

# Topic Paper



## Housing

# Housing

## Contents

<b>1. Purpose</b> .....	<b>3</b>
<b>2. Introduction</b> .....	<b>4</b>
<b>3. Issues from community and stakeholder consultation</b> .....	<b>6</b>
<b>4. Issues from Baseline data and Forecasts</b> .....	<b>8</b>
<b>5. Issues from Relevant Strategies, Studies and Plans</b> .....	<b>9</b>
<b>6. Issues from National and Regional Planning Policy</b> .....	<b>13</b>
<b>7. Discussion of Issues, Related Aims, Options and Options Appraisal</b> .....	<b>20</b>
<b>8. Appendices</b> .....	<b>27</b>
Appendix 1: <i>Summary of current and proposed PPG3 policy of particular relevance to North Norfolk District</i> .....	27
Appendix 2: <i>Core Issues – Summaries</i> .....	30
<b>9. Topic Paper Feedback Form</b> .....	<b>35</b>

## Purpose

This document has been produced to support a public consultation exercise being undertaken by Opera on behalf of the Authority and to inform the process of policy formulation. It is not a definitive statement of future policy. It provides a general overview of the issues which the Authority has identified as being important to address in the Local Development Framework. It sets out our evidence and we welcome your comments.

This document is one of five similar documents covering:

- Development Strategy.
- Housing
- Environment
- The Economy
- Transport

The consultation will be undertaken by questionnaire with the objectives of:

- To examine the robustness of the evidence base which the Authority has prepared.
- To gauge the level of consensus about draft objectives in key policy areas.
- To test the realism and soundness of the options under consideration.
- Gather feedback on the likely implications of various alternative approaches to assist in the choice of appropriate options.

The five topic papers have been prepared to provide more detailed background information for those interested in exploring the issues in more depth. This paper provides a summary of the available evidence. It does this by looking at the issues raised in previous consultation exercises, summarising recently commissioned studies and reviewing existing policy. It then identifies what the Authority considers to be the main issues and draft policy aims.

In addition, the Sustainability Appraisal Scoping Report provides a summary of all the issues.

This document is not intended to include all the evidence - most of this is published on the Council's website. Instead, it is intended to encourage debate and discussion. We welcome your comments and there is a response sheet attached in the appendices. Please consider the following questions when forming your response:

- Do you think the correct issues have been identified?
- Are there any significant omissions?
- Do you agree with the aims of policy which are being suggested?

# 1 Introduction

## **Background**

- 1.1 This is one of five topic papers which have been prepared by North Norfolk District Council (the Council) to inform the production of its Core Strategy Development Plan Document (DPD) – which will be one of the local development documents (LDDs) that make up the new North Norfolk Local Development Framework (LDF). This forms part of the new planning policy system introduced by the Planning and Compulsory Purchase Act 2004. The contents of the LDF will eventually replace all the policies and proposals in the current North Norfolk Local Plan. As with the North Norfolk Local Plan, the LDF will cover the whole of North Norfolk District except that part administered by the Broads Authority for planning purposes.
- 1.2 The purpose of this topic paper is to inform consideration of preferred options for dealing with those issues relating to housing which have been identified through the development of an evidence base. This is contained in the Council's LDF Sustainability Appraisal Scoping Report (Scoping Report). The Scoping Report forms the basis for the LDF Sustainability Appraisal (SA).

## **LDF Preparation**

- 1.3 The Government's Planning Policy Statement 12: *Local Development Frameworks* (PPS12) sets out the policies that should be taken into account by local planning authorities (LPAs) in the preparation of LDFs. These focus on procedural policy and the process of preparing LDDs.

## **The Core Strategy DPD**

- 1.4 PPS12 makes clear that the purpose of the core strategy is to set out the key elements of the planning framework for the area. It should set out the long-term spatial vision and strategy for the authority's area and the strategic policies required to deliver them.

## **Development of an evidence base**

- 1.5 PPS12 requires that the contents of a LPA's Core Strategy should be founded on a thorough understanding of the needs of its area and the opportunities and constraints which operate within that area. Therefore, the first stage in the Council's preparation of the Core Strategy has been to gather evidence about its area. This has included:

- preparing up-to-date information on key aspects of the social, economic and environmental characteristics of its area;
- commissioning a number of studies by consultants on a variety of topics including a retail and commercial leisure study, an open space and recreation study, a rural economy study and a travel to work analysis;
- noting the relevant provisions of a large number of national, regional and local strategies affecting North Norfolk District; and
- seeking the involvement and securing inputs of the community and relevant groups and organisations (stakeholders). In particular, a number of issues were identified as a result of recent exercises which were undertaken to inform the review of the North Norfolk Local Plan and, more latterly, the preparation of the LDF. These are:
  - (i) the Council's preparation of Whole Settlement Strategies for the towns of Cromer, Holt, Fakenham, North Walsham, Sheringham, Stalham and Wells-next-the-Sea. These were prepared in 2001 and 2002 and involved extensive stakeholder participation and public consultation;

- (ii) the Council's two 'Rural Planning Workshops' for representatives of parish councils covering areas outside the seven towns, held in June 2004;
- (iii) the Council's seven LDF Workshops, based on each of the seven towns and their surrounding areas, held in June and July of 2005; and
- (iv) meetings with a range of special interest groups and statutory agencies covering thematic topics.

(The full contents of the Whole Settlement Strategies, and details relating to the Rural Planning Workshops and LDF town-based Workshops can be viewed on the Council's website [www.northnorfolk.org](http://www.northnorfolk.org).)

### **Community strategies**

- 1.6 Another consideration in the development of the evidence base has been the statutory requirement for the preparation of the Core Strategy and other LDDs to have regard to the relevant community strategies for an area. PPS 12 states in paragraph 1:10:

*'The local development framework should be a key component in the delivery of the community strategy setting out its spatial aspects where appropriate and providing a long-term spatial vision. Local development documents should express those elements of the community strategy that relate to the development and use of land.'*

- 1.7 The relevant community strategies for the Council to consider are:

- the community strategy for North Norfolk District (entitled "North Norfolk Community Partnership – Our Community Strategy 2004/2009") published in 2004; and
- the community strategy for Norfolk (entitled "Norfolk Ambition – The community strategy for Norfolk 2003 – 2023"), published in 2003.

- 1.8 In 2005 the North Norfolk Community Partnership carried out a public consultation exercise, undertaken by Opera Community Research, to inform a review of the Community Strategy. The findings from this exercise have been taken into account in preparing this topic paper.

### **National policies and guidance**

- 1.9 The final consideration in the development of its evidence base has been the statutory requirement for the preparation of the Core Strategy and other LDDs to have regard to:

- national policies and advice contained in guidance issued by the Secretary of State (Office of the Deputy Prime Minister); and
- the Regional Spatial Strategy for the region in which the area of the local planning authority is situated.

- 1.10 Planning Policy Statements (PPSs), Planning Policy Guidance (PPG) notes and Circulars set out the Government's national policies and principles on different aspects of planning. Policies in a particular PPS or PPG are intended to complement, not replace or overrule, other national planning policies and should be read in conjunction with other relevant statements of national planning policy.

- 1.11 There is presently no approved Regional Spatial Strategy for the East of England Region. Instead, for the purposes of informing the current preparation of the Core Strategy DPD, the Council is relying on The East of England Plan. This was published in December 2004, and is formally a draft 'Regional Spatial Strategy' (RSS) which, once

finalised, will provide the statutory strategic framework for the preparation of the Council's LDDs.

- 1.12 It should be noted that in response to the statutory consultation exercise on the East of England Plan (which closed on 16<sup>th</sup> March 2005), this Authority submitted representations to the East of England Regional Assembly (EERA) in respect of certain policies. In particular, it feels that the proposed housing allocation will limit its ability to deliver affordable housing and, consequently, ensure that sufficient workers are available to support the local economy.

#### **Identification of Issues**

- 1.13 Clearly, a wide range of issues relating to housing could be of concern to one or more elements of the public at large. However, from the point of view of preparing the Core Strategy DPD, it is necessary to focus on issues which are considered to have 'strategic' significance to the large rural area of North Norfolk District (referred to as North Norfolk).

#### **Summarising the Issues**

- 1.14 Following analysis of the evidence base, a number of issues have been identified which the Core Strategy DPD needs to address. These are summarised below under the following headings:

- Community and Stakeholder consultation exercises;
- Baseline data and forecasts;
- Relevant Strategies, Studies and Plans; and
- National and Regional Planning Policy.

---

## **2 Issues from community and stakeholder consultation**

### **Whole Settlement Strategies**

- 2.1 The following comments typify the housing issues raised during the preparation of the Whole Settlement Strategies:

- There is a particular need for 'starter homes' and single persons' flats.
- Recent estate developments have not been designed as the kind of attractive, high-quality living environments that people desire.
- There is a dire need for 'affordable' housing in Holt and its hinterland, especially 'social-rented' housing.
- Affordable housing has not been integrated with general housing.
- There is an increasing need for care homes for the elderly.
- As most younger people are unable to afford houses in the town and surrounding areas and most people moving into the area are retired, there is an increasing imbalance in the population structure.
- There are large, expensive houses and small, basic flats but there is not enough suitable/affordable housing for young families on low incomes.
- Unsympathetic new housing development will spoil the environment of the town.

