

**Mansfield
District Council**

Housing Technical Paper

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District Council**



1 Executive summary	2
2 Introduction	3
3 Policy Context	5
4 Local Context	7
5 Housing Need	14
Use of the Standardised Methodology	14
Setting the baseline	16
Adjustment for affordability	16
Capping the increase	17
Sub-areas	17
Conclusions	18
6 Housing Target and Supply	19
Setting the Housing Target	19
How Many Homes Should Be Planned For?	20
Strategic Distribution	22
Conclusion	24
7 Other Matters	25
Affordable housing need	25
Elderly and specialist housing need	25
Housing Mix	26
8 Conclusions and Next Steps	28

1 Executive summary

1.1 Along with employment, retail and leisure development, ensuring that there is sufficient suitable land for new housing is important in achieving economic growth for the district. Providing new homes will help in supporting the local economy and offer a greater choice of properties for both existing and new residents to ensure their needs are met.

1.2 This paper pulls together the evidence used in the preparation of the housing target and supply within the Publication Draft Local Plan. It sets out how the housing target and required level of housing supply has been established for the plan period (2013 to 2033) and how this has been distributed around the district. It also addresses the need for affordable and specialist housing including the need for different sized homes.

1.3 The Government have recently introduced a number of changes to planning policy related to the delivery of housing. One of these is the introduction of a standard way of calculating housing need; this is intended to speed up plan making and ensure that there is a consistent approach across the country.

1.4 It is proposed that the Publication Draft Local Plan uses this new standard housing methodology when calculating housing need. This is due to the concerns about the ability to meet the housing need identified in the Strategic Housing Market Assessment and the likely short period between the expected submission of the Local Plan and the full introduction of the standardised housing methodology.

1.5 Applying the standardised housing methodology, this report sets out that the local housing need is 279 dwellings per annum (5580 during the plan period). However, given the aspirations of both Mansfield District Council and Central Government to increase the number of homes built it is proposed to uplift the housing target to 325 dwellings per annum (6500 during the plan period). This is proposed to be distributed as follows:

- Mansfield urban area - 5850 dwellings
- Warsop Parish - 640 dwellings

1.6 An appropriate buffer of between 10% and 20% will also be included on top of this. This buffer will help ensure that the housing target is achieved even if some of the sites anticipated to be built do not come forward.

1.7 As the updated National Planning Policy Framework (NPPF) has been used, references in this paper are to the July 2018 version of the NPPF.



2 Introduction

2.1 One of the key decisions the District Council has to make when preparing the Local Plan is how many homes will be needed during the plan period. Finding sufficient land to meet housing need is one of the most contentious issues a local plan has to address. Balancing the need to provide sufficient homes for existing residents and those who wish to live in the district, with inevitable concerns regarding the impact of meeting such a requirement, is one that requires careful consideration.

2.2 The introduction of the standardised housing methodology means that the vast majority of local planning authorities in England will be using the same approach to calculating housing need. The standardised housing methodology uses projections on the number of households created together with information on the affordability of homes to establish the housing need for a local planning authority area. Where the local housing need cannot be met neighbouring authorities will need to make up any shortfall. It is possible to provide for more dwellings and Inspectors examining plans are encouraged to start from the basis that plans providing more than local housing need are sound.

2.3 This paper has been prepared to:

- Explain the policy background to the identification of local housing need;
- Justify the use of the standardised housing methodology;
- Present the results of the standardised housing methodology and confirm the local housing need for the District;
- Consider if there are any reasons why the local housing need should not be delivered;
- Consider if there are any reasons to plan for more housing than required to meet the local housing need;
- Identify how the supply of housing will be distributed around the district.

Recommendations about which specific sites will be allocated for residential development are set out in the Site Selection Technical Paper (2018).

2.4 Throughout this paper the following terms are used.

- **Local Housing Need** - this is the number of homes that has been assessed as needed in the district during the plan period using the approach in the standardised housing methodology. It may also be referred to as the **Housing Need**. It is assessed on a 'policy-off' basis which means it does not take account of environmental or other constraints or future changes in Government policy;

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- **Housing Target** - this is the number of homes adopted through the local plan process. It may differ from the local housing need as account is taken of constraints to delivery and the aspirations of the local planning authority.
 - **Housing Supply** - this is the level of housing required to be planned for in the district during the plan period in order to meet the housing target. This may be higher than the housing target to account for a range of factors.



3 Policy Context

3.1 The Government published a revised National Planning Policy Framework (NPPF) in July 2018. This document together with the changes to the National Planning Practice Guidance (NPPG) will replace the previous versions of the NPPF and NPPG. Local plans submitted prior to 24th January 2019 will be examined under the 2012 version of the NPPF. It is proposed to take account of the changes in relation to calculating housing need in preparing the Publication Draft Local Plan; other parts of the Local Plan will continue to rely on the 2012 version of the NPPF. Below is a summary of how the NPPF and the NPPG inform the process for establishing the number of homes required.

National Planning Policy Framework (NPPF)

3.2 The NPPF (2018) makes it clear that there should be a presumption in favour of sustainable development (paragraph 11). For plan-making this means that "local planning authorities should positively seek opportunities to meet the development needs of their area" and that "local plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change". Local plans should be a framework for addressing housing needs (paragraph 15) and should be aspirational but realistic (paragraph 16b).

3.3 Paragraphs 59 to 79 of the NPPF (2018) set out the approach to housing. Of particular relevance to this technical paper it sets out that local planning authorities should:

- base strategic plans on the standardised housing methodology unless there are exceptional circumstances that justify an alternative approach;
- identify the size, type and tenure of homes required for different groups (including affordable housing, families, older people, travellers and people who wish to commission or build their own property);
- set out a housing requirement figure for designated neighbourhood plan areas;
- identify a sufficient supply and mix of sites (including sites of 1ha or less) taking account of their availability, suitability and likely economic viability; and
- in rural areas, locate housing where it will enhance or maintain the vitality of rural communities.

