



Local Plan for the Broads

Note on Affordable Housing thresholds, need and delivery in the districts.

July 2018

1. Introduction

1.1. Following the Inspector's request, the district council's provided the following information in relation to affordable housing (AH).

2. Central Norfolk Strategic Housing Market Assessment (SHMA)

2.1. The affordable housing need for the Greater Norwich Authorities and North Norfolk District Council is set out at Figure 83, page 101 and 102 of EB5.

3. Greater Norwich (GN) area

3.1. Policy 4 of the Joint Core Strategy (JCS) for Broadland, Norwich and South Norfolk currently seeks 20% affordable housing on sites of 5-9 dwellings, 30% affordable housing on sites of 10-15 dwellings and 33% on sites of 16 or more dwellings. In accordance with recent ministerial statements etc, the GN authorities no longer seek contributions on sites of 10 or fewer dwellings. Elsewhere the GN authorities continue to seek AH in accordance with the adopted JCS policy.

3.2. On the basis of the findings of the Central Norfolk SHMA and the housing figures in the draft Standard Methodology, the Greater Norwich Local Plan: Regulation 18 Growth Options consultation document (early 2018) identified that the need for affordable housing represented approximately 26.5% of the overall housing need. Options for a 5 or 11 home affordable housing contribution threshold were consulted upon, as were options for a greater than 27% or site specific affordable housing requirement. A requirement of less than 27% overall was considered an unreasonable alternative. At this stage it is unclear what the exact policy direction will be. The responses to consultation are still being assessed.

3.3. Whilst affordable housing delivery has averaged only 21.16% of all completed dwellings since the adoption of the Joint Core Strategy, the interim viability assessment for the Greater Norwich Local Plan indicates that an affordable housing requirement of 33% should typically be viable across Greater Norwich. Therefore, the most recent identified need for affordable housing (as a percentage of all housing) appears achievable.

3.4. It remains the intention of the Greater Norwich Local Plan to meet the full objectively assessed need for market and affordable housing. At the time of writing, there are no identified impediments that are expected to prevent this intention being achieved.

3.5. The combined greater Norwich Area has a target of 561 Affordable Housing completions per annum. A total of 456 were completed, which is a shortfall of 105.

4. Great Yarmouth Borough Council (GYBC)

4.1. General Overview: It is important to recognise that the need for affordable housing in the Broads part of Great Yarmouth is very different from the Borough as a whole, but is not appropriate to consider them completely separately.

4.2. The Borough has low average incomes and significant concentrations of deprivation (including some of the most deprived wards in the country). The need is predominantly for social rent, and for a significant proportion of family homes. The total amount of affordable housing needed cannot be delivered because of the limited incomes of many of those in need, the limited public funds to support provision, and the increasing emphasis in national planning policy on providing more expensive affordable housing products and affordable home ownership in particular.

4.3. By contrast, the population of the Broads is overwhelmingly elderly and well-off. Its population average age is much higher than Norfolk or England as a whole, and the second highest of all the English National Parks (which tend to have very aged populations). Though full data is not available for the Broads, such as there is shows extremely high levels of home ownership, high levels of outright home ownership, ownership of multiple vehicles, and proxy indicators such as high levels of higher educational qualifications and (for those in work) higher status jobs. These in combination point to likely extremely low levels of need for affordable housing.

4.4. The geography of the Broads means that affordable housing provision outside its boundaries can be in close proximity, so that it is not realistic to place too much weight on Broads' boundaries for the purpose of delivery.

4.5. Within the Broads, delivery of affordable housing is constrained by very high land values, very extensive high levels of flood risk, generally small sites accommodating few dwellings, and landscape, historic environment etc. constraints. On the other hand, the high value of property in the Broads means that viability is less likely to warrant a reduction in anticipated percentages of affordable dwellings.

