

Nottingham City

land and planning policies

Development Plan Document
Local Plan Part 2



**Sustainable, Inclusive and
Mixed Communities Background Paper**
January 2016



Nottingham
City Council

**Quick Guide to the Sustainable, Inclusive and Mixed Communities
Background Paper to the Land and Planning Policies Development Plan
Document Publication Version of the Land and Planning Policies (LAPP)
document (Local Plan Part 2) (see www.nottinghamcity.gov.uk/localplan)**

Purpose of this document:

The Land and Planning Policies (LAPP) document (Local Plan Part 2) forms part of the Local Plan for Nottingham City along with the Core Strategy which guides future development in Nottingham City.

The Local Plan Part 2 contains development management planning policies and site allocations against which planning applications for future development proposals in Nottingham City will be determined.

Following a consultation period on the Local Plan Part 2 which will run from 29 January to 5pm on 11th March 2016, the Local Plan Part 2 will be submitted for independent examination, where its soundness will be tested.

The purpose of this paper is to provide background information for the housing policies contained within the Part 2 Local Plan. It looks at both the national and local policy context for housing within Nottingham. It analyses the requirements of the National Planning Policy Framework (NPPF), the housing requirements set out in the adopted Core Strategy and other local documents such as the Housing Nottingham Plan 2013-15. It also examines the need and demand for different types of housing within the City.

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1. Introduction

- 1.1 The purpose of this paper is to provide background information for the housing policies contained within the Part 2 Local Plan: Land and Planning Policies Document (LAPP).
- 1.2 This paper looks at both the national and local policy context for housing within Nottingham. It analyses the requirements of the National Planning Policy Framework (NPPF), the housing requirements set out in the adopted Core Strategy and other local documents such as the Housing Nottingham Plan 2013-15. It also examines the need and demand for different types of housing within the City.
- 1.3 The housing policies in the LAPP cover the following areas:
 - Housing Mix;
 - Protecting C3 dwellinghouses suitable for family occupation;
 - Affordable Housing;
 - Specialist Housing;
 - Locations for Purpose Built Student Accommodation; and,
 - Houses in Multiple Occupation (HMOs) and Purpose Built Student Accommodation.

2. Delivering Housing Requirements

- 2.1 The strategic policy context for the LAPP document's housing policies is set out in the adopted Local Plan Part 1: Nottingham Aligned Core Strategy, which has been produced jointly by the City Council and Broxtowe and Gedling Borough Councils¹, and in close co-operation with Erewash and Rushcliffe Borough Councils. Together these councils form the Nottingham Core Housing Market Area. The Core Strategy was adopted in September 2014.
- 2.2 Also of relevance is the Housing Nottingham Plan², the housing strategy of the Nottingham Housing Strategic Partnership for 2013 to 2015 (shortly to be rolled forward). The LAPP reflects the priorities of this plan in spatial planning policies.

¹ See <http://www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=51290&p=0>

² See <http://www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=41261&p=0>

The amount of new housing to be provided

- 2.3 Policy 2.3 of the Core Strategy states that a minimum of 17,150 new homes will be provided in the City between 2011 and 2028, as the City's share of an objectively assessed need for homes across the Nottingham Housing Market Area (HMA) of 49,950. Nottingham City's share of new housing is the largest of all the Councils within the HMA, in accordance with the Core Strategy's strategy of urban concentration and regeneration. However, its tightly constrained boundaries and the nature of its land supply mean that meeting this housing target has been recognised as challenging (see GL Hearn Greater Nottingham Housing Market & Economic Prospects report 2012, available [here](#)).
- 2.4 The Core Strategy housing provision was derived from the 2008-based household projections, which were adjusted to take account of local demographic information about headship rates³, different assumptions over future in-migration, and to reflect the results of the 2011 Census.
- 2.5 The 2012-based household projections were published in February 2015. Comparison of these projections against the projections used for the Core Strategy show that they are very similar, and therefore the Core Strategies across Greater Nottingham continue to provide for objectively assessed housing need, and no adjustment to the City's housing provision is required as a result of the publication of the new projections. (See Comparison of the Household Projections Underlying the Greater Nottingham Core Strategies and the CLG 2012-Based Household Projections, January 2016).
- 2.6 The City's provision of 17,150 to 2028 is distributed through the plan period as follows:

2011/13	950
2013/18	4,400
2018/23	5,950
2023/28	5,850

- 2.7 The figures in this table are not upper limits to development, they represent the anticipated rate of housing completions, and will be used by the Council to determine the level of its 5 year supply of deliverable housing sites⁴.
- 2.8 Since 2011, 2,706 homes have been completed, leaving a requirement of 14,444. This is almost exactly the number anticipated by the Core Strategy up to 2014/15 (2,710). The Housing Land Availability Report (2015) shows a 5.52 years supply of housing land, against a requirement of 5.25 years, including a 5% buffer.

³ "headship rates" are the proportions of people in each age/sex group who "head" a household.

⁴ As required by the National Planning Policy Framework (February 2012).

2.9 The Core Strategy designates three strategic housing sites (sites with more than 500 dwellings) in the City:

- The Boots site, which also extends into Broxtowe Borough (600 homes in the City part, 1,500 homes in total);
- Stanton Tip, Hempshill Vale (500 homes); and,
- Waterside Regeneration Zone (3,000 homes).

2.10 All three sites have the status of 'strategic locations' and are expected to deliver housing after five years from adoption, with the details being set out in the LAPP. The Boots site is a 'strategic location' for housing purposes, but is capable of delivering economic development in the first 5 years from adoption, based on the existing infrastructure of the site.

2.11 Planning permission for the Boots site has now been granted, and around 230 homes are anticipated to be in the City area. The Core Strategy acknowledged that the distribution of houses across the site, and between Broxtowe Borough and Nottingham City was subject to further master planning, and whilst the City share of new homes is fewer than anticipated in the Core Strategy, the overall number across the site is as anticipated and delivery is likely to be earlier in the plan period than expected.

2.12 The Waterside is also anticipated to deliver fewer homes than envisaged in the Core Strategy, as the developments that are emerging and being implemented are responding to a very different economic climate with particular viability challenges, and around 1,620 homes are now anticipated within the plan period. However, the type of homes now anticipated includes the potential for innovative approaches such as modular construction and custom build housing, such as at Trent Basin where construction has already commenced, again earlier than anticipated.

