

DELIVERING THE HOUSING WE NEED

Policies background paper



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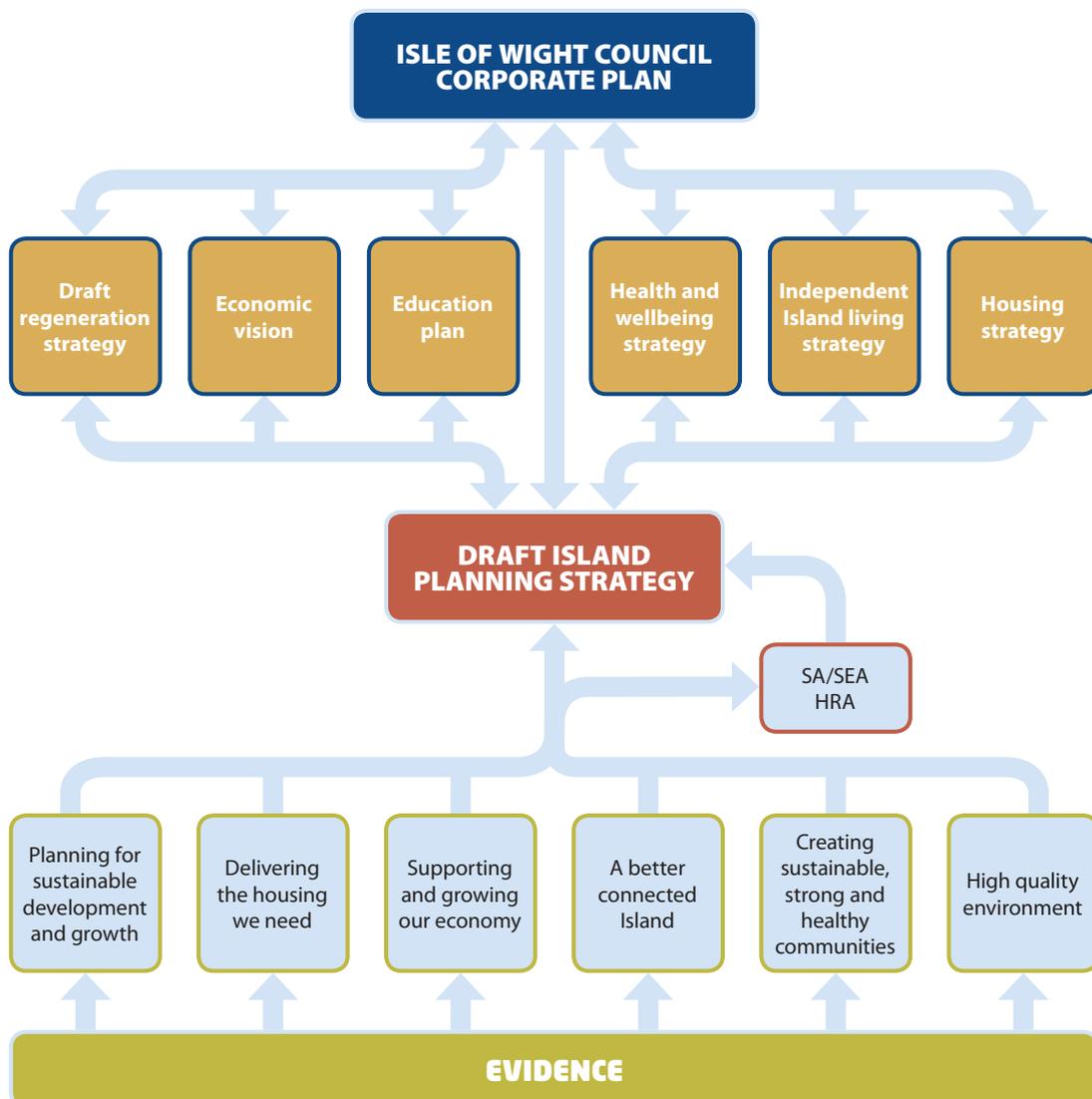
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1 Introduction

1.1 The draft Island Planning Strategy has been published for public consultation. The draft strategy sets out the policies the Isle of Wight Council is proposing and how they will be implemented. The policies are grouped into the following 'families':

- Planning for Sustainable Development and Growth
- Delivering the Housing We Need
- Supporting and Growing Our Economy
- A Better Connected Island
- Creating Sustainable, Strong and Healthy Communities
- High Quality Environment

1.2 Background papers have been produced to accompany the draft Island Planning Strategy to summarise the relevant national planning policy framework and practice guidance, explain the issues faced within each policy family, to summarise the evidence and how the proposed policy (either by itself or in conjunction with other policies) will contribute to addressing the issue. This background paper explains the approach taken in relation to the **Delivering the Housing We Need** policy family. The following diagram sets out the relationship between the draft Island Planning Strategy and a range of other plans and strategies prepared by the council or its partners, and the technical documents the sustainability appraisal/ strategic environmental assessment (SA/SEA) and habitat regulations assessment (HRA).



- 2.1 Beyond achieving sustainable development the NPPF majors on delivering a sufficient supply of homes, to support the Government's objective of significantly boosting the supply of homes. In relation to the wider context of delivering housing the NPPF states:

it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay.

To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.

- 2.2 The council should also be identifying land for homes. The NPPF states that:

Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:

- a) specific, deliverable sites for years one to five of the plan period; and*
- b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.*

- 2.3 The Government also recognises the importance of maintaining supply and delivery. council should also be identifying land for homes.

- 2.4 The planning practice guidance ⁽¹⁾ explains that:

Local planning authorities should ensure that the policies in their Local Plan recognise the diverse types of housing needed in their area and, where appropriate, identify specific sites for all types of housing to meet their anticipated housing requirement. This could include sites for older people's housing including accessible mainstream housing such as bungalows and step-free apartments, sheltered or extra care housing, retirement housing and residential care homes. Where local planning authorities do not consider it appropriate to allocate such sites, they should ensure that there are sufficiently robust criteria in place to set out when such homes will be permitted. This might be supplemented by setting appropriate targets for the number of these homes to be built.

