

## **C1 Housing in settlements**

The sites listed in Appendix 4 are allocated for new housing development and are shown on the Policies Map. Elsewhere, housing development will be permitted on acceptable sites within the housing development boundaries of Local Service Centres and Service Villages, identified on the Policies Map.

On sites of 11 or more dwellings, 50% must be affordable housing or alternatively 33% affordable housing and 33% local occupancy restricted housing (as defined in Appendix 5).

On sites of between 6 and 10 dwellings, the Authority will require the payment of a commuted sum in lieu of the delivery of the relevant proportion of affordable housing above.

On sites of up to 5 dwellings, new housing will be restricted to local occupancy (Appendix 5).

If it is demonstrated that the site cannot deliver the mix of housing required, then the Authority will consider an alternative mix of housing on the basis of an independent site viability study.

The size, type and tenure of affordable housing required by this policy will be informed by the latest Strategic Housing Market Assessment and any other evidence of need in the locality.

Housing sites will be required to meet a minimum density of 35 dwellings per hectare. A lower density will be permitted however where this is necessary to: provide a safe access; conform to highway capacity; fit into the landscape; conserve the character of the settlement; or, is required by the physical characteristics of the site.

### **Aim**

4.1 To release land in sustainable locations for a range of new homes that will support the social and economic well-being of local communities.

### **Justification**

4.2 Planning authorities must quantify their 'objectively assessed need' for housing, and set out an annual target for housing delivery in their Local Plan that will support projected household growth together with any other specific housing requirements.

4.3 The housing target for the local plan area is set at an annual average of 55 dwellings per annum. This is a net figure and will be measured over the year by comparing new dwellings completed to demolitions and change of use to non dwelling uses<sup>1</sup>. This can be disaggregated into the three main housing market areas of Richmondshire (18), Craven (27) and South Lakeland (10). The target of 55 is almost twice the projected rate of household growth up until 2030 but still only half the estimated shortfall of affordable housing. It is, however, equivalent to the average rate of actual housing completion over the last 12 years, so is firmly rooted in deliverability.

4.4 An assessment of potential housing land supply has been undertaken in support of the target of 55 dwellings per annum<sup>2</sup>. This has found that, through a combination of sites that are allocated for housing development, sites that already benefit from planning permission, together with a realistic estimate of windfall capacity, there is an adequate supply of housing land at the present time. There may be a need to release further sites later in the Plan period to meet demand during the second half of the Local Plan period. The area of search for future sites will be the local service centres and service villages in Table 1, which have the facilities and capacity to benefit from new development.

4.5 This policy will release additional 'windfall' sites through infilling within settlements and other policies in the Plan, notably Rural exceptions sites (C2), Subdivision of large homes (C4), and Conversion of traditional buildings (L2) will also yield additional unplanned housing supply. The unplanned nature of these windfall sites mean that they cannot be factored into the 5 year land

<sup>1</sup> Yorkshire Dales National Park Authority (2015) Housing need, land supply and housing target, July 2015.

<sup>2</sup> Yorkshire Dales National Park Authority (2015) Yorkshire Dales Local Plan 2015-30: Housing land assessment

supply, but nonetheless will contribute towards the annual target of 55 dwellings as and when they are developed.

4.6 National planning policy protects National Parks from development that would be harmful to their Special Qualities. The National Park Circular states that these areas are not suitable locations for unrestricted housing, and that the focus should be upon providing for local housing needs. The Local Plan is not, therefore, expected to release inappropriate amounts of land in response to all types of demand. Instead, it is expected to prioritise locally derived housing needs, by releasing a supply of sites that will support the social and economic needs of communities that live and work in the area<sup>3</sup>. This will be achieved through the delivery of:

- affordable housing on the larger sites; and,
- occupancy-restricted housing on smaller sites, for households that have a local social or economic need to live in the Park. This housing cannot be lost to second homes, and has the beneficial side effect of lowering house price by around 20%.

4.7 The Authority has carried out a financial viability appraisal which has revealed that delivery of affordable housing on the larger sites will only be financially viable with some element of unrestricted open market housing to cross-subsidise it<sup>4</sup>. While some of this open market housing will inevitably be purchased for retirement or second home use, it is a necessary lever for securing affordable and local occupancy housing. It also has the potential to attract younger working adults to move into the National Park to live.

4.8 These viability issues, together with the changes to national planning policy that prevent the Authority from requiring on-site delivery of affordable housing on sites of fewer than 11 dwellings, have led the Authority to adapt its policy as follows:

- On sites for up to 5 dwellings, all new housing will be subject to local occupancy restrictions (as defined in Appendix 5).
- On sites with capacity for between 6 and 10 dwellings, the Authority will permit all housing to be unrestricted open market dwellings in return for a financial contribution in lieu of on-site delivery of 50% affordable housing or 33% affordable housing (where 33% local occupancy is also proposed). This contribution will be paid to the Authority at the point of completion of each dwelling, and will be used to support affordable housing elsewhere in the National Park, for example by assisting with the purchase of land, the construction of houses or the purchase and repair of existing stock. The commuted sum calculation that the Authority will apply is set out in Appendix 6.
- On sites for 11 or more dwellings, the Authority will expect either 50% of houses to be affordable; or 33% to be affordable where 33% is local occupancy restricted. Typically, the affordable element will be through a partnership between the developer and a Registered Provider, such as a local housing association. The Authority will rely on the local housing authority for advice on evidence of need, tenure, size and type of affordable housing. The affordable homes will be tied to households with a local connection in accordance with Appendix 6. Development briefs are available for each allocated site. The layout of sites should mix affordable housing with open market housing to avoid non-inclusive arrangements.