2.13 The Housing Land Availability Report (2015) includes an updated trajectory (the original trajectory was included in the Core Strategy) indicating how much housing is expected to be delivered from different sources in each year to 2028. This is based upon an update of the 2014 Strategic Housing Land Availability Assessment (SHLAA). The SHLAA identifies all sites which are currently known about which are expected to be developed up to 2028. The developable sites which it contains, together with an indication of when they are expected to be developed, are listed in the 2015 Housing Land Availability Report. In total, this shows that suitable sites are available for about 13,769 dwellings (homes) between 2015 and 2028⁵. An additional 1,610 dwellings are expected to be built on "windfall sites", the location of which is not yet known. The LAPP housing sites are included in these figures. More details about each site can be found in the SHLAA report.

2.14 Some 886 demolitions are expected in the same period, which together with completions for 2011/15 (2,706) means that the net increase in homes

⁵ Note that all of the figures quoted here include purpose-built student flats.

between 2012 and 2028 is anticipated to be about 17,199 against the Core Strategy requirement of 17,150.

The size, mix and choice of new housing

2.15 Policy 8 of the Core Strategy contains policies relating to the size, mix and choice of housing. The relevant parts of this policy are as follows:

General Approach

1. Residential development should maintain, provide and contribute to a mix of housing tenures, types and sizes in order to create sustainable, inclusive and mixed communities. All residential developments should contain adequate internal living space, and a proportion of homes should be capable of being adapted to suit the lifetime of its occupants, as defined by part 2 Local Plans.
2. Within Nottingham City there should be an emphasis on providing family housing, including larger family housing, to meet Sustainable Community Strategy and Housing Strategy objectives. Within the City Centre there should be an emphasis on flats of two or more bedrooms to diversify the existing mix, together with innovative family housing on the City Centre fringes. Elsewhere in the plan area there should be a broader mix of housing.
3. Throughout the plan area, consideration should be given to the needs and demands of the elderly as part of overall housing mix, in particular in areas where there is a significant degree of under occupation and an ageing population.
4. The appropriate mix of house size, type, tenure and density within housing development will be informed by:
 - a) evidence contained within Strategic Housing Market Assessments and other research into particular housing requirements;
 - b) the Councils' Sustainable Community Strategies and Housing Strategies;
 - c) local demographic context and trends;
 - d) local evidence of housing need and demand;
 - e) the need to redress the housing mix within areas of concentration of student households and Houses in Multiple Occupation;
 - f) area character, site specific issues and design considerations; and
 - g) the existing or proposed accessibility of a location by walking, cycling and public transport.

Approach to Affordable Housing

5. Affordable housing will be required in new residential developments on appropriate sites. The following percentage targets will be sought through negotiation:

- a) Broxtowe Borough: 30%
 - b) Gedling Borough: 10%, 20% or 30% depending on location
 - c) Nottingham City: 20%
6. Any locational variation in affordable housing requirements, and the mix and threshold for affordable housing will be set out in part 2 Local Plans by each Council, determined by:
- a) evidence of housing need, including where appropriate housing tenure, property type and size;
 - b) the existing tenure mix in the local area;
 - c) the ability to deliver affordable housing alongside other requirements, taking into account broad assessments of viability. Where the findings of local assessments are disputed on a particular site, a financial appraisal of the proposal will be expected in order to determine an appropriate level of affordable housing; and
 - d) the availability of subsidy on a development to deliver affordable housing within weaker housing submarkets.
7. In the case of larger developments the level of affordable housing will be considered on a site by site basis taking into account localised information and set out in part 2 Local Plans. The type of affordable housing provision will be assessed throughout the lifetime of that development to ensure the development is responsive to updated evidence of need.

3. Background to Housing and Households in Nottingham

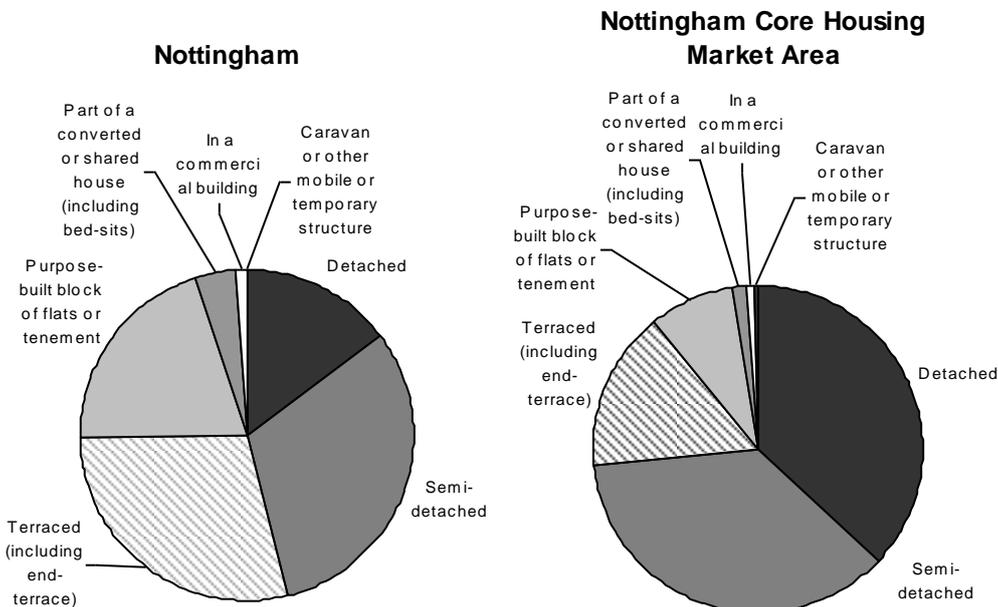
- 3.1 Nottingham City forms part of the wider Nottingham Core Housing Market Area which includes the surrounding boroughs of Broxtowe, Gedling, Rushcliffe and the Derbyshire Borough of Erewash. Over 40% of the total population of the Housing Market Area live within the City.
- 3.2 In terms of the demographics and housing make up of the City, Nottingham is typical of other large cities, but is very different from the wider Housing Market Area and the national picture – as demonstrated below.

Overview of the general housing stock

- 3.3 Just 15% of dwellings in the City are detached, compared to over 37% in the Nottingham Core Housing Market Area (excluding Nottingham) and 22% nationally. Conversely, the City has a much higher proportion of terraced housing (29% compared to 16% in the wider Housing Market Area) and twice the proportion of purpose built flats than the wider area (20% compared to 8%) (Source: 2011 Census). The difference in proportions of flats has been exacerbated by development in recent years, particularly in the City Centre. About 70% of all new dwellings built in the City between

April 2002 and March 2012 were flats (including the conversion of existing buildings, but excluding purpose-built student flats).

