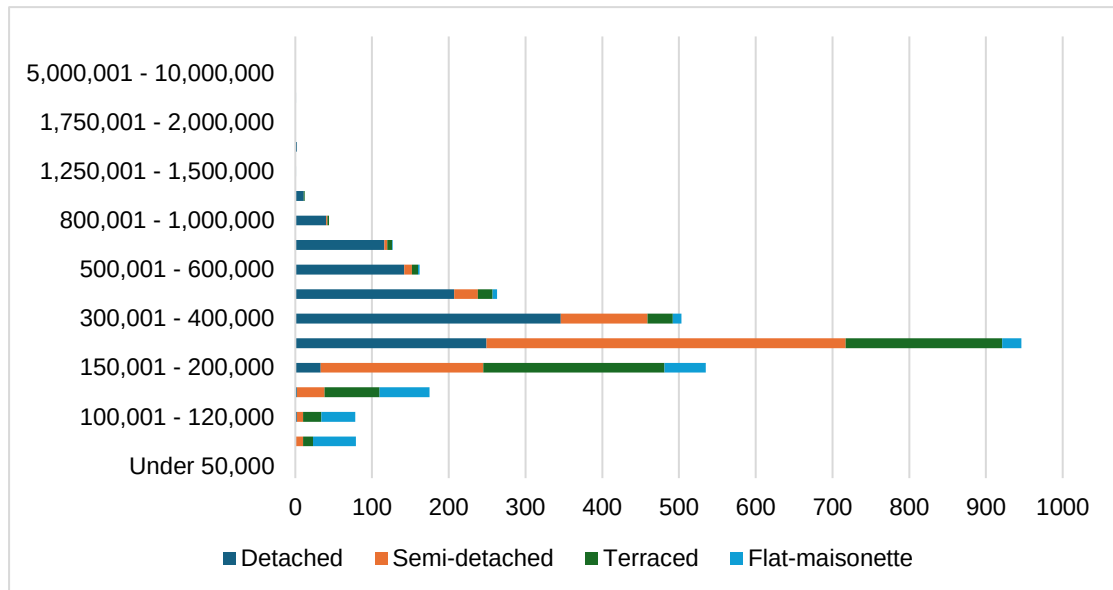
4.42. The highest portion of detached dwellings were sold in the £300,001 - £400,000 price range.

4.43. Only 4 properties were purchased for more than £1,250,000, all 4 of these were detached dwellings.

4.44. In contrast, the cheapest sold property was flat/maisonettes; the most common price was £120,001 - £150,000. The second most common price range was £50,001 - £100,000.