### **Rural Planning Workshops**

- 2.2 The following comments typify the housing issues raised during the Rural Planning Workshops:

- Affordable housing for local and young people
- Balanced housing mix in the villages
- Design in keeping with the character of the villages
- Address housing need by providing affordable housing (of right type and tenure)
- Review village settlement boundaries

### **LDF Workshops**

2.3 The following comments typify the town-based, housing-related 'weaknesses' and 'threats' identified by the SWOT analyses held during the LDF Workshops:

- Detrimental over-development that does not fit in
- Age integration is a problem – unbalanced population
- Lack of balance in housing types
- Shortage of housing – lack of social-rented/affordable housing
- Over-development: Holt currently seen to be at capacity
- Lack of affordable housing and housing imbalance
- Town cramming and loss of gardens
- Increasing (number of) elderly people put pressure on services
- Urban sprawl and over-development of housing
- Second homes and older population shrink communities
- Squeeze from housing development without services

2.4 The following comments typify the village-based, housing-related 'weaknesses' and 'threats' identified by the SWOT analyses held during the LDF Workshops:

- Inappropriate development – densities too high, eyesore designs
- Need for more affordable housing (inc. Hoveton)
- Poor infrastructure for houses (e.g. sewerage)
- Housing stock is too expensive and (the) ladder is broken across (the) District
- New housing stock is poor quality and inappropriately designed
- Population age imbalance skewed to elderly, under-represented by young
- Too many holiday homes/second homes at expense of housing for locals
- Affordable housing must include private ownership

2.5 Consideration of the principal findings from the Community and Stakeholder consultation exercises raises the following issues:

- There is concern about the population imbalance in many communities, where there is a significant majority of elderly people.
- More affordable housing is required in North Norfolk's towns and villages.
- The visual impact of new housing developments within towns and villages is often unacceptable.

### 3 Issues from Baseline data and Forecasts

- 3.1 Analysis of the Scoping Report reveals a number of issues relating to housing. These are summarised under the headings below.

#### **Demographic profile of North Norfolk**

- 3.2 Figure 6.3 in the Scoping Report highlights the issue of a steadily increasing proportion of elderly people in North Norfolk's population. The proportion of people aged 65 and over is expected to rise from **25.4% in 2001** (against an average for England & Wales of 16%) to **35.9% in 2021** (19.8% for England & Wales). The corollary of this is that the proportion of children aged up to 16 years in North Norfolk's population is expected to fall from 16.2% in 2001 to 11.9% in 2021, and that the proportion of people aged from 16 years up to 45 years will decrease from **30.1% in 2001** to **23.7% in 2021**.

#### **Housing provision**

- 3.3 The North Norfolk District Residential Land Availability Statement for the year ending 31 March 2005 is available on the Council's website.
- 3.4 This reveals that since 1 April 2001 (the commencement date of the emerging Regional Spatial Strategy for the East of England), a net increase of 1,275 dwellings had been built, averaging **319 dwellings** per year. Of the total 1,275 additional dwellings that had been built, only 238 (19 %) can be classed as 'affordable housing' (see the Government's definition below).
- 3.5 Also, as of 31 March 2005, 479 dwellings were under construction and there was extant permission for 1,290 dwellings. Ref. emerging Regional policy on this subject below.

#### **Housing stock**

- 3.6 The Scoping Report illustrates the proportion of housing stock by type and, in particular, reveals a significant decline in the number and proportion of Council properties in North Norfolk between the 1981 and 2001 Censuses (see Fig. 6.7).

#### **House prices**

- 3.7 House price information obtained from the Office of National Statistics (ONS) 2004 Annual Survey of Hours and Earnings (see section 4.8.3 of the Scoping Report) indicates that the average house price in North Norfolk District in June 2005 was £180,730. This compared with an average for East Anglia of £174,928, and an average for England and Wales of £184,918. The cheapest type of housing in North Norfolk is flat accommodation. The average price for this type in North Norfolk was £126,586. This compared with an average for East Anglia of £120,458 and an average for England and Wales of £174,044.
- 3.8 In terms of affordability, the household income required to access flat accommodation in North Norfolk District, assuming a 5% deposit and obtaining a mortgage at 3.5 times income, would be in the order of £34,360. This compares with an average annual gross household income in North Norfolk of £17,821 in 2004.
- 3.9 A perceived significant factor contributing to the demand for housing in North Norfolk, and consequently impacting upon house prices, is the high incidence of 'second' homes in the area. The 2001 Census recorded that 8% of all occupied household spaces are not occupied on a permanent basis, as a result of either being used as second homes or being properties suitable for use as permanent dwellings but where such use is restricted by planning condition to, for example, holiday use only (see Fig. 6.8 of the Scoping Report).

#### **Gypsies and Travellers**

- 3.10 The Scoping Report notes that the need for a permanent site to meet the requirements of Gypsies and Travellers will be informed by a County-wide survey of Gypsies and Travellers planned for Autumn 2005. Based on previous monitoring of Gypsy and Traveller visits to North Norfolk, it is expected that any need that exists is for a temporary stopping place rather than a permanent facility. Ref. Government policy on this subject summarised below.

#### **Travelling Showpeople**

- 3.11 The Scoping Report notes that the Showmen's Guild of Great Britain has confirmed that there is no requirement for a site for travelling showpeople in North Norfolk. Ref. Government policy on this subject summarised below.

- 3.12 Consideration of the matters discussed above raises the following issues:

- The implications of a less socially balanced community.
- The increasing demands for different types of elderly persons' accommodation.
- The need to encourage the retention of working-age people in North Norfolk to support the local economy.
- The inability of households on low incomes to access market housing, particularly those with young families.

---

## **4 Issues from Relevant Strategies, Studies and Plans**

*NB: copies of all documents to which reference has been made are available for inspection at the Council Offices*

### **North Norfolk Community Partnership – Our Community Strategy 2004/2009**

The current Community Strategy has three main aims:

- Ensuring decent housing for all residents
- Developing the local economy to provide better job, career and training opportunities for local residents and those who want to come and live in North Norfolk
- Maintaining the high quality of life and attractive natural environment that exists now and makes North Norfolk unique

- 4.1 Consideration of the contents of the Community Strategy raises the following housing-related issue:

- The need to provide more affordable housing for the people of North Norfolk

- 4.2 In August 2005, Opera Community Research held ten group discussions with members of the public as part of a joint exercise to review the Community Strategy and inform preparation of the Core Strategy. They found that the current priorities remain key areas of concern across all age groups and locations, and that the implications of high house prices are considered to be increasingly problematic. However, in respect of high house

prices, it was also found that many residents 'acknowledge the challenge presented by the problem and struggle to find a solution'.

### **Norfolk Ambition – The community strategy for Norfolk 2003 – 2023**

4.3 Consideration of the contents of the County Council's Community Strategy raises the following housing-related issues:

- 'Recent rises in house prices ....mean that affordable housing is a key issue for Norfolk' (ref. page 26).
- 'The provision of new affordable housing in Norfolk is low' (ref. page 27).
- It is considered that 'focusing most new housing growth on urban centres will help reduce transport emissions by reducing the need to travel, the length of journeys and by offering a choice of modes of transport. It also offers more opportunities to reuse brownfield sites and reduces pressures on rural areas. There is a clear case for focusing the greatest share of the County's housing requirement, ...., on the Norwich area. However, market towns are still providing less housing than villages and countryside in the rural areas' (ref. page 26).

### **Regional Housing Strategy for the East of England: 2005-2010;**

*East of England Regional Assembly (2005)*

4.4 Consideration of the contents of the Regional Housing Strategy (RHS) raises the following issues:

- Each local authority needs to recognise that there is generally no guarantee of Government subsidy for the affordable housing required in its area other than what it can secure through section 106 agreements. In considering the balance of uses for 'planning gain', the Council is advised 'to take as the starting point a need for all subsidy for affordable housing to come from planning gain' (ref. Figure 6. Policy Framework: section 106 agreements). See Government policy on this subject summarised below.
- Each local authority needs to ensure that quality standards are 'considered as an integral part of the economics of scheme/site development, where higher standards are achieved by lowering the land price and/or improving efficiency, productivity and design' and "that the use of greenspace is maximised in developments to improve 'liveability'" (ref. Figure 7. Policy framework: quality homes and environments).
- New housing should be provided with the occupier's current and long-term requirements in mind. 'Accessibility is a key design issue. Standards such as Lifetime Homes, or wheelchair accessible housing, should be considered for new housing provision with year on year increases where needs dictate this is appropriate.' The layout of new housing 'should incorporate good quality green and open spaces while creating a strong sense of place and community' (ref. Figure 8. Policy framework: housing, improving health and well-being);
- Mixed tenure 'is an important mechanism for creating mixed communities that in turn can help enhance social connectedness and networks'. The East of England Regional Assembly (EERA)/ Regional Housing Board (RHB) will, inter alia, 'use investment to promote mixed tenure on all new developments, pepper-potting low cost home-ownership and rented homes in new developments with no segregation in location or design, including reducing the visible differences between private and social housing. Also, LDFs 'should take account of the need and opportunity to

create live/work environments' (ref. Figure 10. Policy framework: providing mixed communities and widening choice); and

- LPAs should promote 'the adoption of positive planning policies that improve the supply and quality of affordable housing in sustainable villages and market towns, in response to identified housing and support needs'; and to increase the number of sites on which affordable housing can be sought by reducing thresholds and considering the use of "allocated" exception sites in small settlements in addition to windfall sites' (ref. Figure 11. Policy framework: housing in rural communities).