- 2.5 The planning practice guidance also sets out the approach expected of councils towards housing and economic land availability assessment <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>, which the council has followed.

- 2.6 As an authority area that is predominantly rural in nature, the council must also pay due regard to paragraphs 77 to 79 of the NPPF, which relate to rural housing, particularly

In rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs. Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs, and consider whether allowing some market housing on these sites would help to facilitate this.

To promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities. Planning policies should identify opportunities for

1 Paragraph: 006 Reference ID: 12-006-20150320

2 National Policy and Guidance

villages to grow and thrive, especially where this will support local services. Where there are groups of smaller settlements, development in one village may support services in a village nearby.

The issues faced

- 3.1 A key role of the Local Plan, as emphasised by the NPPF, is to meet, where possible, all identified housing needs. This includes meeting the needs of the various groups that have differing housing requirements. Many factors have an impact on housing demand and the area faces many social issues. These include an increasing population, diminishing household size, an ageing population, increasing in-migration, pockets of deprivation and a significant proportion of residents unable to afford homes in the area. These issues, in combination, result in a significant need for new housing and a requirement to 'step up' both the provision and mix of housing.

Current Delivery

- 3.2 There has been a 'ceiling' in terms of the average level of completions over the Island Plan Core Strategy period (since 2012), as identified in the council's **Monitoring Reports**. The delivery of housing has averaged around the 400 dwellings per year mark over this period and this might indicate a saturation point for the Island's housing market.
- 3.3 This has meant that the planned for level of growth over this period has not been met. There are many issues that have contributed to this situation, and these are identified as being:
- Lack of construction skills
 - Extra cost of importing materials and skills
 - Lack of confidence due to a period where development was not generally supported
 - Unrealistic land values
 - Lower returns on investment
 - High house price to income ratio
 - Lack of, or slow delivery of permissions
 - Limited appropriate land (over half the Island is designated AONB)
 - A small standalone housing market area that is very sensitive to changes in supply/ demand
- 3.4 To proactively seek to improve delivery, the council are planning a number of interventions. The council has recently consulted on its ambitious Regeneration Strategy, which recognises the impact housing delivery and wider growth can bring. The council itself is moving to establish a housing delivery company that will use public sector assets as pump primers. It is exploring accelerating delivery by using modular construction methods.
- 3.5 By reviewing it's planning policies, the council wishes to give the clearest possible direction on what is expected of new development and provide an appropriate framework that recognises the importance of the delivery of housing to meet the future housing needs of the Island. Other policies are proposed in the draft Island Planning Strategy ensure the appropriate level of quality in new development.
- 3.6 The Isle of Wight is recognised as a standalone housing market area by neighbouring authorities in the Partnership for Urban South Hampshire. Monitoring of housing completions since the adoption of the **Island Plan Core Strategy** in 2012 shows that the number of dwellings built hasn't met our objectively assessed housing need figure. It is difficult to establish whether this is a cause or an outcome of the challenges within the Island's housing market. This lack of delivery has exacerbated a number of issues.
- 3.7 Changes to housing policy, national planning policy, lack of available larger sites with permission

and the building out of commitments have all contributed to the decrease in delivery of affordable housing. However, in recent years this delivery has reached crisis levels with just 8.4% of the required number delivered in 2015/16 and 10.6% delivered in 2016/17. At the time of writing, there are 1800 households on the housing register. With 300 to 400 re-lets per year, it is clear that there is a greater need than is being met within the current housing stock.

Affordability of new housing

- 3.8 A lack of supply to meet our challenging demographics has affected many groups within the local community and there is an increasing proportion of the local community who find that they are unable to purchase a home for the first time. Property prices, although cheaper than many areas of the South East remain unaffordable for many local households. The ratio of house prices to earnings on the Island in May 2018, according to Zoopla, is 9.59, based on an average house price of £249,494 and the average Island salary being £26,000 per year. ONS figures show that the national average in 2017 was 7.91, with the south east average being 9.79 for the same period. This makes home ownership difficult for a large proportion of working age Islanders.
- 3.9 Over the last 15 years, there has been a 70% increase on the Island's affordability ratio, indicating that in longer terms affordability has worsened across the whole market. In contrast both Portsmouth and Southampton are more affordable in median and lower quartile terms than the Isle of Wight.
- 3.10 Rents to income ratios are also challenging on the Island, based on the assumption within the Housing Needs Assessment (and an industry standard assumption) that a household should spend no more than 30% of their income on housing.
- 3.11 Lack of affordability contributes to overcrowding, and across the Island 3% of households are classified as overcrowded with the greatest number of such households being located in Ryde.
- 3.12 There are also issues with ensuring the supply of market housing is delivering what we need to meet our aspirations. Due to generally lower wages on the Island and lower levels of performance in areas such as education and health provision, it has been difficult to attract professionals such as doctors and dentists. This is also true for those at management levels. By improving the housing stock and offering the right types of accommodation in locations that will attract such professionals, we can contribute to improving the situation.
- 3.13 We need to reverse the situation where professionals and higher income groups are choosing not to move to the Island. Introducing their professional skills and spending power will support the provision of, and improvement to, services and improve the prosperity of the Island. However, in order to encourage residents to move into and stay on the Island we need to improve the supply of aspirational housing. This will not only involve providing sites for larger and/or higher specification dwellings, but will also require enhancements to the environmental quality of the area and the provision of good quality services.

