

Appendix 3: Tenure, Size and Type Guidance

The Draft Local Plan delegates this guidance to the Housing Strategy 2018-2023 so that it can be kept under regular review.

1. The Purpose of this Guidance

- 1.1. We want Basildon to be a place where people can find homes which meet their needs. To do this we need the right balance of property sizes, property types and tenures. The profile of Basildon's residents is expected to change and we need to ensure that the housing built in the Borough will meet the needs of both current and future residents.
- 1.2. We need a mix of homes which meets our resident's aspirations and provides opportunities for households to 'right size' as their circumstance change.
- 1.3. This guidance will set out the appropriate tenure mix, unit size and property type needed to meet the specific needs of existing and future households in the Borough, taking into account the latest South Essex Strategic Housing Market Assessment (SHMA) and the Housing Strategy.

2. National Policy context

2.1. Paragraph 50 of the National Planning Policy Framework (NPPF) states that

To deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should:

- (i) *Plan for a mix of housing based on current a future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to families with children, older people, people with disabilities, service families and people wishing to build their own homes);*
- (ii) *Identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand*

2.2. The NPPF defines affordable housing as

Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.

3. Local Policy Context

- 3.1. The Basildon Borough Planning Obligations Strategy SPD 2015 seeks provision equivalent to 36% of new build dwellings delivered in the Basildon Borough to be affordable.
- 3.2. Affordable housing is required on all sites of 11 or more units or on land of more than 0.2ha.
- 3.3. All affordable housing should be provided within the development site. However, where it can be demonstrated that other sound planning reasons exist for not doing so, the following alternatives will apply:
 - a) Partial on-site provision and a financial contribution; or
 - b) A full financial contribution in lieu of no on-site provision.

4. Market Housing Guidance

Tenure

- 4.1. The Basildon Housing Needs Review 2015 indicated that the majority of households anticipating moving home both preferred and expected to purchase a property.
- 4.2. The South Essex Strategic Housing Market Assessment (SHMA) May 2016 identified that 46% of households in Basildon Borough are able to afford to

purchase a lower quartile property on the open market and 61% of households are able to afford to rent a property on the open market.

Size

- 4.3. The SHMA Addendum May 2017 recommended that the changing demographic profile of Basildon will generate a demand for the mix of property sizes specified in Table 1

Table 1: Demand for Size of Accommodation 2014-2037

No of bedrooms	1 bed	2 beds	3 beds	4+ beds
Proportion of additional households requiring	14%	26%	40%	20%

Source: South Essex SHMA Addendum 2017

Type

- 4.4. The SHMA 2016 indicated, that based on the current propensity for households of different ages to occupy different types of accommodation, the types of accommodation likely to be needed in the future are as given in Table 2

Table 2: Demand for Types of Accommodation 2014-2037

Type	Detached	Semi-detached	Terraced	Flats
Proportion of additional households requiring	22%	28.3%	32.6%	17.1%

Source: South Essex SHMA 16

- 4.5. This modelling exercise provides an interpretation of available historic evidence to estimate the size of housing which may be required. In reality, the profile of housing delivered is likely to be driven by the market. The individual mix of housing provided on a site-by-site basis will need to take account of local market evidence and viability considerations, which will have an important influence on the appropriate mix.
- 4.6. The SHMA 2016 identified that only 47.2% of persons working in the Basildon Borough live within the borough. While there is a demand for smaller properties, there is also a need for a proportion of new homes to be larger 'executive type dwellings to suit the needs of higher income households and professionals. This will help diversify the Boroughs housing

offer and reduce out-migration of these households improving Basildon's social-economic profile and overall sustainability.

5. Affordable Housing Guidance

5.1. The South Essex SHMA 2016 identified, in the Basildon Borough that 39% of households cannot afford to purchase or rent a home on the open market.

5.2. The South Essex SHMA addendum 2017 recommends the provision of an additional 391 affordable homes per annum.

Tenure

5.3. The South Essex SHMA addendum 2017 identified that shared ownership plays a role in meeting housing needs in the Borough.

5.4. Table 3 below indicates the proportion of households able to access a range of housing products for both rent and purchase.