Figure 1: Dwellings by type (2011 Census)



- 3.4 The City has a smaller proportion of large housing, suitable for families, compared to the wider Housing Market Area and nationally. The average number of bedrooms in the City's housing is 2.6, compared to 2.9 for the Greater Nottingham area, and 2.7 for England. (Source: 2011 Census). Just over half of houses and bungalows have three bedrooms or more, compared to 68% in the Housing Market Area, and 58% nationally. Just 4% of the City's houses and bungalows have four bedrooms or more – compared to 14% and 11%. (Source: Valuation Office Agency, 2014). Only 24% of new dwellings built between April 2002 and March 2012 had three or more bedrooms (i.e. they were suitable for family occupation, according to the City Council definition in paragraph 3.20). So although the total stock of housing is increasing, the proportion of larger dwellings is actually falling.
- 3.5 The City has a higher proportion of households who have too few *bedrooms* for their needs – some 6% of households compared to just 2% in the wider area and 5% nationally⁶. The difference is more pronounced when looking at households with too few *rooms* for their needs (13% compared to 4% and 9%) but this will be affected by the large numbers of students living in shared houses in the City (source: 2011 Census).
- 3.6 In terms of tenure, less than a half of households in the City own their own home, either outright or with a mortgage or loan, compared to nearly three quarters of households in the wider housing market area and nearly two thirds nationally. This is a decrease on the 2001 figure. There are twice the proportion of households renting in the City compared to the wider area -

⁶ The ages of the household members and their relationships to each other are used to derive the number of rooms/bedrooms they require, based on a standard formula.

with 30% renting from the Local Authority or other social landlord and 22% renting privately – compared to 11% and 12% (source: 2011 Census).

- 3.7 Average house prices are low in the City compared to Nottinghamshire and England and Wales overall. In November 2015, the average house price was just under £91,900, ranging from £65,500 for a terraced house, to £163,800 for a detached. In the same month, the average house price in Nottinghamshire was £130,600 (ranging from £75,500 for a terrace to £200,600 for a detached house), and the average in England and Wales was £186,300 (with a range between £140,300 to £292,800), (source: Land Registry⁷).
- 3.8 In January 2015, the City had at least 7,450 Houses in Multiple Occupation (HMOs), according to the official definition⁸, of which 4,900 contain non-students, (source: Nottingham City Council Environmental Health Team).
- 3.9 In November 2014, the City had 6,700 houses in the general housing stock which were exempt from council tax due to being occupied by students, of which 2,500 were HMOs. This does not include purpose built student accommodation. This figure has not changed significantly since 2009, (source: Nottingham City Council, Council Tax records).
- 3.10 The City had just over 3,800 vacant properties in March 2015, (including an allowance for second homes). This amounts to about 2.9% of the total housing stock, (source: Nottingham City Council, Council Tax records).
- 3.11 The current make up of housing stock in the City is unbalanced and there is a danger that new housing development will increase this imbalance rather than providing for a suitable mix of good quality homes in appropriate locations. This contributes to the loss of families, particularly to other parts of Nottingham Core Housing Market Area, which is discussed further below.

Analysis of households

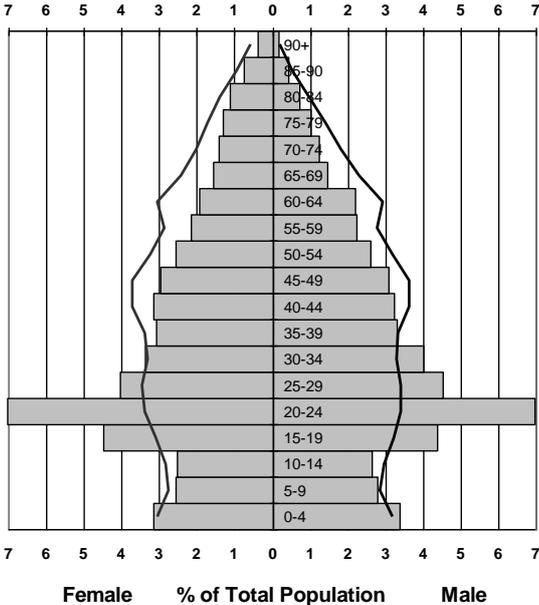
- 3.12 The City has a higher proportion of single person households than the Nottingham Core Housing Market Area, and nationally – with 25% of households containing a single non-pensioner adult, compared to 16% and 18% respectively. This helps explain why the average household size is slightly lower than the national average – at 2.3 people per household, (source: 2011 Census).
- 3.13 Nottingham has a high proportion of younger adults – with 28% of people aged 18 to 29, compared to 14% in the wider Housing Market area, and 16% nationally. The average age of the City's population is 34.7 compared

⁷ Note that these figures are for the House Price Index, which is has been devised by the Land Registry for comparing prices over time and for different areas. This is different from the actual average prices paid, which tend to be higher.

⁸ The occupation of a house or flat by more than 2 unrelated people, sharing facilities. The City Council's information is incomplete for smaller HMOs, so this is a minimum figure.

to 39.5 in England - and 50% of the population are aged 30 or under. (Source: 2013 Mid Year Estimates) The two universities remain the principal reason for the high proportion of young people with nearly 46,000 full time students aged 18 or over recorded in the 2011 Census, an increase of nearly 20,000 people since 2001. These students make up 15.0% of the City's population compared to 4.4% of the population nationally⁹, (source: 2011 Census).

Figure 2: Age structure of Nottingham City (bars) and England (lines)



- 3.14 The City has a slightly lower proportion of families with dependent children, at 27% compared to 28% in the Nottingham Core Housing Market Area and 29% nationally - with no real change from 2001, (source: 2011 Census).
- 3.15 Nottingham experiences a high degree of population churn, in part due to the large numbers of students. In the year to 30th June 2013, 24,200 people (8% of the population) moved into the City from other parts of England and Wales and 26,800 moved out – a net loss of 2,600. The only age-group which the City gains, in net terms, from the rest of the country is 16 to 24. It loses population from all other age-groups.
- 3.16 Looking at these figures in more detail, the City lost 3,300 people in net terms to the other Nottingham Districts (Broxtowe, Erewash, Gedling and Rushcliffe) in 2010-11, with 5,600 people coming into the City and 8,900 people leaving. Of particular interest are the 650 children aged under 16 (net) who moved out of the City to these Districts. This is a continuing trend which has changed little for many years.

