Topic Paper for Policy 5: Homes

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Summary

This topic paper explains the development of policy 5 Homes through the various stages of the local plan process. It sets out how consultation comments, evidence and assessments have been taken account of. This culminates in a consideration of the responses to the Regulation 19 Proposed Submission GNLP. It is concluded that the policy is appropriate and "sound" in accordance with the legislative requirements. However, it is accepted that some improvements for explanation or clarification could be made through minor wording changes as "additional modifications". In addition, there are some instances where a change is sought by an objector and, although the Greater Norwich authorities do not accept that the change is necessary, the authorities have no objection to such a change being recommended as a Proposed Modification by the Inspectors, if deemed to be necessary to make the plan sound.

Accompanying this topic paper are four appendices. They are:

- Appendix A: Direction of Travel Discussion Paper for Allocating Extra Care Housing in the GNLP
- Appendix B: Nationally Described Space Standards Evidence
- Appendix C: Note on the 5 Year Gypsy and Traveller Land Supply in Greater Norwich
- Appendix D: Affordable Housing Completions and Forecasted Supply at August 2021 over the next Five Years

Purpose

- 1. This topic paper is part of a series of papers which are intended to inform the examination of the Greater Norwich Local Plan (GNLP).
- Its purpose is to provide further justification and explanation of policy 5 Homes and its supporting text. The paper explains how policy 5 has evolved, covering the context set by the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), public consultations held in January 2018 and January 2020, and local evidence.
- 3. Policy 5 covers a range of issues which include:
 - providing for affordable housing,
 - meeting needs for specialist accommodation,
 - applying the Nationally Described Space Standards (NDSS),
 - providing accessible homes,

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- Gypsies and Travellers, Travelling Showpeople and residential caravan accommodation,
- purpose-built student accommodation and
- self/custom-build homes.

Background

- 4. The current strategic approach to housing policy is in the Joint Core Strategy for Broadland, Norwich and South Norfolk (JCS), which was adopted in March 2011 with amendments adopted in January 2014. JCS policy 4 set a sliding scale requirement for affordable housing depending upon site size, from 20% on sites of 5 to 9 homes up to 33% on larger sites. This was based on an affordable housing need at the time of 11,860 dwellings out of a total of 36,820 new homes. During the intervening years changes in national planning policy have overtaken the JCS, particularly in relation to requiring affordable housing on smaller sites, so its successor policy 5 of the GNLP has been changed accordingly. JCS policy 4 also set out broad aims in terms of overall housing mix, accessible locations where new Housing with Care was required and the short-term requirements for Gypsy and Traveller sites.
- 5. Following on from the JCS, Site Specific Allocation documents were adopted for each council, which are being replaced by the GNLP. A series of Area Action Plans (AAPs) for the North East Growth Triangle, Long Stratton, and Wymondham, as well as each individual council's Development Management Policies plans, have also been adopted. These documents will not be superseded by the GNLP and will continue to apply until they are reviewed in the future. Amongst the Development Management Policies that will be used in conjunction with policy 5 of the GNLP are:
 - 2014 Norwich Development Management Policies -- <u>DM12</u> (Principles for all residential development), <u>DM13</u> (Flats, bedsits and larger houses in multiple occupation) and <u>DM14</u> (Gypsies, Travellers and Travelling Showpeople).
 - <u>2015 Broadland Development Management Policies</u> H5 (Residential institutions), H6 (Gypsies and Travellers).
 - <u>2015 South Norfolk Development Management Policies</u> DM3.1 (Meeting housing requirements and needs), DM3.2 (Meeting rural housing needs), and DM3.3 (Gypsy and Traveller sites).

Context

6. Housing is a significant issue. As such, policy 5 is relevant to all other strategic policies in the GNLP and the majority of the allocations in the GNLP Sites Plan are for housing. The policy covers a range of housing issues including affordability, specialist accommodation for specific groups within the community, and standards to which new homes are built.

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7. There are four main themes covered in this topic paper. These are: how policy 5 fits with the NPPF, the relationship with overall housing numbers, sustainability appraisal implications, and how policy 5 will affect the financial viability of development.

National Planning Policy Framework

- 8. Policy 5 of the GNLP relates to section 5 of the NPPF, primarily aligning with themes in paragraphs 61 to 79. Amongst those themes are:
 - ensuring an adequate supply of housing to meet needs, including meeting the government's stated aim of significantly boosting the supply of housing;
 - providing homes for all groups within the community;
 - ensuring the timely delivery of homes; and
 - delivering affordable housing on site, to create mixed and balanced communities.

Housing Numbers in the GNLP

9. In response to the government's objective to significantly boost the supply of homes, policy 1 of the GNLP strategy sets a total housing potential of around 49,500 homes (see the policy 1 topic paper for more detail), which amounts to a 22% buffer/flexibility allowance on the 41,500 homes required by the Government's standard methodology as calculated in 2019. While policy 1 ensures that overall housing needs will be met, policy 5 provides critical additional policy coverage to ensure that the homes built will meet the needs of all sectors of the community. It does this by requiring developers to build a diversity of different homes, ranging in tenure, size, and layout, as well as addressing the needs of the residents who will live in those new homes.

Sustainability Appraisal

- 10. Like all policies and site allocations in the plan, policy 5 has undergone sustainability appraisal (<u>A6.3</u>, see Appendix C of the submitted Sustainability Appraisal, January 2021, Section C.5).
- 11. Policy 5 scores neutrally against most of the 15 sustainability framework criteria. A major positive is scored against the 'Housing' criteria and minor positives are scored against four other criteria for 'Population & Communities', 'Deprivation', 'Health', and 'Education'. Factors contributing to these scores include providing housing to help create vibrant communities; that homes built to adaptable standards benefit vulnerable or older people; that promoting student accommodation will benefit education objectives; and, that provision of affordable housing assists in reducing deprivation.
- 12. Policy 5 scored no minor or major negatives against the 15 sustainability framework criteria.