Table 3: Proportion of Households Unable to Afford Housing Products

Open Market Purchase (lower quartile)	54%
Est. Starter Homes	47%
Open Market Rent	39%
Shared Ownership (40%)	39%
Affordable Rent (80%)	31%
Affordable Rent (60%)	21%

Source: South Essex SHMA 2016 Fig 6.2

5.5. The SHMA 2016 found that:

54% of all households are unable to purchase a home without assistance (Households in Need)

39% of all households are unable to access shared ownership products and, therefore, need affordable rented housing.

Therefore 72% of Households in Need are unable to purchase a home require affordable rented housing and 28% are able to access affordable home ownership options.

Therefore the Council will seek a tenure split of 70% rented and 30% intermediate Affordable Housing including Shared Ownership.

5.6. Shared ownership Affordable Housing should be made available at the option of an initial purchase share of up to 40% and a maximum annual rent of 2.75% of unpurchased equity.

Size

5.7. The South Essex SHMA addendum 2017 made a recommendation for the estimated need for affordable housing by size of property as specified in Table 4.

Table 4: Estimated Need for Affordable Housing by Size

No of bedrooms	1 bed	2 beds	3 beds	4 beds
Estimated proportion of households requiring	8%	39%	47%	6%

Source: South Essex SHMA 2016

- 5.8. However, it is noted that this is based on the assumption that household will continue to occupy properties of the same size as equivalent households have occupied in the past.
- 5.9. In Basildon Borough three bedroom properties have previously been allocated to households who only requiring two bedroom properties as the supply of three bedroom units was greater than the demand. Recent welfare reform changes, including the implementation of the Spare Room Subsidy restricts under occupation. This has resulted in an increased demand for smaller units for downsizing households and prevented properties being allocated and under occupied.
- 5.10. The Council, therefore, currently seeks provision of Affordable Housing to be provided in proportions as illustrated in Table 5. This reflects the shortfall in affordable housing needed to meet current demand on Basildon Council's Homeseeker Register

Table 5: Current Required Size Split for Affordable Housing

1 bed	2 bed	3 bed	4 bed
39%	53%	5%	3%

- 5.11. A full illustration of how this has been calculated is given in Appendix 2 of the Housing Strategy: Evidence Base for Housing Strategy, Figure 26.
- 5.12. The demand on Basildon's Homeseeker Register will be monitored and this recommendation in table 5 will be reviewed annually.
- 5.13. Current demand for Shared Ownership in the Basildon Borough is indicated by the South and East Help to Buy Register. To reflect the ability of a household to secure a mortgage only households with an income in excess of £22,000 have been included.

Table 6: Current Demand for Shared Ownership Housing

	1 or 2 beds	2 or 3 beds	3 or 4 beds	4+ beds
Proportion of households seeking to purchase	57%	23%	10%	5%

Source: South and East Homebuy Agents Sept 2017

5.14. To reflect this demand Shared Ownership supply should focus on the provision of one and two bedroom units.

5.15. This demand will be reviewed and updated annually.

Type

5.16. To promote mixed communities and minimise social exclusion the Council would expect affordable units to be integrated effectively into the overall development. On larger developments it may be appropriate for affordable units to be located in small clusters for management purposes. This is particularly preferable in the case of flats where there will be a need to ensure that service charges remain affordable.

5.17. The affordable units should be indistinguishable from the market housing in terms of their location, external appearance, design standards and build quality.

6. Improving our Housing Offer

6.1. In March 2015 the DCLG issued Nationally Described Space Standards. The Draft Local Plan proposes to require all new housing developments to meet these standards. Recognising that the space standards may be difficult to achieve within some conversions, the council will be flexible when applying this standard to new homes arising from the conversion of existing buildings but homes must be designed to provide a good quality living environment, with sufficient space and light for the level of occupancy intended. Conversions from office accommodation would generally be expected to meet these space standards.

**Table 7: Nationally Described Space Standards
Minimum gross internal floor areas and storage (m²)**

Number of bedrooms	Number of bed spaces	One Storey dwellings (M ²)	Two storey dwellings (M ²)	Three storey dwellings (M ²)	Built-in Storage (M ²)
One bed	1p	39 (37)*			1.0
	2p	50	58		1.5
Two bed	3p	61	70		2.0
	4p	70	79		
Three bed	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
Four bed	5p	90	97	103	3.0
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
Five bed	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
Six bed	7p	116	123	129	4.0
	8p	125	132	138	

* Where a 1b1p has a shower room instead of a bathroom, the floor area may be reduced from 39m² to 37m², as shown bracketed.

