

- 7.60 The data shows an overall need for affordable housing of 10,028 units over the next 23-years (436 per annum). The net need is calculated as follows:

$$\text{Net Need} = \text{Current Need} + \text{Need from Newly-Forming Households} + \text{Existing Households falling into Need} - \text{Supply of Affordable Housing}$$

**Table 60: Estimated level of Affordable Housing Need for the Mid-Mersey (2014-37)**

	Per annum	23-years
Current need	165	3,804
Newly forming households	2,001	46,032
Existing households falling into need	1,513	34,802
Total Gross Need	3,680	84,637
Supply	3,244	74,612
Net Need	436	10,028

Source: Census (2011)/CoRe/Projection Modelling and affordability analysis (numbers may not add up due to rounding)

- 7.61 The table below shows the annualised information for each local authority. The analysis shows a need for additional affordable housing in all areas with the need being highest in Warrington and lowest in St.Helens – the lower need is largely driven by a high level of supply which should be monitored moving forward.

**Table 61: Estimated level of Affordable Housing Need per annum – by location**

Area	Current need	Newly forming households	Existing households falling into need	Total Need	Supply	Net Need
Halton	43	458	426	928	809	119
St.Helens	61	713	701	1,475	1,379	96
Warrington	61	830	386	1,277	1,057	220
Mid-Mersey	165	2,001	1,513	3,680	3,244	436

Source: 2011 Census/CoRe/Projection Modelling and affordability analysis (numbers may not add up due to rounding)

- 7.62 As noted previously, the analysis of affordability throughout this report has been based on the assumption that a household spends no more than 25% of their gross income on housing. If this proportion were to be increased to 30% then the analysis would actually show a small surplus of affordable housing across the HMA. This serves to show how sensitive the outputs are to different assumptions, and, also shows that whilst there is a need for additional affordable housing, it is arguably not as substantial as is seen in other locations).

### Relating Affordable Need and OAN

- 7.63 The link between affordable need and the OAN is complex and has been subject to a number of recent High Court decisions and also interpretation through advice from the PAS (in the July 2015 – Technical advice note). Below some of the key judgements and guidance have been summarised in Chronological Order.