Viability Appraisal

13. The obligations set by policy 5 for providing affordable housing have been considered throughout preparation of the GNLP. This included interim viability

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reports being written to support the Growth Options consultation in 2018 and the Regulation 18C Draft Strategy consultation (<u>B26.1</u>) in 2020. Engagement workshops were also held with property industry experts, firstly in January 2017 and secondly in February 2020.

- 14. The final Viability Appraisal report (B26.3) that accompanies the GNLP as evidence was produced in December 2020. Eleven development typologies were included, ranging from hypothetical sites of 12 dwellings to 1,000-home sites. All but one typology was shown to be viable and able to meet affordable housing obligations. The exception was the brownfield urban typology of 20 dwellings. This issue has been subsequently investigated further within a supplementary appendix (B26.5) published in May 2021, and brownfield sites are found to be viable (see paragraphs 63-64 below).
- 15. The Viability Appraisal looks at the issue of affordable housing in detail and how obligations should be set, with this balanced against setting a realistic number of variables. Consequently, policy 5 allows for each of the Greater Norwich authorities to agree a mix of types and tenures of housing to meet their local needs. Based on the most up to date evidence, the 11 typologies are modelled so that 75% of the affordable homes will be Affordable Rented Tenure (ART) and 25% will be an affordable home ownership product.
- 16. Similarly, thought has been given to setting the value of the affordable homes and setting prices that are realistic in terms of what developers sell to Registered Providers. These are set at 45% of market value for Affordable Rent Tenure and 75% of market value for Affordable Home Ownership dwellings.
- 17. Another consideration is how policy 5 and the Viability Appraisal meet NPPF requirement set in paragraph 34 for plans to "set out the contributions expected from development". Paragraph 57 of the NPPF is important too as it seeks to "frontload" the viability appraisal process for housing sites for consideration at the local plan allocation stage rather than at the planning application. Policy 5 therefore ensures that fewer occasions will arise where a viability appraisal will be necessary with a planning application. But due to the challenges of redeveloping brownfield sites, policy 5 also allows the possibility for submitting a viability appraisal at the decision-making stage for such sites.

Regulation 18 Consultation

18. Three Regulation 18 consultations were held in the preparation of the GNLP, with housing a prominent topic throughout.

Regulation 18 Consultation Stage A: January 2018

19. The Regulation 18 Stage A <u>Growth Options</u> consultation included a series of questions (numbered 37 to 49) in the section about housing. The 13 questions covered issues of affordable housing thresholds, affordable housing percentages, rented to shared ownership tenure splits, rural affordable housing, older people's housing and caravan and houseboat accommodation.

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20. The questions included favoured options and reasonable alternatives on:

- The minimum site size for requiring affordable housing (options AH1 and AH2).
- The percentage of affordable housing to require from qualifying sites (options AH3, AH4, and AH5).
- The tenure split for affordable housing, between rented and affordable home ownership products (option AH6).
- The approach to rural windfall, exception sites, and small sites (options AH7 and AH8)
- Housing mix, property type and number of bedrooms (options AH9 and AH10).
- Older people's housing and providing care accommodation (options AH11, AH12, AH13, and AH14).
- Providing sites for caravans and houseboats (options HB1, HB2, GT1, GT2, TS1 and RC1).
- 21. All the responses received to the Growth Options consultation were analysed and reported in September 2018 see Appendix 1 of the Draft Statement of Consultation (<u>A8.5</u>). Key points are:
 - Question 37 was about the site size threshold for requiring affordable housing. Option AH1 was a threshold of five or more dwellings or 0.4 hectares or more (as per current JCS Policy 4). Option AH2 was a threshold of sites of 11 or more dwellings or 0.5 hectares or more. A total of 92 separate responses were received to this question. Of those who expressed a preference, 34 supported option AH1, 50 supported option AH2 and eight supported neither option but offered a range of views on alternative approaches.
 - Question 38 was about the proportion of homes required to be an affordable tenure. Option AH3 was 27%. Option AH4 was more than 27%. Option AH5 was phasing of affordable housing on certain larger sites (perhaps 100+ homes). A total of 87 separate responses were received to this question. Of those who expressed a preference, 25 supported option AH3, 19 supported option AH4 and 22 supported option AH5. 21 supported none of these options in isolation but offered a range of views on alternative approaches.
 - Question 39 was about the split of affordable housing tenures. Option AH6 was to require all qualifying sites to provide the SHMA-evidenced ratio of rented and lowcost home ownership housing on all sites. A total of 65 separate responses were received to this question. Of those who expressed a preference, 36 supported the favoured option AH6 and 20 did not. 8 did not respond either yes or no but offered a range of views on alternative approaches to the favoured one.

