

## 5 Housing

### 5.1 INTRODUCTION

5.1.1 There are a number of important reasons why we need more homes. These include:

- to provide affordable homes both for those in the greatest need and for those that need help getting on to the housing ladder;
- to keep and attract people of working age with a range of skills in order to sustain economic growth, particularly as there is likely to be a dramatic increase in the population of those aged over 60 in the plan area;
- to cater for the demand created by the way in which we live our lives which has contributed towards a reduction in household size. For example, the increase in life expectancy of older people, young people leaving their parents' home earlier and an increase in the incidence of marital breakdown;
- to allow for people moving into the area to live and work, which is likely to continue and would otherwise increase house prices further.

5.1.2 At the beginning of the plan period there were 3,000 people on the housing register in West Dorset and 4,600 in Weymouth and Portland. The house price to wage ratio in West Dorset and Weymouth and Portland is significantly higher than national and regional comparisons. The housing implementation strategy for the plan area is set out below:

#### **STRATEGIC APPROACH**

A continuing supply of housing land is needed to help meet the changing demographic and social needs of the area, and to help reduce the need to travel and promote economic growth and social inclusion. The type, size and mix of housing will be expected to reflect local needs as far as possible and result in balanced communities.

Although the total projected need for affordable housing is not expected to be met in the plan period, opportunities will be taken to secure affordable homes to meet local needs. This will include ensuring all new open market housing sites make a contribution (through providing new affordable homes or, where this is not possible, making a financial contribution) and through a range of flexible policies that encourage affordable housing to come forward where there are suitable opportunities.

### 5.2 AFFORDABLE HOUSING

#### **AFFORDABLE HOUSING**

Affordable housing must be provided at a cost low enough for local people whose needs are not met by the open market to afford. It should remain at an affordable price (if it is practicable to apply suitable restrictions).

# Local Plan

West Dorset, Weymouth & Portland Local Plan 2015

There are three main types of affordable housing; social rented, affordable rented and intermediate housing. Housing available for social or affordable rent is rented housing normally provided by registered providers and regulated by the Homes and Communities Agency. Intermediate housing can include shared equity products, leasehold shared-ownership schemes and discounted sale (with future sales restricted to the same discount).

Low cost market housing, aimed at first time buyers, is not considered to be affordable housing as it does not remain affordable in the longer term.

## AFFORDABLE HOUSING ON OPEN MARKET HOUSING SITES

- 5.2.1 One way of achieving affordable housing delivery through the planning system is by requiring that a proportion of the net increase in open market housing on a development site is developed as affordable housing instead. There is no evidence to suggest that affordable housing cannot be delivered to some degree on all sizes of development, from one unit upwards. And having a ‘threshold’ under which a contribution need not be made can distort the number of units that would otherwise come forward on a site.
- 5.2.2 On-site provision will always be sought, unless this would not deliver a whole unit, or there is compelling evidence why off-site provision or a financial contribution of equivalent value would be of greater all-round benefit.
- 5.2.3 Setting the level of affordable housing to be delivered on open market housing sites is very much dependent on site viability. Setting the level too high will mean that some sites, particularly brownfield sites (that are likely to have a higher existing use value and may also have clean-up costs), are unlikely to come forward. And setting the level too low will mean that we fail to deliver as much affordable housing as we could. The wider infrastructure needs that are expected to be met by the development, either through planning obligations or the community infrastructure levy, will also have an impact on viability and need to be considered at the same time.
- 5.2.4 A minimum target for affordable housing provision on open market housing sites has been set at the start of the plan period, in what are very challenging economic times. This varies across the plan area, with Portland having a lower target due to the financial viability of development in that area. There will be future opportunities to amend this target if the economic situation changes sufficiently, which should be done alongside the review of the community infrastructure levy, as the two are intrinsically linked to viability. Where applying the target would result in a fraction of an affordable home, a financial contribution will normally be sought for that fraction. The level of financial contribution sought and guidance on how it can be calculated will be published alongside the community infrastructure levy charging schedule.
- 5.2.5 No affordable housing provision will be required from rural workers’ dwellings or homes restricted to holiday use. However, if the restriction is lifted at a later date, a contribution will be required at that time. There may be other instances where certain developments