**Sub-Regional Housing Strategy for Rural East Anglia: 2005-2009;**

Consultation Draft; *Rural East Area Partnership (REAP) comprising the Borough Council of King's Lynn & West Norfolk, Breckland Council & North Norfolk District Council (2004)*

4.5 Consideration of the contents of the Sub-Regional Housing Strategy (SRHS) raises the following issues:

- The need to maximise the provision of affordable housing through planning gain.
- New models for providing affordable housing without the need for social housing grant are required.
- The need for wheelchair accessible accommodation should be met on a site by site basis.
- A quota for 'lifetime homes' on all affordable housing developments should be introduced.
- More self-contained accommodation where support can be provided is required.
- At least one short-stay stopping place for travellers and Gypsies is required in North Norfolk.

**Norfolk Coast Area of Outstanding Natural Beauty: The Housing Market and Affordable Housing** *A study of affordable housing in a protected area; Norfolk Coast Partnership (2005)*

4.6 The following recommendations should be taken into account:

- The adoption of a 'pro-active approach to exception sites which identifies villages where there will be allocated exception sites'.
- The 'encouragement of a range of intermediate and social-rented housing in affordable housing schemes (on exception or other sites)' Ref. Government policy on this subject summarised in paras 5.7-5.9.
- In respect of small housing proposals lying within village boundaries, the retention of the North Norfolk Local Plan approach to development over a certain number of dwellings (ref. Policy 58), and possible strengthening of it by reducing thresholds to, for example, proposals for more than 2 dwellings.
- The review of allocation cascades for affordable housing to consider whether positive allowance should be made 'for non-local residents – in order to meet wider community sustainability objectives'.

**Housing Needs Survey Update – December 2002;**  
*Fordham Research for North Norfolk District Council (2003)*

4.7 Consideration of the findings of the Housing Needs Survey Update (HNS) raises the following issues:

- It is estimated that over the five-year period (2003-2008) 'there is a shortfall of affordable housing in the District of around 509 affordable homes per year' (ref. para 9.5);
- The main shortfall is for two-bedroom accommodation.
- The overwhelming majority of additional affordable housing should be social-rented accommodation.
- With regard to seeking affordable housing through planning policy, it is considered that given 'the amount of additional housing required it would seem reasonable to assume that the Council would want to secure affordable housing on all (market) sites regardless of size. Hence we would suggest that a site threshold of 15+ dwellings/0.5 ha on all allocated and windfall sites and 2+ dwellings in areas with a population of 3,000 or less would be perfectly justified .' (ref. para 12.4).
- It is considered that it would be justifiable for a target proportion of affordable housing on eligible market sites 'to be as high as 83% and hence the suggested target (in 1999) of 25% (+3-5% shared ownership) appears perfectly reasonable' (ref. para 12.7).

**North Norfolk Local Plan; North Norfolk District Council**  
*(adopted by Full Council in April 1998)*

4.8 The North Norfolk Local Plan (Local Plan) covers the period up to mid-2006. However, under the transition arrangements relating to the introduction of the system of preparing LDFs, the provisions in the Local Plan will remain in force until at least September 2007. After this date, the contents of the Local Plan will gradually be replaced by the policies and proposals in the emerging LDDs. Consideration of the Local Plan's housing policies in the light of the experience of implementing them raises the following issues:

- The absence of housing land allocations in the Local Plan has meant that the overwhelming majority of new housing proposals granted planning permission since the Local Plan was adopted have been on sites of less than **5 dwellings**. This situation is expected to continue for some time pending the allocation and development of large-scale housing proposals through the LDF.
- The site-size threshold for seeking to negotiate the inclusion of an element of affordable housing on residential developments is twenty-five dwellings (Ref. Policy 56). In practice, this threshold has proved too high, given the general nature of residential proposals in North Norfolk since the Local Plan was adopted (see above), to deliver many affordable homes through market developments.
- Policies relating to the control of dwellings and extensions to dwellings have placed emphasis on design and visual impact issues. Little consideration has been given to controlling the size and type of accommodation or seeking to meet the requirements of different household types.

- In the designated Countryside area (ref. Policy 5, the extent of which is shown on the Local Plan Proposals Map), a large number of buildings, primarily barns, have been converted to holiday dwellings (i.e. their occupancy is restricted to holiday use only, and permanent residential use is prohibited in accordance with policy) since the Local Plan was adopted. A simple revoking of the holiday occupancy condition in these cases would create instant dwellings which would count against the dwelling requirement in the RSS. Research undertaken by the Council has revealed that, in the period January 1998 to August 2005, planning permission was granted for the conversion of buildings in the Countryside to some **591** holiday units. Of these, some 377 units had been completed or were under construction.

#### **Affordable Housing Statement; North Norfolk District Council**

(adopted by Full Council in September 2005)

4.9 The 2005 Affordable Housing Statement provides updated advice on how the Council intends to implement the provisions of Local Plan Policies 56 and 58 (A copy of it is available on request.) Consideration of its contents raises the following issues:

- The Council considers that the updated Housing Needs Survey provides ample evidence of need for affordable housing across North Norfolk which will pertain for some time. Therefore, any revised local planning policies relating to the provision of affordable housing will not have to include references to the demonstration of need.
- The Council considers that the majority of affordable housing negotiated through the implementation of Local Plan policies should be social-rented housing with shared-ownership housing making up the remainder.
- The Council considers that, in order to ensure that the development of market housing is not made uneconomic by the requirement to provide an element of affordable housing, the target proportion of affordable housing on eligible proposals will be **40%**.
- For residential proposals in Selected Small Villages, the Council requires **all provision in excess of 4 dwellings** to be affordable housing.

---

## **5 Issues from National and Regional Planning Policy**

### **The Government's Objectives for the Planning System**

- 5.1 **The Government's Planning Policy Statement on Delivering Sustainable Development (PPS1)** sets out its objectives for the planning system. In short, these make clear that the concept of *sustainable development* is the core principle underpinning planning.
- 5.2 Recent Government policy announcements have been influenced by its 2003 action programme entitled *Sustainable communities: building for the future*. This document promotes the concept of 'sustainable communities'. Page 5 of the document asks the question : "Why, sustainable communities?" The Government explains:

*'Housing and the local environment are vitally important. But communities are more than just housing. They have many requirements. Investing in housing alone, paying no*

*attention to the other needs of communities, risks wasting money – as past experience has shown.*

*A wider vision of strong and sustainable communities is needed to underpin this plan, flowing from the Government's strong commitment to sustainable development. The way our communities develop, economically, socially and environmentally, must respect the needs of future generations as well as succeeding now. This is the key to lasting, rather than temporary, solutions; to creating communities that can stand on their own feet and adapt to the changing demands of modern life. Places where people want to live and will continue to want to live.'*

### **The Government's (Office of the Deputy Prime Minister [ODPM]) Circular 05/2005: Planning Obligations**

- 5.3 This Circular provides revised guidance to local authorities on the use of planning obligations under Section 106 of the Town and Country Planning Act 1990, as substituted by the Planning and Compensation Act 1991. It therefore replaces Department of the Environment Circular 1/97.
- 5.4 Planning obligations are typically agreements between local planning authorities and developers negotiated in the context of granting a planning permission. They provide a means of ensuring that developers contribute towards the infrastructure and services that LPAs believe to be necessary to facilitate proposed developments. Contributions (which are sometimes described as 'planning gain') may either be in cash or in kind. Planning obligations are also used to deliver affordable housing. Policy regarding their use should be set out in a LPA's development plan.
- 5.5 The Circular sets out some of the reforms to the planning obligations system proposed in the consultation paper *Contributing to sustainable communities: a new approach to planning obligations*, published in November 2003. The changes in this Circular concern only the negotiation of planning obligations and do not introduce an **optional planning charge** as proposed in the Government's 2003 consultation paper. A decision on the introduction of an optional planning charge will be made in the context of the Government's response to the Barker Review of Housing Supply entitled *Delivering stability: Securing our future housing needs* (March 2004). The Review recommended the introduction of a **planning-gain supplement** accompanied by a 'scaled-back' system of planning obligations – both of which would require legislation. This Circular therefore concerns the improvements to the current system which the Government would like to make in the interim period before further reforms are brought forward.

### **The Government's (Department of the Environment, Transport and the Regions) Rural White Paper: 'Our Countryside: the future – A fair deal for rural England' (2000)**

- 5.6 Insofar as it relates to housing, the Rural White Paper proposes, on page 45:
- 'Better use of the planning system to secure more affordable homes as part of mixed developments in market towns and rural areas. There is no reason why, in small villages if there is evidence of need and subject to financial viability, every new market house should not be matched with an affordable home.'
  - 'Better designed homes to fit in with rural surroundings.'