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- Question 40 was about the approach to rural windfall and exceptions sites. Option AH7 was to allow "small sites windfalls" to be permitted adjacent to development boundaries. Option AH8 was not to allow any small-scale windfall sites for market housing, only for genuine "exception" sites (including an element of cross-subsidy, if necessary). A total of 75 separate responses were received to this question. Of those who expressed a preference, 35 supported option AH7 and 37 supported AH8. 7 did not favour either option but offered a range of views on alternative approaches.
- Question 41 was about the mix of housing. Option AH9 was to specify a threshold above which the identified housing mix would apply. Option AH10 was not to require the identified housing mix on all sites individually. A total of 72 separate responses were received to this question. Of those who expressed a preference, 17 supported option AH9 and 38 supported AH10. 17 did not favour either option but offered a range of views on alternative approaches.
- Question 42 was about the approach to housing for older people and care accommodation. Option AH11 suggested enabling residential care accommodation uses on any allocated housing sites, subject to a criteria-based policy. Option AH12 was to make specific allocations for residential care and retirement care uses. Option AH13 was developing a criteria-based policy to enable new retirement/care accommodation to be accommodated on land outside settlement boundaries and/or on other types of land within settlement boundaries. Option AH14 was requiring an amount of C2 residential care and/or C3 extra-care or retirement uses to be accommodated on "qualifying" housing allocations in particular locations. A total of 50 separate responses were received to this question. Of those who expressed a preference, 5 supported option AH11, 19 supported option AH12, 5 supported option.
- Question 43 was about alternatives for providing houseboats. Option HB1 was developing a criteria-based policy to allow for moorings. Option HB2 was not having a policy, instead relying on the NPPF and other development plan policies. A total of 28 separate responses were received to this question. Of these, 11 favoured Option HB1 and 15 favoured Option HB2. Otley Properties and Pigeon Investments did not wish to comment at this stage but reserved the right to comment at a later stage.
- Question 44 was about planning for the needs of Gypsies and Travellers. Option GT1 was making specific allocations as well as having a criteria-based policy. Option GT2 was requiring larger housing allocations of 150+ to include a certain number of Gypsy and Traveller pitches. Of the 36 respondents who expressed a preferred policy approach in relation to this question, 31 supported the favoured Option GT1 to make specific allocations of land to deliver the quantified need for new Gypsy and Traveller accommodation pitches (as well as a criteria based policy) and 5 supported the reasonable alternative Option GT2.

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- Question 45 asked for site proposals suitable for Gypsy and Traveller accommodation, but no sites were submitted.
- Question 46 was about planning for the needs of Travelling Showpeople. Option TS1 concerned making allocations to deliver some or all of the need for new Travelling Showpeople plots, along with a criteria-based policy. 18 respondents supported the favoured option for planning for the needs of Travelling Showpeople (to make allocations to deliver some or all of the need for new Travelling Showpeople plots, along with a criteria-based policy), with 3 respondents against.
- Question 47 asked for site proposals suitable for Travelling Showpeople accommodation. Two suggestions were received. One was generic, suggesting that old airfields are used. Secondly, a respondent said limited road access near them would preclude any particular sites being attractive to showmen.
- Question 48 asked about the favoured option for residential caravans and park homes. Option RC1 was to make allocations to deliver at least part of the quantified need/demand for new residential caravans, along with a criteria-based policy. 21 respondents supported the favoured option to make allocations to deliver at least part of the quantified need/demand for new Residential Caravans, along with a criteria-based policy, with 6 respondents against.
- Question 49 asked for site proposals suitable for new/expanded residential caravan sites. Two suggestions were received. One was generic, suggesting that old airfields are used. Secondly, a respondent said limited road access near them would preclude any particular sites being attractive to residential caravan sites.
- 22. The consultation questions asked at Regulation 18A reflect the time at which they were written. Since 2017, the NPPF and PPG have been amended, and some of the options consulted on have been superseded by national policy changes. Two examples are:
 - a. As set out in paragraph 63 of the NPPF, local plans can no longer require affordable housing on sites of fewer than 10 homes.
 - b. Revisions to the PPG have increased the emphasis on viability testing at the plan-making stage, which amongst other things means more testing of affordable housing obligations.

Regulation 18 Consultation Stage B: October 2018

23. This consultation dealt with new, revised, and small sites. As such, it did not directly affect the emerging Homes policy.

Regulation 18 Consultation Stage C: January 2020

24. Draft <u>policy 5</u> included sub-sections on "Affordable Housing", "Space Standards", "Accessible and Specialist Housing", "Gypsies and Travellers, Travelling Showpeople

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and Residential Caravans", "Purpose-built Student Accommodation" and "Self/Custom-Build".

- 25. Questions 27 to 33 covered policy 5. Appendix 8 of the Statement of Consultation (<u>A8.10</u>) provides a full summary. Key points are:
 - Question 27 was about the approach to requiring a proportion of affordable homes on major residential proposals and received 55 responses. Comments from the public were largely supportive, whereas the comments from the development industry tended to request increased flexibility about affordable housing obligations. Responses from the GNLP team focused on the evidence set in the SHMA and Viability Appraisal. The conclusion reached was "no change to plan".
 - Question 28 was about the approach to applying the Nationally Described Space Standards (NDSS) and received 28 responses. Some comments were supportive, while others queried the need for space standards and the evidence justifying the imposition of the national standard. The GNLP team responded that space standards are justifiable based on the viability appraisal work which had been done and, such standards would help ensure new homes best meet the needs of communities in Greater Norwich (see Appendix B to this topic paper).
 - Question 29 concerned the issues of accessible and specialist housing. 21 responses were received. The requirement for 20% of homes on major developments to meet building regulation M4(2) for adaptable homes received some comments about increasing developer costs, to which the GNLP team responded that the policy had been costed in viability appraisal work. Responses about specialist and older people's housing received general support, with some promoters using this question to argue for their site's allocation. The GNLP team's view was that as well as allowing specialist and supported accommodation within settlement boundaries, and on residential allocations, specific allocations for older people's extra care housing would be made at GNLP0253 Colney Hall; GNLP0337R Taverham; GNLP0596R Aylsham; GNLP2136 Harleston, and GNLP0409BR Barrack Street, Norwich.
 - Question 30 addressed Gypsies and Travellers, Travelling Showpeople and Residential Caravans. The question specifically invited the submission of appropriate sites. Three responses offered support for the principles proposed, but no sites were submitted. Consequently, the GNLP team has continued to work with a specialist consultancy to engage with travelling communities to help ensure an adequate supply of pitches and plots and the application of a criteria-based approach in the GNLP.
 - Question 31 concerned purpose-built student accommodation and 13 responses were received. Opposition was expressed to the GNLP's proposal that purpose-built student accommodation should provide affordable housing either on site or as a commuted sum. The GNLP team responses stated that the growing number of

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students living in Norwich has an impact on the availability of sites for affordable housing, and justifies the proposed policy approach.

