

## **Wednesday 9 Feb - Matter 6 Homes (Policy 5)**

### **Issue 1 - is the policy for affordable housing justified, effective and consistent with the evidence and national policy?**

1. Are the requirements for affordable housing set out in Policy 5 justified by the evidence?
2. Is the 33% requirement across the Plan area outside of Norwich City Centre justified by the evidence?
9. Is the requirement for 10% of the affordable housing to be for affordable home ownership justified? Is this requirement sufficiently clear for the policy to be effective?

#### ***Green Party response:***

Our earlier submission on “Matter 3: Strategy for the Areas of Growth, Issue 5: Small scale windfall housing development” stressed the urgent need for adequate numbers of a mix of affordable housing types and tenures.

[The Greater Norwich Homelessness Strategy 2020-25](#) states “We are likely to see increases in the number of homeless households in Greater Norwich by around 4.5% from 2021 to 2026, according to an analysis using the Core Homelessness Model for the South of England in which Greater Norwich is situated for the purposes of this study<sup>1</sup>”.

The study looks at what measures could reduce the rise in core homelessness and solutions proposed includes an increase in the supply of affordable housing.

Data for Greater Norwich indicates 2,190 households accessing the housing options teams, of these 82% were assessed as owed a duty. The following types of tenure were recorded at the time of applying to the housing options team:

- Private sector tenancy
- Living with family
- Social rented
- No fixed abode (likely to be “sofa surfing”)

The Strategic Housing Market Assessment 2017 identified the affordable housing need across Greater Norwich between 2015-2036 as just over 11,000 homes. This is further split into affordable housing for rent and for low cost home ownership:

Affordable Housing for Rent – 8,664

Low Cost Home Ownership – 2,367

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<sup>1</sup> Bramley, G, 2017, *Homelessness projections: Core homelessness in Great Britain, Summary report*, Heriot Watt University.

In 2018/19 affordable housing completions across Greater Norwich was 724 homes. At this rate of build then the 11,000 affordable housing requirement will be met in a period of just over 15 years, by 2035.

However, the Greater Norwich Homelessness Strategy states, **“Continuing to meet the delivery target for affordable homes will remain a challenge”**. A challenge to the delivery of affordable housing is that **it has proved necessary to reduce the level of affordable housing secured on some sites to ensure that developments are viable**. Viability assessments submitted by developers are scrutinised to ensure that development meets the affordable housing target **“as far as possible”**. The strategy comments “the GNLP will allocate sites to deliver the required housing numbers, and will have an affordable housing requirement; however, **there will be a delay before the affordable homes are completed.**”

Therefore, in response to the following questions:

**1. Are the requirements for affordable housing set out in Policy 5 justified by the evidence?**

Planning Practice Guidance (PPG) states affordable housing need is based on households “who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market” (paragraph 22). This categorisation includes a number of different types of household. The evidence in the above referenced documentation and data clearly indicates a mix of affordable housing is most definitely needed from a study of homelessness. However, these figures do not take into account the additional significant numbers of young single people and couples looking for affordable housing. They include various categories of people (as defined in the PPG on the assessment of housing and economic development needs) seeking their first home who are currently living in either rented accommodation or still living with their parents or relatives, and those currently housed in unsuitable dwellings. The study on homelessness plus additional numbers of people seeking affordable housing clearly justifies the requirement for affordable housing across the Greater Norwich area set out in Policy 5.

**2. Is the 33% requirement across the Plan area outside of Norwich City Centre justified by the evidence?**

Social, affordable housing is in high demand across Greater Norwich as housing lists testify. The above figures support the need for the 33% requirement of mixed tenure housing for rent and low-cost ownership.

Problems encountered in the past with affordable housing have been related to viability and on-site delivery.

Viability assessments need to be independent, open and transparent available for public scrutiny. Past affordable homes targets have not been reached due to developers arguing they are not viable from the viewpoint of profitability. It is essential to have a process open to public scrutiny.

It is not acceptable for developers to provide affordable homes other than as part of a mixed development in which 33% of the homes within a development are truly

affordable. They should not be provided at alternative sites as part of an agreement to cover the affordable homes requirement. On-site delivery of mixed development is essential for a cohesive community and to avoid stratification of society.

**9. Is the requirement for 10% of the affordable housing to be for affordable home ownership justified? Is this requirement sufficiently clear for the policy to be effective?**

The figures quoted above from the Strategic Housing Market Assessment 2017 suggests the requirement for affordable home ownership is more like 20% of the affordable housing total. However, the cost of construction skills, material and energy costs have increased dramatically since the assessment and rising inflation will have an impact on house buyers. The combined increased costs of skills and materials will result in increased house prices at a time when household budgets are being squeezed.

In 2018, the property price to earnings ratio was 9.2 in Broadland, 7 in Norwich and 8.8 in South Norfolk, compared to a national average of 7.8. Affordability is already a major barrier to home ownership locally.

There will be a continuing demand for affordable housing suggesting the 10% requirement for affordable home ownership is a reasonable figure given a likely lowering of the above estimated 20% requirement.