

Report To:	LOCAL PLAN DEVELOPMENT COMMITTEE
Date:	24TH FEBRUARY 2024
Heading:	DRAFT GREATER NOTTINGHAM & ASHFIELD HOUSING NEEDS ASSESSMENT UPDATE: IMPLICATIONS FOR THE EMERGING ASHFIELD LOCAL PLAN
Executive Lead Member:	NOT APPLICABLE
Ward/s:	ALL WARDS
Key Decision:	NO
Subject to Call-In:	NO

Purpose of Report

To note the potential implications of the draft Greater Nottingham & Ashfield Housing Needs Assessment Update (HNA) evidence (as produced by consultants Icen Projects) on the Ashfield Local Plan 2023–2040 Regulation 19 Pre-Submission Draft policies and supporting text.

The purpose of the HNA is not to identify the overall level of need (quantum) of housing in the District, but rather to inform planning policy on an appropriate mix of housing. The main driver for this update is to reflect more recent 2021 Census data.

Recommendation(s)

To note the potential implications of the draft Greater Nottingham & Ashfield Housing Needs Assessment Update.

Recommendations in the final HNA update to be considered as part of a Local Plan Review moving forwards, or earlier at Examination if required by the Independent Inspector.

Reasons for Recommendation(s)

Icen Projects were appointed to undertake an update of the 2020 Housing Needs Assessment (HNA) on behalf of the local authorities comprising the Greater Nottingham Area (City of Nottingham, Broxtowe, Rushcliffe, and Gedling) and Ashfield District.

Due to the timing of the commission, the Ashfield Local Plan 2023 – 2040 Regulation 19 Pre-Submission Draft superseded the outcome of the HNA update. As the Pre-Submission Draft represents the Plan that the Council intends to take forward to Examination, it is not considered practical or appropriate to take account of the HNA update at this stage. To do so would incur additional costs and is likely to result in a delay to the Examination process.

Alternative Options Considered

To amend policies and supporting text in the emerging Ashfield Local Plan as required to reflect the outcome of the final HNA update when it is received by the Council. This is likely to have financial implications and impact on the Local Plan timetable in respect of commissioning an update of the Whole Plan Viability Assessment. Where revised policies have an impact on viability, this may reduce the level of affordable housing which can be reasonably be requested under Policy H3 of the emerging Local Plan.

The local planning authority are able to include proposed changes to the Regulation 19 Plan in an addendum at submission stage. Proposed changes are considered by the Inspector during the examination process but will not be treated as part of the submitted Plan (unless they have been subject to further public consultation which would delay the Local Plan process further).

Detailed Information

1.0 Background

- 1.1 Icen Projects were appointed to undertake an update of the 2020 Housing Needs Assessment (HNA) on behalf of the local authorities comprising the Greater Nottingham Area (City of Nottingham, Broxtowe, Rushcliffe, and Gedling) and Ashfield District (due to the close links between the town of Hucknall and the City of Nottingham). The main driver for this update is to reflect 2021 Census data.
- 1.2 The purpose of the HNA is not to identify the overall level of need (quantum) of housing in the District, but rather to inform planning policy on an appropriate mix of housing, reflecting the requirements of paragraph 63 of the National Planning Policy Framework 2023 (NPPF). This includes the size, type and tenure of housing needed for different groups in the community. These groups should include (but are not limited to) those who require affordable housing; families with children; older people (including those who require retirement housing, housing-with-care, and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes.
- 1.3 The HNA does not include an assessment of Gypsy and Traveller needs as this is addressed in a separate study.
- 1.4 Policies and supporting text in the emerging Ashfield Local Plan 2023 to 2040 (Regulation 19) have been drafted using the 2020 HNA (Iceni) as evidence and may need to be amended to reflect the most up to date evidence from the new HNA update moving forwards. The Council is not as yet in receipt of the final HNA update from Icen, however the headlines from a final draft iteration are unlikely to change significantly at this point.