⁹ Note this is all full-time students over the age of 18, not just those attending the two universities. Full-time university students comprise about 12% of the City's population.

Future Need

- 3.17 The number of households in the City is projected to grow by 17,000 (12%) between 2011 and 2028. 84% of this increase is likely to be one person households – which are projected to grow by 14,000 (24%). The proportion of all households that contain one person in Nottingham is likely to increase by 4 percentage points to 48% by 2028. Nationally, the number of households is projected to grow by 21% between 2008 and 2028 with an even greater increase in one person households – rising to 40%. The proportion of all households that contain one person is projected to increase by 6 percentage points to 40% by 2028, (source: CLG 2008 based household projections).
- 3.18 Whilst households are projected to get smaller, and the population on average are getting older, a significant amount of family housing will not become available for new households as elderly residents choose to remain in existing houses for a variety of reasons. There must therefore also be provision of good quality smaller accommodation, attractive to such occupiers at locations throughout the City, to ensure as far as possible larger houses are available for family occupation, and to provide for the projected increase in smaller households.
- 3.19 The current Government’s programme of welfare reform, including changing the entitlement criteria for housing benefit, may result in changes to future housing requirements in the City. The Housing Nottingham Plan will monitor and respond to such changes.
- 3.20 With regard to mixed and balanced communities, the Housing Nottingham Plan states that:
- There is a continuing need to develop larger family housing in Nottingham as part of the wider mix and balance in order to provide a wider quality of and choice for citizens. The requirement for the continued supply of larger family housing was also recommended in the Final Report of the BME (Black and Minority Ethnic) Housing Inquiry, 2009;
 - The lack of larger units means that the quality and choice of housing is not always available in Nottingham as citizens progress up the housing ladder causing them to look outside the Council’s administrative area to find a property of choice. The Plan, therefore, seeks to secure more family housing and in particular more larger family homes; and,
 - The following definitions will be used: Family housing is likely to be of no more than three storeys, have private enclosed gardens, and have three or more bedrooms, two at least of which are capable of double occupancy¹⁰. Larger family housing will have four or more bedrooms in addition to the characteristics described for family housing.

¹⁰ As in the Land and Planning Policies Document.

4. Affordable Housing

National Policy Context

- 4.1 As a result of Government announcements made on 7th October 2015 and the publication of the Housing and Planning Bill, Policy HO3 of the LAPP (Affordable Housing) and this section may require changes once Government proposals are finalised.
- 4.2 Government intends to introduce changes so that starter homes will count as affordable housing for planning purposes. Government may also restrict powers for local authorities to specify types of affordable housing in S106 agreements. The timescales for implementation are not yet clear but it is likely that changes to the LAPP will be required prior to Examination.
- 4.3 The National Planning Policy Framework states that where an affordable housing need has been identified, the local planning authority should set policies for meeting this need on site, unless off-site provision or a financial contribution can be robustly justified. Flexible policies are needed to take account of changing market conditions over time.
- 4.4 National planning policy has been changed to exempt developments of 10 homes or fewer from the requirement to contribute towards affordable housing, and residential developments with less than 1,000 square metres of floor space are also exempt.

Local Policy Context

- 4.5 Policy 8 of the Core Strategy states that a 20% target for affordable housing will be sought through negotiation. Any locational variation in affordable housing requirements, and the mix and threshold for affordable housing will be set out in Part 2 Local Plans, determined by:
 - a) evidence of housing need, including where appropriate housing tenure, property type and size;
 - b) the existing tenure mix in the local area;
 - c) the ability to deliver affordable housing alongside other requirements, taking into account broad assessments of viability. Where the findings of local assessments are disputed on a particular site, a financial appraisal of the proposal will be expected in order to determine an appropriate level of affordable housing; and

- d) the availability of subsidy on a development to deliver affordable housing within weaker housing submarkets.
- 4.6 In the case of larger developments the level of affordable housing will be considered on a site by site basis taking into account localised information and set out in Local Development Documents. The type of affordable housing provision will be assessed throughout the lifetime of that development to ensure the development is responsive to updated evidence of need.
- 4.7 The adopted Nottingham Local Plan (2005)¹¹ says that residential development, and conversions, above 1 hectare or 25 dwellings will require a proportion of affordable housing. Off-site provision contribution can be sought where on site provision is not desirable. The justification text states that 20% of dwellings are expected to be affordable. This is a starting point for negotiation. The 20% target is a result of the recognition of more fragile levels of development viability in the City (the 2009 SHMA recognised that the 20% level of viability was not achievable throughout the whole City area), although in most cases the level has been met.
- 4.8 The Council's Affordable Housing Policy and Developers Contributions Supplementary Planning Guidance (2006)¹² sets out the Council's criteria for the provision of affordable housing.
- 4.9 A City-wide consistent approach to affordable housing is preferred by the City Council in order to avoid distorting housing markets, and because in practice the level set out has proved viable throughout the City, however, the policy allows for flexibility where viability has proved to be an issue.
- 4.10 The Local Plan policy includes a lower threshold than the current adopted policy, of 15 dwellings or 0.5ha hectares. This means the requirement for 20% of dwellings to be affordable will be required on more sites than previously, with the aim of increasing affordable housing supply. This is in line with Nottingham City Strategic Housing Market Assessment (2012) which highlights the level of need for affordable housing in Nottingham as 444 new affordable homes per year to meet emerging demand and clear the backlog up to 2019. The Nottingham Core Viability Update Study¹³ (2013) comments on and endorses the 15 dwelling threshold from a viability perspective.
- 4.11 Monitoring of the Core Strategy shows that between 2011/12 and 2014/15, 466 affordable homes were completed from all sources (not just S106), equating to some 17.2% of all net completions.