- Question 32 concentrated on the approach to self/custom-building and 27 responses were received. Some support for the policy was expressed, while others, particularly from the development industry, questioned the level of evidence. The GNLP team response was that the policy wording had deliberately been set so as to prevent supply of unneeded or unsellable plots, and, Policy 7.5 (for Small Scale Windfall Housing Development) also gives flexibility to allow self-build and custom house-building on edge-of-settlement sites.
- Question 33 was an opportunity to raise any other issues. 10 responses were received, and although no changes to Policy 5 arose, the points made are summarised and have been addressed in Appendix 6 of the Statement of Consultation.

Regulation 19 Publication Stage: February 2021

- 26. The version of <u>policy 5</u> published at Regulation 19 is similar to that in the Regulation 18 Draft Strategy. Differences are adjustments to supporting text and changes in some clauses within the policy, but the basic structure of the policy is the same.
- 27. The remainder of this section discusses policy 5 under its sub-headings:

Affordable Housing

- 28. Since the Regulation 18 Draft Strategy, policy 5 has been cross-checked with both policy 1 (the Sustainable Growth Strategy) and <u>appendix 6</u> (the Housing Delivery Trajectory). Aligning these policies ensures enough homes of all tenures will be provided, and within that to ensure enough affordable tenure homes will be provided. This amounts to meeting an overall local housing need of 40,541 homes, and requiring 33% affordable housing on sites of 10 or more, or 28% on brownfield sites.
- 29. Strategic Housing Market Assessment (SHMA) evidence shows that over 11,000 affordable homes are required, so equalling 28% of the 40,541 homes required overall. However, this is not the entire answer, as not all sites will deliver 28% affordable housing. Exceptions include smaller sites of fewer than 10 homes which cannot be required to provide affordable housing and, potentially, some larger brownfield sites on which targets cannot be met (see paragraphs 35 and 36 below). Consequently, the GNLP has a 33% affordable housing requirement for the majority of sites, with a 28% requirement in Norwich city centre where development costs are higher.
- 30. While JCS policy 4 set a lower threshold for affordable housing on small sites, the GNLP now reflects paragraph 63 of the NPPF, so only seeks affordable housing on developments of 10 or more homes. But sites such as 100% affordable housing and rural exception sites will continue to provide higher proportions of affordable housing.

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- 31. Another distinction is that the GNLP drops the JCS tenure split requirement for 85% social rented and 15% intermediate tenures. Instead, the GNLP gives more flexibility and addresses recent NPPF requirements by stating: "a mix of affordable housing sizes, types, and tenures in agreement with the local authority, taking account of the most up-to-date local evidence of housing need. This will include 10% of homes being available for affordable home ownership where this meets local needs".
- 32. Since the JCS was adopted significant changes have been seen in nationally set housing policy, such as with the introduction of the Affordable Rent Tenure, more affordable home ownership products like First Homes, and the distinct asset class that is Build to Rent. This additional complexity means that GNLP policy 5 has been deliberately worded to give each local authority autonomy in negotiating the mix of affordable housing sizes, types and tenures based on the most up to date evidence. However, as indicated in the viability analysis done in support of the GNLP, the expectation is that most developments could provide an affordable homes split of 75% Affordable Rented Tenure (ART) and 25% Affordable Home Ownership (AHO).
- 33. Throughout the preparation of policy 5 the intention has been to maximise affordable housing as this is in the public interest, whilst at the same time avoiding the risk that the development industry is stifled by affordable housing obligations. Local evidence shows that this risk appears minimal, as development has happened, and affordable housing has been built. Across Greater Norwich affordable housing completions were 456 in 2016/17, 531 in 2017/18, 724 in 2018/19, and 643 in 2019/20.
- 34. A supply of affordable housing, especially in Norwich where need is highest, is and will continue to be bolstered by public sector investment, by a combination of central government investment and work by the Greater Norwich authorities. Recent examples in Norwich are developments at Hansard Close and the RIBA Stirling Prize 2019 winning scheme at Goldsmith Street. Such projects are anticipated to continue, with the largest example being at Three Score, Bowthorpe.
- 35. Prompted by the consultation feedback received in 2020 and evidence, changes have been made to policy 5 and its supporting text concerning the viability of brownfield sites:
 - a. Paragraph 271 includes additional text to explain how a viability assessment could be submitted if a brownfield site cannot achieve the required affordable housing obligations due to higher costs and other viability considerations and
 - b. the 'Affordable Housing' sub-section of the policy has been amended to state there could be flexibility on brownfield sites "where the applicant can demonstrate that particular circumstances justify the need for a viability assessment at the decision-making stage".
- 36. The Regulation 19 draft also acknowledges that Vacant Building Credit reduces affordable housing obligations on redeveloping brownfield sites. Allowing such flexibility on affordable housing obligations is necessary and important for redeveloping brownfield sites, but in no way undermines the GNLP's overall priority of delivering affordable housing.

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Space Standards

- 37. The GNLP makes the Nationally Described Space Standards (NDSS) mandatory for all new homes. Appendix B of this topic paper explains how the GNLP's approach complies with PPG paragraph 56-020. The appendix concludes that there is a justified need for applying the optional standard, that the policy requirement would not undermine development viability, and that the GNLP's adoption timetable provides an adequate transition period for developers.
- 38. In addition, space standards have been required in Norwich through <u>DM policy 2</u> since 2014 and this approach is now applied more widely nationally through both local plans and the government requiring conversions made through permitted development regulations to meet the NDSS. Furthermore, recent trends to increased working from and spending more time at home adds emphasis to the importance of the standards.