### **National planning policy context for housing**

- 5.7 **The Government's Planning Policy Guidance note on Housing (PPG3), as amended, coupled with Government Circular 06/98: *Planning and Affordable Housing***, provides the current overarching policy context for planning for housing. (The Government's objectives in this regard are set out in paragraphs 1 & 2 of PPG3.) A

further steer is provided by the Government's January 2005 consultation paper promoting further changes to PPG3 and replacing Circular 06/98 entitled 'Planning for Mixed Communities'. The principal contents of PPG3 and Planning for Mixed Communities are considered to be particularly relevant to the preparation of the Core Strategy DPD. They are therefore fully summarised in **Appendix 1**. (NB: The Council has responded to the January 2005 consultation paper.)

- 5.8 In July 2005, the Government published a further consultation paper entitled 'Planning for Housing Provision', which sets out its objectives for delivering a better supply of housing through the planning system.
- 5.9 Consideration of the contents of PPG3 (current and emerging) and Planning for Housing Provision raises the following issues:
- The RSS sets the overall level of provision to be made for housing in the region and a distribution to constituent unitary and district councils. In preparing its DPDs, the Council must plan for the approved RSS level of housing provision.
  - The Government believes that it is important to help create mixed and inclusive communities, which offer a choice of housing and lifestyle. Consequently, LPAs should encourage the development of mixed and balanced communities which secure a better social mix through their planning for new housing developments. Planning for different types and sizes of housing should be informed by assessments of housing need and demand, which should include the particular accommodation needs of specific groups such as Black and Minority Ethnic Groups, older people and Gypsies and Travellers.
  - In planning for a mix of market housing, LPAs should plan for the range of different households to be provided for over the plan period and not for a range of housing sizes and types based on floor space or room numbers. However, in relation to planning for a mix of affordable housing, the approach should be based on the size and type of housing.
  - The Government's proposed new definition of *affordable housing*, set out in its Planning for Mixed Communities consultation paper is 'non-market housing, which can include social-rented housing and intermediate housing'.
  - In planning for affordable housing, the Government proposes that, in determining the amount of affordable housing to be sought on sites, LPAs 'should balance the need for affordable housing against the likely development potential of sites' (ref. para 10). It also proposes the lowering of the site-size threshold on market housing developments above which affordable housing is to be sought to 15 dwellings or sites of more than 0.5 hectares, with an opportunity for setting, if justified by local circumstances, an even lower threshold or different thresholds (for example, different site-size thresholds for different parts of the plan area or a range of site-size thresholds in conjunction with differential affordable housing contributions).
  - It also proposes enabling LDDs to set out the circumstances where affordable housing provision may not need to be on site (for example, where to provide affordable housing on site would be incompatible with the delivery of sustainable communities). In such instances, any off-site provision of affordable housing or a financial contribution in lieu of on-site provision must contribute to sustainable communities.
  - LPAs are required to make sufficient land available either within or adjoining existing rural communities to enable identified rural affordable housing needs (including Gypsies

and Travellers where relevant) to be met in a manner which contributes to the achievement of sustainable communities. Affordable housing in rural areas should be supported by a *rural exception site* policy in the relevant DPD. A rural exception site policy enables the authority to allocate or release small sites within and adjoining existing small rural communities, which may be subject to policies of restraint and which would not otherwise be released for housing, but only in order to provide affordable housing to meet local needs in perpetuity. The funding of rural exception site proposals is dependent on acquiring land at well below market value and/or Government subsidy. Rural exception sites are not appropriate for general market housing.

- Most additional housing development should be concentrated within urban areas.
- LPAs are required to maximise the reuse of previously-developed ('brownfield') land and empty properties and the conversion of non-residential buildings for housing, in order both to promote regeneration and minimise the amount of greenfield land being taken for development.
- In identifying sites to be allocated for housing in their DPDs, after making an allowance for 'windfall' sites (i.e. those sites which have not been specifically identified as available in the local plan process), LPAs should follow a search sequence, starting with the reuse of previously-developed land and buildings within urban areas, then urban extensions, and finally, where appropriate, 'new development around nodes in good public transport corridors' (ref. para 30);
- In order to promote more sustainable residential environments, both within and outside existing urban areas, LPAs should promote:
  - a) 'development that is linked to public transport;
  - b) mixed use development;
  - c) a greener residential environment;
  - d) greater emphasis on quality and designing places for people; and
  - e) the most efficient use of land' (ref. para 46).
- LPAs should:
  - a) 'avoid developments which make inefficient use of land (those of less than 30 dwellings per hectare net....);
  - b) encourage housing development which makes more efficient use of land (between 30 and 50 dwellings per hectare net); and
  - c) seek greater intensity of development at places with good public transport accessibility such as city, town, district and local centres or around major nodes along good quality public transport corridors' (ref. para 58).
- In terms of overall housing provision, 'only a limited amount of housing can be expected to be accommodated in expanded villages' (ref. para 69). However, 'there should be adequate provision in rural areas to meet the needs of local people' (ref. para 71).
- The Government proposes a new policy approach to making the planning system more responsive to the housing market within the overall objective of planning which contributes to sustainable development.
- The Government intends to publish a draft new Planning Policy Statement on 'Planning for Housing' (PPS3) in the autumn of 2005. It will draw on the PPG3 consultation paper

Planning for Mixed Communities, the consultation paper Planning for Housing Provision and the responses to both.

5.10 **The Government's Planning Policy Statement 7: Sustainable Development in Rural Areas (PPS7)** provides the current policy context for planning for rural areas, including country towns and villages and the wider, largely undeveloped countryside up to the fringes of larger urban areas. It therefore applies to the whole of North Norfolk District. It contains a small section on 'Housing' which refers to PPG3 (see below).

5.11 Consideration of the contents of PPS7 insofar as it relates to housing raises the following issues:

- The Government makes clear that in order to promote more sustainable patterns of development and make better use of previously-developed land, 'the focus for most additional housing in rural areas should be on existing towns and identified service centres. But it will also be necessary to provide for some new housing to meet identified local need in other villages' (ref. para 8).
- Isolated new houses in the countryside will require special justification for planning permission to be granted. One of the few circumstances in which isolated residential development may be justified is when accommodation is required to enable agricultural, forestry and certain other full-time workers to live at, or in the immediate vicinity of, their place of work; and
- The Government's policy is to support the reuse of appropriately located and suitably constructed existing buildings in the countryside where this would meet sustainable development objectives. 'Re-use for economic development purposes will usually be preferable, but residential conversions may be more appropriate in some locations, and for some types of building' (ref. para 17). LPAs are required to be particularly supportive of the reuse of existing buildings that are 'adjacent or closely related to country towns and villages, for economic or community uses, or to provide housing in accordance with the policies in PPG3' (para 18).

5.12 **The Government's Planning Policy Guidance note on Transport (PPG13)** sets out how it intends 'to integrate planning and transport at the national, regional, strategic and local level to:

- promote more sustainable transport choices for both people and for moving freight;
- promote accessibility to jobs, shopping, leisure facilities and services by public transport, walking and cycling; and
- reduce the need to travel, especially by car' (ref. para 4).

5.13 Consideration of the contents of PPG13 insofar as it relates to housing raises the following issues:

- LPAs should 'accommodate housing principally within existing urban areas, planning for increased intensity of development for both housing and other uses at locations which are highly accessible by public transport, walking and cycling' (ref. para 6).

- In rural areas, LPAs should locate most housing development 'in local service centres which are designated in the development plan to act as focal points for housing, transport and other services, and encourage better transport provision in the countryside (ref. para 6).

5.14 **The Government's (Department of the Environment) Circular 1/94: Gypsy Sites and Planning** and its proposed replacement, the December 2004 (ODPM) consultation paper entitled 'Planning for Gypsy and Traveller Sites', provide the current and emerging guidance on planning for the accommodation needs of Gypsies and Travellers. Consideration of their contents raise the following issues:

- LPAs should allocate sites to meet the identified accommodation needs of Gypsies and Travellers and also set out appropriate criteria-based policies against which proposals for sites will be assessed.

5.15 **The Government's (Department of the Environment) Circular 22/91: Travelling Showpeople** provides the current guidance on planning for the accommodation needs of Showpeople. Consideration of its contents raises the following issues.

- LPAs should allocate sites to meet the identified accommodation needs of Travelling Showpeople and also set out appropriate criteria-based policies against which proposals for sites will be assessed.

#### **The Regional Spatial Strategy (RSS) for the East of England**

5.16 The principal draft RSS policies dealing with housing are:

- Policy SS13: overall housing provision;
- Policy H1: distribution of dwelling provision 2001 – 2021;
- Policy H2: affordable housing and mix of housing types; and
- Policy H3: phasing of housing developments.

5.17 The full contents of these policies can be accessed via the Council's website. Policies SS13, H1 and H2 were the subject of representations by the Council. Copies of these representations are available on request.

5.18 In addition, the draft RSS identifies a number of current Norfolk Structure Plan policies or parts of policies which will be 'saved' (under the transitional provisions of the Planning and Compulsory Purchase Act 2004) and remain valid until at least 28 September 2007 (see Appendix E of draft RSS). The full contents of these policies can be accessed via the Council's website.