¹¹ <http://www.nottinghamcity.gov.uk/index.aspx?articleid=650>

¹² <http://www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=670&p=0>

¹³ <http://www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=45205&p=0>

5. Student Housing

- 5.1 The NPPF states that local planning authorities should deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities. The Spatial Objectives of the Core Strategy include delivery of a mix of high quality new housing in terms of type, size and tenure to the benefit of rebalancing the existing housing mix, most notably in areas where neighbourhoods, such as Lenton for example, are dominated by housing in multiple occupation. Policy 8 reaffirms this spatial objective and places emphasis on providing family housing to meet the Sustainable Community Strategy and Housing Strategy objectives. It is acknowledged within the document that purpose built student accommodation is also an important part of the mix, and that further provision is planned.
- 5.2 The number of full-time students living in the City has increased considerably in recent years with the number recorded in the 2011 census being approximately 46,000, an increase of nearly 20,000 since 2001¹⁴. These students make up 15.0% of the City's population compared to 4.4% of the population nationally. The supply of purpose built accommodation has failed to keep up with the rising number of students and the process of change brought about by increased numbers of students living in private rented households has altered the residential profile of some neighbourhoods dramatically. This has led to communities becoming unbalanced.
- 5.3 The City Council has long been aware of concerns about the impact of student accommodation on the amenities of long-term and other residents in areas of significant student household concentration. These concerns have been expressed by Councillors, residents and residents' action groups. Issues include problems of 'low level' anti-social behaviour (in particular noise nuisance); problems of litter, waste disposal, fly tipping etc; high levels of car ownership, but limited parking provision; a change from a mixed tenure and mixed population to an unusually high percentage of people from one age group and one household type compounding other issues by undermining the 'natural forces' of social control that exist in more balanced communities; high levels of residential turnover result in little long term commitment to the area and a declining community spirit. House prices in these areas tend to be higher than average too, meaning that local housing is less affordable.
- 5.4 Policy ST1 of the adopted Nottingham Local Plan (2005)¹⁵ seeks to provide and maintain balanced communities within the City, noting that family housing is particularly important to sustain local communities and support local schools as centres of communities. This is an aim which

¹⁴ 2011 Census

¹⁵ See <http://www.nottinghaminsight.org.uk/d/94289/Download/Council-Government-and-Democracy/Planning/Nottingham-City-Local-Plan/>

reflects the aspirations of The Nottingham Plan¹⁶ (Nottingham's Sustainable Communities Strategy). In addition, the Building Balanced Communities (BBC) Supplementary Planning Document (SPD)¹⁷ expands on Policies ST1 and H6 (Student Housing) and indicates that where student housing will prejudice the creation and maintenance of balanced communities (by leading to further over-concentrations of student households or increases in the problems associated with large numbers of students) there will be a presumption to refuse planning permission for further provision of student housing. The BBC SPD references that an area is in danger of becoming imbalanced if the percentage of student households exceeds 25% of the total number of households in that area.

- 5.5 Although there has been an expansion in purpose built student properties in the City over recent years to provide a total of over 19,200 'bedspaces' (equating to nearly 4,800 'households', using a rough figure of 4 bedrooms per household), there has not been sufficient new accommodation to significantly reduce the demand on private sector housing for use as shared student accommodation. In November 2014, 6,652 properties in the general housing stock were exempt from Council Tax due to being wholly occupied by students.
- 5.6 In the 2013-14 academic year, 51,000 full time students studied in the two universities, this is down slightly from the peak in 2012 of 52,000, but 5,000 higher than the figure reported in the 2011 Census (see para 3.13). Nottingham Trent University forecast a very slight decline in student numbers over the next year whilst the University of Nottingham have confirmed that they are not planning any real increases in student numbers. Although firm longer term plans from the universities are not known, it is anticipated that the combined numbers of students will remain reasonably static in the foreseeable future with any likely increase in foreign students off set by a reduction in UK students studying in Nottingham. There has been a significant rise in the provision of Purpose Built Student Accommodation with further provision planned and this may well result in a decrease to the level of private sector housing occupied as student accommodation.
- 5.7 A vacancy survey of Purpose Built Student Accommodation was undertaken in the autumn term of 2014 with the following key findings:
- 97.8% response rate from known Purpose Built Student Accommodation scheme providers (smaller schemes of less than 20 units mainly not included within the figures).
 - All major scheme providers responded.
 - Vacancy rate of 1.6% across all the schemes.
 - Nottingham Trent University and The University of Nottingham accommodation running at or close to 100% occupancy.

¹⁶ See <http://www.onenottingham.org.uk/CHttpHandler.ashx?id=13455&p=0>

¹⁷ See <http://www.nottinghaminsight.org.uk/d/95593>

- Major schemes which started operating in the last few years, all with zero or very low vacancy rates.
- 5.8 There are a number of new major student developments due to come on stream in 2015 and 2016 with further schemes likely in the future. The Council is aware of the need to keep the market under review and propose to carry out a further vacancy survey for the 2015/16 academic year.
- 5.9 Policy HO2 (Protecting Dwellinghouses Suitable for Family Occupation) within the LAPP document will seek to protect and promote family homes, building upon the current threshold led approach within the BBC SPD to support the creation of sustainable, inclusive and mixed communities, encouraging purpose built student accommodation in appropriate and preferred locations. The LAPP introduces a new definition of the threshold of 10% HMOs in a local area. More than this is considered to be a 'significant concentration' which may undermine objectives to create or maintain sustainable, inclusive and mixed communities. The LAPP includes criteria to be applied to planning applications for HMOs in areas above and below this level of concentration.
- 5.10 The provision of purpose built student accommodation will be kept under review to ensure appropriate levels and types of accommodation are provided. The student market is not homogenous, but includes demands for different types of accommodation, however, recent evidence indicates a low level of vacancy across all accommodation types. In order to ensure new purpose built student housing does not lead to overprovision, and thus unsustainable levels of vacancies within the existing stock of purpose built accommodation, Policy HO6 has been developed to include a requirement for developers to provide evidence of the need for the scheme, and what segment of student population the development will cater for. Schemes designed to appeal to returning students, students requiring short term contracts and students with families are particular segments where further provision is sought. Returning students have a preference to live as a household with friends (thus the predominance of shared housing in some areas of the City), so schemes replicating these preferences are more likely to be supported. Developers of new student accommodation are advised to liaise with the relevant University in order to understand current accommodation needs and demands.
- 5.11 Should demand for purpose built accommodation decline in the future, the policy also requires evidence that schemes are designed in such a way that they could be converted to alternative uses if no longer required for student accommodation.