National Planning Practice Guidance (NPPG)

3.4 This guidance sets out the standardised methodology for establishing local housing need. The methodology is an easy and transparent process based on publically available data and reflects any imbalance between supply and demand. The figure produced is the starting point; consideration will need to be given to any constraints which mean the local housing need should not be provided. More housing than identified can be provided as a result of significant infrastructure opportunities or economic growth aspirations.

3.5 The Standardised Methodology has three steps:

1. Setting the baseline
2. Adjustment for affordability
3. Capping the Increase

Setting the Baseline

3.6 The demographic baseline is the annual average household growth over 10 year consecutive years from the current year. The most recent projections of household growth should be used to establish this; these are released every two years with the most recent update at the time of writing being released by Office for National Statistics (ONS) in 2016⁽¹⁾. The projections are produced by applying projected household representation rates to population projections produced by the ONS. They are trend based so do not predict the impact that future government policies or other factors might have on demographic behaviour.

Adjustment for affordability

3.7 The Government considers that household growth on its own is insufficient. Household formation is constrained by the supply of available properties and people may be unable to find appropriate accommodation that they can afford where they want or need to live.

3.8 The adjustment is based on median affordability ratios; this compares the median house price to median workplace earnings. For each 1% increase in the ratio above 4 the baseline figure should be increased by 0.25%. These figures are also issued by the ONS⁽²⁾.

3.9 To produce the adjustment factor the calculation is $(\text{affordability ratio} - 4) / 4 \times 0.25$. The final calculation is then to use the adjustment factor plus 1 x the baseline housing growth to produce the local housing need. This figure can then be applied to the plan period; whilst based on a ten year average the requirement to review the local plan every 5 years will mean that, if necessary, the figure can be amended.

Capping the Increase

3.10 In some parts of the country the adjustment required for market signals could result in significant increases in local housing need. To help ensure that any increase is deliverable the Government proposes to cap the increase. The approach to the cap will depend on the status of the local plan and whether it has been adopted in the last 5 years. As this is not the case in Mansfield District, and due to the age of the Local Plan, the cap would be set at 40% above the 10 year average household growth (i.e. the figure identified in step 1).

1 Table 406 of the 2014 based Household Projections
<https://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections>

2 (Tables 5a , 5b and 5c of
<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>.)



4 Local Context

Housing Market Area

4.1 In simple terms a housing market area is a geographic area in which the majority of people, who move home, will move within. It also reflects the functional relationships between where people live and work.

4.2 Migration and commuting data suggests strong links between Ashfield District, Mansfield District and the western parts of Newark & Sherwood District. While there are links with Bolsover and Nottingham City these links are more localised. The following districts previously worked together as the Nottingham Outer Housing Market Area to prepare a strategic housing market assessment:

- Ashfield District;
- Mansfield District; and
- Newark & Sherwood District.

Developers

4.3 There are three different types of developers active in Mansfield District at present. These are:

- Local Developers such as Dukeries Homes, Capita Homes, Rippon Homes, Hymas Homes, Chevin Homes and Linby Homes. This type of developer is generally very local to the Mansfield area and knows the market very well. They tend to build on smaller 'infill' plots, some experimenting with very modern designs, and some including bungalow type dwellings. A number of them build below Mansfield District Council's current affordable housing threshold of 14 homes. As an example, Dukeries Homes are currently building between 30 – 40 dwellings pa. The general build rate is between 1-3 per month. Densities vary depending on the type of development.
- Regional/National Developers such as Avant Homes, Barratts, Persimmon, Taylor Wimpey, David Wilson, Strawsons, Bellway Homes, Gleeson Homes and Miller Homes. These developers generally prefer to build on larger, greenfield sites on the edge of built up areas. The target market is mainly larger family housing, attracting both existing local residents and those relocating from Nottingham due to the better value housing. This type of developer tends to build standard, well-tested products that provide value for money in Mansfield. Current sites include the strategic Lindhurst site south of Mansfield, which is likely to have three developers operating at any one time each building 2-3 dwellings per

month. There are a number of other consented sites which could potentially be developed by this type of developer. Densities on these type of scheme appear to range from 30 dph to 40 dph.

- Mansfield District Council also develops social housing through its Housing Revenue Account. Since 2010 the council has undertaken a development programme of over 215 new homes with plans for around 100 more in the coming years. Properties include those for older people and those for families. The council tends to develop on key regeneration sites or other challenging sites which require considerable remediation works.

4.4 Engagement with local developers and agents has identified that sites providing low cost homes close to and easily accessible by public transport to the town centre were attractive to first time buyers. Local developers noted a high demand in locations close to services and public transport for bungalow type developments to serve the ageing population of the district. The regional developers noted a rising demand for larger family type housing from residents moving out of Nottingham looking for 'value for money' but still able to commute easily using the accessible bus service.