Objectively Assessed Housing Need

- 3.14 To update the 2014 strategic market housing assessment, which identified an objectively assessed housing need of 525 dwellings per annum, the council commissioned consultants to prepare a **Housing Needs Assessment (HNA)**. At the time of the commission, the Government had published their intention to introduce a standardised methodology for calculating housing need along with the formula to be used.
- 3.15 The council's HNA was therefore prepared using the standard methodology, which identified an objectively assessed housing need figure of 641 dwellings per annum or 9,615 dwellings in total over the plan period. This figure was then used as the basis for the council's wider evidence base, such as highways modelling, for preparing the draft Island Planning Strategy.
- 3.16 On the 20 September 2018 the Government published the 2016 national household projections, which when fed into the standardised methodology resulted in a lower housing need figure for

the Island of 571 dwellings per annum. It had been predicted by industry that the 2016 projections would reduce the housing need numbers across the country, and this has been the case.

- 3.17 Government has recognised this and on October 26 issued a consultation on proposals for updating national practice guidance to keep using the 2014-based projections. It is clear that the Government's intention is to ensure the housing delivery targets are not reduced.
- 3.18 The situation regarding the housing figures is critical to the soundness of the draft IPS. All indications from Government are that they expect local planning authorities to deliver higher levels of housing that are set out in the revised housing assessments and there is clear advice from the Government's Chief Planner that local plans should not use the reduced figure.

The evidence used

- 3.19 The council's **Monitoring Reports** are available online and form the basis of the council's evidence relating to historic annual delivery.
- 3.20 The **Housing Needs Assessment** identifies the objectively assessed need of 641 dwellings per year and looking at the supply side of housing provision, the council has undertaken a thorough review of its methodology and prepared an updated **Strategic Housing Land Availability Assessment** in conjunction with representatives of the Island's development sector. It has also prepared a **Five Year Land Supply Update 2018** and these two documents helped to evidence the feasibility of a stepped approach.
- 3.21 The approaches towards housing policies were assessed through the **Sustainability Appraisal/ Strategic Environmental Assessment (SA/SEA)** to inform the council's approach towards the delivery of housing.

How the Policy Contributes to Addressing the Issues

- 3.22 The draft policy plans to meet the council's objectively assessed housing need over the plan period. However, it recognised, for a number of reasons that to increase delivery from the current 'ceiling' to 641 dwellings per year wouldn't be realistic and achievable. To address this issue a stepped approach to delivery has been proposed, and other policies in the draft plan support growth in skills to help facilitate this increased delivery.
- 3.23 It also sets out that to achieve the planned growth the council will designate sites for housing, bring forward two new garden communities and support sustainable development proposals. The other draft policies in the Island Planning Strategy, particularly the Delivering the Housing We Need policy family, and the relevant background documents, provide more detail on these particular policies.

The issues Faced

- 4.1 As set out in the previous section, one of the key roles of the Local Plan is to meet the Island's housing needs. In order to understand this need the council commissioned consultants to undertake a HNA and this was prepared using the Government's standard methodology. The HNA identified a need of 641 dwellings per annum over the 15 year plan period.
- 4.2 The previous section also set out that the council's monitoring reports show a general 'ceiling' of around 400 completed dwellings per year. This 'ceiling' falls short of the 641 dwellings as set out in the HNA and the 520 figure of the adopted Island Plan Core Strategy.
- 4.3 The adopted Island Plan Core Strategy had some employment allocations but it did not have any residential allocations as these were due to be included in specific Area Action Plans. However, with the changing planning framework these were not progressed to adoption. Consequently delivery of residential sites has been left to the market and the local planning authority to determine applications as they have come forward.
- 4.4 The council has undertaken regular strategic housing land availability assessments and has published sites that are both deliverable and developable. Some of these have been brought forward through the planning process and have been completed with many others with permission and yet to be built.
- 4.5 Both the 2017 and 2018 five year land supply reports show the cumulative level of undersupply and the projected completions over a prescribed period of time. Both documents show a year on year undersupply from the adoption of the Island Plan Core Strategy.

The evidence used

- 4.6 The council's **Monitoring Reports** are available online and form the basis of the council's evidence relating to historic annual delivery.
- 4.7 The **Housing Needs Assessment** identifies the objectively assessed need of 641 dwellings per year, with the supply being identified in the updated **Strategic Housing Land Availability Assessment** (SHLAA). The **Five Year Land Supply Update 2018** shows that sites proposed for allocation will have a lead in time before completions are reported.
- 4.8 The approaches towards housing policies were assessed through the **Sustainability Appraisal/ Strategic Environmental Assessment** (SA/SEA) and **Habitat Regulations Assessment** (HRA) to inform the council's approach towards the delivery of housing through the proposed allocations.

How the Policy Contributes to Addressing the Issues

- 4.9 To facilitate and increase the rate of housing delivery across the Island, the council has proposed a suite of housing allocations. These allocations should provide certainty for developers and other stakeholders to bring development proposals forward in a sustained and systematic way across the plan period.
- 4.10 In line with paragraph 68 of the NPPF, the council is proposing to allocate a range of site sizes to encourage delivery. Smaller sites play an important role in helping to meet local housing need and can deliver a range of social and economic benefits including:
- Providing opportunities for small and medium sized companies;
 - Increasing build-out rates by increasing the numbers of companies able to undertake housebuilding;
 - Creating local jobs, and
 - Sustaining local growth, particularly in rural areas.
- 4.11 Larger sites have the advantage of providing a master planned, integrated development that

comprehensively considers the needs of residents through supporting infrastructure, open space and connections to the existing built form. The disadvantage, however, is the time in which it takes a scheme to be built out from its first allocation. Large strategic allocations also favour the larger housebuilders which have the capacity and capital to undertake initial groundworks and environmental and transport studies.