6.2. The minimum floor to ceiling height is 2.3m for at least 75% of the Gross Internal Area. Any area with a headroom of less than 1.5m is not counted within the Gross Internal Area unless used solely for storage. If the area under the stairs is to be used for storage, assume a general floor area of 1m² within the Gross Internal Area. Any other area that is used solely for storage and has a headroom of 900-1500mm (such as under eaves) is counted at 50% of its floor area, and any area lower than 900mm is not counted at all.

7. Housing for Disabled Persons

7.1. The Draft Local Plan proposes to require developments of 10 or more homes to deliver 10% of dwellings constructed to Part M Category 2- Accessible and Adaptable dwellings (formally known as lifetime homes).

7.2. Essex County Council (ECC) Shaping Futures Market Position Statement did not identify a significant shortfall of supported living accommodation in the Basildon Borough.

7.3. The Council will continue to work with ECC to respond to changing demand for specialist accommodation for adults with physical, sensory or learning disability and adults with mental health needs.

8. Older Peoples Housing

8.1. The Addendum to the SHMA 2017 provided the projected demand for specialised older peoples housing shown in Table 8

Table 8: Projected Need for Specialist Housing 2014-2037

Sheltered housing	1,262
Enhanced sheltered housing	202
Extra care units	252
Total	1,716
Average per annum	75

Source Addendum to South Essex SHMA 2017

8.2. To meet these needs Specialist Housing should be provided in the following proportions.

Table 9: Need for Specialist Housing for Older People

Type of Housing	% required
Sheltered/Enhanced Sheltered	85%
Extra Care Units	15%

The Council, in partnership with Essex County Council (ECC), will continue to keep this under review to ensure it continues to meet current and future demand.

8.3. Historically sheltered housing supply in the Basildon Borough has been dominated by the social rent sector. Currently 87% of sheltered housing is rented and 13% is leasehold.

8.4. With older households increasing likely to be homeowners the Council will seek to balance this to 50% rented and 50% leasehold as recommended by Housing LIN SHOP@ market split 2035 options.

8.5. The Addendum to the SHMA 2017 estimated that the Population in residential care or nursing homes will increase by 688 persons between 2014-2037, an increase of 30 persons per annum.

8.6. The ECC Shaping Futures Market Position Statement indicated a move away from communal living to individualised care provision. The Council will work in partnership with Essex County Council to identify unmet demand for residential care or nursing homes.

9. Houses in Multiple Occupation

9.1. The Council is aware that there is a growing need for high quality shared accommodation for younger people, who are likely to be more transient and be on a low income.

9.2. The Council consider that it is preferable that this need is met via small HMO's (3-6 persons).

9.3. The conversion of large family sized dwellings into HMO's for 7 or more persons will only be permitted in exceptional circumstances, and when the following can be demonstrated:

- a) The proposal will not result in a proliferation of HMO's in the local area;
- b) The proposal will not exacerbate existing on-street parking conditions to an unacceptable level; and
- c) The proposal will not have an adverse impact on the residential amenity of neighbouring properties.

10. Self-Build and Custom Housebuilding

10.1. The Council has an obligation to grant development permission for self and custom build homes based on the demand demonstrated by the Self-Build and Custom House Building Register

10.2. Currently the demand for Self-Build and Custom House Building in the Basildon Borough is relatively low.

Table 10: Demand for Self-Build and Custom House Building

	1 April 16-31 Oct 16	31 Oct 16-31 Oct 17 (estimated)
Demand	3	8-9
Grant of development permission by	31 Oct 19	31 Oct 20

Source: Basildon Borough Self-Build and Custom House Building Register

10.3. The Council will have regard to the level of demand demonstrated by this register when carrying out planning and other functions.

11. Key Workers

11.1. The Council will seek opportunities to deliver affordable housing to key workers who live or work in the borough.

11.2. Key workers include

- Clinical staff (excluding doctors and dentists) employed by the NHS
- Qualified teachers and qualified nursery nurses working in Schools
- Police Officers and Police Community Support Officers
- Prison Officers
- Probation Officers
- Social Workers

- LPA Planning Officers
- Fire Fighters
- MOD Personnel
- Environmental Health Officers working in LA, NHS or other Public sector
- Highways Agency Traffic Officers

Full details of Eligible key worker job roles are available here:

<http://www.homebuyservice.co.uk/eligibility/key-worker-eligibility.html>