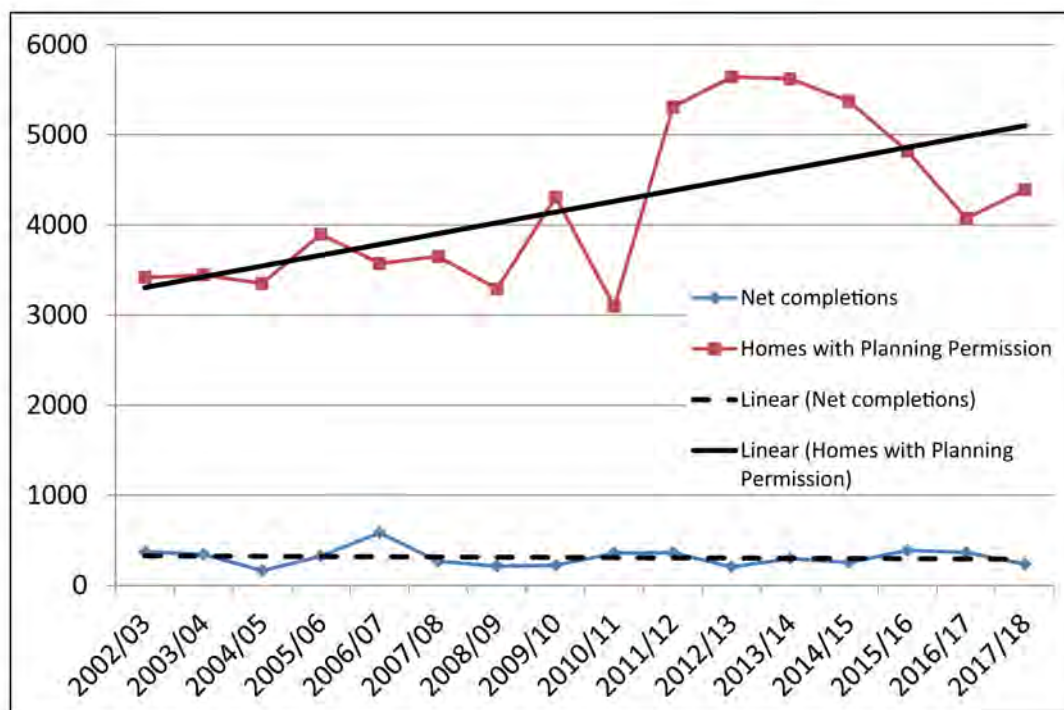
Past Delivery

4.5 Although the District Council, through its role as affordable housing provider, builds a small number of homes for rent or shared ownership each year, it is the private sector that will build the majority of new homes. The role of the District Council as Local Planning Authority is to identify a supply of sites sufficient to ensure delivery of the local housing need as a minimum.

4.6 Despite considerable land having had the benefit of a planning permission, or a resolution to grant planning permission, housing targets have not been met. Delivery rates have averaged 308 dwellings per year since April 2001.



Figure 1 - Affordable housing vs extant planning permissions



4.7 The NPPF (Paragraph 73) sets out that, depending on whether there has been significant under delivery over the previous three years, a buffer of either 5% or 20% (moved forward from later in the plan period) should be applied. 'Significant' is defined as where delivery has been less than 85% of local housing need. The last three years (2015/16 to 2017/18) has seen a total of 991 homes built in the district (an average rate of 330 homes per annum) compared to a requirement for 837 homes (i.e. 279 x 3); this means 118% of the housing target has been met and there has not been significant under delivery.

Table 1 - Net Completions (2001/02 to 2017/18)

Year	Net Completions	Homes Needed	Source of Homes Needed	% of Target Acheieved
2001/02	268	320	Local Plan (1998)	84%
2002/03	373	320	Local Plan (1998)	117%
2003/04	345	320	Local Plan (1998)	108%
2004/05	164	320	Local Plan (1998)	51%
2005/06	325	320	Local Plan (1998)	102%
2006/07	583	320	Local Plan (1998)	182%
2007/08	268	300	Joint Structure Plan (2006)	89%
2008/09	216	300	Joint Structure Plan (2006)	72%

Year	Net Completions	Homes Needed	Source of Homes Needed	% of Target Acheieved
2009/10	224	530	Regional Spatial Strategy (2009)	42%
2010/11	359	530	Regional Spatial Strategy (2009)	68%
2011/12	365	530	Regional Spatial Strategy (2009)	69%
2012/13	206	530	Regional Spatial Strategy (2009)	39%
2013/14	297	279	Local Housing Need (2018)	106%
2014/15	255	279	Local Housing Need (2018)	91%
2015/16	389	279	Local Housing Need (2018)	139%
2016/17	367	279	Local Housing Need (2018)	132%
2017/18	235	279	Local Housing Need (2018)	84%
Total	5239	5721		92%
Average	308 per annum	336 per annum		92%

4.8 Over the last few years a large proportion of housing completions have come forward on 'windfall' sites. These are sites which are defined in the glossary to the NPPF as "sites not specifically identified in the development plan". The table below shows average delivery from windfall sites since 2006:

Table 2 - Average Windfall Completions Per Annum (2006/07 to 2016/17)

Total Average Completions	Dwellings from Windfall sites (1-5 dwellings)	Dwellings from Windfall sites (6-49 dwellings)	Dwelling from Windfall sites (50+ dwellings)	Percentage of Total Completions
320 dwellings	30 dwellings	68 dwellings	76 dwellings	81%

4.9 Windfall development often involves sites within the urban area; this is a benefit as they are generally located in reasonable proximity to services and public transport and do not involve development on open countryside. Those that are smaller in scale often provide opportunities for small and medium house builders. However, windfall sites generally make a limited



contribution to local infrastructure through s106 agreements; due to their size and ad-hoc nature it is more difficult to plan for infrastructure. An over reliance on windfall for delivery does not deliver positive plan making⁽³⁾.

Demographic Changes

4.10 It is not only the overall size of the population that is changing. There are also important changes to the projected age profile of residents in the district that will need to be addressed, to ensure that the right type of properties will be provided for.

4.11 Data on the ageing population can be found in the 'Housing Needs for Particular Groups Study' (April 2018) available on the Council's website⁽⁴⁾. Key findings of this study include:

- a 50% to 52% increase in the population aged 65+ years over the plan period (2013 to 2033);
- 13% of household growth identified as being households requiring specialist housing for older persons; and
- a 62% to 65% increase in the number of people with a long term health problem or disability over the plan period (2013 to 2033).