- 4.12** It is therefore anticipated that by allocating a range of site sizes that they will come forward and be delivered in a way that helps meet the objectively assessed housing need figure.
- 4.13** Most sites proposed for allocation have been submitted and assessed through the 2018 SHLAA.
- 4.14** The council undertook a call for sites at the end of 2017 which resulted in 378 sites being submitted and assessed using the council's SHLAA methodology. All sites were assessed on their suitability, availability and achievability and were considered by a steering group of senior council officers from both planning policy and development management. Sites were also taken to a SHLAA panel consisting of development industry professionals and councillors for discussion and further consideration on achievability.
- 4.15** In most cases the SHLAA panel agreed with the steering group's conclusions but in some instances the panel provided a different perspective. In these instances the sites were reconsidered in light of the panel's comments. In some cases, where emerging spatial options were being developed as part of the Island Planning Strategy process and in considering the Island's objectively assessed housing need figures, the steering group concluded that some sites initially not considered suitable could be reconsidered as suitable in terms of the SHLAA.
- 4.16** The final stage of the SHLAA methodology process was to consider whether sites were deliverable, developable, currently not developable or currently not suitable.
- 4.17** Of the 378 sites assessed 82 have been classified as deliverable and 66 have been assessed as developable at some point in the plan period. Of the 230 sites not seen as appropriate at this time, 193 were determined to be currently not developable. These are sites that are considered to have a constraint that is not currently able to be overcome. In most instances the constraint is fundamental at this time, for example, the location not being appropriate due to the proximity of services or other factors. Sites determined as currently not suitable (37 sites) may be a result of site size, flood risk or location in relation to an environmental or landscape designation.
- 4.18** All deliverable and developable SHLAA sites were also considered in relation to whether they should be considered for proposed allocation. Further work was undertaken by council officers as to the location, context and character of sites in relation to emerging policies including the proposed settlement hierarchy and infrastructure requirements. Additional work was undertaken with infrastructure providers as well as other council departments where appropriate. The work also took account of the emerging SA/SEA and HRA evidence.
- 4.19** All proposed allocations have been considered individually but have been split into two categories, generic sites and specific sites.
- 4.20** Where a site is subject to 'General Requirements', this policy seeks to specifically facilitate delivery of generic sites by setting out criteria based approach to what is expected on-site. Applicants will be expected to submit applications taking into account the relevant policy requirements as well as incorporating any other plan requirements where appropriate.
- 4.21** Where a site is subject to a 'Specific Requirements' this is set out in draft policy DHWN2 and referenced in Appendix 1 List of Allocated Sites, with the detail and specific requirements being found in Appendix 2 Site Specific Requirements for Allocated Sites. Specific policy requirements are generally sought where:
- A site is large and has the potential to develop a number of houses and other aspects;

- There may be more than one landowner and a more specific approach is required to ensure the site is delivered in a comprehensive manner;
- There is a feature and/ or unique characteristic that requires a specific policy approach.

4.22 The division of allocations into two strands is considered appropriate as not all sites have site specific aspects to consider. Therefore other or more standard policy requirements or aspects can be covered by other policies within the Island Planning Strategy.

Phased delivery

4.23 In some cases there will be two or more sites in close proximity. This is unlikely to have a significant impact on viability of sites in the larger main towns of Newport and Ryde. However, it may have, if sites were to be developed at the same time, an impact in the smaller towns or villages. Consequently, where two or more sites are located adjacent or in close proximity, the council will expect that sites will be phased so as not to prejudice the delivery or viability of the adjacent or nearby sites.

4.24 The council will work with landowners and developers to monitor the delivery of sites and may act to bring sites forward if necessary.

The issues faced

- 5.1 Previous sections have set out the housing need across the Island and how the council proposes to meet this need through proposed residential allocations.
- 5.2 The allocations proposed along with the council's proposed windfall allowance should meet most of the objectively assessed housing need. However, the council is also aware that 'adding' on to existing settlements may not always be appropriate or preferred by the local communities they affect.
- 5.3 As a result the council faces a decision on how to accommodate future growth across the Island. Whether this is:
- Undertaking an additional call for sites for land near to adjacent settlements;
 - consider planning applications for development outside of settlement boundaries and proposed allocations;
 - consider the potential for new standalone communities,
 - seek additional land near a smaller community that with additional land/investment could become a larger more sustainable community; or
 - some or all of the above.

The evidence used

- 5.4 Central Government is acutely aware of the need to provide new homes, their Housing White Paper, '**Fixing Our Broken Housing Market**' February 2017, sets out their thoughts on new settlements. '*A new generation of new communities*':

'We need to make the most of the potential for new settlements alongside developing existing areas. Well-planned, well-designed, new communities have an important part to play in meeting our long-term housing needs. Provided they are supported by the necessary infrastructure, they are often more popular with local communities than piecemeal expansion of existing settlements.'

- 5.5 The NPPF July 2018 echoes this by including new settlements as being a valid approach in providing homes with paragraph 72 setting out:

'The supply of large numbers of new homes can often be best achieved through planning for larger scale development, such as new settlements or significant extensions to existing villages and towns. Working with the support of their communities, and other authorities if appropriate, strategic plan-making authorities should identify suitable opportunities for such development where this can help to meet identified needs in a sustainable way. In doing so, they should consider the opportunities presented by existing or planned investment in infrastructure, the area's economic potential and the scope for net environmental gains. They should also consider whether it is appropriate to establish Green Belt around or adjoining new developments of significant size.'

How the Policy Contributes to Addressing the Issues

- 5.6 In considering the above issues and evidence:
- The council believes it undertook a comprehensive call for sites that has identified over 100 proposed allocations of various sizes across the Island.
 - Whilst determining planning applications outside or adjacent to settlement boundaries may be appropriate in some instances, planning positively and pro-actively in a sustainable way is preferred.
- 5.7 Consequently, the council believes it is time to consider new settlements as a realistic option for providing new growth over the longer term.
- 5.8 The creation of a new sustainable community of an appropriate scale, form and character can

5 Draft Policy DHWN4 - Planning for New Garden Communities

help to meet the long term needs of the Island as well as help to prevent the sprawl of existing towns and villages.