4.6. We have the following affordable housing in the GY Borough pipeline

- 91 units on site
- 136 with planning permission granted but not yet on site
- 148 (potential) with planning permission submitted but not yet granted

4.7. Current Thresholds: Policy CS4, of the 2015 adopted Core Strategy [Local Plan Part 1], sets the requirements for affordable housing. These are as follows:

		Threshold figure	Percentage sought
Affordable housing sub-market area 1	Caister-on-Sea, Gorleston, Great Yarmouth North and Northern Rural	5 dwellings	20% affordable
Affordable housing sub-market area 2	Bradwell, Great Yarmouth South and South Quay, Gorleston West and South West Rural	5 dwellings	10% affordable
Affordable housing sub-market area 3	Great Yarmouth Town Centre	15 dwellings	10% affordable

- 4.8. Note, however, that the Ministerial Statement (and subsequent revised draft NPPF) effectively raise (in most circumstances) the threshold which would apply to sub-market areas 1 & 2 to 10 dwellings, except in the designated Broads Area and Norfolk Coast AONB, where the threshold remains at 5 dwellings.
- 4.9. There are no current plans to amend the affordable housing thresholds and percentages set out in Core Strategy Policy CS4, in advance of a wholesale review of the Local plan commencing in late 2019.
- 4.10. Future supply: Future supply of affordable housing in the Borough is largely dependent, as elsewhere, on provision as a proportion of market housing development.
- 4.11. Current permissions (or resolution to grant permissions) in the vicinity of the Broads include
- Martham 60 affordable dwellings (and a potential further 20 in a current application);
 - Hemsby 19 affordable dwellings (and a potential further 38 in a current application);
 - Belton 6 affordable dwellings
 - Burgh Castle a potential 4 starter homes in a current application
- 4.12. Somewhat surprisingly, given the modest market demand and development returns in much of the Borough, GYBC has only rarely had to accept a reduction in affordable housing provision on grounds of viability (and then only when there are obvious additional costs attached to a particular site).
- 4.13. The Borough Council has set up an 'arm's length' housing development company which to deliver housing, with particular regard to affordable and other needs. It has planning permission for a development of 287 dwellings, including 29 affordable dwellings, at Bradwell. Future schemes could potentially be nearer to the Broads.
- 4.14. The Local Plan Part 2: Detailed Policies and Site Allocations propose a significant reduction in the Borough overall housing minimum target (see below). There are no current plans to amend the affordable housing thresholds and percentages set out in Core Strategy Policy CS4.

- 4.15. The Borough Council intends to embark on a thorough review of the whole Local Plan (parts 1 & 2) in late 2019.
- 4.16. Shortfall & Affordable Housing Need: The Borough is not currently able to meet the scale of the need for affordable housing. Going forward, national policy, which prioritises ownership and other higher cost 'affordable' housing, will make it increasingly difficult to deliver housing to match the Borough's types of needs, which are predominantly for lower cost social rented affordable housing.
- 4.17. The Great Yarmouth Strategic Housing Market Assessment (SHMA) (2013) identified a need for **438 affordable dwellings per annum** 2013-2030. Note that this is in excess of the total Objectively Assessed Need of 420 dpa (the methodology is different so the two are not directly comparable), which is also the Core Strategy housing minimum target.
- 4.18. Therefore, in theory, the Borough plan does not expect to meet all its estimated affordable housing need (because this is not currently possible in practice). It does, however, strive hard to deliver as much affordable housing, and of the most appropriate type, as possible within the current constraints.
- 4.19. The Draft Local Plan Part 2 (Reg 18 consultation due August) proposes to amend the Core Strategy target to that derived from the Local Housing Need derived from the Government's proposed 'standard method'. On current figures, and the wording of the Draft Planning Practice Guidance, this results in a Great Yarmouth (whole Borough, including Broads part) minimum target of 5,139 (a 28% reduction from Core Strategy). The 2018 Household Projections (publication potentially in September) are expected to result in a further fall to around 4,300 dwellings (around a 40% reduction on Core Strategy).
- 4.20. These reductions are not anticipated to reduce the amount of affordable housing delivered in GY Borough, as this is limited by the pace of overall housing delivery, which is currently, and expected to remain, below the current Core Strategy target, and more consistent with the revised figures derived from the new method.
- 4.21. The Core Strategy provision was not lifted above OAN to increase affordable housing delivery. (This would not have succeeded in any case, for the reasons just outlined.)
- 4.22. The Draft Local Plan Part 2 explicitly considers uplift above the figure derived from the new method, but concludes that this would not be effective because of the marginal viability of market housing in much of the Borough.
5. North Norfolk District Council
- 5.1. The emerging draft viability study identifies viable percentages of 25% and 45% in zone 1 and 2. The east of the District (the part in which the Broads Authority is located) falls into zone 1.