Housing Mix

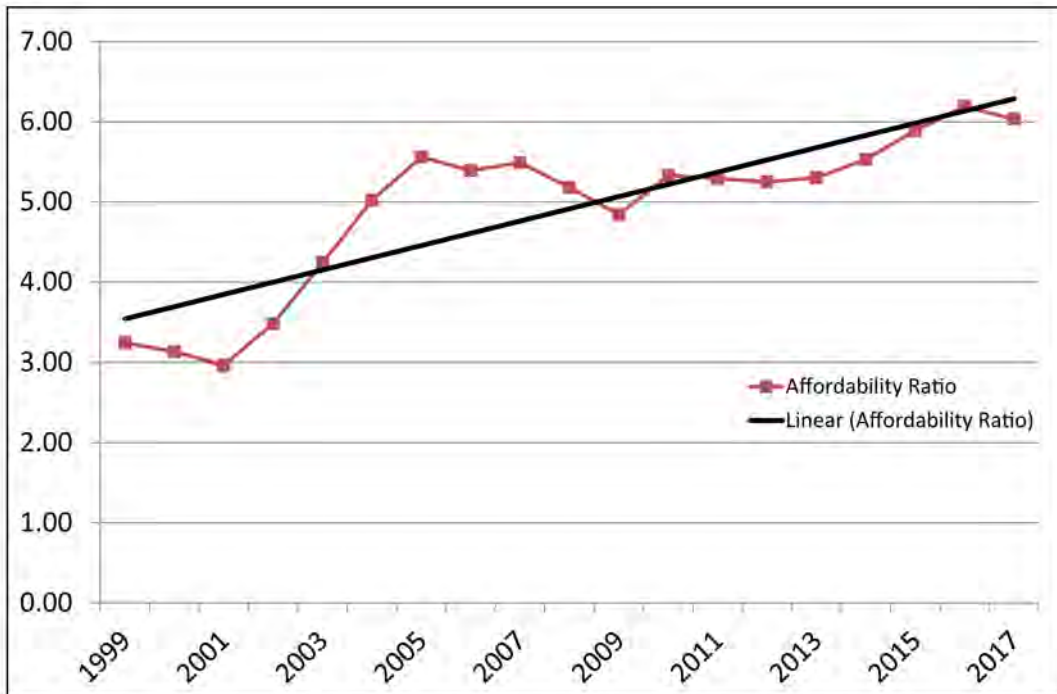
4.12 The provision of sufficient affordable housing is also a consideration that needs to be addressed through the local plan. The provision of sufficient homes, including homes that people can afford, is a council priority. Issues around affordable housing, the types of affordable housing, barriers to supply and delivery are complex but the ability for people to acquire their own homes or rent suitable housing can be challenging. This is not just the case in the district, but is a national issue. The difference between peoples earnings and property/rental prices, the ability to be granted mortgages, and the shortage of sufficient social and affordable rented properties are all factors which contribute to the affordable housing shortage.

4.13 As is shown through the application of the standardised housing methodology, median house prices are over 6 times median incomes within the district. The trend data since 1999 shows the situation worsening; this means that fewer people are able to afford homes in the district then in 1999.

3 More details about windfall can be found in Appendix B of the Site Selection Document (2018)

4 <http://www.mansfield.gov.uk/CHttpHandler.ashx?id=9902&p=0>

Figure 2 - Affordability ratio



4.14 Affordable housing requirements are currently set out in the Interim Planning Guidance published in 2008⁽⁵⁾ and secured through s106 agreements; this will be superseded by the local plan once adopted. The actual delivery of new affordable housing through the planning system has been minimal and can vary significantly between different years depending on the type of site being developed. This is, in part, due to the reduction in the delivery of sufficient market housing and viability issues.

Table 3 - Affordable Housing Completions (2012/13 to 2017/18)

Year	Net Completions	Affordable Homes Completed	% of Completions
2012/13	206	8	4%
2013/14	295	20	7%
2014/15	254	76	30%
2015/16	391	71	18%
2016/17	367	76	20%
2017/18	237	25	10%
Average	292	46	16%

5 <http://www.mansfield.gov.uk/CHttpHandler.ashx?id=7084&p=0>



4.15 Through the changes to the NPPF, policy relating to affordable housing is also being changed. Starter homes should now be included as part of the mix of affordable housing that responds to local needs and markets. These are homes which are reserved for first time buyers with a household income of less than £80,000. Starter homes are to be sold at a discount of 20% of market value but there is a 15 year period during which buyers will be required to repay part of the discount.

4.16 Further consideration will be given to affordable housing policy in the Local Plan including the mix of different types; this will be reviewed in the light of any announcements or changes to the policy made by the Government. Further details can be seen in Section 7 of this Paper.

5 Housing Need

5.1 As set out above, establishing the number of homes that are needed over the plan period is an important step in preparing a local plan. The number of homes required has implications for a range of other issues including infrastructure, employment and the environment. It is proposed that the standardised housing methodology will be used to identify the local housing need for the District; this part of the Technical Paper justifies the use of the standardised housing methodology and sets out the assessment using the steps identified in Chapter 3:

- setting the baseline;
- adjustment for affordability; and
- capping the increase.

5.2 This section also goes on to consider what the housing target should be and the distribution of housing need within the different sub-areas that make up the district.

Use of the Standardised Methodology

5.3 Based on the previous policy approach Mansfield District Council, jointly with the other local authorities that make up the Nottingham outer housing market area, commissioned consultants to prepare the Strategic Housing Market Assessment (2015) to identify the scale of housing need. The Strategic Housing Market Assessment (2015) uses a range of information including on demographics, house prices, social housing and migration to identify a need within the district for 7520 dwellings during the plan period. This is an average of 376 dwellings per annum.

5.4 There are concerns that a target of 376 dwellings per annum is unrealistic; to achieve this target whilst delivering a five year housing supply would require an average rate over the five years from April 2018 of 530 dwellings per annum. In comparison, average net completions since 2001 are 308 dwellings per annum. It would require an uplift of 72% to achieve the scale of housing required.

Housing Target	7520 or 376dpa
Five Year Requirement (April 2013 to March 2018) inc 20% buffer for past under delivery	2256
Built (April 2013 to March 2018)	1544 or 309dpa
Shortfall	336
Five Year Requirement (April 2018 to March 2023) inc 20% buffer for past under delivery and shortfall	2659 or 531dpa

5.5 It is noted that there has not been an up to date local plan in the district for a number of years. The long term average (308dpa) and the average over the last five years (309dpa) are similar suggesting that the lack of a local plan has not significantly affected the ability of development to come forward. It is possible, however, that delivery rates could have been higher with a local plan in place.



