



Shaping our future



SOUTH LAKELAND **LOCAL PLAN** 2040

# South Lakeland Local Plan Review

## Issues and Options

### Topic Paper: Meeting Housing Needs



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# 1 Introduction

## 1.1 Background

- 1.1.1 The Council is reviewing its Local Plan<sup>1</sup> and preparing an updated plan for the time period up to 2040. The Council will be preparing a number of topic papers to accompany the review of the Local Plan to help present background information and evidence, and to set the scene for discussions and engagement.
- 1.1.2 It is intended that the topic papers will be 'living' documents that will be updated as the Local Plan progresses, to reflect updated evidence that is prepared, changes in the policy context or outcomes of consultation and engagement.

## 1.2 Structure of Topic Paper

- 1.2.1 This topic paper sits alongside the [Issues and Options report](#)<sup>2</sup> and presents evidence and background information on a range of issues relating to housing need and supply, including:
- Overall Housing Need
  - Housing Delivery and Supply
  - Affordable Housing
  - Mix and Type of Housing
  - Self-Build and Custom Build Housing
  - Local Occupancy and Second Homes
  - Setting Housing Requirements for Neighbourhood Plan Areas
  - Older People's Housing
  - Gypsies, Travellers and Travelling Showpeople
- 1.2.2 For most topic areas the paper is structured with the following sections:
- **National Policy Context:** an overview of relevant national policy and guidance to provide the context for the topic area.
  - **Local Policy Context:** a summary of the current Local Plan policy position for the topic area to explain the starting point for the review. We published a [draft Policy Review](#)<sup>3</sup> document for comment in February 2020, to provide our initial views on which policies we consider need updating through the Local Plan Review, which also provides useful information on current local policies. An updated version of the policy review paper has been published alongside the Issues and Options report.

<sup>1</sup> <https://www.southlakeland.gov.uk/planning-and-building/south-lakeland-local-plan/the-local-plan/>

<sup>2</sup> [www.southlakeland.gov.uk/LocalPlanReviewIO](https://www.southlakeland.gov.uk/LocalPlanReviewIO)

<sup>3</sup> <https://www.southlakeland.gov.uk/media/7084/draft-policy-review-document.pdf>

- **Evidence:** a summary of existing and emerging evidence in relation to the topic area, drawing on key findings from evidence base studies, and highlighting the need for extra evidence where necessary. This section will signpost to a range of evidence sources. The SA Scoping Report is also a useful source of baseline evidence.
- **Consultation and Engagement:** a summary of what stakeholders and communities have said about the topic area in our engagement activities.
- **Key Issues and Development of Options:** a summary of the key issues arising in the topic area, and a summary of the policy options that are being consulted on in the Issues and Options paper, together with some commentary on how/why the options have been developed.

1.2.3 For housing delivery and supply the section is structured differently and is focused on pulling together relevant evidence and local statistics on housing delivery and supply.

## 2 Overall Housing Need

### 2.1 National Policy Context

- 2.1.1 The National Planning Policy Framework (NPPF) sets out the government's objective for the planning system to significantly boost the supply of homes. To determine the number of homes needed in an area the NPPF states that strategic policies (i.e. those that set a housing target in the Local Plan) should be informed by a local housing need assessment, 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.
- 2.1.2 The PPG provides more detailed guidance on how the local housing need should be calculated using the standard method, or a locally justified alternative approach<sup>4</sup>. PPG advises that housing need is an unconstrained assessment of the number of homes needed in an area and is the minimum starting point for determining the number of homes needed in an area.
- 2.1.3 Assessing housing need is the first step in the process of deciding how many homes need to be planned for and informs the setting of a housing requirement target in a Local Plan. The number should be kept under review and revised where appropriate as the inputs change.
- 2.1.4 The standard method is a formula based approach which can be summarised as:
- **Step 1 – setting the baseline:** using the 2014 based household projections to calculate the projected average annual household growth over a 10 year period, from the current year.
  - **Step 2 – affordability adjustment:** using the median workplace based affordability ratios to adjust the figure upwards if the ratio of house price to earnings is 4 or above using the precise formula in the PPG.

$$\text{Adjustment factor} = \left( \frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

- **Step 3 – capping the level of increase:** capping the affordability uplift so it doesn't push the need figure up by more than 40% of the existing local plan housing requirement figure or 40% above projected household growth.
- 2.1.5 The PPG states that the use of the standard method for plan making purposes is not mandatory if local circumstances warrant an alternative approach, but authorities can expect this to be scrutinised more closely at examination.