2.0 Summary of findings for Ashfield District and potential impact on Draft Local Plan policy/supporting text

2.1 Although there are a number of changes from the 2020 Housing Needs Assessment, the key outcomes which will affect planning for future homes in Ashfield include:

- The 2020 HNA conclusions recommended that 69% of market housing be family-sized (i.e. 3 or more-bedroom homes). The 2023 analysis suggests just over half of homes (51%) should be family-sized with a balance of smaller properties at 49%. This is driven partly due to modelling which seeks to reduce under-occupancy in order to make more efficient use of stock in the District.
- The 2023 analysis for the affordable/ social rented sector remains broadly comparable with 2020 HNA recommendations with a recommendation of around 30% family sized homes and 70% smaller properties.
- In respect of specialist housing for the elderly and disabled, the overall level of future need has reduced from the 2020 HNA analysis. Despite lower figures, there remains a clear need for specialist housing both with regards to housing with support and housing with care across both market and affordable tenures.
- A higher level of need has been identified for wheelchair users over the 2023-40 period which equates to around 10% of the Standard Method need for 446 dwellings per annum. This would suggest that there is a need to increase the supply of accessible and adaptable dwellings and wheelchair-user dwellings in addition to providing a specific provision of older persons housing.
- Draft Local Plan policy currently seeks 10% of homes on larger sites to meet M4(2) accessible and adaptable dwellings standards. However, Building Regulations are likely to mandate that all new homes are built to a minimum of these standards in future.
- Draft Local Plan policy does not specifically require any M4(3) wheelchair user dwellings, however, the draft HNA update suggests there could be evidence to support a requirement of between 5% and 10%. This would clearly have cost implications which could impact on deliverability of other policy requirements if taken forward.

2.2 The following paragraphs summarise each section of the draft HNA update and what the implications could be for Ashfield moving forwards.

PLEASE NOTE: THE TEXT HIGHLIGHTED IN THE GREEN BOXES REFERS TO POTENTIAL IMPLICATIONS AND CHANGES REQUIRED IF THE COUNCIL WISHES TO TAKE ACCOUNT OF THE HNA UPDATE PRIOR TO LOCAL PLAN EXAMINATION.

Housing Market Area (HMA)

- 2.3 The analysis confirms that the Nottingham Core HMA of Broxtowe, Erewash, Gedling, the City of Nottingham, and Rushcliffe remains valid. There is also some overlap with the Nottingham Outer HMA and particularly Hucknall in Ashfield.

No change required.

Affordable Housing

- 2.4 The analysis identifies a notable need for affordable housing, and it is clear that provision of new affordable housing is an important issue across the District. However, it is stressed that the report does not provide an affordable housing target as the amount of affordable housing delivered will be limited to the amount that can viably be provided.

Affordable Housing Need in Ashfield (p.a.), 2020 vs 2023

	2020 HNA	2023 Draft HNA
Social/Affordable Rented	237	302
Affordable Home Ownership	-195	-101

Source: Derived from market cost analysis

- 2.5 The need for social/affordable rented homes has increased which strengthens the Council's position on securing affordable housing on development schemes and the core conclusion remains – the Council should aim to maximise the delivery of affordable homes when the opportunity arises.
- 2.6 When looking at the need for affordable home ownership (AHO) products it is clear that there are a number of households likely to be able to afford to rent privately but who cannot afford to buy a suitable home. However, there is also a potential supply of homes within the existing stock that can make a contribution to this need. The recommendation to seek affordable home ownership, as 'shared ownership' rather than low cost market housing (noting that the National Planning Policy Framework suggests a 10% figure for sites of 10 or more dwellings) remains unchanged. This is due to the lower deposit requirements and lower overall costs (given that the rent would also be subsidised).
- 2.7 Despite the level of need, it is not considered that this points to any requirement for the Council to increase the Local Plan housing requirement due to affordable needs.

2.8 Possible implications for the emerging Local Plan:

Policy S7: Meeting Future Housing Provision – No Change.

