

## APPENDIX 2 HOUSING MIX AND TYPE POLICY

### Housing Mix and Type

In addition to providing a significant increase in the quantum of new housing delivered, to meet future housing needs in Three Rivers it is important that new housing provides for a range of housing types and sizes. Providing a balance of housing will help meet the varied needs of the community and contribute to sustainability objectives.

Sustainable communities contain a mix of dwelling types, sizes and tenures as well as jobs and local services that make a neighbourhood successful and it is important that new housing is provided across all sectors of the housing market to meet a wide variety of household needs and add to the choice of housing available. New homes therefore need to comprise a mix of tenures and prices, sizes and types.

There is also an ageing population in the District, and it is important that new development includes specific forms of housing for older people, as well as specialist accommodation to meet other needs.

#### **Policy HSG3 Housing Mix and Type**

- 1) All new homes (both market and affordable and whether general needs or specialised) should contribute to the creation of balanced and sustainable communities by meeting identified local and District housing needs in terms of mix, size, tenure and type to cater for the full range of different households.
- 2) In determining an appropriate housing mix, the Council will require proposals to take into account:
  - a) The range of housing need in terms of the size and type of dwellings as identified by the Local Housing Needs Assessment (LHNA) (2020) at Table XX and subsequent updates;
  - b) Detailed local housing market assessments (where relevant);
  - c) Current and future demographic profiles and population;
  - d) The characteristics of the site which may influence its ability to accommodate a mix of housing, including its size, location and constraints and opportunities for development;
  - e) Evidence of local market signals, trends and circumstances;
  - f) Information on past housing delivery; and
  - g) For affordable housing the Council's Housing Register.
- 3) All large-scale major housing proposals delivering 100 dwellings or more (gross) should be accompanied by a strategy to ensure a diversity of housing on the site including differing types, sizes, styles, design and tenure mix as well as housing to meet the requirements of different groups (specialist and supported housing).

#### **Specialised and Supported Accommodation**

- 4) The provision of well-designed specialist and/or supported accommodation will be supported in accordance with other policies in the Local Plan where:
  - a) The type of specialised accommodation proposed would meet an identified need and contribute to maintaining a balance of housing stock;
  - b) The proposal is in a location with good access to services and facilities, including public transport, enabling residents to live independently as part of the community;
  - c) The design of the proposal, including any individual units of accommodation, is capable of meeting the specialised accommodation support and care needs of occupiers; and
  - d) Arrangements are in place to ensure the delivery of appropriate care and support packages where appropriate.
- 5) Existing specialised or supporting housing should be retained where a need exists (and/or is projected to exist over the plan period) unless it is adequately replaced either on or off site by an equivalent quality and quantity of accommodation.

#### **Self-Build and Custom Housebuilding**

- 6) Proposals for self-build and custom housebuilding will be supported where development would have no adverse effect on the local character. Strategic sites will be expected to provide serviced plots for self-build and custom build where possible. Schemes including self-build plots should consider the sizes of plots identified as required on the Self Build register and should be made available and priced and marketed appropriately as self-build or custom build plots for at least 18 months.

#### **Houses in Multiple Occupation**

- 7) Proposals for Houses in Multiple Occupation (HMOs) that require planning permission will be supported where the balance of housing types and character of the immediate locality would not be adversely affected; where suitable living conditions would be created; and where there would be sufficient provision of amenity space.

### **Reasoned Justification**

To inform the overall mix of housing which is required in the District, the Council (along with neighbouring authorities) has undertaken a Local Housing Needs Assessment (LHNA) (2020). This provides information on the current and future housing needs of the District and found that:

- Population projections (2016 based) indicate a projected population growth in Three Rivers of 9,459 people 2020 – 2036, a 9.9% increase.
- When linked to the standard methodology housing OAN, the Three Rivers population is projected to increase by 18,294 people 2020 – 2036, a 19.3% increase and therefore some net in-migration would be expected.

- The largest growth in population is expected from people aged 65 and over, with this group expected to increase by 44.2% in the period 2020 – 2036.
- There is a need to increase the supply of accessible and adaptable housing and wheelchair user dwellings as well as specific housing for older people.