6. Houses in Multiple Occupation

- 6.1 For many years, small Houses in Multiple Occupation (HMO) were not recognised as a separate use class but rather such properties fell within the C3 Dwellinghouse category which permitted occupation of up to 6 unrelated residents sharing facilities (i.e. bathroom, kitchen etc). During this time, many traditional family homes in the City were freely converted to small scale student accommodation and shared households without the need for planning permission, such that HMO concentrations could develop unchecked, thereby undermining sustainable communities objectives. However, changes to national legislation saw the introduction of a new C4 HMO use class in 2010, applicable to residential properties occupied by between 3 and 6 unrelated people.
- 6.2 The City Council has since taken the opportunity provided by the C4 use class to have a tangible impact in this regard through the introduction of a city wide Article 4 direction in March 2012, meaning that planning permission is now required for a material change of use from a C3 Dwellinghouse to a C4 HMO. This enables the number, distribution and effects of small shared properties throughout the City to be managed through the planning process in order to avoid the development of further concentrations or exacerbation of existing over-concentration.
- 6.3 As noted earlier, the current make up of housing stock in the City is generally unbalanced, with a particular lack of dwellings suitable for family occupation and a narrowing or domination of particular household types in certain locations. Clearly there are common trends with those raised earlier under the student accommodation theme and the policy within the LAPP document therefore follows a similar approach, seeking to protect and promote family homes, building upon the current threshold led approach within the BBC SPD to support the creation of sustainable, inclusive and mixed communities whilst delivering a balanced mix of high quality new housing in terms of type, size and tenure.

7. Specialist Housing

- 7.1 Nottingham is home to a diverse range of people with widely differing and changeable needs associated with age, health, disability and levels of vulnerability and the City Council has a responsibility to offer housing provision which is flexible and reflective of this.
- 7.2 The Government has issued a data sheet which provides information on demographics and housing stock across England¹⁸ which includes information on vulnerable and disadvantaged groups, housing stock and visitability features. As of 2011 nearly 30% of all households included a person with a long term illness or disability.

¹⁸ See [DCLG Guide to disability data 2015](#)

7.3 Information from the Joint Strategic Needs Assessment (2014), housing waiting lists and Office for National Statistics help to set the context for the current situation in Nottingham:

- Nottingham is a City with high levels of deprivation compared to the national average;
- Nottingham has higher levels of adults with learning disabilities including those living in care, as opposed to those living independently;
- Nottingham also has a high number of citizens with a mental illness;
- There are an increasing number of people with physical disabilities in the City who need homes and facilities to meet their needs. Based on projections for 2015, estimates of the number of physically disabled people in unsuitable accommodation with unmet needs range from 1,055 to 1,197.
- As at August 2015, 1,557 people or 31% of those on the Nottingham City Council housing waiting list were registered as requiring independent living or level access accommodation.
- Local demographics are changing with the population ageing and numbers of vulnerable people increasing. Assuming the proportion of people living with long term health problems or disability remains roughly the same over the plan period, the table below shows the estimated number of people over 65 with health problems by the end of the plan period.

Table 1: Over 65's with Long Term Illness/Health Problems

Number of people whose day to day activities are limited by long term illness or health problems					
	All over 65s	Limited a lot	Limited a little	Not limited	Aged 75+
2014	37,000	12,800	10,300	13,900	18,000
2028 Projected	47,000	16,300	13,100	17,600	22,400

Source: 2014 ONS Mid year population estimates and 2012 ONS population projections for the total numbers of over 65s with proportions from the 2011 Census applied to give the likely split by health.

- Reductions in the Supporting People element of the Local Authority Formula Grant have led to a reduction in the supported accommodation provision in the City and the loss of a number of services which support vulnerable people to live independently;
- Changes to government policy, particularly elements of the Welfare Reform Act and Localism Act impact on vulnerable people disproportionately;
- Homelessness in Nottingham is increasing, including growing presentations for assistance from young people and people with mental health issues, learning disabilities and physical disabilities;
- Prevention and early intervention are central to the Vulnerable Adults Action Plan for Nottingham City 2012-15, the Housing Nottingham Plan 2013-15 and Nottingham's Homelessness Strategy. These documents set out a proactive approach which identify and target specialist housing provision to meet the needs of Nottingham's vulnerable citizens.

- 7.4 The policies in the LAPP are aimed at supporting these issues and setting the key considerations for determining planning applications relating to specialist housing.
- 7.5 Government guidance produced over recent years has emphasised the need for improving the offer of real housing choices to adults with learning disabilities, physical disabilities and older people to enable them to live full and active lives and retain independence. There is therefore a need to work with housing providers and other landlords to develop a range of sustainable housing options for Nottingham's vulnerable adults.
- 7.6 Much of Nottingham's social sheltered housing stock was built in the 1960s and 1970s and has now become unsuitable and unsustainable as accommodation for older citizens. Particularly impractical are upper floor flats without lift access. In addition, demand for units is consistently in decline with many older people indicating a preference for the extra care 'retirement village' model of accommodation when they want or need to move out of their existing home. With much of the existing social sheltered housing stock no longer seeming fit for purpose for older people, the issue that the LAPP will be faced with over the plan period will be the utilisation of existing stock and the exploration of new purpose built development opportunities. The retirement housing offer needs to be flexible, sustainable and available in all tenures in order to suitably accommodate, and equally as important, to appeal to older people with a variety of needs and available resources
- 7.7 The changing demographics and nature of Nottingham's residents demonstrates a clear need for more homes which are accessible and

adaptable and which have the flexibility to meet future needs. This is important in directly supporting residents who choose to stay in their homes as their needs change. Therefore the Local Plan requires that a proportion of new homes should be built to be accessible and adaptable. The Council will do this by adopting the Government's optional higher National Standard (Category 2 – Accessible and Adaptable) for 10% of new homes on sites of 10 or more dwellings where viable and practicable. In addition to the Government's own assessment of viability, the Council has carefully considered the local cost implications of this requirement through its Plan Wide Viability assessment. This is covered in more detail within the Council's Infrastructure Delivery Plan. Inevitably there will be occasions where site characteristics mean that application of the standard is not practicable or viable and this will be assessed on a case by case basis to ensure development viability is not adversely affected.

8. Gypsies and Travellers

8.1 The Government's Planning Policy for Traveller Sites (2015) states that local planning authorities should set pitch targets for gypsies and travellers and plot targets for travelling show people which address the likely permanent and transit site accommodation needs of travellers in their area. Where there is no identified need, criteria-based policies should be included to provide a basis for decisions in case applications nevertheless come forward. As at January 2015 there were 40 pitches available within the City, of which 13 were vacant but available for use.

8.2 The Nottingham Gypsy and Traveller Accommodation Assessment (2015) uses demographic data and other data such as the number of available pitches to calculate pitch need. The assumptions used in the assessment are considered to be positive and realistic, in that they do not underplay the level of pitch provision. For instance the Assessment includes an assumption that turnover on existing pitches in the City will have only a limited contribution to supply, due to the individual nature of sites present. Overall, the assessment concludes that there is a very modest requirement of a maximum of 2 new pitches for Nottingham over the study period, broken down as follows:

2014 -19	1.76
2019 - 24	-1.98
2024 - 29	-1.27

8.3 The modest need arises at the beginning of the plan period, after which the formula suggests needs will decline.

8.4 Current provision in the City is wholly within the private sector, with no public sector managed sites. The low level of identified need is backed up by the fact that there has been no planning activity concerning

provision of pitches in recent years, the latest being the development of an 8 pitch site at Cinderhill, granted planning permission in 2009.