5.19 The policies which are relevant to housing, and the reasons for saving them, are set out below:

- Policy CS.3 (Locational Strategy) - 'Although locational strategy replaced by SS9, save LDD level guidance on locations for housing growth. Note that the reference to 'rural centres' is not consistent with terminology in SS9.'
- Policy CS.4 (Locational Strategy) - 'Save LDD level guidance on locations that function as rural market towns not otherwise covered by sub-regional policies.'

- Policy H.10 (gypsy sites) - ' Save LDD level guidance on gypsy site provision'.

5.20 Consideration of the contents of the emerging RSS policies and the relevant saved policies from the Norfolk Structure Plan relating to housing raises the following issues:

- Affordable housing must constitute at least 30% of net additional dwellings in all local authority areas, though the overall aspiration is to secure at least 40% where housing stress warrants higher provision. Affordable housing is defined in the draft RSS as 'housing accessible to households who cannot afford to rent or purchase on the open market. It includes subsidised social renting, key worker housing, shared home ownership, equity sharing, sub-market renting and discounted market ownership' (ref. Policy SS13).

*In its representation to EERA, the Council strongly supported the provision of more affordable housing, but questioned the feasibility of achieving a situation in North Norfolk where affordable housing constitutes 30% of housing supply.*

- LDDs will provide for a net increase of 6,400 dwellings in North Norfolk District between 2001 and 2021 (ref. Policy H1).

*In its representation to EERA, the Council objected to the 6,400 figure on the basis that such a low figure would limit its ability to secure additional affordable housing on eligible sites. Instead, the Council is seeking a higher figure of 8,000 dwellings with a view to securing a higher number of affordable dwellings.*

- LDDs will, amongst other things:
  - require provision of a range of dwelling types and sizes to meet the assessed need of all sectors of the community based on up-to-date local housing needs studies; and
  - secure an adequate supply of affordable housing consistent with local assessments of need (ref. Policy H2).

*In its representation to EERA, the Council referred to the concerns raised in its representation to Policy SS13.*

- Local authorities should keep under review the phasing and release of housing sites in line with Government guidance. Phasing mechanisms should take account of guiding principles including :
  - the release of sites should not be considered on a short-term, ad hoc basis but in relation to the overall timescale of the plan and the need for close co-ordination between development and the provision of supporting social, health, education and transport infrastructure; and
  - the reuse of previously-developed land and buildings will be promoted as the first priority (ref. Policy H3).
  - The principal locations for development will be Fakenham and North Walsham (ref. CS.3).
  - In Cromer, Holt, Sheringham, Stalham and Wells-next-the-Sea, the emphasis should be on enhancing the service and employment roles of these towns. Provision

for housing should only be made where it improves the balance with jobs and services locally (ref. CS.4).

---

## 6 Discussion of Issues, Related Aims, Options and Options Appraisal

### Location of housing

- 6.1 Having regard to Government planning policy guidance, the draft RSS and the Regional Housing Strategy, there are considered to be strategic issues in respect of the location of housing developments in villages. These are explored to some extent below in respect of the consideration of options relating to the site-size threshold and percentage target elements of a future affordable housing policy. However, it has been decided that this matter is more appropriately addressed by the Spatial Strategy Topic Paper which deals with the broad location of development, having regard to the issues and options relating to the subject of affordable housing which are raised in this topic paper.

### Affordable housing

- 6.2 Following the updated Housing Needs Survey for North Norfolk and the various public consultation exercises, it is clear that there is a significant shortage of affordable housing in the District. **NB: In this section, the definition of the term 'affordable housing' is that which is set out in the Government's *Planning for Mixed Communities* consultation paper, i.e. 'non-market housing, which can include social-rented housing and intermediate housing'.**
- 6.3 **Social-rented housing** is defined as: 'Rented housing owned by local authorities and registered social landlords for which guideline target rents are determined through the national rent regime set out in the 'Guide to Social Rent Reforms' published in March 2001. It can also be rented housing owned by other persons and provided under equivalent rental arrangements to the above as agreed with the local authority or funded with grant from the Housing Corporation, as provided for in the Housing Act 2004.' (ref. *Planning for Mixed Communities*)
- 6.4 **Intermediate housing** is defined as: 'Housing at prices or rents above those of social rent but below market prices or rents. Can include sub-market renting, low-cost home ownership and shared ownership.' (ref. *Planning for Mixed Communities*)
- 6.5 The shortage of affordable housing is expected to continue whilst market housing prices in North Norfolk remain high relative to local average incomes, and other factors (such as the popularity of the area for retirement and as a location for second homes) serve to heighten demand for residential property.
- 6.6 It is commonly accepted that the only realistic way of reducing this shortage, in view of the very limited public funds available, is through maximising the potential for securing an element of affordable housing on new market housing schemes. Therefore, the proposed aims to address these issues are:
- **To maximise affordable housing provision, particularly through 'planning gain'.**
  - **To provide affordable housing without the need for public subsidy.**

- 6.7 In order to maximise the potential for securing affordable housing on market sites, this Council must:
- lower the site-size threshold of housing proposals above which affordable housing is to be sought; and
  - increase the proportion/percentage of affordable housing to be sought in eligible proposals.

**Presentation of site-size threshold options**

- 6.8 The current Local Plan site-size threshold of 25 dwellings (Policy 25), founded on the former Department of the Environment *Circular 13/96: Planning and Affordable Housing*, has proved too high in relation to the majority of residential housing proposals granted planning permission since the Local Plan was adopted in April 1998. (**NB:** In considering objections to the 'Deposit Draft' version of the Local Plan following the Local Plan Inquiry in 1996, the Inspector rejected the Council's proposed threshold of 10 dwellings and recommended that it be increased to 25. This was despite the Council's submission that, 'during the remaining period of the Plan, there are unlikely to come forward any sites large enough even for the lower threshold figure of 25 dwellings, identified in the Circular (a reference to 13/96), to come into effect, and that this will mean that the Policy is unlikely to be effective in achieving its purpose' (ref. para 8.26 of the Inspector's Report).
- 6.9 Current and emerging Government planning policy guidance provides for a reduction of site-size thresholds where it can be justified by local circumstances. Given the findings of the previously-mentioned Rural White Paper, the updated Housing Needs Survey for North Norfolk and the study of affordable housing in the AONB, there is considered to be sound justification for reducing the site-size threshold to well below the Government's recommended maximum site-size threshold of 15 dwellings. This is also supported by the fact that in the period 1 April 1998 (the day before the adoption of the current Local Plan) to 31 July 2005, the total number of dwellings granted in North Norfolk on sites accommodating **less than 5** dwellings amounted to 1,026. If this rate of permissions on such sites continues, then clearly a significant amount of proposed new housing will **not** be subject to affordable housing negotiations even if the site-size threshold is reduced to 5 or more dwellings.
- 6.10 Therefore, in seeking an element of affordable housing provision on eligible sites, the following three options relating to site-size thresholds at which affordable housing is to be sought have been considered:

**Option A: sites of 5 or more dwellings;**

**Option B: sites of 2 or more dwellings; and**

**Option C: sites of 1 or more dwellings.**

**Appraisal of options for site-size thresholds**

- 6.11 The large number of small-scale housing proposals (i.e. of less than 5 dwellings) that have been granted planning permission since 1998 (see also paras 7.20-25 and Table 1 in the Spatial Strategy Topic Paper) suggest that, if present Local Plan development strategy policies (i.e. Policies 1-5) and recent development trends continue, approximately 85% of proposed additional dwellings on windfall sites (i.e. those sites which would not have been specifically identified as available in the LDF process) would fail to generate any contributions to affordable housing at a site-size threshold of 5 or more dwellings. This proportion decreases to 74 % if the 77 Selected Small Villages identified in the current Local Plan are considered in isolation. A site-size threshold of 5

or more dwellings (**Option A**) is therefore considered to be too high in the North Norfolk context.

- 6.12 A site-size threshold of 2 or more dwellings (**Option B**) is supported by the updated Housing Needs Survey for North Norfolk and the Rural White Paper. (If present policies and trends continue, this threshold would see approximately 62% of additional dwellings coming forward on windfall sites generate contributions to affordable housing) It is considered that this would provide a viable preferred option, in terms of the economics of provision and catching the majority of development proposals. The effectiveness of this threshold could be enhanced if the opportunities for permitting proposals for single dwellings were to be significantly reduced. This could be achieved, for example, by reducing the potential for additional dwellings offered by the 77 Selected Small Villages in the current Local Plan. If the numbers of such villages were to be decreased to approximately ten, or, more radically, their potential for accommodating additional housing was withdrawn completely, then the 'saving' in lost residential developments from most, if not all, of them could be converted into residential allocations bearing elements of affordable housing. The total number of dwellings represented by these allocations could in part be accommodated in a smaller number of villages, the selection of which would be based on their perceived roles as local service centres.
- 6.13 A site-size threshold of 1 or more dwellings (**Option C**) would obviously catch all housing proposals, but it is considered that there would be concerns regarding the economics of provision in certain instances, and in others it may simply serve to stifle proposals on the basis of insufficient profitability.