With regard to the housing mix requirements, the LHNA provides estimated requirements for Three Rivers as summarised at Table XX based on modelling information.

**Table XX LHNA Modelled Housing Mix Requirements for Three Rivers**

	<b>1-bedroom</b>	<b>2-bedroom</b>	<b>3-bedroom</b>	<b>4+-bedroom</b>
<b>Market Housing</b>	5%	23%	43%	30%
<b>Affordable Home Ownership</b>	21%	41%	28%	9%
<b>Social/ Affordable Rented Housing</b>	40%	27%	31%	2%

The LHNA reveals different profiles in the size mix across the different tenures, with social and affordable rented housing being more heavily skewed towards smaller homes, market housing being more heavily skewed towards larger homes, and affordable home ownership housing sitting between the two.

Table XX sets the strategic mix of housing provision which will be sought until any subsequent revision to the LHNA and should form the basis for the housing mix of development proposals and provision across the District.

However, it is recognised that the mix may need to be adjusted for specific schemes to take account of market information, housing needs and preferences, the Council’s Housing Register and specific site factors. Where adjustment to the proportions is sought, applications should explain how relevant factors have contributed to the mix of housing being proposed.

While the LHNA provides estimated housing requirements, there are a range of factors that need to be taken into account in setting policies for provision.

In particular for the affordable sector, the LHNA notes that there are typically issues around demand for and turnover of 1-bedroom homes (as well as allocations to older person households) which provide limited flexibility for households and as a result these can see relatively high levels of turnover. Therefore, it may not be appropriate to provide as much 1-bedroom stock as is suggested by the modelling exercise. In addition, the stock of 4-bedroom affordable housing is very limited and tends to have a very low turnover. As a result, whilst the number of households coming forward for 4+-bedroom homes is typically quite small, the ability for these needs to be met is even more limited. The LHNA therefore advises that the proportion of 1-bedroom affordable homes is reduced with a commensurate increase in 4+-bedroom homes.

Within the strategic housing mix, the Council will support provision of bungalows as an element of the overall supply as it is recognised that these may be particularly attractive to older owner-

occupiers (many of whom are equity-rich) and can assist in encouraging households to downsize. However, bungalows are a low-density form of development and as such are land-intensive for the amount of floorspace created. Given the requirement to achieve an uplift in the density of development, the Council does not consider that it is appropriate to set a specific target for these.

### Specialist and Supported Accommodation

To meet specific needs and to offer a real choice of accommodation, there is a need to provide an element of housing as specialist or supported housing. This may be required to address permanent needs, or longer term or shorter term timescales which meet temporary needs.

Specialist and supported accommodation may include housing for older people, people with disabilities or ongoing support needs, student housing, self-build and custom build housing, the build to rent sector or hostels and may fall within C2, C3 or *Sui Generis* planning use classes depending on the nature of the accommodation.

The LHNA has considered the future requirements for specific groups through specialist and supported accommodation within the District as noted in more detail below. Where any development includes specialist and supported accommodation, it is important that these forms of accommodation are located in accessible areas with good access to services, facilities and public transport links to ensure that new development creates balanced and inclusive communities.

Where proposals would affect existing specialist or supporting housing, this should generally be retained where a need exists (and/or is projected to exist over the plan period) unless it is adequately replaced either on or off site by an equivalent quality and quantity of accommodation, ensuring continuity of provision and compliance with any relevant best practice standards.

Where an applicant suggests that there is no longer a requirement for a particular form of specialist or supported accommodation, this must be demonstrated through evidence taking into account needs within the local area to ensure that varying changes in provision at a wider scale are considered. The potential for the accommodation to be used to meet other unmet need(s) for other types of specialist or supported accommodation should also be considered in consultation with the Council's Housing Department and Hertfordshire County Council Adult Care and Children's Services.

### Housing for Older People and People with Disabilities

Given the strong link between people's ages and levels of disability, the LHNA considers housing needs from these groups together.