<sup>4</sup> <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

- 2.1.6 The PPG is clear however that where a strategic policy-making authority can show that an alternative approach identifies a need higher than using the standard method, and that it adequately reflects current and future demographic trends and market signals, the approach can be considered sound as it will have exceeded the minimum starting point.
- 2.1.7 One such circumstance explained in the PPG where local authorities may use an alternative to the standard method formula is where strategic policy making authorities (i.e. the Local Plan area) do not align with local authority boundaries. In this case authorities may continue to identify a housing need figure using a method determined locally, but in doing so will need to consider the best available information on anticipated changes in households as well as local affordability levels. This is the case in South Lakeland due to the presence of the National Parks within the district, meaning that the Local Plan area does not align with the district boundary.
- 2.1.8 The above paragraphs provide a summary of the current policy and guidance at the time of preparing this topic paper. It should be noted that the government consulted in August 2020 on changes to the current standard method<sup>5</sup> alongside wider proposals for introducing binding housing requirements based on the revised standard method in the government's Planning for the Future White Paper<sup>6</sup>. The proposed changes to the standard method would have amended the standard method to use the most up to date household projections, and also amended the affordability adjustments, and introduced new uplifts for bigger towns and cities. However these changes were not progressed and the standard method remains unchanged for the time being.
- 2.1.9 However it is understood that the wider planning reforms consulted on in the White Paper will still result in changes to national policy on calculating housing need at some point in the future, and will likely result in binding housing requirements being given to local authorities. But at this point in time we must proceed with the Local Plan Review and the review of our housing requirement in line with current national policy and guidance.
- 2.1.10 The implications of current national policy and guidance for the calculation of a housing need figure in South Lakeland are considered further in the evidence section of this topic paper.

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<sup>5</sup> <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system>

<sup>6</sup> <https://www.gov.uk/government/consultations/planning-for-the-future>

## 2.2 Local Policy Context

- 2.2.1 The housing requirement in the existing South Lakeland Local Plan is set out in Policy CS6.1 of the Core Strategy, which was adopted in 2010. This policy set a housing target of 400 homes per year for the plan period 2003-2025.
- 2.2.2 The NPPF requires strategic policies in Local Plans to be reviewed at least every five years and to be updated where necessary. The South Lakeland Core Strategy housing figure is well in excess of five years old and is in need of review. It was derived from the former North West Regional Spatial Strategy and no longer reflects an up to date understanding of housing need following the publication of the Council's [Strategic Housing Market Assessment](#) (SHMA)<sup>7</sup> in 2017.
- 2.2.3 The review and update of the South Lakeland Local Plan will result in a new housing target in the Local Plan which will set an annual housing requirement for the plan period 2020-2040.

## 2.3 Evidence

### Objectively Assessed Need: Strategic Housing Market Assessment (SHMA 2017)

- 2.3.1 The Council commissioned a new [Strategic Housing Market Assessment \(SHMA\)](#)<sup>8</sup> in 2017 which undertook a local objective assessment of housing need (OAN). The SHMA was prepared in line with the planning practice guidance in place at the time and was based on the 2014 based household projections. The SHMA calculated an OAN of **up to 290 dwellings per year** for the period 2016-2036. The following paragraphs provide a brief overview of the findings of the SHMA, and its analysis based on demographic trends and projections, the link between future jobs growth and housing need, and how market signals indicate housing need.

#### Demographic Trends

- 2.3.2 The starting point for assessing housing need in line with the PPG in the 2017 SHMA was the 2014-based CLG projections. These projections suggested a need for around **145 homes per year** to be provided (2016-36) – including an allowance for vacant homes drawn from Council Tax data. These projections were underpinned by the most recent ONS subnational population projections (SNPP – also 2014-based).
- 2.3.3 The subnational population projections were based on short term trends (migration trends over the previous 5/6 years). The SHMA researched recent

<sup>7</sup> <https://www.southlakeland.gov.uk/media/4742/final-shma-october-2017.pdf>

<sup>8</sup> <https://www.southlakeland.gov.uk/media/4742/final-shma-october-2017.pdf>

components of population change (e.g. births, deaths, migration) which suggested that migration levels have been slightly reduced in recent years, so the SHMA also looked at projections based on longer term migration trends (10 and 14 year trends). Using these projections suggested a higher level of future population growth and a need for **214-316 homes per year** to be provided.

- 2.3.4 Overall, the demographic analysis in the SHMA identified a need for between 145 and 316 homes per year across the whole district to be provided. This ranges from 145 based on the government's official household projections, to 316 based on calculations that use longer term migration trends over the last 14 years.