#### **Presentation of options for the proportion of affordable housing**

- 6.14 Having regard to the Rural White Paper, the updated Housing Needs Survey for North Norfolk, previous and current views of this Council on this subject and Government planning policy guidance, the following three options relating to the proportion of affordable housing to be sought on eligible sites have been considered:

**Option A: 50%;**

**Option B: 40%; and**

**Option C: 30%.**

#### **Appraisal of options for the proportion of affordable housing**

- 6.15 A target proportion of 50% affordable housing on eligible sites (**Option A**) would be supported by the findings of the updated Housing Needs Survey for North Norfolk and, insofar as it related to villages, the Rural White Paper. It is considered that this target would be appropriate if restricted to housing proposals in villages. There are concerns that if this target were to be applied to North Norfolk's towns, where on larger sites contributions towards other community benefits would also be sought, it may discourage housing proposals on brownfield sites in what are viewed as North Norfolk's most sustainable locations.
- 6.16 A target proportion of 40% affordable housing on eligible sites (**Option B**) would be supported by the findings of the updated Housing Needs Survey for North Norfolk, the Council's current Affordable Housing Statement, recent evidence from other local planning authorities and, insofar as it related to villages, the Rural White Paper. The draft RSS also supports this target where housing stress warrants higher provision. It is considered that this could be the preferred option for all housing proposals across the District. Alternatively, in conjunction with a 50% target for the villages, it could be restricted to the District's seven towns.

- 6.17 A target proportion of 30% affordable housing on eligible sites (**Option C**) would, as a minimum, be supported by the draft RSS, the recommendations of the updated Housing Needs Survey for North Norfolk, and, insofar as it relates to villages, the Rural White Paper. However, in view of this Council's recent decision to replace the 30% target with a 40% target in its revised Affordable Housing Statement to reflect the high political priority attached to this issue, it is considered that this option would fail to maximise the potential for securing affordable housing that could be offered by the allocation of housing land through the DPDs.

***Rural Exception Site Policy***

- 6.18 The current Local Plan restricts the application of the rural exception policy to the 3 designated Large Villages and the 77 Selected Small Villages. Following revisions to PPG3 in respect of the rural exception site policy, it is considered that this policy can now be applied more flexibly across North Norfolk. This would enable housing associations and other appropriate developers to maximise the opportunities for developing affordable housing offered by, for example, Council-owned land in smaller settlements which are not designated as Selected Small Villages. It is therefore proposed, having regard to the current provisions of PPG3, that a revised rural exception site policy (including a provision for allocations) should apply to **all parishes in North Norfolk except for Cromer, Fakenham, North Walsham and Sheringham, and parts of Northrepps and Sculthorpe parishes currently adjoining the settlements of Cromer and Fakenham respectively**. No other options are proposed in this regard.

***Definition of 'local need'***

- 6.19 Local need for affordable housing needs to be demonstrated in justifying the formulation of affordable housing policies, proposing affordable housing allocations and in determining windfall proposals under the rural exception site policy. The current Local Plan restricts the definition of 'local need' in respect of affordable housing policies to either an 'individual civil parish' or an 'individual civil parish together with adjoining civil parishes'. In view of the findings of the updated Housing Needs Survey for North Norfolk and the contents of the Council's Affordable Housing Statement, it is considered that there is a strong case for requiring all revised affordable housing policies to define local need as 'District-wide need'. Accordingly, two options are proposed in this regard:

**Option A:** where affordable housing policies require *local need* to be proved in justifying proposals or contributions, the term should be defined as: 'need existing in the individual civil parish within which the proposal is situated together with need in adjoining civil parishes; and

**Option B:** where affordable housing policies require *local need* to be proved in justifying proposals or contributions, the term should be defined as: 'need existing within North Norfolk District'.

***Appraisal of options for the definition of 'local need'***

- 6.20 The findings of the updated Housing Needs Survey for North Norfolk demonstrate a strong need for affordable housing across the District which will require a very supportive policy framework if it is to be meaningfully addressed. Furthermore, if progress towards achieving the Council's aim of providing more affordable housing is to be made then all opportunities for doing so need to be seized, especially in the light of the Government's aim of helping to create mixed and inclusive communities (see para 6.21 below). In these circumstances, and provided other appropriate planning criteria were met, it is considered that it would be unnecessarily onerous to require proof of the need for affordable housing in the particular locality of a proposal.

***Type of affordable housing***

- 6.21 In view of the findings of the updated Housing Needs Survey for North Norfolk and the contents of the Council's Affordable Housing Statement, it is considered that, in the short term at least, the majority of affordable housing provided through the implementation of revised affordable housing policies should be social-rented housing with shared-ownership housing making up the remainder. Although it is recognised that the Government's definition of affordable housing is wider than the two types of tenure specified above, it should also be noted that the Government advises in PPG3 that policies for affordable housing should 'define what the authority considers to be affordable in the local plan area in terms of the relationship between local income levels and house prices or rents for different types of households' (para 15).
- 6.22 From a more practical point of view, however, there are clearly concerns about the availability of public subsidy to support proposals for affordable housing schemes (ref. paras 4.4 & 4.5). As a result of these concerns, the view being expressed in the Regional Housing Strategy and the draft Sub-Regional Housing Strategy is that every effort should be made to utilise the planning system, through policy and negotiations, to create affordable housing schemes which are, in effect, 'financially self-contained'. Consequently, in seeking a specified proportion of affordable housing on eligible market sites (see paras 6.10-6.13) or in considering the different types of affordable housing that would be appropriate on either windfall or allocated rural exception sites, consideration should be given as to whether the desired outcome will require an element of public subsidy and whether such a subsidy is readily available. In situations where the lack of public subsidy could seriously delay the implementation of a scheme, it could be argued that a more flexible approach to affordable housing type which overcame the public subsidy issue through cross-subsidy would be advantageous. In view of the above considerations, two options regarding type of affordable housing are proposed:

**Option A:** the majority of affordable housing negotiated through the implementation of DPD policies should be social-rented housing with shared-ownership housing making up the remainder; and

**Option B:** the preferred mix of affordable housing negotiated through the implementation of DPD policies is a majority of social-rented housing with shared ownership housing making up the remainder. If this were not to prove viable in particular instances because of issues relating to the availability of public subsidy, consideration should be given to a satisfactory alternative mix of affordable housing types.

#### **Appraisal of options for type of affordable housing**

- 6.23 **Option B** is considered to be the more flexible option.

#### **Mix of Housing**

- 6.24 Government planning policy guidance, the draft RSS and the Regional Housing Strategy promote the importance of planning for a well-integrated mix of decent housing of different types and tenures to support a wide range of households of different sizes, ages and incomes which, in turn, promotes social inclusion and helps to create sustainable communities. This concept found support in the public consultation exercises. The proposed aim in recognition of this issue is:

- ***To provide an appropriate mix of housing on all new developments in order to promote social inclusion.***

- 6.25 In order to meet this aim, it is proposed that, in addition to seeking a target proportion of affordable housing on eligible sites, there is a requirement for a policy relating to the **securing of an appropriate mix of dwelling size and type on new developments**

**which meet an, as yet, unspecified site-size threshold.** This will be determined in the light of the findings of the updated Housing Needs Survey for North Norfolk and a future assessment of the demand for market housing in North Norfolk. No other options are proposed in this regard.

### **Extensions to dwellings**

6.26 An important element in the consideration of the issues of affordable housing and mix of housing is the size of dwellings. Generally, the larger a dwelling is, the more expensive it is to buy or rent. Whilst the size of new dwellings can be controlled as part of the process of considering the mix of dwellings, the issue arises as to whether any control should be exercised over proposed extensions to the existing stock of dwellings because of the increase in accommodation that would result. Traditionally, the issues of design and the impact on neighbouring properties and the local scene have dominated the consideration of proposals for house extensions. However, it could be argued that seeking to control the existing size of dwellings in more rural locations (i.e. outside the seven towns and three Large Villages identified in the Local Plan and where, in the light of Government and emerging regional planning policy, the number of additional dwellings will be limited) would help to maintain a greater variety of types of private accommodation. This, in turn, would help to ensure that the current stock proves attractive to a range of households and, therefore, would help to achieve the Government objective of creating mixed and inclusive communities. The proposed aim in recognition of this issue is:

- ***To retain an appropriate mix of housing across the District in order to promote social inclusion.***

6.27 Two options are proposed in this regard:

**Option A:** continue to consider applications for extensions to dwellings on the basis of their design and impact on local amenity; and

**Option B:** in North Norfolk's seven towns and the three Large Villages identified in the Local Plan (i.e. Briston/Melton Constable, Hoveton and Mundesley), continue to consider applications for extensions to dwellings on the basis of their design and impact on local amenity. However, outside these settlements extensions to dwellings will not be permitted.

### **Appraisal of options for extensions to dwellings**

6.28 In view of the probability that future housing development outside the seven towns and three Large Villages will be limited, it is considered that there will be an increasing issue of affordability in relation to the existing stock of dwellings in this area. It is felt that this situation can only be exacerbated by accepting, in principle, extensions to the range of dwelling types that presently exist.