Accessible and Specialist Housing

- 39. As with the previous JCS policy, the GNLP sets requirements for specialist housing needs. For example, like its predecessor, the GNLP encourages older people's housing (known as 'housing with care' or 'extra care housing') in sustainable locations.
- 40. The publication draft plan provides clarity on the expectation for specialist accommodation to provide affordable housing. Additional text has been included in the policy explaining that *"irrespective of C2 or C3 use class, older people's housing will provide 33% affordable housing or 28% in the City Centre"*. The reasoning behind this change is that older people's housing, such as extra care housing, is still a dwelling even though it comes with care services. This approach reflects the judgment in Holgate J in Rectory Homes Limited v Secretary of State for Housing, Communities and Local Government (case number: CO/4682/2019).
- 41. Changes to supporting text were added to the publication draft of the GNLP to explain how specialist housing should be integrated into the wider community. Part of this, as described in <u>paragraph 277</u>, will be by encouraging specialist housing for the elderly and other groups on all housing schemes. The strategic policy is also reinforced by the Part 2 Sites Plan, where a consistent approach is taken to allocating specialist housing and allocating general residential schemes.
- 42. Paragraphs 276 and 277 were also amended to:
 - a. emphasise recent research showing a need for 3,857 units of accommodation for older people.
 - b. Refer to the specific allocations being made in the GNLP Sites Plan for extra care housing at Taverham, Aylsham, Harleston and Barrack Street, Norwich. For more information see Appendix A.
- 43. The requirement for at least 20% of homes to meet Building Regulation M4(2) for adaptable homes has been carried into the publication version of the plan. The requirement is costed at £1,400 per dwelling within viability appraisal work. This approach reflects the direction of government policy (see the MHCLG consultation

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document *Raising accessibility standards for new homes*, published in September 2020).

Gypsies and Travellers, Travelling Showpeople and Residential Caravans

- 44. The GNLP recognises its responsibilities against the Planning Policy for Traveller Sites, but as yet has been unable to allocate specific land due to the lack of site submissions for such uses. This is a matter for ongoing work that the Greater Norwich authorities are addressing both by employing a consultant to broker the search for Gypsy and Traveller sites and by the establishment of a GNLP team to bring forward a site or sites:
 - RRR Consultancy, on the GNLP team's behalf, is undertaking community engagement by phone and email, and this work will be reinforced by in-person interviews when possible.
 - A Greater Norwich team has been established to identify potential sites in public sector ownership which could either be considered for allocation through the GNLP examination process or could be brought forward through the planning application process. This is a high priority, for which the GNDP resolved: "Commit to proactively identify and bring forward sufficient Gypsy and Traveller sites to meet identified needs in accordance with the criteria-based policies of the current and emerging Development Plans." (GNDP, 24th June 2021, item 6, recommendation 2)
- 45. Therefore, by the time the GNLP reaches examination the pipeline of pitches is likely to have expanded.
- 46. For Travelling Showpeople a dialogue has been opened with the Eastern Region branch of The Showmen's Guild of Great Britain. A Statement of Common Ground is being discussed which will recognise that the criteria-based approach in policy 5 allows the Guild to bring forward sites to reflect their needs.
- 47. Also, by November 2021 a full review of the 2017 Accommodation Needs Assessment should have been completed by RRR Consultancy. Meanwhile an addendum (<u>B8.2</u>), published in January 2021, has confirmed the need over the plan period as 64 pitches for Gypsies and Travellers, 48 plots for Travelling Showpeople, and 106 pitches for residential caravan dwellers.
- 48. The Greater Norwich authorities are allowing a market-led approach towards pitches for residential caravan dwellers which is guided by the criteria listed in policy 5, and no site allocations are being sought. This approach has been taken on the basis that residential caravans are a tenure choice, often chosen for reasons of lifestyle. Where affordability is a factor the provision of 'bricks and mortar' affordable homes will more than meet the affordable housing need for residential caravans.

Purpose-built Student Accommodation

49. The University of East Anglia (UEA) is located on an edge-of-city campus where it continues to expand and provide new purpose-built student accommodation. The

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GNLP supports this approach as referenced in paragraph 281 of the strategy and in the text of policy 5 in relation to the evidence of accommodation need provided in the UEA's Development Framework Strategy. The UEA's approach strikes a balance where some students can choose to live in halls of residence, or as smaller groups in a House of Multiple Occupation (HMO).

- 50. More generally there is a need to balance the housing needs of students with other community groups. In response to this, Norwich City Council produced a best practice advice note entitled "<u>Purpose-built student accommodation in Norwich</u>" in November 2019. This advice note informs GNLP policy for purpose-built student accommodation in two ways:
 - Firstly, away from the UEA, policy 5 will focus such accommodation in highly sustainable locations;
 - Secondly, there is a requirement to provide affordable housing as set out below.
- 51. Norwich City Council adopted an <u>Affordable Housing Supplementary Planning</u> <u>Document</u> (SPD) in July 2019. It emphasises that *"New student accommodation in particular is often proposed on sites that could otherwise be developed for general purpose housing which would include affordable homes as part of a wider tenure mix."*
- 52. The GNLP requires affordable housing as part of purpose-built student housing developments on the basis that such schemes will be on scarce brownfield sites in highly sustainable locations and losing the opportunity for affordable housing obligations would detrimentally affect other communities in Norwich.
- 53. The need to secure affordable housing from sites permitted for student accommodation in Norwich is further justified by the high rate of need that arises in the city. Paragraph 6.77 of the 2018 Growth Options Strategy explains that *"the amount of affordable housing need varies significantly across the three districts, from 19.9% in South Norfolk, and 24.4% in Broadland to 38.3% in Norwich".*
- 54. Consequently, policy 5 maximises affordable housing in Norwich, whilst recognising viability considerations. The policy has been worded to allow a purpose-built student accommodation scheme to include a viability assessment at the decision-making stage, provided the development is on a brownfield site and that circumstances justify a reduction in affordable housing obligations.