- Supporting text Table 3: Ashfield Affordable Housing Net Need will need updating accordingly.

Policy H3: Affordable Housing – No Change as a consequence of this assessment for affordable housing needs. This is informed by the Whole Plan Viability Assessment alongside the recommendation for affordable home ownership products which remain unchanged. (However potentially increasing requirements in other policies such as adaptable and accessible dwellings under Policy H6: Housing Mix could undermine the viability of this policy as currently drafted)

- Supporting text at paragraphs 6.115 and 6.116 will need amending to reflect the new HNA title and data.

Housing Mix

2.9 Analysis of the future mix of housing required takes account of demographic change, including potential changes to the number of family households and the ageing of the population. The suggested figures can be used to ensure that future delivery is not unbalanced when compared with the likely requirements as driven by demographic change in the area.

2.10 The recommendations are used as guidelines to consider the appropriate mix on larger development sites in supporting text to Policy H6: Housing Mix. Site location and area character are also relevant considerations for the appropriate mix of market housing on individual development sites.

Housing Mix, 2020 vs 2023

Tenure Sector	Housing Needs Study	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms
Market	2020	4%	27%	45%	24%
	2023	11%	38%	39%	12%
Affordable Home Ownership	2020	23%	38%	24%	15%
	2023	18%	44%	31%	7%
Social/Affordable Rent	2020	35%	37%	25%	3%
	2023	31%	37%	26%	6%

Source: 2020 and 2023 Housing Needs Studies

- 2.11 The comparison table above indicates that the housing mix sought should have a greater balance in the Market sector between smaller and larger housing when compared with the 2020 HNA. The shift in the conclusions is driven partly due to the modelling which seeks to reduce under-occupancy in order to make more efficient use of stock in the District.
- The 2020 HNA conclusions recommended that 69% of market housing be family-sized (i.e. 3 or more-bedroom homes)
 - The 2023 analysis suggests just over half of homes (51%) should be family-sized with a balance of smaller properties at 49%.
- 2.12 The 2023 analysis for the Affordable sector remain broadly comparable with 2020 HNA recommendations in respect of need for family/smaller properties.

Policy S7: Meeting Future Housing Provision – No change.

- Supporting text at paragraph 3.68 will need amending to reflect the new HNA title.

Policy H6: Housing Mix – No change. The policy is not prescriptive and relies on supporting text to set out a starting point for developing an appropriate mix on a site by site basis.

- Supporting text at paragraphs 6.145, 6.146 and Table 6: Recommended Housing Mix will need amending to reflect the new HNA title and data.

Older Persons and Disabled People

- 2.13 The older person population is projected to increase notably moving forward. An ageing population means that the number of people with disabilities is likely to increase substantially, and this is the main driver for additional specialist accommodation.
- 2.14 There is a current need for housing with support (retirement/ sheltered housing) in the market sector, and also a small current under-supply in the affordable sector. Both are expected to increase given the growth in the population aged over 75.
- 2.15 The analysis also points to a strong potential need for housing with care (e.g. extra-care) in both the market and affordable sectors.
- 2.16 The analysis also suggests a future need for some additional residential and nursing care bedspaces in future, although currently there is an over-supply for residential care bedspaces. In Nottinghamshire there is a desire to shift away from residential care towards extra-care, therefore the findings of additional future need should only be seen as a nominal need rather than an actual need.

Specialist Housing Needs - Shortfall by 2041 (2020 vs 2023 HNA)

	2020 HNA	2023 HNA
Housing with Support: Market	1,426	726
Housing with Support: Affordable	1,037	833
Housing with Care: Market	441	375
Housing with Care: Affordable	507	559
Bedspaces (residential care/nursing care)	1,252	694

Source: 2020 and 2023 Housing Needs Studies

2.17 Despite lower figures when compared to the 2020 HNA, there remains a clear need for specialist housing both with regards to housing with support and housing with care across both market and affordable tenures.

Policy S7: Meeting Future Housing Provision – No change.