### **Specific Groups**

6.29 In carrying out local housing assessments, LPAs should note the accommodation needs of specific groups. In particular, Government planning policy guidance has for some time required the needs of Gypsies and Travellers and Travelling Showpeople to be addressed by local planning policies. Therefore, the proposed aim in recognition of this issue is:

- ***To meet the particular accommodation needs of specific groups in North Norfolk.***

6.30 In addition to preparing policies addressing the needs of Gypsies and Travellers and Travelling Showpeople, **it is clear, given the high proportion of elderly people in the population of North Norfolk, that the particular needs of this group should also be**

**addressed through policy.** This may also prove beneficial in enabling better use to be made of the existing stock in meeting the needs of the community. No options are proposed in this regard.

6.31 The consultation exercises provoked a number of comments relating to the impact of infill housing developments in both towns and villages. The absence of greenfield housing allocations in the current Local Plan, Government encouragement to maximise the development of housing on brownfield sites and to make efficient use of housing land, and a buoyant housing market, have together served to focus developer interest on the particular opportunities offered by residential gardens and other small sites. It would appear that the outcomes from such activity have not always found favour in terms of preserving or enhancing the appearance and character of their surroundings, in spite of the existence of strong Local Plan policies to support good design and layout in these instances. In recognition of this issue and Government planning policy guidance relating to it, in terms of both the need to ensure good design and to encourage the development of brownfield sites, the Council's proposed aim is:

- ***To ensure a high standard of design and layout in all new developments, and particularly in new housing developments in order to create attractive, high-quality living environments in which people will choose to live.***

#### **Presentation of options for policy on housing design/layout**

6.32 In order to meet this aim it is proposed that revised policies relating to the design and layout of new housing should be based on either of the two following options:

**Option A: development will be refused unless it enhances the appearance and character of the surrounding area; and**

**Option B: development will be approved provided it does not detract from the appearance and character of the surrounding area.**

#### **Appraisal of options for policy on housing design/layout**

6.33 Given the expectation that Government planning policy guidance will continue to encourage housing developments on brownfield sites into the foreseeable future, it is thought that increasing attention will be focussed on more difficult opportunities to develop housing in those settlements within which the principle of housing is accepted. It is therefore considered that **Option A** provides a robust basis for rejecting housing proposals that are viewed to be unacceptable in terms of the local scene.

6.34 There are concerns that **Option B**, whilst appearing to provide a sound basis for protecting the appearance and character of the local scene, could, in practice engender an attitude of 'is there any good reason to reject this proposal' rather than 'is this proposal good enough to approve'.

## 7 Appendices

### Appendix 1: **Summary of current and proposed PPG3 policy of particular relevance to North Norfolk District**

- 7.1 Under the new planning system, the Government requires the RSS to set the overall level of provision to be made for housing in the region and a distribution to constituent unitary and district councils. In preparing its DPDs, the Council must plan for the approved RSS level of housing provision.
- 7.2 The contents of paras 9-17 of PPG3 (dealing with the subjects of *creating mixed communities – influencing the type and size of housing, assessing local housing needs and delivering affordable housing*) and Circular 06/98 are currently the subject of the previously-mentioned consultation paper entitled 'Planning for Mixed Communities' (see para 5.7). Since this consultation paper represents a more up-to-date statement of how the Government will seek to achieve its objective of creating mixed communities – subject to any revisions following consultation – preference will be given to its contents over the existing paras 9-17 and Circular 06/98.
- 7.3 Planning for Mixed Communities proposes that, in planning for a mix of market housing, LPAs should plan for the range of different households to be provided for over the plan period and not for a range of housing sizes and types based on floor space or room numbers. However, in relation to planning for a mix of affordable housing, the approach should be based on the size and type of housing. Such planning will be informed by LPAs carrying out 'local housing assessments of the nature and level of housing demand in their local housing market(s)' (ref. para 3). As well as assessing the demand for affordable and market housing, they should also note the accommodation needs of specific groups, such as homeless households, Black and Minority Ethnic groups, the disabled, older people and Gypsies and Travellers, and plan to meet such needs.
- 7.4 The redrafting of the wider approach to planning for affordable housing in this consultation update is primarily intended to clarify the operation and scope of the policy. The policy objectives remain the same, namely to increase the amount of affordable housing where it is needed, in the context of delivering agreed housing numbers. Proposals include:
- the lowering of the site-size threshold above which affordable housing is to be sought to 15 dwellings or sites of more than 0.5 hectares, with an opportunity for setting, if justified by local circumstances, an even lower threshold or different thresholds (for example, different site-size thresholds for different parts of the plan area or a range of site-size thresholds in conjunction with differential affordable housing contributions); and
  - enabling LDDs to set out the circumstances where affordable housing provision may not need to be on site (for example, where to provide affordable housing on site would be incompatible with the delivery of sustainable communities). In such instances, any off-site provision of affordable housing or a financial contribution in lieu of on-site provision must contribute to sustainable communities.
- 7.5 Para 18 (entitled *Planning for Sustainable Communities in Rural Areas*) requires LPAs to make sufficient land available either within or adjoining existing rural communities to enable identified rural affordable housing needs (including Gypsies and Travellers where relevant) to be met in a manner which contributes to the achievement of sustainable communities. Affordable housing in rural areas should be supported by a *rural exception site* policy in the relevant DPD. A rural exception site policy enables the authority to

allocate or release small sites within and adjoining existing small rural communities, which may be subject to policies of restraint and which would not otherwise be released for housing, but only in order to provide affordable housing to meet local needs in perpetuity. Rural housing sites are not appropriate for general market housing.

- 7.6 Chapter 3 of PPG3 (paras 21-45) is entitled *Maintaining a Supply of Housing*. Here the Government reiterates its commitment to promoting more sustainable patterns of development by, amongst other means, concentrating most additional housing development within urban areas.
- 7.7 Within this context, it also reiterates its commitment to maximising the reuse of previously-developed ('brownfield') land and empty properties and the conversion of non-residential buildings for housing, in order both to promote regeneration and minimise the amount of greenfield land being taken for development. To establish how much additional housing can be accommodated within its 'urban' areas, every local planning authority should undertake an 'urban housing capacity study'. (The results of the North Norfolk District Urban Housing Capacity Study 2005 can be viewed on the Council's website [www.northnorfolk.org](http://www.northnorfolk.org)).
- 7.8 In identifying sites to be allocated for housing in their DPDs, after making an allowance for windfall sites, local planning authorities should follow a search sequence, starting with the reuse of previously-developed land and buildings within urban areas, then urban extensions, and finally, where appropriate, 'new development around nodes in good public transport corridors' (para 30). For policy guidance on village locations, see the reference to paras 69-71 below.
- 7.9 The final chapter of PPG3 (paras 46-75) is entitled *Creating Sustainable Residential Environments*. At the outset, the Government states, in para 46, that in order to 'promote more sustainable residential environments, both within and outside existing urban areas, local planning authorities should promote:
- development that is linked to public transport;
  - mixed use development;
  - a greener residential environment;
  - greater emphasis on quality and designing places for people; and
  - the most efficient use of land.'
- 7.10 The Government is particularly concerned that, in recent years, more than half of all new housing has been built at a density of less than 20 dwellings per hectare. This represents a level of land take that is historically very high and which can longer be sustained. Accordingly, the Government states, in para 58, that local planning authorities should:
- 'avoid developments which make inefficient use of land (those of less than 30 dwellings per hectare net....);
  - encourage housing development which makes more efficient use of land (between 30 and 50 dwellings per hectare net); and

- seek greater intensity of development at places with good public transport accessibility such as city, town, district and local centres or around major nodes along good quality public transport corridors’.

7.11 Paras 69-71 address the specific matter of housing development in villages. The Government makes clear that, in terms of overall housing provision, ‘only a limited amount of housing can be expected to be accommodated in expanded villages’. However, it is concerned that ‘there should be adequate provision in rural areas to meet the needs of local people’.

**Appendix 2: Core Issues – Summaries****Topic: DESIGN OF HOUSING****H2**

There is a requirement to promote good design in new housing developments in order to create attractive, high-quality living environments in which people will choose to live.

**Key Issues**

Government planning policy guidance has encouraged the development of new housing on brownfield sites in appropriate locations. However, concern has been voiced about the impact of infill housing developments in both towns and villages.

**Policy Context**

<b>National</b>	PPS1: Delivering Sustainable Communities; PPG3: Housing; Rural White Paper
<b>Regional</b>	RSS14: East of England Plan: Consultation Draft
<b>County</b>	Regional Housing Strategy for the East of England: 2005-2010
<b>Local</b>	Norfolk Structure Plan 1999

**Background Information**

Consultation exercises revealed concerns about unsympathetic housing development in towns, town cramming, over-development and the need for the design of housing developments in villages to be in keeping with local character.

**Draft Aim**

To ensure a high standard of design and layout in all new developments, and particularly in new housing developments, in order to create attractive, high-quality living environments in which people will choose to live.

**Option 1**

Development will be refused unless it enhances the appearance and character of the surrounding area.

**Option 2**

Development will be approved provided it does not detract from the appearance and character of the surrounding area.

**Conclusion**

Given the expectation that Government planning policy will continue to encourage housing developments on brownfield sites into the foreseeable future, it is thought that increasing attention will be focussed on more difficult opportunities to develop housing in those settlements within which the principle of housing is accepted. It is therefore necessary to formulate a robust policy basis for rejecting housing proposals that are viewed to be unacceptable in terms of the local scene.