5.6 In order to assess the potential uplift that the adoption of a local plan could deliver a review was taken of adopted local plans in the East Midlands to establish the uplift experienced elsewhere. This review shows that the median average increase in net completions was 47% with a range of -38% to +151%. To achieve 530dpa would require an uplift of 72%; the only authorities to achieve this scale of uplift in the East Midlands are considered to have much stronger housing markets (Blaby, Broxtowe Daventry, Rushcliffe and South Northamptonshire) or have benefitted from recent investment in transport infrastructure which is likely to have driven housing growth (Broxtowe).

Change in delivery following adoption of Local Plan

	Pre-adoption Average	Post-adoption Average	Percentage Change
Bassetlaw District	322	303	-6%
Blaby District	250	627	151%
Broxtowe Borough	109	193	77%
Chesterfield Borough	116	171	47%
Daventry District	222	523	136%
Erewash Borough	226	338	50%
Gedling Borough	300	186	-38%
Hinckley and Bosworth Borough	416	457	10%
Newark and Sherwood District	398	382	-4%
Oadby and Wigston Borough	91	96	5%
Rushcliffe Borough	295	508	72%
South Kesteven District	799	930	16%
South Northamptonshire	293	527	80%
		Mean	46%
		Median	47%

5.7 To deliver 530dpa in the next five years would also require an increase in the number of homes with extant planning permission. However, as is shown by Figure 1 above, there is limited evidence that increasing the number of homes with extant planning permission leads to an increase in net completions in the district.

5.8 It is not considered likely that the housing market in the district could absorb delivery of 530dpa during such a short period without a negative impact on house prices. As identified by the preliminary update of the Letwin Review of build out rates, ⁽⁶⁾ absorption rates (the rate at which new homes can be sold into the housing market without materially disturbing the market price) is the fundamental driver of build rates. Due to the finely balanced viability situation in Mansfield a reduction in house prices would likely make a number of sites unviable meaning they would not be delivered.

5.9 There are also concerns about the ability of Mansfield to accommodate the scale of development required in terms of the impact on infrastructure (including education and health provision) and the highway network. Together the Infrastructure Delivery Plan (2018) and the

6 <https://www.gov.uk/government/publications/independent-review-of-build-out-preliminary-update>

Transport Study (2018) have assessed the scale of growth required to achieve the housing need identified in the SHMA and identified the improvements to local services, roads and junctions required to accommodate that growth.

5.10 These documents show that to deliver a supply of sites sufficient to ensure that the SHMA target of a minimum 376dpa is achieved would require developer contributions that equate to over £8000 per dwelling. An assessment of s106 contributions from previous sites, however, shows that new homes in Mansfield have only delivered contributions of around £1700 per dwelling.

5.11 If we were unable to demonstrate a five year supply of housing land the adopted Local Plan would be considered out of date and the presumption in favour of sustainable development would apply; in effect the Local Plan would be adopted and then instantly out of date.

5.12 Given the introduction of the standardised housing methodology and the concerns about the ability to deliver the target identified by the Strategic Housing Market Assessment (2015) it is proposed to use the standardised housing methodology to establish local housing need for the Local Plan.

Setting the baseline

5.13 As set out above, the baseline is set using the average growth in households for a 10 year period using the most recent projections. At the time of writing the most up to date projections (2014 based) show the following scale of growth for the period between 2018 and 2028:

Households 2018	47,079
Households 2028	49,548
Total 2018 to 2028	2469
10 Year Average	247

Adjustment for affordability

5.14 An adjustment to take account of the affordability of homes is applied to the baseline. This is based on the ratio between median house prices and the median income of workers in the area. The table below sets out the affordability ratio for Mansfield District:

Median House Prices (Year ending September 2017)	£127,000
Median Workplace Income (2017)	£21,045
Affordability Ratio	6.03

5.15 An uplift of 0.25% is applied to the baseline for each 1% the ratio is above 4. The calculation is set out above and in the NPPG. This means that the adjustment factor is as follows:

$$(6.03-4)/4=0.51$$

$$0.51 \times 0.25 = 0.13$$



5.16 Therefore Local Housing Need is:

$$(1+0.13) \times 247 = \mathbf{279 \text{ Homes}}$$

5.17 Over the plan period this would mean that enough sites to deliver a minimum of 5580 homes will need to be included in the Local Plan.

Capping the increase

5.18 To ensure that the uplift from the market adjustment is deliverable the Government have capped any increase depending on the adoption date of the local plan. As the current Local Plan was adopted in 1998 it is considered to be substantially out of date. This means that the cap is 40% above the 10 year average household growth figure (i.e. the 247 homes identified above). Therefore the local housing need arising from the standardised methodology would be capped at 346 homes per annum. As local housing need is below this level no cap is applied.

Sub-areas

5.19 Local housing need is only calculated at the district level; household projections are not available for areas such as wards. However information from the 2011 Census can be used to identify housing need based on the share of the population for smaller areas. Due to the availability and format of information it would only be possible to break down housing need into smaller areas based on electoral wards.

5.20 For the district two sub-areas were looked at:

- Warsop Parish (made up of the wards of Market Warsop, Medan, Netherfield and Warsop Cars); and
- Mansfield urban area (all other wards and including Mansfield Woodhouse, Forest Town, Clipstone, Rainworth and Pleasley).

5.21 Within the Mansfield urban area wards do not reflect the situation on the ground or recognisable communities. Additionally it would be highly unlikely that each electoral ward could meet its own housing need and a ward by ward breakdown could not be used for site selection. As such it is not proposed to break down housing need into smaller areas for areas outside of Warsop Parish. Warsop Parish is also preparing a neighbourhood plan; as part of this we are required to identify a housing need figure for this area.