Self/Custom-Build

55. Footnote 26 of the NPPF describes how a local authority must meet its duties to hold a register for self-build and custom housebuilding. While the Greater Norwich authorities are currently fulfilling their obligations, policy 5 of the GNLP seeks to be more progressive by setting an aspiration to deliver self-build and custom homes on all sites above 40 dwellings. The principle here is that the GNLP can assist in driving forward this traditionally under-represented sector of the housebuilding industry, thus assisting overall housing delivery.

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- 56. Policy 5 seeks to positively encourage self-build and custom housebuilding but is flexibly worded so as not to undermine the viability or timely delivery of schemes. This includes where a lack of need may exist or if plots have been marketed but not sold. The intention is that developers investigate the commercial opportunity for providing self-build and custom housebuilding, but that it is not mandated in all circumstances.
- 57. As described in paragraph 283 of the submitted GNLP, the wording of policy 5 is complemented by policy 7.4 for the Village Clusters and policy 7.5 for Small Scale Windfall Housing Development. These policies in combination recognise that both edge-of-settlement and some more rural locations where there is existing development can be a positive source of housing plots, subject to safeguards. These safeguards are in national policy which prevents isolated homes in the countryside and in the local policies that manage development outside settlement boundaries.
- 58. Assuming that annual completions across Greater Norwich continue to be at least 2,000 homes per annum, 5% equates to approximately 100 homes per annum by self/custom-builders. National evidence, found in a House of Common Briefing Paper of March 2017, suggests that the upper limit of the self/custom-build market is 10% of completions across the country. Also, over 100 applicants are on Greater Norwich registers for self/custom-build, albeit it is recognised that this evidence is mixed and may not give a full picture of the self/custom-build market locally.

Representations to the Regulation 19 Publication Stage

- 59. During the February to March 2021 publication period, there were 57 representations made about policy 5. 6 were in support, and 51 were objections.
 - 60. The following is a summary of the main issues raised about policy 5, organised by its main themes:

Affordable Housing

- The 28% and 33% affordable housing policy, if achieved, would over-deliver against the identified need;
- The reference to 'at least' 33% is ambiguous.

Viability Testing

• Greenfield sites can face high development costs so viability testing should be allowed for at the planning application stage (as is allowed for brownfield sites).

Space Standards

• There appears to be no robust evidence that would suggest that development below space standards is a concern in the GNLP area. The policy should provide flexibility to recognise need and viability where necessary.

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Accessible Housing

• It will either be necessary to demonstrate a need for accessible housing or delete this part of the policy.

Specialist Housing

• The need for 3,857 specialist retirement units in the plan area is based on evidence which is not currently publicly available. Even with the allocations proposed, there remains a significant unmet need for retirement homes and/or beds in residential institutions. Specialist housing for older people cannot be expected on mainstream housing sites and these should be addressed by specific allocations (see Inspector's report on the Vale of Aylesbury Local Plan Policy H6).

Purpose built Student Accommodation (PBSA)

• PBSA should not be expected to contribute towards affordable housing provision. Paragraph 64(b) of the NPPF states that PBSA is exempt.

Self/Custom-Build

- The councils need to consider the robustness of their self-build register as an evidence base and indicator for demand for self-build plots;
- The Self/Custom-build policy has not been tested in viability appraisal work;
- Objections to fixed percentage for serviced self-build plots on larger housing sites (best in windfall policy 7.5).
- 61. All the representations made during the Regulation 19 Publication stage have been considered. In some limited circumstances it is acknowledged that some minor modifications could be made, such as to correct minor factual inaccuracies or to aid clarity. However, none of the representations undermine the soundness of the plan.

Supplementary Evidence Gathered During 2021

62. During 2021 the GNLP team has continued to work to make sure the plan's evidence base is kept up-to-date, and to have additional evidence available for the Inspectors should this be required.

May 2021 -- Supplementary Appendix to the 2020 Viability Appraisal

63. In May 2021, further analysis was agreed to understand the viability thresholds for brownfield sites and the ability of such developments to provide affordable housing. Amongst its findings was that an urban centre development of 50 homes on a 0.5 ha site could provide 26% affordable housing when setting developer's profit at 17.5% and providing a 20% uplift on the existing use value of the land. The evidence gives confidence that the approach policy 5 takes to affordable housing obligations is sound and ensures viability testing produced for the GNLP is in line with Norwich City Council's own <u>Affordable Housing SPD</u> (adopted July 2019).

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64. A crucial point for city centre sites is that affordable housing obligations will be more frequently defined by viability considerations, not the level of housing need. As shown in Local Housing Needs evidence, affordable housing need in Norwich is 42% of the total housing required (<u>B22.3</u>, Figure 53). But this requires context, as the supplementary viability evidence reinforces the approach in policy 5 that for viability reasons affordable housing obligations are set at 28% on brownfield sites.

June 2021 -- Greater Norwich Local Housing Needs Assessment (LHNA)

65. Further evidence on housing need, the Greater Norwich Housing Needs Assessment 2021 <u>B22.3</u>, was produced by consultants ORS to provide an update for the plan's examination. It calculates the LHN as 39,440 across the 20-year plan period (1,972 per annum). It uses affordability data published in 2021 and 10-years average household projections from 2021 to 2031.

LHNA Findings -- Affordable Housing Percentage

- 66. A key finding is a need for 34% affordable housing based on a need of 670 affordable homes a year against the LHN of 1,972 per annum. This is calculated based on,
 - a. 518 households a year need affordable housing plus
 - b. 152 council homes a year are sold under the Right to Buy in Norwich.
- 67. The consequence is a total affordable housing need of 670 homes per year, a total of 13,400 over the plan period, as part of a total LHN of 39,440 homes.