- 5.9** The council is aware of at least two areas where landowners may be interested in putting land forward for a new garden community but not enough preparatory work has been undertaken to include these in the current draft Island Planning Strategy. Furthermore, no work has been undertaken to establish whether these are in appropriate locations when considering the spatial distribution of housing need.
- 5.10** There are clear advantages for advocating a new community which can include accelerated rates of delivery, achievement of economies of scale, provision of comprehensive, as opposed to piecemeal infrastructure and potentially access to funding streams. As well as the provision of a new settlement or extensions to existing villages being recognised as a valid approach to sometimes best achieving new homes (NPPF Paragraph 72).
- 5.11** The council is committed to ensuring there is capacity for enough homes for our communities across the Island. Commitment to the potential of new garden communities in the Island Planning Strategy is the first step.
- 5.12** Any new community must include a range of local facilities to avoid it becoming a 'commuter settlement', however, given the size of community the council envisages there is likely to be some co-dependencies with adjacent villages and communities is the first instance. As time and future plans move forward these new communities should expand appropriately to become self-sufficient for all services including a level of employment, primary care and schooling.
- 5.13** As such the council considers it appropriate to identify two broad areas for search for either one or two new garden communities. It is envisaged that these new garden communities will collectively deliver approximately 2000 homes with appropriate services and be based on similar principles to that of a Garden City.
- 5.14** Such principles are based on a holistically planned new settlement which enhances the natural environment and offers high-quality affordable housing and locally accessible work in beautiful, healthy and sociable communities.
- 5.15** Any proposals will be considered as part of a separate development plan document with appropriate community engagement, evidence, studies and investigations as required including Environmental Impact Assessment and Habitat Regulation Assessment. Details on delivery mechanisms are also likely to be required.
- 5.16** It is important to provide certainty and confidence regarding the ultimate scale of, and aspiration for, the creation of new sustainable garden communities to secure confidence of potential investors. It is imperative that the Island Planning Strategy policies place an unequivocal long term emphasis on a new community, such that there is a clear positive framework which identifies and commits to the planned capacity of the proposed new garden community.

The issues faced

- 6.1 The Island has limited interest from national house builders and as such large-scale development sites are not coming forward at the rates required to meet housing delivery targets. The council considers that there is an opportunity to make most efficient use of land, minimise the impact of new housing and help sustain existing settlements by exploring the opportunities afforded by small-scale infill.

The evidence used

- 6.2 The council's **Monitoring Reports** show that a significant proportion of both permissions and completions are on small sites (fewer than nine dwellings), and particularly on sites of one to four dwellings.
- 6.3 Through the council's **Self-build and Custom house-build Register** there is an identifiable interest in the delivery of single plots. Indeed, many single dwellings whilst not necessarily being physically built by the future owner/ occupier, meet the Government's definition of self and custom build housing.

How the Policy Contributes to Addressing the Issues

- 6.4 The proposed approach moves away from the previous policy approach of demonstrating a local need in the first instance. Instead the focus is now on the direct impact in the localised area, such as the design of the proposed dwellings, as it is accepted the housing needs across the Island are well established and documented.
- 6.5 Being explicit with policy support will encourage the development of smaller sites, which can be more attractive and accessible to self-builders and small local firms will assist with delivery.

The issues faced

- 7.1 There has been a chronic lack of affordable and specialist housing on the Isle of Wight, with issues arising with the available means of delivery.
- 7.2 At the heart of the problem is the ratio between the cost of building and the return on that investment. The Isle of Wight faces a perfect storm where material costs are higher, skills are in short supply, land is overvalued and rent returns and sale values are lower than the mainland. As a consequence few organisations or developers are interested in investing in the delivery of specialist and affordable homes on the Island. Without some form of alternative subsidy it is difficult to see how the needs of Isle of Wight families for affordable housing will ever be met.
- 7.3 Government policy now prevents developer contributions towards affordable housing being sought for developments of one to nine dwellings. This scale of development is a major component of the council's housing supply and the wider housing market. Removing the ability to collect contributions has significant implications for the delivery of affordable housing of the Island. The only exception to the Government's approach is within designated rural areas, which includes the AONB designation on the Isle of Wight.

The evidence used

- 7.4 The council's **Monitoring Report 2017/18** shows that 17 affordable housing units were delivered. In 2016/17 it was 34 affordable housing were delivered, and prior to that (2015/16) it was 35. This is well below the annualised need identified in the **Housing Needs Assessment** of 222 affordable units per year. There is therefore a need to ensure that residential developments provide towards the target number of units required to meet the growing need for affordable housing. This has been recognised by the Isle of Wight Council and a **Delivering Affordable Homes For Island Families** report was prepared by the Task and Finish group on Affordable Housing for the Policy and Scrutiny Committee for Regeneration, Housing, Planning and the Environment.
- 7.5 The council worked in partnership with representatives of the Island's development sector to prepare an **Affordable Housing Contributions Supplementary Planning Document**, which was adopted in March 2017. Whilst this cannot now be applied Island-wide, it is still applicable within the AONB.
- 7.6 In order to ensure its draft policies were viable, the council appointed consultants to undertake a **Plan Viability Study**. The study concluded that whilst in some typologies viability is marginal, a 35% requirement for affordable housing is generally viable.

How the Policy Contributes to Addressing the Issues

- 7.7 Although the current policy approach has not delivered the required level of affordable housing, this is more due to the level of development which has been delivered opposed to the suitability of the policy. It is considered that the percentage proposed for on-site delivery provides an appropriate balance between viability and delivery.
- 7.8 It is proposed to remove the previous varied provision of the core strategy which has a different threshold within Key Regeneration Areas and outside of these, as this has not seen the delivery of sufficient numbers.
- 7.9 An increase in the threshold has been proposed instead for developments on previously developed land, to assist in these sites coming forward and in acknowledgment of the additional costs associated with development these nature of sites.