5.22 As at the 2011 Census the population of Mansfield was as follows:

- Total population - 104,466 people (100%)
- Warsop Parish - 11,999 people (11.5%)
- Mansfield Urban Area - 92,467 people (88.5%)

5.23 If Local Housing Need were distributed based on this split it would result in a need for:

	Homes Per annum	Total Homes (2013 to 2033)
Warsop Parish	32	640
Mansfield Urban Area	247	4940
Total	279	5580

Conclusions

5.24 As set out above, the Local Housing Need for Mansfield District is **279 homes per annum** (5580 homes during the plan period). This is split between the different areas as follows:

- Warsop Parish - 32 homes per annum (640 homes during the plan period); and
- Mansfield Urban Area - 247 homes per annum (4940 homes during the plan period).



6 Housing Target and Supply

6.1 Having gathered up to date evidence about the need for housing, the Local Plan needs to identify an appropriate housing target and housing supply to meet this. As explained above the local housing need is sometimes referred to as a 'policy off' position whereas the housing target set through a local plan needs to take account of environmental constraints which may mean local housing need cannot be achieved and economic growth aspirations which will increase the demand for housing in the area.

Setting the Housing Target

6.2 The requirement from government in the NPPF (paragraph 11) is that strategic plans should, as a minimum, provide for the objectively assessed needs for housing unless there are policies in the NPPF which provide a strong reason for restricting the scale of development or the adverse impacts of doing so would significantly outweigh the benefits when assessed against the NPPF as a whole. In terms of policies restricting the scale of development, the NPPF identifies the following:

- sites protected under the Birds and Habitats Directives;
- sites designated as Sites of Special Scientific Interest;
- Green Belt;
- Local Green Space;
- Areas of Outstanding Natural Beauty (AONBs);
- Heritage Coasts;
- National Park (or the Broads Authority);
- Designated heritage assets and other assets of archaeological interest;
- irreplaceable habitats including Ancient Woodland; and
- locations at risk of flooding or coastal erosion.

6.3 Within Mansfield District there is no Heritage Coast, Green Belt, AONB or National Park. The other matters have been considered through the Housing & Economic Land Availability Assessment (HELAA) process to establish if sites are suitable, available or achievable for development and also through the Sustainability Appraisal. The findings of the HELAA show that there are more than enough suitable, available and achievable sites to achieve the Local Housing Need of 279 homes per annum.

6.4 A housing target of 279 homes per annum could be achieved with fewer homes being built than have been over the long term. However, this would not align with the councils or the Governments aspirations to increase the number of homes built. It would also do little to address the worsening trend of affordability in the district although it is recognised that macro-economic factors will also affect this trend.

6.5 The local housing need produced by the standardised methodology is a starting point; local planning authorities are able to increase their housing target to account for economic growth aspirations or strategic infrastructure (e.g. HS2) in their area. The Inspectors appointed to examine local plans will be instructed to assume that plans with a target higher than local housing need are sound unless there are compelling reasons to indicate otherwise.

6.6 It is therefore proposed to set the housing target at 325dpa or 6500 dwellings over the plan period. This is considered an appropriate target for two reasons.

6.7 Firstly, it delivers a 5% increase on the average number of homes built since 2001/02.

6.8 Secondly, as part of the SHMA (2015) ⁽⁷⁾ it was identified that the district required 328dpa (6560 over the plan period) in order to provide the housing necessary to support the economic growth that would be produced by all the projects in the the D2N2 Local Enterprise Partnership Growth Strategy⁽⁸⁾. This level of economic growth is being planned for in the Local Plan.

6.9 325dpa will deliver an uplift against past delivery and local housing need, and is also considered to align closely with economic growth aspirations of the LEP. It is considered to be both aspirational and realistic in accordance with paragraph 154 of the NPPF.

6.10 It is understood that neighbouring authorities are currently able to meet their own needs and there is no need to provide for some of their local housing need through the duty to cooperate.

How Many Homes Should Be Planned For?

6.11 Paragraph 23 of the NPPF (2018) requires that strategic plans should provide a clear strategy for bringing forward sufficient land at a sufficient rate to address development needs over the plan period. Additionally paragraph 59 sets out that Government's objective is to boost significantly the supply of housing. A number of local plans that have recently been found sound have included a buffer of between 10% and 20% on top of their housing need. This buffer provides a number of benefits:

- Positive planning by ensuring that there are sufficient sites allocated to provide flexibility if circumstances with any of the sites change; and
- Gives the housing market a range of sites to allow delivery.

7 Table 29 <http://www.mansfield.gov.uk/CHttpHandler.ashx?id=9661&p=0>,

8 <http://www.d2n2lep.org/growth>



6.12 Not including a buffer will provide no flexibility if any of the sites currently with planning permission or allocated in the Local Plan do not come forward or come forward more slowly than anticipated. A number of factors could lead to housing not being delivered at the required rate. Factors include:

- **Nature of the developer.** In some cases sites are taken forward by companies who specialise in gaining planning permission before selling the land to a house builder. This can extend the time between planning permission being granted and development starting.
- **Industry Capacity.** The construction industry can be constrained by the availability of skilled labour and materials. This can affect the number of homes that can be built in an area.
- **Viability.** Where the expected sales values generated by a development do not exceed the cost of development (including a reasonable profit) the development is not financially viable. The cost of development is affected by a range of factors including land values, cost of materials and labour, borrowing costs and the costs of meeting policy requirements (e.g. education, affordable housing and open space). Sales value can be affected by the type of property offered, the areas surrounding the site and the level of wages/income in the area. Sites that are not currently financially viable are unlikely to be developed until circumstances change.
- **Economic Conditions.** Changes to the global and national economy could impact on consumer confidence and the ability of people to afford mortgages leading to a reduction in housebuilding. This link was clearly shown following the financial crash of 2008.
- **Legal Challenges.** The grant of planning permission can be challenged through the Courts. This can result in substantial delays as the issue can return to the Courts a number of times.