LHNA Findings -- Housing for Older People

- 68. The LHNA evidences the need for 960 units of extra care housing over 21 years in Greater Norwich. The GNLP responds by making specific allocations at Colney Hall, as well as site allocations with an element of specialist housing at Taverham, Aylsham, Harleston and Barrack Street (Norwich). Together these allocations will deliver circa 560 units of extra care housing.
- 69. Policy 5 takes a positive approach to encouraging extra care specialist accommodation, sheltered housing, and other supported housing needs. The policy encourages such developments in locations where there is good access to local services. Importantly, the site selection process for specialist housing has followed the same process as that taken for general residential allocations and the allocation of specialist accommodation in isolated rural locations is considered unreasonable.

LHNA Findings -- Housing for People with Disabilities and Housing for Wheelchair Users

70. The LHNA refers to data that shows at least 11,557 more adapted homes are needed in Greater Norwich by 2041, but that this figure could be as high as 29,284 dwellings. Also, evidence cited in the LHNA states a need for 685 wheelchair adapted homes for those aged under 75 years and 2,550 for those aged 75 years or more. In this regard policy 5 takes a positive approach by requiring new homes to meet NDSS, and for at least 20% of homes to meet the Building Regulation M4(2) standard or any successor.

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But policy 5 also strikes a balance between keeping building costs commercially viable, whilst aspiring to higher standards that help people with disabilities.

LHNA Findings -- Student Housing

71. The population and household projections used in the ORS study assume that student numbers will grow by around 440 per annum. This pressure on the housing stock, particularly in Norwich where there is also a competing high demand for affordable housing, is accounted for in policy 5's requirement for purpose-built student accommodation to include a policy compliant proportion of affordable housing.

LHNA Findings -- Gypsies and Travellers

72. The ORS Study states that the needs of households not meeting the Planning Policy for Travellers Sites (PPTS) definition of a Traveller should be considered. This need is recognised by the GNLP and policy 5 includes a criteria-based policy to facilitate the delivery of accommodation for those wanting to reside in caravan accommodation.

LHNA Findings -- Self/Custom-Build Housing

73. Latest register information is found in the updated LHNA by ORS. This shows 108 applicants on the three registers during October 2019 to October 2020. (Broadland 3, Norwich 4, South Norfolk 101 (charges are not applied to register in South Norfolk)). Policy 5 responds to this need in a flexible way that encourages the self/custom-build sector to flourish in Greater Norwich, but also prevents over-supply if there is doubt over the need or saleability of plots.

July 2021 -- Note on the 5 Year Gypsy and Traveller Land Supply in Greater Norwich (See Appendix C)

- 74. This note was originally prepared in Spring 2021. It found the Greater Norwich authorities to have a 5.27-year land supply for Gypsy and Traveller pitches. This has now been subsequently corrected and the land supply is revised down to 2.24 years. The error had come about by misunderstanding how the 2017 Accommodation Needs Assessment had already factored in 21 pitches of potential supply.
- 75. However, the Greater Norwich authorities are actively looking to find an additional supply of Gypsy and Traveller sites. As stated above, no sites have been submitted into the plan-making process. However, a team of officers is undertaking site identification work, and progress will be reported into the examination process.

August 2021 – Affordable Housing Completions and Forecasted Supply over the next Five Years (See Appendix D)

76. Housing enabling officers in each of the Greater Norwich authorities were asked to provide the latest information on affordable housing completions and forecasted supply for the upcoming years. A summary table is shown below, and a full site-by-site list is provided in Appendix D.

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Affordable Housing Completions and Forecasts August 2021 -- Greater Norwich Area

Settlement Tier	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26
Norwich City	137	184	27	86	85	188	0	0
Broadland Fringe	123	83	93	71	184	310	354	447
Broadland Towns	40	19	0	3	0	0	0	0
Broadland KSCs	14	40	46	16	95	45	20	0
Broadland Villages	18	69	29	39	35	23	11	13
South Norfolk Fringe	31	18	8	90	146	126	102	93
South Norfolk Towns	147	127	46	97	92	132	30	20
South Norfolk KSCs	136	76	45	36	42	62	102	40
South Norfolk Villages	24	40	2	22	35	9	12	0
Totals	670	656	296	460	714	895	631	613

- 77. The information collated is based upon studying existing planning permissions. Forecasts come from officer judgement that is informed by discussions with planning colleagues, planning agents, housebuilders, and Registered Providers (RPs). The data forecasts 460 affordable homes in 2021/22, 714 in 2022/23, 895 in 2023/24, 631 in 2024/25, and 613 in 2025/26. This evidence shows that the pipeline of future affordable housing supply is already growing, and as more planning permissions are granted the forecast will improve further.
- 78. The data provided should be treated as a 'snap-shot' in time at August 2021 and will change as development schemes progress through the planning system. Also, over time the affordable housing pipeline will be added to as more planning applications are approved. Undertaking a forecast that includes as yet unpermitted development schemes means anticipating many variables. Thus, a more meaningful and prudent exercise was to limit the forecast to permitted development schemes.

Conclusion

79. Policy 5's content is based on national policy guidance, public consultation and evidence from various studies. For each of its six parts, policy 5 is structured so as to be both flexible and pragmatic.

Affordable Housing

80. The 33% affordable housing requirement is a critical element of policy 5. The local affordable housing need addressed by the policy is evidenced by up-to-date evidence in the Local Housing Needs Assessment. It is also viable, as demonstrated by viability appraisal supporting the GNLP. The policy is also pragmatic in acknowledging that on some brownfield sites a lower affordable housing percentage of 28% will be the maximum achievable and in allowing for viability assessment on such sites.