The issues faced

- 8.1 The issues around the delivery of affordable housing are set out in the previous section, Draft Policy DHWN6 - Delivering Affordable Housing. In relation to this specific draft policy, the NPPF instructs that local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs, and consider whether allowing some market housing on these sites would help to facilitate this.
- 8.2 The chronic lack of delivery of affordable housing means that alternative options for delivery need to be considered and explored. In a plan-making context on the Isle of Wight this has meant investigating rural exception sites.

The evidence used

- 8.3 The NPPF defines rural exception sites as "small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of market homes may be allowed on the site at the local planning authority's discretion, for example where essential to enable the delivery of affordable units without grant funding".
- 8.4 The evidence used to inform and support this proposed policy approach is the same as that set out in relation to DHWN6 - Delivering Affordable Housing

How the Policy Contributes to Addressing the Issues

- 8.5 The proposed policy gives explicit support to rural exception sites which, moving forward, could play an important role in disrupting the housing market to ensure that much-needed affordable housing is brought forward. The proposed policy approach, in line with the NPPF, allows for a small element of market housing to contribute to the viability of the scheme overall. Because such sites would not normally be acceptable for housing, land values should be realistic and achievable.

The issues faced

- 9.1 The NPPF requires local planning authorities to assess the size, type and tenure of housing needed for different groups in the community and reflected in planning policies.
- 9.2 Because of the affordability issues discussed earlier in this document getting the right mix of housing is important within the context of the Island's housing market, particularly considering development viability and the in-migration patterns the Island experiences.

The evidence used

- 9.3 The **Housing Needs Assessment** (HNA) provides commentary on the housing mix and identifies a range of factors which influence the need for different types of homes. This includes demographic trends, and in particular a growing older population; market dynamics and affordability; the Government's ambitions and initiatives to boost home-ownership and self/ custombuild development; as well as growth in student numbers and accommodation.
- 9.4 The modelling undertaken through the HNA provides an estimate of the proportion of homes of different sizes that are needed for the affordable rented housing, low-cost home ownership housing and housing market sectors.

How the Policy Contributes to Addressing the Issues

- 9.5 The draft policy uses the findings of the HNA to ensure that future delivery is not unbalanced when compared with the likely requirements as driven by demographic change in the area or linked to macro-economic factors and local supply. Through this, and other policies in the draft plan, the council is seeking to ensure that the right houses are brought forward in the right locations.

The issues faced

- 10.1 Paragraph 61 of the The Delivering a sufficient supply of homes section of the revised [National Planning Policy Framework](#) (NPPF) states that (with emphasis added for the purpose of this document):

"the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and **people wishing to commission or build their own homes**)".

- 10.2 The footnote to this also sets out:

"Under section 1 of the Self Build and Custom Housebuilding Act 2015, local authorities are required to keep a register of those seeking to acquire serviced plots in the area for their own self-build and custom house building. They are also subject to duties under sections 2 and 2A of the Act to have regard to this and to give enough suitable development permissions to meet the identified demand. Self and custom-build properties could provide market or affordable housing".

- 10.3 The [Self-build and Custom Housebuilding Act 2015](#) places a duty on all local authorities in England to keep a register of individuals and associations who are seeking to acquire serviced plots of land in their area in order to build homes for those individuals to occupy. It is a further requirement to have regard to this register when carrying out their planning; housing; public land disposal; and, regeneration functions.

- 10.4 Following the Act the [Self-build and Custom Housebuilding \(Register\) Regulations 2016](#) give more information about what is required to be included on the register and the processes involved.

- 10.5 Housing delivery and affordability are significant issues for the Isle of Wight housing market, and as such the council is supportive of alternative methods of housing delivery to boost both the wider supply of housing and the speed at which it is delivered.

The evidence used

- 10.6 Outside of the statutory requirements outlined above, the council's Self Build Register is the primary source of information when considering this issue. A **version of the council's Self Build Register**, where personal and identifiable information has been redacted forms part of the evidence for the proposed policy approach. As at 28/08/18 the register contained 124 entries, and the information submitted to the council tells us that:

- Only individuals have applied - there are no associations on the register
- 32 gave their address as being off-Island
- 71 said they would be ready within 1 year
- 41 said they would be ready within 1-2 years
- 1 is seeking a 1 bedroom property
- 24 are seeking a 2 bedroom property
- 63 are seeking a 3 bedroom property
- 26 are seeking a 4 bedroom property
- 6 are seeking a 5+ bedroom property
- 1 did not state their preference.
- 84 stated that they were not seeking to have children in the property, and of these only 28 gave their date of birth as after 1 January 1970.
- The most popular parishes for self build were Gurnard, Ryde and Newport

- 10.7 The Housing Needs Assessment provides a brief commentary on self and custom build. Through conversations with Island agents it is considered that self and custom build represents around

10 Draft Policy DHWN9 - Self and Custom Build

6% of the current construction activity across the Island, which is a relatively modest amount.

10.8 Due to the legislative requirements relating to self and custombuild, it was not considered appropriate to investigate an option of not including a policy on the issue. The focus was therefore on where the threshold for requiring the provision of self and custombuild products should be set.

10.9 A number of options for the threshold were considered for residential development and to establish these, information from the last two years' worth of residential applications set out below were used to give an indication of the scale of development sites.

Year	Total no. of residential apps	Total no. of new dwellings	No. of minor applications	No. of dwellings	Average no. dwellings per application	No. of major applications	No. of dwellings	Average no. of dwelling per applicat
16/17	146	481	137	202	1.47	9	279	32
15/16	164	661	147	296	2.01	17	365	21.47
Total	300	1142	284	498	1.75	26	644	24.76

10.10 Requiring self and custombuild housing as a percentage of minor development (1-9 dwellings) was ruled out due to the sensitivities of viability and potential impacts on the local builders/developers, who generally bring these sites forward, and their wider supply chains. More often than not, these types of development are self and custombuild to varying degrees anyway.

