

REPORT TO:	HOUSING AND COMMUNITY SERVICES COMMITTEE	AGENDA ITEM: 10
DATE OF MEETING:	30th JANUARY 2020	CATEGORY:
REPORT FROM:	ALLISION THOMAS (STRATEGIC DIRECTOR)	OPEN
MEMBERS' CONTACT POINT:	EILEEN JACKSON, 01283 595763 Eileen.Jackson@southderbyshire.gov.uk	DOC:
SUBJECT:	ADOPTION OF THE STRATEGIC HOUSING MARKET ASSESSMENT (SHMA) 2019	
WARD(S) AFFECTED:	ALL WARDS	TERMS OF REFERENCE: (See Notes)

1.0 Recommendations

- 1.1 That the Committee formally adopts the updated Strategic Housing Market Assessment (SHMA) (see Appendix 1 for Executive Summary).
- 1.2 That the Committee notes the content of the Executive Summary document and the implications of the findings for South Derbyshire.
- 1.3 That the report is referred to Environmental and Development Services Committee for its endorsement for use as a material consideration to assist in the determination of future planning applications.

2.0 Purpose of the Report

- 2.1 To enable the new SHMA to be adopted by the Committee. The updated SHMA was commissioned in June 2019 following the publication of the National Planning Policy Framework (NPPF) and provides an overarching perspective on housing requirements from all sectors within the District.
- 2.2 This piece of research will be used to inform future planning negotiation and decisions relating to new housing, including affordable housing across the District.
- 2.3 Since the last SHMA was produced in 2013, there have been many changes to both the housing market and the NPPF that the Council works within. This study focuses in detail on the future housing requirement of the District and will enable greater transparency for developers who want to invest in South Derbyshire.

3.0 Executive Summary

- 3.1 The SHMA was commissioned by the Council in June 2019 to provide a holistic evidence-based piece of research that could be used to inform decision making within Planning and Strategic Housing.
- 3.2 Initially the Strategic Housing Team explored the possibility of undertaking a joint HMA-wide SHMA with Amber Valley Borough Council and Derby City Council, however, the status of the three Local Plans was not aligned, and the Council did not want new data to contradict current policy.
- 3.3 The research methodology was compiled to ensure that the future housing requirements of the District, including specialist groups, are captured, enabling informed decisions to be made about the type, tenure, design and location of new homes across South Derbyshire.
- 3.4 The main findings from the SHMA are summarised within the Executive Summary (Appendix 1). All elected Members will receive a hard copy of the full report.

4.0 Detail

- 4.1 The SHMA provides a holistic evidence base that incorporates historic data, current statistics and information relating to housing need (from the Housing Register) and predicted trends. The document will assist many service areas across the Council and will inform decisions relating to new build council housing, acquisitions, regeneration, asset management, planning as well as assisting joint working with neighbouring Councils to ensure new housing on the Derby Fringe reflects actual demand.
- 4.2 The SHMA is required as the previous study contained outdated information that was having a detrimental effect on our ability to negotiate new sites. The lack of detail relating to specialist housing, lifetime homes requirements and vulnerable households meant that existing data was unable to evidence need when the Council knew it existed.
- 4.3 The study evaluates socio-economic and health data sourced from ONS (Office of National Statistics), POPPI, (Projecting Older People Population Information), Public Health England, the Census 2001 and 2011 and CORE (Continua's Recording) data and analyses information from the Council's datasets relating to housing requirements, dwelling types and stock condition within the District.
- 4.4 The affordability ratio across South Derbyshire averages 6.96 which means the average cost of purchasing market housing is nearly seven times the average salary for the District.

5.0 Financial Implications

- 5.1 There are no direct financial implications associated with the approval of this report

6.0 Corporate Implications

Employment Implications

- 6.1 There are no direct employment implications associated with the approval of this report

Legal Implications

- 6.2 The adoption of the revised SHMA will enable the Council to use up to date, robust data with which to negotiate future development sites and defend legal challenges relating to affordable housing where viability is being challenged

Corporate Plan Implications

- 6.3 The proposals contained within this report will have a direct positive links to the following actions contained in the Corporate Plan;
- Place – to facilitate and deliver a range of integrated housing and community infrastructure

Risk Impact

- 6.3 The risk of not having robust evidence on which to base decisions relating to planning, affordable housing delivery and specialist housing will be mitigated by the adoption of this report. The research findings contained within the SHMA identify what type of housing is required to meet the needs of this Districts expanding population and will help to ensure the right type of homes in the right locations are built across the District.

7.0 Community Impact

Equality and Diversity Impact

- 7.1 There are no adverse effects relating to equality and diversity arising from this report. However, the report highlights the need for more specialist accommodation, housing for the aging population and need for adapted homes so approval of the recommendations contained in this report will in turn lead to improved equal access to housing for a more diverse range of households.

Social Value Impact

- 7.2 The social value associated with this study can be measured by the extent of the impact it will have on new sites going forward. The Council will have the benefit of robust evidence to justify why affordable housing should be delivered on site (or not) and whether proposed affordable housing delivery is going to meet demand and reflect the housing need that exists within that area of the District.

8.0 Conclusions

- 8.1 The assessment of housing need, using the new methodology contained within the NPPF, is broadly in line with the adopted Local Plan.

- 8.2 There is a need for 325 social and affordable rented homes per year. At a sub-market level, this can be broken down to 106 homes in the Derby Fringe, 162 homes in the Swadlincote and South Fringe and 58 homes in the North West Fringe.
- 8.3 The report supports the delivery of affordable housing for rent to be weighted towards the delivery of social rented housing above affordable rented housing.
- 8.4 The evidence supports that shared ownership is the most appropriate form of affordable home ownership. However, based on affordability analysis, there is a surplus (22 homes) of affordable home ownership per year.
- 8.5 Where alternative forms of affordable home ownership are delivered, it will be important that the homes are truly affordable, and the SHMA gives an indication of the threshold that property prices should be capped at.
- 8.6 It is recommended that the affordable housing SPD is reviewed in light of this new evidence to ensure it is reflective of up to date evidence.
- 8.7 The focus of market housing should be on two and three bedroomed homes to meet the demand for family homes from newly forming households, in comparison, affordable housing for rent should be focussed on achieving a more even split of one, two and three bedroomed homes.

	1-bed	2-bed	3-bed	4+-bed
Market	0-5%	20-25%	50-55%	20-25%
Affordable home ownership	10-15%	40-45%	35-40%	5-10%
Affordable housing (rented)	25-30%	35-40%	25-30%	5-10%

- 8.8 There is a growing ageing population, with anticipated increases in the incidence of Dementia, mobility problems and hearing loss amongst this group. Existing housing stock is failing to meet the needs of this population, with a shortfall identified in specialist housing, nursing care and homes built with the features to allow someone to live independently for longer.
- 8.9 It is recommended that a new specialist housing SPD is produced to ensure housing provision for these groups meets these emerging needs. This should include a requirement for all new homes to meet the accessible and adaptable standard of building regulations and 5-10% to meet wheelchair accessible standards, where viable.
- 8.10 It is recommended that a new SHMA be commissioned with neighbouring authority's in 2023/24.

8.0 Background Papers

- 8.1 Research Methodology provided to Consultants to undertake the SHMA