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Space Standards

81. Viability evidence shows that applying the Nationally Described Space Standards to 100% of new homes is achievable, and by applying this standard the housing stock will become more flexible in meeting people's needs.

Accessible and Specialist Housing

82. A flexible and pragmatic approach is taken to the provision and location of older people's housing and other specialist housing for other groups in the community. Site allocations have been made for extra care housing, and the supply of other specialist and supported housing will be accommodated on sites with good access to services (including on sites allocated for residential use). A key principle of the approach taken is that specialist and supported housing should be in sustainable locations.

Gypsies and Travellers, Travelling Show People and Residential Caravans

83. Policy 5 contains a criteria-based policy that will facilitate the delivery of more pitches and plots via the development management process of the planning system. The Greater Norwich Authorities are also actively engaging with traveller families and are seeking to identify sites on public sector owned land to boosting the supply of pitches.

Purpose-built Student Accommodation

84. Policy 5 takes a positive approach to furthering the supply of accommodation at the University of East Anglia campus whilst also requiring that purpose-built student accommodation provides policy compliant levels of affordable housing. The principle here is that losing the opportunity for affordable housing on such sites would detrimentally affect other communities.

Self/Custom-Build

85. The GNLP seeks to enable this traditionally under-represented sector of the housing market to flourish. Safeguards are included in the policy requirement so that it does not apply if the need does not exist or if plots cannot be sold.

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Minor Modifications, Appendices and Other Relevant Evidence

A schedule of minor modifications was provided when the plan was submitted for examination in July 2021, which can be found in Appendix C of the Planning Inspectorate Submission Letter (<u>A13</u>). This contained two updates affecting the supporting text of Policy 5. These were:

Policy 5 Homes Paragraph 279	To correct the text on the need for Gypsy and Traveller pitches.	Revise the text to: The policy provides for the needs of Gypsies and Travellers. The planned expansion of the Swanton Road site in Norwich contributes to supply. A further 64 pitches for Gypsies and Travellers will be required by the end of the plan period in 2038. The criteria- based policy allows for additional delivery to meet need throughout the plan period and allows for the expansion of well-located existing sites. Since no sites have been submitted for consideration through the local plan, the intention is to bring additional sites forward through the Development Management process as well as having this criteria-based policy to allow further sites to come forward.
Paragraph 282	To update the Self-build Register figures.	Amend the text should to: Local authorities are required to keep a register of those seeking to acquire serviced plots in the area for their own self-build and custom-build housing. During the period October 2019 to October 2020, there were 108 households on the registers in Greater Norwich.

Four appendices supplement this topic paper. They are:

- Appendix A: Direction of Travel Discussion Paper for Allocating Extra Care Housing in the GNLP
- Appendix B: Nationally Described Space Standards Evidence
- Appendix C: Note on the 5 Year Gypsy and Traveller Land Supply in Greater Norwich

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• Appendix D: Affordable Housing Completions and Forecasted Supply at August 2021 over the next Five Years

Other relevant evidence for policy 5 includes:

- Gypsy and Travellers
 - Caravans and Houseboats Study (October 2017) (B8.1)
 - Gypsy and Travellers Addendum (January 2021) (B8.2)
 - Note on the 5 Year Gypsy and Traveller Land Supply in Greater Norwich (and also Appendix C to this topic paper) (to add)
- Nationally Described Space Standards
 - Nationally Described Space Standards (March 2015) (here)
 - Nationally Described Space Standards Evidence (and also Appendix B to this topic paper) (to add)
- Statement of Consultation
 - Submission Greater Norwich Local Plan Statement of Consultation (A8.1)
 - Appendix 2 High level report on Reg18A consultation (<u>A8.3</u>)
 - Appendix 3a Reg 18A Growth Options comments (<u>A8.4</u>)
 - Appendix 3b Reg 18A Growth Options comments appendix (<u>A8.5</u>)
 - Appendix 4 Summary of responses to Reg 18A Site Proposals Document (<u>A8.6</u>)
 - Appendix 7 High level report on the Reg. 18C Draft Plan consultation (<u>A8.9</u>)
 - Appendix 8 Reg 18C Strategy & Evidence Reps summaries & responses (A8.10)
 - Appendix 9a Reg 18C Site Reps summaries & responses Introduction (A8.11)
- Strategic Housing Market Assessment (SHMA)
 - Strategic Housing Market Assessment (SHMA) (June 2017) (B22.1)
 - Strategic Housing Market Assessment (SHMA) Supplementary Note (June 2017) (<u>B22.2</u>)
 - Greater Norwich Local Housing Needs Assessment (June 2021) (B22.3)
- Sustainability Appraisal Report
 - Sustainability Appraisal & Strategic Environmental Assessment Volume 1 – Non-technical Summary (Jan 2021) (<u>A6.1</u>)
 - Sustainability Appraisal & Strategic Environmental Assessment Volume 2 – Regulation 19 Sustainability Report (Jan 2021) (<u>A6.2</u>)
 - Sustainability Appraisal & Strategic Environmental Assessment Volume 3 Appendices (Jan 2021) (<u>A6.3</u>)
 - GNLP response to Regulation 19 Sustainability Appraisal Report (January 2021) (<u>A6.4</u>)
- UEA Development Framework Strategy
 - UEA Development Framework Strategy (B25.1)
- Viability Study
 - Viability Study (September 2017) (B26.1)
 - Interim Viability Study (November 2019) (<u>B26.2</u>)

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- GNLP Viability Appraisal (December 2020) (<u>B26.3</u>)
- GNLP Viability Appraisal Appendices (December 2020) (<u>B26.4</u>)
- GNLP Viability Appraisal Supplementary Appendix (May 2021) (B26.5)

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