10.11 In light of this information the following further options were identified:

1. 10+ dwellings, based on the definition of major development
2. 25+ dwellings, based on the average number of dwellings permitted on major sites over the last two years
3. 50+ dwellings, based on an arbitrary number

10.12 Option 1 (10+ dwellings) was ruled out for the same reasons used to exclude minor development from the self and custombuild requirement.

10.13 Option 3 (50+ dwellings) was ruled out as it is unlikely to result in a meaningful number of ESPs being introduced.

10.14 Option 2 (25+ dwellings) was supported as it was considered reasonable and likely to result in a meaningful number of sites having the requirement to make provision for self and custombuild.

10.15 The draft policy was subject to a viability assessment, which established that the policy requirements would have a low impact on viability.

How the Policy Contributes to Addressing the Issues

10.16 The delivery of housing, particularly that which is affordable, on the Island has been an issue. It is considered that housing products that diversify the housing market and therefore contribute to delivery are a positive addition. By setting the threshold at a reasonable and viable level, the council can demonstrate how it is taking the issue into account when it is undertaking its planning function.

10.17 The proposed allocation sites that are over 25 dwellings will provide a spatial distribution of sites that broadly aligns with the preferences of those on the self build register.

The issues faced

- 11.1 The Government's overarching aim is to ensure fair and equal treatment for travellers, in a way that facilitates the traditional and nomadic way of life while respecting the interests of the settled community (NPPF 2015 – Planning policy for traveller sites (PPTS) – paragraph 3). The Government's overarching aim is to ensure fair and equal treatment for travellers, in a way that facilitates the traditional and nomadic way of life while respecting the interests of the settled community (NPPF 2015 – Planning policy for traveller sites (PPTS) – paragraph 3).
- 11.2 To help achieve this, local planning authorities need undertake and consider a number of aspects including, but not limited to, undertaking an assessment of need, develop fair and effective strategies, reduce the number of unauthorised sites and ensure that the local plan includes fair, realistic and inclusive policies. They should also aim to increase the number of traveller sites in appropriate locations with planning permission, to address under provision and maintain an appropriate level of supply.
- 11.3 In relation to plan making local planning authorities should set pitch and plot targets for their travelling community which addresses the likely permanent and transit need. In doing this they should set out a supply of specific deliverable sites sufficient to provide five years' worth of provision. Additionally, a supply of specific, developable sites or broad locations for growth for years 6 – 10 and, where possible, years 11 – 15 should be identified.
- 11.4 In 2015, following the updated Planning Policy for Traveller Sites, the definition of Gypsies and Travellers for planning purposes changed to: *"Persons of nomadic habit of life whatever their race or origin, including such persons who on grounds only of their own or their family's or dependents' educational or health needs or old age have ceased to travel temporarily, but excluding members of an organised group of travelling showpeople or circus people travelling together as such"*.
- 11.5 In light of this change, only those members of the travelling community who still travel, or can be reasonably said to intend to live a nomadic lifestyle in the future, require their needs to be specifically and separately addressed in the Plan. For those who don't, their needs, requirements and demands, including for caravan living would be addressed along with those of the non-traveller community through housing needs assessments.

The evidence used

- 11.6 The council commissioned a Gypsy, Traveller and Travelling Showpeople Accommodation Assessment (GTTSAA) in 2006 with updates in 2012 and 2015 to provide an assessment of housing need and pitch requirements across the island. Following changes to the PPTS and to ensure the council has an up-to-date evidence base, the council undertook its own **Isle of Wight Gypsy and Traveller, Travelling Showpeople and Houseboat Dweller Accommodation Assessment** in 2018.
- 11.7 This document notes that the council's 2014 Strategic Housing Market Assessment (SHMA) and the 2018 **Housing Needs Assessment** both identify the Isle of Wight as a separate Housing Market Area. This means that the requirement to plan for neighbouring councils requirements does not apply.
- 11.8 It is also noted that previous GTTSAA's identified that the Isle of Wight does not form part of any established 'traditional' Gypsy and Traveller routes. This is still believed to be the case in 2018. In support of this, it is noted that since the publication of the 2015 report there have been no incidences recorded of any traditional 'Fairs' or other similar events being held on the Island, which Gypsies and Travellers may attend as part of their regular travelling routes. A reason could be due to the additional requirement and expense of accessing the Island by ferry. Therefore, the 2018 assessment finds no evidence of significant in or out migration of Gypsies or Travellers at this stage.

11.9 In terms of need the 2018 assessment considers Gypsies and Travellers, Travelling Showpeople and houseboat dwellers.

Gypsies and Travellers

11.10 The **2011 Census** records 94 persons living on the Island who identified themselves as being of Gypsy or Irish Traveller ethnicity. This represents 0.1% of the population. It is considered that these Census respondents are most likely to be formed from the 'not currently travelling' population, and to be living in settled 'bricks and mortar' accommodation. This is because Census forms are routinely delivered to all known 'permanent dwellings'. Therefore, it is thought very unlikely that the population living in caravans, even in long established locations, were contacted by Census collectors.

11.11 Three examples of this are in regard to those travellers known to be living in Nettlestone and Seaview, Brighstone and Shalfleet Parishes, where there are long-established unofficial sites, and yet no Gypsies or Irish Travellers are identified as living in the parish on the Census returns.

11.12 Of the population identified in previous GTAAs which are not in settled 'bricks and mortar' accommodation, around two thirds considered themselves to be either New Travellers or 'Van Dwellers'. Of the remaining, 18.2% identified themselves as English Travellers, 9.1% Irish Travellers, 9.1% Scottish Travellers and 4.5% Welsh Travellers. The 2018 assessment sets out that this is not likely to have changed.

11.13 The 2018 assessment has been informed by the Government's twice-yearly **Travellers Caravan count**. Over the past five years the number of pitches occupied by people identifying themselves as persons from the travelling community including new travellers or van dwellers has remained relatively static at around 16 units/ pitches.