6.13 This means that not every site that is granted planning permission is actually developed. Analysis of the situation between 2006/07 and 2016/17 shows that around 11% of the homes granted planning permission have subsequently lapsed without development starting. This figure excludes sites where a legal start was made but no homes have been built. It would be appropriate to take account of the likelihood that not every site that is granted planning permission would be developed.

6.14 The table below has been updated since the previous version of the Housing Technical Paper issued in 2017 as part of the Preferred Options Consultation. An error resulted in the incorrect information being used to prepare the table and a higher lapse rate being shown.

Table 6 - % Of Homes Granted Planning Permission Since Lapsed (2007/08 to 2015/16)

Year	Total Homes Granted	No. Homes Lapsed	% of Total Lapsed
2006/07	267	144	53.93%

Year	Total Homes Granted	No. Homes Lapsed	% of Total Lapsed
2007/08	362	132	36.46%
2008/09	512	72	14.06%
2009/10	365	24	6.58%
2010/11	698	1	0.14%
2011/12	369	216	58.54%
2012/13	545	52	9.54%
2013/14	2103	11	0.52%
2014/15	411	1	0.24%
2015/16	147	0	0%
2016/17	192	0	0%
Total	5971	653	10.94%

6.15 In conclusion, it is considered that it is appropriate to identify sufficient housing sites to deliver the local housing need plus a buffer of between 10% and 20%; the exact scale of the buffer will need to be identified as a result of the available sites. This approach has been found sound in a number of other Local Plans. It allows for the supply of allocated housing sites to provide a degree of flexibility to account for unforeseen problems and help ensure that a five year housing land supply is delivered. It is not considered that delivery of new homes on brownfield land will be significantly affected; the majority of brownfield sites are smaller in scale than the available greenfield sites and will have lower upfront infrastructure costs.

6.16 This means that the Local Plan will need to allocate between **7150 and 7800 homes** to ensure delivery of the local housing need.

Strategic Distribution

6.17 Housing need could be distributed based on the population distribution identified in the 2011 Census. This would mean housing need being distributed 88.5% to the Mansfield urban area and 11.5% to Warsop Parish. However, an alternative distribution could be adopted; this could reflect the availability of sites, the character of different areas or different levels of environmental constraints.

6.18 Table 7 below sets out an assessment of the four distribution scenarios considered. A review of the outcome of the HELAA process has indicated that there are insufficient sites to deliver Options 3. This means that it is not a 'reasonable alternative' and will not be taken further. Whilst Options 2 and 4 are deliverable they do not reflect the scale of need within Warsop Parish and are not the preferred approach.



6.19 As such growth within the District for the plan period (2013 to 2033) will be distributed using Option 1:

- Mansfield urban area - 90%
- Warsop Parish - 10%

Table 7 - Strategic Distribution Options

Option	Pros	Cons
<p>Option 1</p> <p>Mansfield UA - 90%</p> <p>Warsop Parish - 10%</p>	<p>Broadly reflects split of population in 2011 Census</p> <p>Focuses most growth on most sustainable settlement but allows development in rural communities</p> <p>Sufficient sites to deliver</p>	<p>Reduced benefit for rural communities</p>
<p>Option 2</p> <p>Mansfield UA- 80%</p> <p>Warsop Parish - 20%</p>	<p>Delivers higher level of growth at Warsop Parish - supports rural communities</p> <p>Sufficient sites to deliver</p>	<p>Likely to increase pressure on A60 corridor and poorer access to MARR and M1</p> <p>Does not reflect split of need in SHMA - diverts need from Mansfield urban area</p>
<p>Option 3</p> <p>Mansfield UA - 80%</p> <p>Market Warsop - 10%</p> <p>Church Warsop - 3.3%</p> <p>Medan Vale - 3.3%</p> <p>Rainworth - 3.3%</p>	<p>Delivers higher level of growth at villages - supports rural communities</p> <p>Recognises smaller settlements in their own right</p>	<p>Likely to increase pressure on A60 corridor and poorer access to MARR and M1 (other than Rainworth)</p> <p>Does not reflect split of need in SHMA - diverts need from Mansfield urban area</p> <p>Insufficient sites to deliver growth at all three smaller settlements.</p>
<p>Option 4</p> <p>Mansfield UA- 95%</p> <p>Warsop Parish - 5%</p>	<p>Focuses majority of growth on most sustainable settlement but allows some development in rural communities.</p> <p>Lowest impact on A60 corridor.</p>	<p>Does not reflect split of need in SHMA - diverts need from Warsop Parish.</p> <p>Least benefit for rural communities.</p>

Option	Pros	Cons
	Sufficient sites to deliver.	

Conclusion

6.20 The standardised housing methodology has identified a local housing need of 279 dwellings per year; based on the 2011 Census this is split between the Mansfield urban area (247 dwellings per year) and Warsop Parish and its surrounding smaller settlements (32 dwellings per year). There are not considered to be any reasons to set a housing target below 279dpa. Due to the economic growth aspirations it is proposed to set the housing target as 325dpa. This is an increase on the long term average and would ensure that the workers that would result from the D2N2 LEP Growth Strategy would be accommodated.

6.21 Broadly following the split in the 2011 census it is proposed to distribute 90% of the housing target to the Mansfield urban area and 10% to be shared between the settlements in Warsop Parish. This means that the Local Plan will identify the following housing targets:

- Mansfield urban area - 5850 homes
- Warsop Parish - 650 homes

6.22 In order to ensure the delivery of the Housing Target it is proposed to provide a housing supply that equates to the local housing need plus a buffer of between 10% and 20% depending on the potential sites. This is to provide flexibility in case any of the sites allocated or with extant planning permission do not come forward or come forward more slowly than anticipated. This means that a total of between 7150 homes and 7800 homes will be planned for through the Local Plan. This means that the supply provided by the Local Plan will range as follows:

- Mansfield Urban Area - between 6435 and 7020
- Warsop Parish - between 715 and 780 homes



7 Other Matters

7.1 As well as setting the overall need for housing, the Strategic Housing Market Assessment (SHMA 2015) also considered the need for affordable housing, elderly and specialist housing need and the mix of homes required. Additional evidence has been provided by a specific study on the housing needs of particular groups which has helped inform emerging planning policies.