are not able to make such provision, particularly if the existing land has a significant market value and will not generate many additional units. The councils will have regard to issues such as this when assessing proposals, and in such cases a development appraisal should be submitted by the applicant (where possible, in advance of the planning application), together with full supporting information concerning site constraints, costs (including any abnormal costs) and projected income. The councils will supply the latest version of the viability appraisal toolkit to be used for this purpose.

## TENURE SPLIT, SIZE, TYPE AND MIX

- 5.2.6 The Housing Register and the analysis in the Strategic Housing Market Assessment, indicates that 70% of affordable housing demand is likely to be for social or affordable rents across the plan area. These findings point towards a high level of social or affordable rented housing provision. However intermediate affordable housing enhances mixed communities and assists economic viability.
- 5.2.7 The greatest demand for affordable housing at the beginning of the plan period was for two bedroom homes, with a significant demand for one and three bedroom homes. However larger homes with three or more bedrooms can provide more flexible housing to cater for different needs and the scope for newly forming and growing small families. The size of housing needed will vary locally, and both current needs and flexibility to meet likely future needs will be taken into account in determining the right mix.
- 5.2.8 Disabled people often have particular design requirements over and above those currently required under building regulations. Where there is an identified need for housing with such adaptations, every effort should be made to accommodate this provision. This may be through the inclusion of some housing that can be easily adapted to meet a variety of particular needs.

### **HOUS1. AFFORDABLE HOUSING**

- i) Where open market housing is proposed affordable housing will be sought, unless the proposal is for replacement or subdivision of an existing home. The level of affordable housing required reflects the viability of development land in the local area, and will be:**
- 25% in Portland;
  - 35% in Weymouth and West Dorset.
- ii) In most cases, where one or more affordable homes are being provided, these should be provided on the open market site. Financial contributions towards the provision of affordable housing will be required for any shortfall that cannot be delivered on the site.**

## HOUS1. AFFORDABLE HOUSING (CONTINUED)

- iii) Applicants seeking to justify a lower level of affordable housing provision will be expected to provide an assessment of viability. A lower level of provision will only be permitted if there are good reasons to bring the development forward and the assessment shows that it is not economically viable to make the minimum level of provision being sought.
- iv) Within any affordable housing provision, the councils will seek the inclusion of a minimum of 70% social / affordable rent and a maximum of 30% intermediate affordable housing, unless identified local needs indicate that alternative provision would be appropriate.
- v) The type, size and mix of affordable housing will be expected to address the identified and prioritised housing needs of the area and should be proportionate to the scale and mix of market housing, resulting in a balanced community of housing and / or flats that are 'tenure blind'.
- vi) Where there is an identified local need for specially designed affordable housing to cater for disabled people with particular needs, or affordable housing that can be easily adapted to meet a variety of such needs, developments should prioritise provision of this accommodation.

**MONITORING INDICATOR:** number of affordable housing units by size and tenure secured on-site through open market housing development, and the level of financial contribution secured towards delivery of affordable housing. **TARGET:** 25% affordable housing secured in Portland and 35% secured in Weymouth and West Dorset.

**MONITORING INDICATOR:** level of financial contribution secured for the off site delivery of affordable housing.

## AFFORDABLE HOUSING EXCEPTION SITES

- 5.2.9 Another way of providing affordable homes is through 'Exception Sites' which are just for affordable housing on sites that would not be granted planning consent for open market housing. This allows small sites adjoining villages and towns, with relatively low land value, to provide for 100% affordable housing, without a fundamental policy objection. Large sites of 100% affordable housing are more likely to result in an unbalanced community mix, and are therefore not encouraged under this approach.
- 5.2.10 Because this is an exception, it is important that it is in response to a clearly identified need arising from a local community, which cannot otherwise be met. Future occupancy will also