- Supporting text at paragraphs 3.72-3.74 will need amending to reflect the new HNA title and data.

Policy H6: Housing Mix – Potential change to specifically refer to supporting provision of specialist housing. This Development Management policy is currently silent on the matter as it is included in Strategic Policy S7.

- Supporting text at paragraphs 6.149 – 6.161 will need amending to reflect the new HNA title and data.

Wheelchair Accessible Homes

2.18 Nationally, around 3.4% of households contain a wheelchair user – with around 1% using a wheelchair indoors. There is a clear correlation between the age of household reference person and the likelihood of there being a wheelchair user in the household. Icenl have adjusted their method since the publication of the 2020 HNA and now aligns prevalence rates to age structure, with adjustments to take account of the relative health of the population. This results in a higher overall need for wheelchair user homes.

Estimated Need for Wheelchair User Homes – Total current and future need to 2040.

	2020 HNA	2023 HNA
Total Need	425	774

Source: 2020 and 2023 Housing Needs Studies

- 2.19 A need for 774 homes for wheelchair users over the 2023-40 period (46 per annum) equates to around 10% of the Standard Method need for 446 dwellings per annum. This would suggest that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair-user dwellings as well as providing a specific provision of older persons housing.
- 2.20 Planning guidance sets out that ‘Based on their housing needs assessment and other available datasets it will be for local planning authorities to set out how they intend to approach demonstrating the need for Requirement M4(2) (accessible and adaptable dwellings), and/or M4(3) (wheelchair user dwellings), of the Building Regulations.’
- 2.21 The Government recently reported on a consultation on changes to the way the needs of people with disabilities and wheelchair users are planned for. The key outcome was: *‘Government is committed to raising accessibility standards for new homes. We have listened carefully to the feedback on the options set out in the consultation and the government response sets out our plans to mandate the current M4(2) requirement in Building Regulations as a minimum standard for all new homes’*. This change is due to be implemented through a change to building regulations in due course, although at this stage the timeframe is not known.
- 2.22 However, the need for M4(3) wheelchair user dwellings will still need to be evidenced and tailored to local demand. As well as evidence of need, the viability challenge is particularly relevant for M4(3) standards which can involve high additional costs that could in some cases challenge the feasibility of delivering all or any of a policy target.
- 2.23 The draft HNA update recommends that given the evidence, the Council could consider (as a start point) requiring all dwellings (in all tenures) to meet the M4(2) standards and around 5% of homes meeting M4(3) – wheelchair user dwellings in the market sector (a higher proportion of around a tenth in the affordable sector). However, it is acknowledged that it may not be possible for some schemes to be built to these higher standards due to built-form, topography, flooding etc. Furthermore, the provision of this type of property may in some cases challenge the viability of delivery given the reasonably high build-out costs.

Policy S7: Meeting Future Housing Provision – No change.

Policy H6: Housing Mix – This draft policy currently requires developments of 10 or more dwellings to provide 10% accessible and adaptable M4(2) dwellings and no requirement for wheelchair user dwellings M4(3). The whole plan viability has been tested on this basis.

Further work may need to be undertaken if it is minded to take on the recommendations in the updated HNA subsequent to receiving the final report, including the implications for viability, and resulting impact on the level of affordable housing which is currently required by draft Policy H3.

- Supporting text at paragraphs 6.155 will need amending to reflect the new HNA title and data.

Student Housing Need

2.24 The draft HNA focuses on Nottingham City and Broxtowe authority areas as those in potential need for purpose build student accommodation in relation to the 2 Universities. There are no implications for Ashfield District from this sector. The profile of Full-time students across the study area only identifies that 3% are located in Ashfield District (68% of which live with parents).

No change required.

Private Rented Sector

2.25 Over recent years, successive Governments have looked to the private rented sector to play a greater role in providing more new build housing and have sought to encourage “Build to Rent” development. The study area authorities currently have no planning policy in place to deal with planning applications which are submitted for Build to Rent development, however, this has not hindered Build to Rent development coming forward in the study area, particularly in Nottingham City.