Figure 11. Price Paid Data for Shropshire 2023

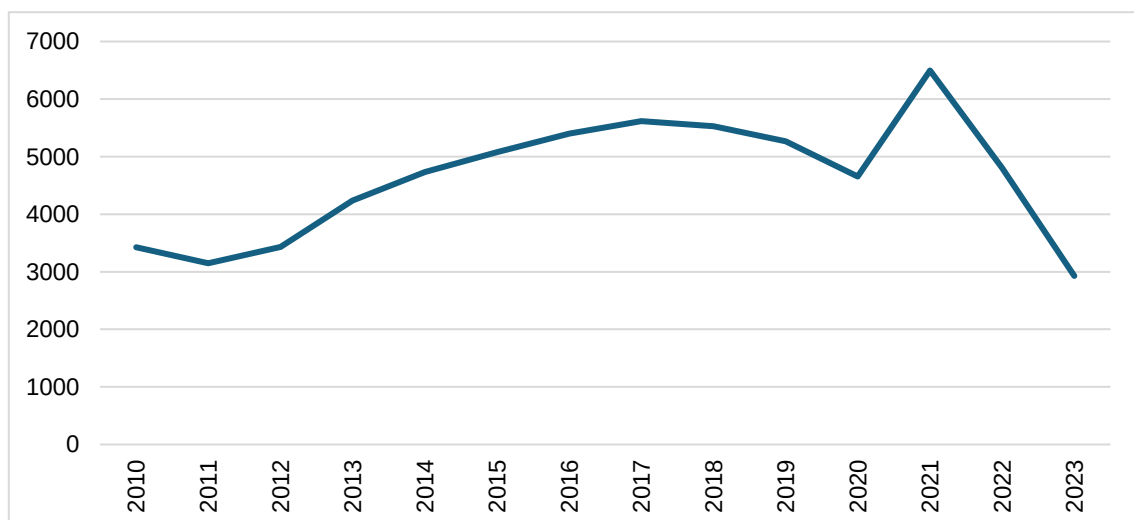


Source: Housing Land Registry

4.45. Figure 11 shows the total sales in the Shropshire property market from 2010 to 2023. The maximum number of sales was in 2021, 6,497, with a sharp decline in the last two years to the lowest amount of sales in 2023 at 2,928.

4.46. This pattern is not unique to Shropshire, but it highlights the need for additional affordable homes. The era 2012-2017 represents the period of recovery following the global financial crisis. In recent years, the cost of living crisis and growing inflation have hindered the housing market nationwide.

Figure 12. Total sales



Source: Housing Land Registry



g) Conclusion of housing market indicators

- 4.47. The analysis of Shropshire housing data indicates major trends that have implications for the region's affordable housing needs.
- 4.48. Firstly, the predominance of private enterprise residences in housing completions highlights a huge gap in the supply of affordable housing. While private sector construction has been strong, the availability of affordable housing through market-led plans or legal agreements has been limited.
- 4.49. Despite an overall rise in dwelling stock, the supply of affordable housing units has not kept up with demand. The average annual growth does not meet Shropshire's identified demand for affordable housing, increasing affordability issues for many households.
- 4.50. The analysis also emphasises the affordability challenges that Shropshire residents face. The ratio of house prices to workplace earnings is higher than the national and regional averages, indicating a lack of affordability in the housing market. This difference may make it difficult for households to find adequate and affordable housing options.
- 4.51. The large number of households on local authority housing waiting lists demonstrates Shropshire's continuous need for affordable homes. While the figures have fluctuated over time, the general trend indicates that affordable housing options are still needed to alleviate the region's affordable housing pressures.
- 4.52. In terms of market trends, Shropshire's housing market generally follows national averages. The recent fall in property transactions points to broader economic issues that may influence house affordability. As transaction volumes decline, the need for affordable housing grows, especially in light of economic concerns.



5. CONCLUSION

- 5.1. In light of the emerging Plan and associated policies the Council must consider the benefit of additional affordable housing to the the community and performance of the area. With the most recent lower quartile affordability ratio of 7.8 (2022).
- 5.2. Shropshire requires additional affordable homes, as seen by the gradual increase in local authority waiting lists since 2019. Likewise, the current stock in Shropshire is insufficient. The vast majority of housing in Shropshire is privately owned (69%), which is 8% higher than the national average.
- 5.3. It was demonstrated in the SHMA (2020) that there was an affordable annual requirement of 799 dpa, this was to account for the continued shortfall in delivery.
- 5.4. The continued failure to meet the delivery targets from the adopted Core Strategy and SHMA (2020), has led to an underdelivery of 2,197 since 2015/16, indicating the need for the plan period remains at 15,351 affordable dwellings. This equates to approximately 1,023 dpa.
- 5.5. In alignment with the adopted plan Policy CS11, the intention is to deliver 10% affordable homes, despite the emerging plan requiring a delivery of 10% in Policy PD3. Therefore, the site is both policy-compliant and will offer a larger amount of affordable housing than the emerging plan requires.
- 5.6. This proposal intends to deliver 10 affordable dwellings in compliance with the adopted local policy.
- 5.7. Overall, there is an immediate need for affordable housing in Shropshire, and the continuing inability to provide highlights the importance of action. To address this deficit, local governments, developers, and other stakeholders must work together to prioritise affordable housing provision and guarantee that all residents have access to adequate housing.



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