**Topic: MIX OF HOUSING****H2**

There is a requirement to provide wider housing opportunity and choice and a better mix in the size, type and location of housing than is currently available.

**Key Issues**

Government planning policy guidance, the draft RSS and the Regional Housing Strategy promote the importance of planning for a well-integrated mix of decent housing of different types and tenures to support a wide range of households of different sizes, ages and incomes which, in turn, promotes social inclusion and helps to create sustainable communities. This concept found support in the public consultation exercises.

**Policy Context**

<b>National</b>	PPS1: Delivering Sustainable Communities; PPG3: Housing; PPG3 Consultation Paper: <i>Planning for Mixed Communities</i> ; Rural White Paper
<b>Regional</b>	RSS14: East of England Plan: Consultation Draft Regional Housing Strategy for the East of England: 2005-2010 Sub-Regional Housing Strategy for Rural East Anglia: 2005-2009
<b>County</b>	
<b>Local</b>	

**Background Information**

Consultation exercises revealed concerns about an increasing imbalance in the population structure which is skewed towards the elderly, the lack of balance in housing types and, in particular, the need for a balanced housing mix in the villages.

**Draft Aim**

To provide an appropriate mix of housing on all new developments in order to promote social inclusion.

**Option 1**

No options are proposed.

**Conclusion**

In order to address this issue, it is proposed that, in addition to seeking a target proportion of affordable housing on eligible sites, there is a requirement for a policy relating to the securing of an appropriate mix of dwelling size and type on new developments which meet an, as yet, unspecified site-size threshold. This will be determined in the light of the findings of the updated Housing Needs Survey for North Norfolk and a future assessment of the demand for market housing in North Norfolk.

**Topic: EXTENSIONS TO DWELLINGS****H2**

There is a need to provide policy guidance in relation to proposals for extensions to dwellings.

**Key Issues**

An important element in the consideration of the issues of affordable housing and mix of housing is the size of dwellings. Generally, the larger a dwelling is, the more expensive it is to buy or rent. Whilst the size of new dwellings can be controlled as part of the process of considering the mix of dwellings, the issue arises as to whether any control should be exercised over proposed extensions to the existing stock of dwellings because of the increase in accommodation that would result.

**Policy Context**

<b>National</b>	PPG3: Housing; PPG3 Consultation Paper: <i>Planning for Mixed Communities</i> ; Rural White Paper
<b>Regional</b>	RSS14: East of England Plan: Consultation Draft Regional Housing Strategy for the East of England: 2005-2010 Sub-Regional Housing Strategy for Rural East Anglia: 2005-2009
<b>County</b>	
<b>Local</b>	North Norfolk Local Plan Policy 64: Extensions to Dwellings in the Countryside

**Background Information**

Consultation exercises revealed District-wide concerns about the shortage of affordable housing. Allied to these were concerns about an increasing imbalance in the population structure which is skewed towards the elderly, the lack of balance in housing types and, in particular, the need for a balanced housing mix in the villages.

**Draft Aim**

To retain an appropriate mix of housing across the District in order to promote social inclusion.

**Option 1**

To continue to consider applications for extensions to dwellings on the basis of their design and impact on local amenity; and

**Option 2**

In North Norfolk's seven towns and the three Large Villages identified in the Local Plan (i.e. Briston/Melton Constable, Hoveton and Mundesley), continue to consider applications for extensions to dwellings on the basis of their design and impact on local amenity. However, outside these settlements extensions to dwellings will not be permitted.

**Conclusion**

In view of the probability that future housing development outside the seven towns and three Large Villages will be limited, it is considered that there will be an increasing issue of affordability in relation to the existing stock of dwellings in this area, including the smaller types of accommodation. This can only be exacerbated by accepting, in principle, extensions to the range of dwelling types that presently exist. Therefore, consideration should be given to exploring whether a more restrictive approach to house extensions would help to achieve the above aim.

**Topic: AFFORDABLE HOUSING****H3**

A community's need for affordable housing is a material consideration which should be taken into account in formulating development plan policies.

**Key Issues**

There is a significant shortage of affordable housing in the District. It is commonly accepted that the only realistic way of reducing this shortage, in view of the very limited public funds that are available to housing associations to develop new social-rented and shared-ownership dwellings, is to maximise the potential for securing an element of affordable housing on new market housing schemes (through planning obligations; also known as 'planning gain'). In this context, affordable housing is defined as 'non-market housing, which can include social-rented housing and intermediate housing' (see definitions in paras 6.2-4 of the Housing Topic Paper). Matters relating to this issue include the site-size threshold at which a policy on seeking an element of affordable housing should apply, the proportion of affordable housing to be sought on eligible sites, the 'rural exception site' policy, the definition of 'local need' for affordable housing and the type of affordable housing that should be provided.

**Policy Context**

<b>National</b>	PPG3: Housing; PPG3 Consultation Paper: <i>Planning for Mixed Communities</i> ; Rural White Paper
<b>Regional</b>	RSS14: East of England Plan: Consultation Draft Regional Housing Strategy for the East of England: 2005-2010 Sub-Regional Housing Strategy for Rural East Anglia: 2005-2009
<b>County</b>	
<b>Local</b>	North Norfolk District Council's Affordable Housing Statement 2005

**Background Information**

Norfolk Coast AONB: The Housing Market and Affordable Housing  
North Norfolk District Housing Needs Survey Update – December 2002  
Consultation exercises revealed District-wide concerns about the shortage of affordable housing and, related to this, concerns about the population age imbalance in villages.

**Draft Aims**

- To maximise affordable housing provision, particularly through 'planning gain'.
- To provide affordable housing without the need for public subsidy.

**Option 1**

Possible options on addressing the various matters relating to increasing the provision affordable housing are featured in Section 6 of this topic paper.

**Conclusion**

Detailed policy guidance on the provision of affordable housing will be required in relation to the site-size threshold at which a policy on seeking an element of affordable housing should apply, the proportion of affordable housing to be sought on eligible sites, the 'rural exception site' policy, the definition of 'local need' for affordable housing and the types of affordable housing that should be provided.

**Topic: SPECIFIC GROUPS****H5**

There is a requirement to provide for the particular accommodation needs of specific groups including accommodation for Gypsies and Travellers and Travelling Showpeople.

**Key Issues**

- Desire for sites for Gypsies and Travellers and Travelling Showpeople to be properly managed.
- Changes to the Anti Social Behaviour Act only allow immediate removal of an encampment where there is a 'relevant caravan site with a suitable pitch managed by the local authority'.
- Government guidance requires that authorities should allocate sites in their LDFs to meet identified accommodation needs and set out criteria against which applications for sites will be assessed.
- The Showmen's Guild of Great Britain has confirmed that there is no requirement for a site for travelling showpeople in North Norfolk.
- The needs of other specific groups, especially the elderly, need to be addressed in order that the existing stock might be better utilised to meet the needs of the community.

**Policy Context**

<b>National</b>	PPG3: Housing; PPG3 Consultation Paper: <i>Planning for Mixed Communities</i> ; DoE Circular 1/94: Gypsy Sites and Planning; ODPM Consultation Paper: Planning for Gypsy and Traveller Sites
<b>Regional</b>	RSS14: East of England Plan: Consultation Draft Regional Housing Strategy for the East of England: 2005-2010 Sub-Regional Housing Strategy for Rural East Anglia: 2005-2009
<b>County</b>	Norfolk Structure Plan Policy H.10: Gypsy sites; A Strategy for Gypsies and Travellers in Norfolk 2005-2008

**Local****Background Information**

NNDC bi-annual survey of Gypsy and Traveller caravan visits  
County-wide survey of Gypsies and Travellers planned for 2005/06

**Draft Aim**

To provide a relevant caravan site with a suitable pitch managed by the local authority to meet the need identified for a Gypsy and Traveller site in the District, in order to minimise adverse impact on the local settled population from inappropriate incursions; and to meet the housing needs of other specific groups.

**Option 1**

No options proposed

**Conclusion**

In addition to preparing policies addressing the needs of Gypsies and Travellers and Travelling Showpeople, it is clear, given the high proportion of elderly people in the population of North Norfolk, that the particular needs of this group should also be addressed through policy.



## LOCAL DEVELOPMENT FRAMEWORK

### Topic Paper Feedback Form

The draft topic papers are technical summaries of evidence and issues covering **Development Strategy, Housing, Economy, Environment and Transport**. These have been produced by NNDC Planning Policy team drawing from national and regional policy, evidence gained through a variety of independent studies and consultation events with community representatives.

We welcome any comments or suggestions you have regarding these documents.

Name: <i>or</i>			
Organisation:			
Date:		Do you wish to be added to our LDF database?	YES / NO
Feedback regarding which TOPIC PAPER?	<b>Development Strategy</b>		<b>The Environment</b>
	<b>Housing</b>	✓	<b>Transport</b>
	<b>The Economy</b>		
Comments	Please make any comments below attach additional sheets if appropriate.		

Thank you for giving us your views.

Please send this form to: Maxine Collis, Planning Policy Section, NNDC, Holt Road, Cromer, NR 27 9PZ or alternatively e mail your response(s) to [planningpolicy@northnorfolk.gov.uk](mailto:planningpolicy@northnorfolk.gov.uk)