2.26 Given the benefits of Build to Rent development, including longer tenancies and the provision of affordable rented housing, the partner Councils are advised to develop a policy supporting Build to Rent development which specifies the types of locations which are considered suitable for such development.

2.27 Planning policy guidance states that authorities should specify the circumstances and locations where Build to Rent schemes would be encouraged. It identifies town centre regeneration areas and parts of large sites as examples. Accordingly, Icenl recommend that schemes should be supported within:

- Nottingham City – principally within the Creative Quarter, Canal Quarter and Royal Quarter, as well as strategic regeneration sites;
- Broxtowe – principally around Beeston and in close proximity close to transport nodes;
- Rushcliffe - principally around West Bridgford.

There are also opportunities for Build to Rent development to come forward through the potential Nottingham Tram expansion. Elsewhere, opportunities should also be considered on the main arterial routes and Transport Hubs into and on the borders of Nottingham City, should funding become available.

This aspect is not currently addressed in the emerging Ashfield Local Plan.

Given the locational recommendations in the draft HNA update, it is not considered necessary to formulate a specific policy in the Ashfield Local Plan for build to rent. Such products would not be precluded from coming forward through the planning application process in any event, should there be a demand.

Implications

Corporate Plan: Planning, and the Local Plan in particular, has a cross cutting role to play in helping to meet and deliver the 6 priorities identified in the Corporate Plan. In particular, the Local Plan has a key responsibility in delivering the outcomes around the supply of appropriate and affordable homes, improving town centres, maximising economic growth especially around transport hubs and improving green spaces and the natural environment.

Legal: The Planning and Compulsory Purchase Act 2004 (as amended) (“the Act”) and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) sets out the legislative requirements in bringing a local plan forward. Under Section 20 of the Act, an authority must not submit a Local Plan unless they have complied with any relevant requirements contained in the Regulations and the document is ready for independent examination. [RLD 14/02/2024]

Finance: There may be potential financial implications if the Council wishes to recommend taking account of the HNA update prior to Local Plan examination as this would require an addendum/update to the Whole Plan Viability Assessment. The cost is currently unknown.

Budget Area	Implication
General Fund – Revenue Budget	None.
General Fund – Capital Programme	None.
Housing Revenue Account – Revenue Budget	None.
Housing Revenue Account – Capital Programme	None.

Risk:

Risk	Mitigation
Impact of any changes to current wording of policies on the whole plan viability.	An addendum/update to the Whole Plan Viability Assessment could be prepared if required.

This could ultimately reduce the level of affordable housing which can be asked for in Policy H3.	
A decision to not take account of up-to-date evidence could be challenged by the Inspector and delay the Examination process.	The local planning authority are able to include proposed changes to the Regulation 19 Plan in an addendum at submission stage. Proposed changes are considered by the Inspector during the examination process.

Human Resources: There are no direct HR implications contained within this report.[KB 13/02/2024]

Environmental/Sustainability: Sustainability is at the heart of the planning system and the Plan has been prepared with the aim of delivering sustainable development in the District in accordance with the requirements of paragraphs 7 and 8 of the National Planning Policy Framework (NPPF), 2021. The Plan has been prepared in accordance with the Planning & Compulsory Purchase Act 2004, as amended, which requires the Council to conduct an appraisal of the sustainability of the proposals in Local Plan and prepare a report of the findings of the appraisal.

Equalities: An Equality Impact Assessment has been undertaken as part of the consideration of the Regulation 19 Local Plan.

Other Implications:

None

Reason(s) for Urgency

None

Reason(s) for Exemption

None

Background Papers

None

Report Author and Contact Officer

Christine Sarris
Assistant Director Planning
Christine.Sarris@ashfield.gov.uk
01623 457375

Lisa Furness
Forward Planning
lisa.furness@ashfield.gov.uk
01623 457382

Sponsoring Executive Director

John Bennett
Executive Director for Place
john.bennett@ashfield.gov.uk
01623 457230