4.9 In recent years, tighter lending restrictions have caused problems for mortgage lenders, developers and some home buyers because of the length of time the Authority's occupancy restrictions have sometimes added to house sales. Developers have cited the restrictions as a significant constraint on house building in the National Park. The Authority has, therefore, widened the definition of 'local occupancy' to include the whole of the relevant District Council area outside the National Park boundary, in the event that there is no demand from inside the National Park (Appendix 5). This would extend eligibility to many more households in the neighbouring towns, and recognises that local housing market areas extend beyond the National Park boundary. It should mean a faster turnover of occupancy-restricted properties and, therefore, more attractive

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<sup>3</sup> DEFRA (2010) English National Parks and the Broads: UK Government Vision and Circular (paragraph 78)

<sup>4</sup> NPS (2015) Evidence of site viability

mortgage lending for the benefit of local households. The Authority will also make the new, more flexible occupancy agreements available to owners of existing restricted properties.

4.10 To help attract new 'low impact' businesses and families to the National Park, the definition of 'local occupancy' has also been widened to include the self-employed and households with children at school in the National Park.

4.11 The Authority welcomes proposals for self-build and starter housing. Whilst there is very little brownfield land in the National Park it is anticipated that there will be demand for self-build schemes on the small allocated sites below six units (Appendix 4) and on some windfall sites. Self-build is a good opportunity to create a home tailored to a household's individual requirement. It can also be a good way to provide cheaper housing by avoiding the cost of developer profit. Self-build will be subject to Section 106 occupancy restriction in relation to Appendix 5, thereby ensuring it is targeted locally and keeping it cheaper on resale.

4.12 Although the Local Plan covers a 15 year period, the pace of change in matters relating to housing policy and the evidence that underpins it can be rapid. It is essential that the policy is kept under review to ensure it is responsive to these changes. The Authority has committed to a review of policy C1, including the sites allocated by it, within 5 years of adoption, particularly with a view to:

- ensuring it is capable of delivering an appropriate mix of housing that meets local needs while remaining financially viable;
- ensuring housing land supply remains adequate to satisfy the annual average target;
- ensuring that the local occupancy restrictions remain effective and fit for purpose.

The policy will be monitored through the Annual Monitoring Report to assess these and other issues and the Local Development Scheme will set out a timetable for the review of the policy.

## **C2 Rural exceptions sites**

As an exception to other policies, small-scale affordable housing will be permitted on land or through the conversion of buildings, adjacent to the development boundaries of Local Service Centres, Service Villages and Small Settlements identified on the Policies Map, provided all the following criteria are met:

- a) it is demonstrated that there is a proven local need for affordable housing and an alternative site is not available inside the housing development boundary;
- b) all dwellings will be, and will remain, available for people with a local connection, at an affordable cost (Appendix 6). A Section 106 legal agreement will be required to ensure the restriction of the occupancy in perpetuity;
- c) all proposals satisfy the requirements of Policy SP4 (Development quality);
- d) in the case of a conversion, the proposal accords with Policies L2 and L3 (Conversion of Traditional Buildings).

### **Aim**

4.13 To allow the release of small-scale, affordable housing sites as an exception to Policy C1, where it is demonstrated that there is an unmet need for locally affordable housing.

### **Justification**

4.14 Policy C1 allocates land for development to help meet the housing target in Policy SP3 and to reduce the shortfall of affordable housing. Allocated sites alone are unlikely to release sufficient land in the National Park because of the scarcity of development land and the likelihood that some allocated sites will inevitably encounter difficulties in their release. The Authority has, therefore, retained the rural exceptions policy from the Housing Development Plan 2012, which provides additional flexibility to release small unallocated sites for 100% affordable housing schemes.

4.15 Local Service Centres and Service Villages are the most appropriate locations for exceptions sites because they have the best infrastructure to absorb development and will provide immediate access to facilities for new households. However, small exception sites in smaller settlements have not been ruled out.

4.16 The initiative for a rural exceptions scheme is likely to come from the Parish Council or the local housing authority working in partnership with a Registered Provider. The details of how the Authority will secure and maintain affordability are set out in Appendix 6. Evidence of need will come from the district-wide housing needs survey or some more recent survey or evidence endorsed by the local housing authority.

4.17 Proposals will need to demonstrate that there is no available alternative site within a housing development boundary or a more suitable brownfield site outside it. The unavailability of alternative sites will not be regarded as outweighing the potential harm that an unsuitable exceptions site might cause.