11.14 Through the desk-based and observational research carried out all current authorised and unauthorised sites and encampments were identified. This work concluded that there are:

- no public permanent or transit sites owned by the council;
- two unauthorised sites on public owned land, both have been 'tolerated' at least since 2012; and
- one unauthorised site occupied since at least 2006 which is the subject of a legal judgement, meaning that the residents cannot be moved until a transit site is built for them.

11.15 The three established unauthorised sites are located in Westridge, Shalfleet and Brighstone Forest. The site at Westridge has the most access to services and has been established the longest with a very small amount of pitch size fluctuation.

11.16 The ongoing evidence suggests that the unauthorised sites are remaining in the same places. This could suggest that the population in many cases have been living in the same areas of many years. There has also been no confirmed evidence of significant in or out migration which changes in the numbers travellers previously recorded.

Current and forecast need

11.17 In terms of the current need on permitted sites it is estimated that the pitch requirement would be the same as the current amount of vehicles observed of those unauthorised sites. This would result in a current need for 16 pitches across the Island.

11.18 In terms of forecasting the 2018 assessment used an uplift of 17% also used in the housing needs assessment. This results in the need to plan for an additional three households/pitch spaces by 2034 making a requirement of 19 pitches in total over the plan period.

- 11.19 The assessment also identified the need for one transit site that should consist of two pitches rising to three by 2034. As the council has no current permitted sites, it follows that it does not have a 5 year land supply of available sites for the travelling community.

Travelling Showpeople

- 11.20 Contact with the Travelling Showpeople through the council's Amenity Sites Licensing Team has confirmed that neither of the two established Showpeople visitors who run summer events are island-based. The same groups have been visiting for some years and interviews carried out for the previous GTTSAA confirmed that they had permanent winter quarters and yard facilities on the mainland.
- 11.21 The 2018 assessment has not identified any requests for planning permission for Travelling Show 'home yards' nor any incidences reported from Planning Enforcement where any groups have set up unauthorised encampments.
- 11.22 As there has been no identified Island residency or new household formation of Travelling Showpeople, it is not currently considered that there is need to provide any dedicated plots or 'yards' for this group.

Houseboat Dwellers

- 11.23 There are estimated 60 houseboats identified on the Isle of Wight. These are mostly moored in Newport Harbour, Wootton Creek and Bembridge Harbour. These include over 20 which have 99 year leases and which sell for comparative prices to local housing.
- 11.24 As the current known houseboats on the island are not moored on Inland waterways they are not subject to regulations which require them to move every 14 days and it is therefore not considered that any of the houseboat owners are Bargees. This means that the current Houseboat Dweller population are not considered to fall under the Government guidance for inclusion in Traveller Counts.
- 11.25 Two reasonable alternatives have been considered to the approach taken. The first is to 'do nothing', that is, not have a robust policy or allocate sites and leave it to the market. This approach was considered as no applications have been submitted since before 2012 and the tolerated sites are functioning well with no recent concerns raised by the travelling community. However, this is not socially responsible. The council wants to ensure all our residents as far as possible have homes that are fit for purpose, have standard and appropriate amenities and utilities as well as access to services.
- 11.26 The second alternative is to delay the plan making process to undertake a further call for sites, assess them and then allocate as necessary. Whilst a reasonable alternative, a delay is not considered appropriate. Therefore, the approach being undertaken is plan led by having a positive but robust criteria based policy in the local plan and to undertake a separate Gypsy and Traveller Sites Allocations DPD.

How the Policy Contributes to Addressing the Issues

- 11.27 The council wishes to allocate appropriate land in appropriate places for all the Island's development needs including residential and homes for the travelling community. However, to date no sites have come forward that are either suitable and/or available.
- 11.28 In the course of the council's 2017 call for sites which informed the 2018 strategic housing land availability assessment (SHLAA) two sites were submitted for a number of uses including homes for the travelling community. Both of these sites have suitability issues. A site in Norton Green is considered not suitable for any residential development due to its isolated location and potential for access issues for caravans. The second site adjacent to Brading is considered suitable for residential but is not in an area where the travelling community currently reside. This could result

- in existing residents being moved from locations where they have jobs, family and or other commitments without having had appropriate engagement.
- 11.29** A third site was put forward for housing and whilst the SHLAA panel thought it might be a suitable site for the travelling community it has not been brought forward for this use and therefore there is a question of availability and deliverability at this stage.
- 11.30** Currently all tolerated/ informal sites are functioning well within their existing communities. Furthermore, no planning applications have been submitted to the council for sites or plots since the adoption of the Core Strategy in March 2012.
- 11.31** As no suitable sites have come forward and no planning applications have been submitted, the council has decided to take a positive but robust policy approach. Draft policy DHWN10 Planning for Gypsy, Traveller and Travelling Showpeople Provision sets out criteria against which applications submitted for homes for the travelling community will be assessed.
- 11.32** The selection of sites for the travelling community should follow similar locational criteria to the selection of housing sites for the settled community. They should be well designed and sympathetic to the local landscape/townscape. The use of soft landscaping on the edge of sites is encouraged even where security fences or walls may be required. Sites must be of a sufficient size to allow for this. There are though, specific aspects of Gypsies and Travellers cultural traditions and preferences which need specific consideration, such as the preference for living in a caravan or working from home and the need to provide space suitable for both sustained periods of settled living whilst also facilitating a nomadic lifestyle. These factors need to be borne in mind when considering sites. These aspects have been reflected in the policy.
- 11.33** Whilst this expedites applications that may be submitted, it does facilitate or meet the current undersupply of sites. Therefore the council will undertake a separate plan led mechanism to ensure the allocation of sites. This is likely to take the form of a separate Gypsy and Traveller Site Allocations development plan document (DPD) following an additional call for sites which will include revisiting other potentially appropriate land. Consideration will also be given to including allocations within the Planning for New Garden Communities DPD. Engagement with the travelling community will assist in the determination of this and any locational and need aspects.