- 5.2. Current policy asks for 45% on all schemes of 10 or more in principle and secondary settlements subject to viability. There is also an incentive scheme which lowers the requirement in return for guaranteed delivery over a shorter time frame. Outside principle and secondary settlements the requirement is 50% on schemes of 10 dwellings or more in line with NPPG thresholds.
- 5.3. National Planning Practice Guidance allows local authorities to choose to apply a lower threshold of 5 units or less to developments in 'designated rural areas' as described under section 157(1) of the Housing Act 1985.
- 5.4. For the purpose of the Council's new and emerging policy on affordable housing, we are considering applying a reduced threshold to the whole district of North Norfolk, with the exception of those areas that fall outside the definition of the section 157 - the policy will be based on the identified viable percentages in accordance with the zones identified. Below 10 units a contribution would be collected in line with guidelines. The emerging viability evidence shows that 25% affordable housing requirement remains viable in the east of the district, while 45% is viable in high value areas to the west along the coast.
- 5.5. Current evidence contained in the SHMA identifies a need of around 9-10,000 dwellings in North Norfolk over the plan period and an affordable need at around 20% which is what the council is broadly delivering across the district now. The council is currently delivering between 18 – 20% affordable housing on average. North Norfolk has delivered 100% of its housing target in recent years and currently maintains a five year housing land supply.
- 5.6. The council also seek affordable housing on rural exception sites and are promoting community led affordable housing schemes through the Community Housing Fund. A specific team to work with communities across North Norfolk to deliver community led housing schemes has been set up. These schemes will provide affordable housing and may also deliver other community benefits using approaches such as Community Land Trusts. The Council has used some of the Community Housing Fund monies it received from government in 2016/17 to fund the acquisition of new affordable homes by local housing associations. The team are currently targeting those communities where it is not proposed to allocate housing sites in the emerging Local Plan but potential additional sites have been identified through site capacity work through the Housing and Economic Land Availability Study.
- 5.7. A new Local Plan is being prepared to cover the period 2016-2036. The draft Local Plan is currently being prepared in the expectation that a target of around 9,000 - 10,000 new homes (450-500 per year) will eventually be set and of these around 2,500 will need to be provided as affordable homes (approx. 20%). It should be born in mind that the new emerging national methodology for setting OAN includes uplift based on affordability which will at present lead to uplift from the current overall SHMA OAN figure of 411 dpa and the current local plan housing target of 400dpa.

5.8. This increase in the OAN/target along with the option of lowering the affordable housing threshold is recognised as impacting on the delivery of affordable housing in a positive way. The viable percentages for North Norfolk affordable housing delivery from the emerging draft viability study which reviews the emerging policy ask and site allocations continue to show that delivery of the identified need remains achievable.

6. Waveney District Council

6.1. The Council's affordable housing need is 208 dwellings per annum. The submitted Local Plan thresholds are set out in Policy WLP8.2 – Affordable Housing and are as follows:

All new housing developments on sites with a capacity of 11 dwellings or more must make provision for a proportion of the total dwellings to be affordable housing as follows:

- Housing developments in the Lowestoft and Kessingland area(excluding Corton) must provide a minimum of 20% affordable housing;
- Housing developments in the Southwold and Reydon area must provide a minimum of 40% affordable housing;
- Housing developments in the remainder of the District must provide a minimum of 30% affordable housing.

6.2. With regards to future affordable housing supply, see Trajectory at Appendix A. Consider 2,135 units could be delivered over the plan period to 2036.

6.3. The Council considers there will be a shortfall.

Appendix A – Waveney District Council's

Number of affordable homes	2018/19 Year 1	2019/20 Year 2	2020/21 Year 3	2021/22 Year 4	2022/23 Year 5	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	Delivery (Plan period)	Delivery (post plan period)	AH Total delivery X/C
2,135	77	69	196	233	233	224	139	110	103	105	104	97	97	63	63	47	47	17	2,024	111	2,135