- 8.5 Given the modest level of need, it is anticipated that this will be met from the private sector (i.e. the gypsy and traveller community itself) in small scale development, the scale of need being insufficient to be viable for the public sector (registered provider) to consider developing a site. Small scale infill and possibly small scale site extensions are considered to be the most appropriate form of provision, which will assist in integrating the gypsy and traveller sites into local communities, and 2 pitches could be accommodated on around 0.05 hectare.
- 8.6 Due to the fact that it is anticipated that the gypsy and traveller community's needs, should they arise, are capable of being met on small sites well below the 0.5 hectare level, and that these sites are likely to be of a "windfall" nature the location of which it is not possible to determine, the LAPP does not identify a specific site for gypsy and traveller accommodation. Any small scale proposals that do emerge will be considered in the light of Core Strategy Policy 9, as well as any other relevant Local Plan policies. Core Strategy Policy 9 provides criteria against which proposals will be assessed and also safeguards existing permanent provision from alternative development.
- 8.7 If the need for new pitches is not met as anticipated, the Council will look at alternative ways of meeting the need. There is a possibility that provision could be met as part of a larger scheme aimed at meeting need across the Greater Nottingham area, potentially in a location outside of the City (for instance, as part of a Sustainable Urban Extension), and a proposal of this nature may have sufficient scale to attract a public sector provider. The City Council will continue to work with its conurbation partners, and the extent of existing and new provision of pitches will be kept under review.

Travelling Show People

- 8.8 There are currently two sites catering for travelling show people in Nottingham, one off Western Boulevard, and a small site at Blenheim. The Western Boulevard site is included in this plan as a development site, PA22, and its redevelopment would require the satisfactory relocation of the travelling show people. There has been no recent planning activity concerning travelling show person's plot needs.
- 8.9 Travelling show people are distinct from gypsies and travellers in that they are not a distinct ethnicity, rather they follow a particular economic occupation. As such, determining future needs through household projections is unreliable, since future households may choose to earn their living in a different way. The most appropriate planning approach is therefore considered to be to respond to demand as it emerges, should sites be proposed for travelling show person use. The most likely

locations to meet any needs that do arise over the plan period are likely to be existing or allocated mixed use sites which have good access to the strategic road network and which meet the criteria of Core Strategy Policy 9.

9. Starter Homes

- 9.1 In response to the national problem of young buyers unable to buy their own home, the Government have recently introduced new planning guidance for starter homes, and as a result of Government announcements made on 7th October 2015 and the publication of the Housing and Planning Bill, this section may require changes once Government proposals are finalised. Government intends to introduce changes so that starter homes will count as affordable housing for planning purposes. The timescales for implementation are not yet clear but it is likely that changes to the LAPP will be required prior to Examination.
- 9.2 However, in Nottingham the approach to Starter Homes (where there is local discretion) needs to be considered in the light of housing affordability overall. Housing in Nottingham is generally less expensive than elsewhere, either in the wider County or nationally. Most first time buyers on an average income can access existing market housing, so the issue of young people being unable to buy their own home is less significant, especially since a new build starter home is likely to be more expensive than the existing stock of terraced homes available, of which Nottingham has a significant supply and which is typically the type of home many first time buyers target.
- 9.3 The table below shows that on average houses are cheaper in Nottingham than in Nottinghamshire and England – for all housing types except flats, where Nottinghamshire is cheaper than the City (due to City Centre flats being generally more expensive.)

Table 2: Average House Prices at November 2015

	Index	Average price (all)	Average price (detached)	Average price (semi-detached)	Average price (terraced)	Average price (flats)
City of Nottingham	188.82	£91,872	£163,801	£91,747	£65,528	£133,589
Nottinghamshire	226.63	£130,592	£200,597	£103,647	£75,476	£81,153
England and Wales	300.03	£186,325	£292,778	£177,022	£140,253	£177,601

Source: House Price Index, Land Registry

- 9.4 The second table shows the ratio of earnings to house prices – how affordable the cheapest houses are for those with lower incomes.

Nottingham has the lowest ratio of the surrounding districts, and only Rushcliffe has a higher ratio than England. The ratio is not broken down to housing type.

Table 3: Ratio of Lower Quartile House Price to Lower Quartile Earnings by District

	2010	2011 ^R	2012 ^P	2013 ^P
ENGLAND	6.69	6.57	6.58	6.45
Nottingham UA	4.17	3.96	4.12	4.07
Nottinghamshire	5.52	5.59	5.56	5.51
Broxtowe	5.82	5.90	6.24	5.96
Gedling	5.87	6.42	5.51	5.43
Rushcliffe	7.63	7.64	8.96	8.58
Erewash	5.67	5.21	5.66	5.29

Source: ONS using Annual Survey of Hours and Earnings Land registry data.

The “lower quartile” property price/income is determined by ranking all property prices/incomes in ascending order.

The lowest 25% of prices are below the lower quartile; the highest 75% are above the lower quartile.

R – Figures have been revised due to revisions in the ASHE data.

P – Figures for 2011 are provisional and may change when the table is updated next year to reflect revisions in the ASHE data.

- 9.5 The Government’s new planning guidance introduces a new national exception site planning policy to enable starter homes to be built on under-used or unviable commercial or industrial sites not currently identified for housing, on both public and private land. Such starter homes should only be sold to first time buyers under the age of 40, and at a minimum 20% discount below their open market value. Local planning authorities should not seek Section 106 affordable housing and tariff-style contributions on starter homes, and where there is a Community Infrastructure Levy, they should be exempt to enable developers to help deliver the discounted sale price.
- 9.6 However, planning obligations should be attached to permissions for starter homes on starter homes exception sites, requiring that the homes are offered for sale at a minimum of 20% below open market price, to young first time buyers who want to own and occupy a home. They should also prevent the re-sale and letting of the properties at open market value for a five year period.
- 9.7 Local planning authorities should work in a positive and proactive way with landowners and developers to secure a supply of sites suitable for housing for first time buyers. In particular, they should look for opportunities to create high quality, well designed starter homes through

exception sites on commercial and industrial land that is either under used or unviable in its current or former use, and which has not currently been identified for housing.