Affordable housing need

7.2 Although housing is relatively inexpensive in the district, compared to regional and national averages, household incomes are also well below the national average. This makes affordability an issue in the district and, as can be seen above, this situation is worsening.

7.3 The SHMA (2015) took account of a wide range of data including those in current need of affordable housing, newly arising need within the plan period, the existing supply of affordable housing, and future supply from re-lets of existing stock. It identified a need for 64 of the 376 units required per year (or 1280 during the plan period) to be affordable. This meant that 17% of all housing delivered within the plan period would have to be affordable.

7.4 It is considered that this represents an appropriate level of need and to apply this to the 325dpa housing target now proposed. This means that affordable housing need is considered to be **55dpa or 1100 over the whole plan period (2013 to 2033)**.

7.5 The guidance on housing need assessments states that total affordable housing need should be considered in the context of its likely delivery as a proportion of mixed market and affordable housing, given the probable percentage of affordable housing to be delivered by market housing led developments.

7.6 For this reason the target for affordable housing to be set in planning policy needs to balance need and likely delivery. The delivery of housing depends upon its financial viability; should affordable housing targets be set too high without flexibility, housing (both market and affordable), will fail to be delivered. Viability will be considered as part of the preparation of the Local Plan informed by the Viability Appraisal.

Elderly and specialist housing need

7.7 As well as establishing the amount of market and affordable housing needed in the district, the SHMA (2015) has also looked at the need for specialist housing for both older people and those with specialist needs such as long term illness.

7.8 As stated above, the NPPF requires planning authorities to plan for a mix of housing based on current and future demographic trends. The Housing Needs for Particular Groups Study (April 2018) identifies that, within Mansfield District:

- there will be a 50 to 52% increase in the population aged 65+ years during the plan period (2013 - 2033);

- 13% of household growth during the plan period (2013-2033) is identified as requiring specialist housing for older persons; and
- there will be a 62% to 65% increase in the number of people with long term health problems or disability during the plan period (2013-2033).

7.9 While not all elderly people will need or want specialist accommodation, the forecast increase in the resident elderly population is significant. For this reason the local plan will need to include ways to ensure that appropriate housing is provided for those residents that need to or wish to live in such accommodation. This could include a mix of apartments and bungalows.

7.10 In addition to an increasing number of elderly residents, the district has a high proportion of residents with long-term health problems or disability. The 2011 census indicates that 23.7% of the district's residents have long term health problems, compared to a national average of 17.6%; 30.6% of households in the district have a member who suffers with a long term health issue. For this reason there is good justification for appropriate accommodation to be provided.

7.11 Building regulations can only insist that accessible and adaptable dwellings or wheelchair user dwellings are provided if policies are included within local plans. It will therefore be important that policies in the Local Plan enable the delivery of the required levels of specialist accommodation for both elderly and disabled residents. The Housing Need Study recommended that all new dwellings meet Part M4(2) of the Buildings Regulations and a percentage meet the higher Part M4(3) however a policy has not been included in the Local Plan.

Housing Mix

7.12 Housing mix, in terms of the type of property (e.g. detached, terraced, flats etc) and size of property (number of bedrooms) is also covered by the Housing Needs of Particular Groups Study (April 2018). However, specifying the size of property that should be built is difficult. Developers will build what they can sell, and while someone may be in need of a two bedroom property, they may aspire to or actually seek to buy a three bedroom property. Within the district there is also a smaller number of 'higher value' properties, such as those with four or more bedrooms; the council are keen to promote greater proportions of these properties in suitable locations to help diversify the district's housing stock.

7.13 The Housing Needs of Particular Groups (April 2018) recommended the following mix of house types but suggested that this be used as a monitoring tool rather than a fixed policy in the Local Plan. This suggestion reflects that the 'market' is sometimes a better judge of the most appropriate profile at a certain point in time and that demand can be linked to macro-economic factors and local supply.

Table 8 - Mix of Homes Required

	1 - Bed	2-Bed	3-Bed	4+Bed
Market	5%	30%	45%	20%
Affordable	40%	35%	20%	5%



	1 - Bed	2-Bed	3-Bed	4+Bed
Low Cost Home Ownership	15%	40%	40%	5%
All Dwellings	10%	35%	45%	10%

8 Conclusions and Next Steps

8.1 This Technical Paper sets out a housing target for the district of **325 homes per year or 6500 homes** during the plan period. In order to ensure the best possible chance of delivering this requirement it is proposed to provide a housing supply of 6500 homes plus a buffer of between 10% and 20% depending on the availability of suitable sites. This equates to a supply of between 7150 and 7800 homes within the Local Plan. It is proposed to distribute these homes as follows:

- Mansfield urban area - 6435 to 7020 homes (90%)
- Warsop Parish - 715 to 780 homes (10%)

8.2 These figures are for the whole plan period (2013 to 2033). Account will need to be taken of any homes that are already committed. This includes homes that have already been built, homes with a deliverable planning permission and, if justified, an allowance for 'windfall'. Where these sources do not produce a sufficient housing supply, additional sites, either within or adjoining existing settlements, will need to be identified as part of the housing supply. The actual supply may exceed this figure due to the nature of the sites identified; the cumulative impact of these sites will be assessed through the Sustainability Appraisal.

8.3 Details of the sites that will be included in the housing supply are set out in the Site Selection Technical Paper (2018).

8.4 Consideration will be given to the exact nature of any policies to be included in the Local Plan on elderly and specialist housing, affordable housing and the mix of homes.