In assessing the need for housing for older people the LHNA sets out that there is projected to be a notable increase in the population aged 65 and over and given the ageing population and higher levels of disability and health problems amongst older people the LHNA identifies that there is likely to be an increased requirement for specialist housing options in future.

Housing for older people may be in a variety of forms, which are defined within paragraph 10 of the 'Housing for older and disabled people' section of the Planning Practice Guidance as:

- **Age-restricted market housing:** This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens, but does not include support or care services.
- **Retirement living or sheltered housing:** This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services, but provides some support to enable residents to live independently. This can include 24 hour on-site assistance (alarm) and a warden or house manager.
- **Extra care housing or housing-with-care:** This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24 hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Residential care homes and nursing homes:** These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

For Three Rivers there is projected to be a requirement for 1,156 homes 2020 – 2036 for older people. The LHNA divides this between 'housing with support' which covers retirement living and sheltered housing, and 'housing with care' which covers extra care housing or housing-with-care. The total requirement comprises:

- Housing with support – rented: 231 homes
- Housing with support – leasehold: 551 homes
- Housing with care – rented: 222 homes
- Housing with care – leasehold: 152 homes.

The LHNA also considers the need for older persons accommodation within a C2 Use Class (residential care homes and nursing homes) which also suggests a notable need in future for 683 care beds 2020 – 2036.

Over 80% of over-65 households in Three Rivers are under-occupying homes. In addition to meeting the housing requirements of people over 65, the provision of smaller properties through the general mix of housing under Policy HSGXX to allow for downsizing, as well as provision of specific accommodation such as retirement and/or extra care housing will help release under-occupied homes to meet other housing needs in the area.

The LHNA estimates that there is a need for 430 wheelchair user homes in Three Rivers over the plan period equivalent to approximately 4% of the overall housing requirement. There is also a significant increase projected in the population with a range of disabilities. Requirements for Accessible and Adaptable Dwellings M4(2) and Wheelchair User Dwellings M4(3) are addressed at Policy XX.

### Self-Build and Custom Build Housing

Self-build and custom build housing is defined in the Housing and Planning Act 2016 as *'the building or completion by individuals, or persons working with or for individuals or associations of individuals, of houses to be occupied as homes by those individuals... [but] does not include the building of a house on a plot acquired from a person who builds the house wholly or mainly to plans or specifications decided or offered by that person'*. This type of housing enables people to choose the design or layout of their home, and in many cases custom build houses can be constructed faster and to a higher quality with less risk to builders as the house has effectively been sold before construction.

### Student Housing

There are very few student households within Three Rivers and the wider South West Hertfordshire area, with the University of Hertfordshire in Hatfield being the only higher education institution close to the District.

### Build to Rent Sector

The build to rent sector is defined as purpose-built housing that is typically 100% rented. Schemes usually offer longer tenancy agreements of three years or more and will typically be professionally managed stock in single ownership and management control.

This form of housing can make an important contribution to the supply of housing and meeting the needs of the community, including the needs of a mobile workforce, young professionals, households who have deferred house purchase or those who prefer to rent as a lifestyle choice. Build to rent schemes can also help to support housing delivery in times of economic and market uncertainty by providing more certainty of an end buyer for investors, helping to de-risk schemes.

The Council recognises that these schemes may have different characteristics, including the lifetime development economics, which look to longer term returns rather than short term 'market' gains (compared to more traditional open market schemes), and will have regard to its particular characteristics during the decision making process when assessing the acceptability and viability of any schemes.

### Houses in Multiple Occupation

Houses in Multiple Occupation (HMOs) are dwellings lived in by more than one family or groups of individuals who share facilities such as a kitchen or bathroom and can contribute to meeting the housing needs of some of the population, offering a more affordable way to live in the District.

It is important to get the balance of housing right and conventional residential development is generally considered to be more sustainable as it meets the broadest spectrum of housing need. While planning permission may not always be required to convert a dwelling to an HMO, where permission is required, the balance of housing will be considered as well as living conditions for future occupiers.