- 9.8 Exception sites may include a small proportion of market homes, at the planning authority's discretion, where this is essential to secure the required level of discount for the starter homes on the site.
- 9.9 The National Planning Policy Guidance states that a Starter Home is not expected to be priced after the discount significantly more than the average price paid by a first time buyer. This would mean the discounted price should be no more than £250,000 outside London. As demonstrated in the tables above, this is far in excess of the average house price in Nottingham, let alone a house that might be considered to be a starter home.

10. Custom and Self Build Housing

- 10.1 The Government wishes to enable more people to build their own home and wants to make custom and self build housing a mainstream housing option, and has introduced a new duty on local authorities known as the Right to Build from April 2016. Local authorities will be required to assess the demand, and to provide serviced plots to meet demand. Demand can be met through direct provision on council owned land, through the council buying and servicing land, or via Local Plan policies seeking provision on private land as part of housing development schemes.
- 10.2 The NPPF requires local planning authorities to provide a wide choice of high quality homes and to widen opportunities for home ownership. To help achieve these aims, the NPPF states that local planning authorities should plan to meet the needs of different groups within the community, including those who wish to build their own homes. Custom build homes (which include self build) can improve the mix of housing types, sizes and tenures within a locality, and can be a route to lower cost home ownership.
- 10.3 Nottingham City Council's development partner, Blueprint, has already built some custom housing at Green Street in the Meadows, and intends to develop more at Brook Street West (PA65) in the Creative Quarter and at Trent Basin in the Waterside (PA83).
- 10.4 A Custom/Self Build Register is in the process of being established in Nottingham (as part of a wider Greater Nottingham register), in order to provide evidence of demand. Demand for custom build is currently being explored by Blueprint on the sites mentioned above, albeit that the marketing is not restricted to Nottingham. However, until the register is established, the level of demand, particularly for self build, cannot be determined with any degree of accuracy. Accordingly, the most appropriate means of providing for any demand that does emerge is

considered to be through the development of sites owned by the Council. Initially, this may be by offer of small surplus sites suitable for one or a few dwellings. However, should demand be sufficient, this may be met on larger sites where the Council is progressing the site through the planning application process. Any demand could be accommodated via a planning application and the level of provision can be tailored to demand as it emerges. Allocated sites currently in City Council ownership include PA5 Former Padstowe School Detached Playing Field, PA10 Piccadilly – Former Henry Mellish School Playing Field, PA12 Hempshill Vale – Former Henry Mellish School Site and PA24 College Way – Melbury School Playing Field.

- 10.5 Custom build, by being attractive to different customers than housing provided through more traditional routes, may help to diversify the housing stock and tenure of areas where there is currently little choice, fulfilling a key aim of the LAPP to diversify housing type, size and tenure.
- 10.6 Should demand exceed that which it is possible to accommodate through either voluntary measures, or through Council owned sites, SPD may be prepared, setting out how development sites outside of City Council control can contribute to meeting established demand in line with Government policy.
- 10.7 The advantages to the developer of providing for this type of housing delivery can be significant, and include:
- Delivery alongside speculative sales, targeting different customers & leading to improved sales rates
 - Reduced development finance
 - Higher Internal Rate of Returns
 - Development completed quicker
 - Stronger sense of ownership and community

11. Housing Design

- 11.1 The NPPF states that the Government attaches great importance to the design of the built environment, seeking to ensure that housing design is of high quality, sustainable and inclusive. Policy 8 of the Core Strategy also reflects this, setting out a series of considerations.
- 11.2 The quality of the living environment plays a vital role in the success of housing, rather than solely being measured in terms of aesthetics or visual impact on the environment and surrounding area/townscape. The City Council seeks to ensure that satisfactory levels of amenity would be provided for existing and future occupants, including appropriate provision of both internal and external space. This will take into account issues such as relationship to neighbouring properties and uses, longer term flexibility, the need for bin and cycle storage, in addition to sufficient private outdoor space and parking requirements.

- 11.3 Housing should also be functional to meet occupier's needs, not just in the short term but also with a view to being adaptable to people's lifestyle changes, particularly as they grow older. Homes should be safe, inclusive and accessible to all occupants, from young families to older people and individuals with a temporary or permanent physical impairment.
- 11.4 To help ensure that new homes are designed to meet existing and future needs the Council will require a proportion of new homes to be 'accessible and adaptable'. This is covered in more detail under Section 7 (above).
- 11.5 In addition, the Council also supports the adoption of the Government's National Housing Standard relating to space, which will help to ensure that all new dwellings provide a satisfactory environment for new occupiers. An assessment of dwellings recently delivered in Nottingham demonstrates that whilst most development already meets the standard, where the standard is not met, the level of space provided falls well below the National Standard. The adoption of the new standard would enable the Council to secure a satisfactory standard of accommodation across all types of housing. The local cost implications of adopting the National Space Standard have been considered as part of the Plan Wide Viability testing and outcomes included in the Infrastructure Delivery Plan. It is not considered that adoption of the standard will adversely affect delivery over the Plan Period.

Documents Referred to within the Sustainable, Inclusive and Mixed Communities Background Paper:

National Planning Policy Framework (NPPF), 2012

<https://www.gov.uk/government/publications/national-planning-policy-framework--2>

Housing Nottingham Plan, 2013-2015

<http://www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=41261&p=0>

GL Hearn Greater Nottingham Housing Market & Economic Prospects report, 2012

www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=40007&p=0

Comparison of the Household Projections Underlying the Greater Nottingham Core Strategies and the CLG 2012-Based Household Projections, November 2015

Housing Land Availability Report, 2015
Forthcoming

Final Report of the BME Housing Inquiry, 2009

Adopted Nottingham Local Plan 2005

<http://www.nottinghamcity.gov.uk/index.aspx?articleid=650>

Affordable Housing Policy and Developers Contributions Supplementary Planning Guidance (2006)

<http://www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=670&p=0>

Strategic Housing Market Assessment Update (SMHA) 2012

<http://www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=40329&p=0>

Nottingham Core Viability Update Study, 2013

<http://www.nottinghamcity.gov.uk/CHttpHandler.ashx?id=45205&p=0>

The Nottingham Plan to 2020, 2009

<http://www.onenottingham.org.uk/CHttpHandler.ashx?id=13455&p=0>

Building Balanced Communities Supplementary Planning Document

<http://www.nottinghaminsight.org.uk/d/95593>

Nottingham Gypsy and Traveller Accommodation Assessment (2015)
Forthcoming