#### Future Employment and Housing Need

- 2.3.5 The SHMA sought to estimate the likely level of housing that would be needed if the local workforce is to increase sufficiently to meet both job-growth forecasts for the area. The modelling in the SHMA estimated that to meet the job growth forecast in South Lakeland there would need to be about 311-315 homes provided per year across the whole district. This figure aligns very closely with the figure of 316 homes per year which was calculated from population projections based on long term migration trends.
- 2.3.6 The SHMA advised that on balance, there would potentially be a workforce shortage in South Lakeland if we only planned to the minimum figure of 145 homes per year based on the government's household projections. We have an ageing population and need to increase our working age population to fill future jobs requirements in the area.

#### Market Signals

- 2.3.7 In line with the PPG the SHMA also looked at a range of housing market signals to consider if they suggested any adjustments to the housing need figure needed to be made. These signals included house prices, rents, affordability ratios, land values, rates of development and overcrowding/concealed households.
- 2.3.8 The SHMA found that some signals indicated a need to increase housing provision, however because the 14 year migration scenario already substantially increased the housing need figure from the 'start point' there was no strong case for a further uplift.
- 2.3.9 The analysis did identify an increase in the number of 'concealed households' between the 2001 and 2011 censuses. A concealed household is defined in the Census as 'a family living in a multi-family household in addition to the primary family, such as a young couple living with parents'. The concept of concealed households is important in studying objectively assessed need as such households will not be included within demographic projections (as the projections work on the basis of one family per household).

- 2.3.10 The SHMA therefore recommended a slight increase to the housing need figure of around 5 homes per year to account for concealed households.

### Conclusion of SHMA on annual housing need figure

- 2.3.11 The SHMA's detailed analysis resulted in a suggested housing need figure of up to 320 homes per year over the period 2016-2036 covering the whole of South Lakeland district.
- 2.3.12 Based on its analysis of affordable housing need, the SHMA concluded that there is an annual need for 32 dwellings in the national park areas (26 in the Lake District and 6 in the Yorkshire Dales). It therefore calculated need in the South Lakeland planning authority area for 288 dwellings per annum, which it suggested could reasonably be rounded to 290.
- 2.3.13 The SHMA advised that any figure within the range of 145 to 320 would be reasonable and justified, but considered that figures at the top end of the range may best reflect a reasonable view about the need for housing. This is partly because they are based on longer-term migration trends (and therefore arguably do not include any recessionary impact), but also because the higher level of need does align better with the economic forecasts, and would therefore ensure that there is no workforce shortage in the future.
- 2.3.14 Given that the SHMA is dated 2017 a refresh will be commissioned in mid-2021 to inform the setting of a housing requirement for the updated Local Plan review. This will be in the form of a Strategic Housing and Economic Needs Assessment (SHENA) and it will assess the housing and employment needs of South Lakeland for the period 2020-40.

### The Government's Standard Method

- 2.3.15 As set out in section 2.1 the government expects Local Planning authorities to calculate their housing requirements in their Local Plans using the nationally set **standard method** as a starting point.
- 2.3.16 The standard method formula uses data that is only available at a district wide level (household projections and housing affordability ratios). The standard method can only therefore be calculated for the whole district of South Lakeland which includes national park areas, and not just for the Local Plan area. South Lakeland is therefore permitted by national planning guidance to calculate its own housing need figure using an alternative method.
- 2.3.17 It is possible to calculate a housing need figure for the whole of the district using the government's standard need formula as set out below.

Method	Calculation
Step 1 – Setting the baseline	

Method	Calculation
Using the <a href="#">2014 based projections</a> <sup>9</sup> to project household growth over a 10 year period: Households 2020 Households 2030 Household growth 2020-2030 /10 years	47800 49275 1475 <b>147.5 per year</b>
<b>Step 2:Affordability adjustment</b> An adjustment using the government's formula using the most recent median <a href="#">workplace-based affordability ratios</a> <sup>10</sup> if the ratio is 4 or above. In South Lakeland the ratio in 2019 was 9.49, meaning the median house price was 9.49 times the median income.	$(9.49-4)/4 = 5.34/4 = 1.3725$ $1.3725*0.25$ <b>0.343</b>
Minimum annual local housing need figure (1 + adjustment factor) x projected household growth	$1.343 * 147.5$ <b>198.1 district wide figure</b>

Table 1: Standard Method calculation for South Lakeland District

### Converting the district wide standard method figure to a Local Plan area figure

- 2.3.18 Applying the government's standard method to South Lakeland gives a housing need figure of 198 homes per year for the whole district which includes the national park areas.
- 2.3.19 There are a number of ways this district wide figure could be adjusted down to just the Local Plan area removing the need in the national parks.

<sup>9</sup> <https://www.gov.uk/government/collections/household-projections>

<sup>10</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

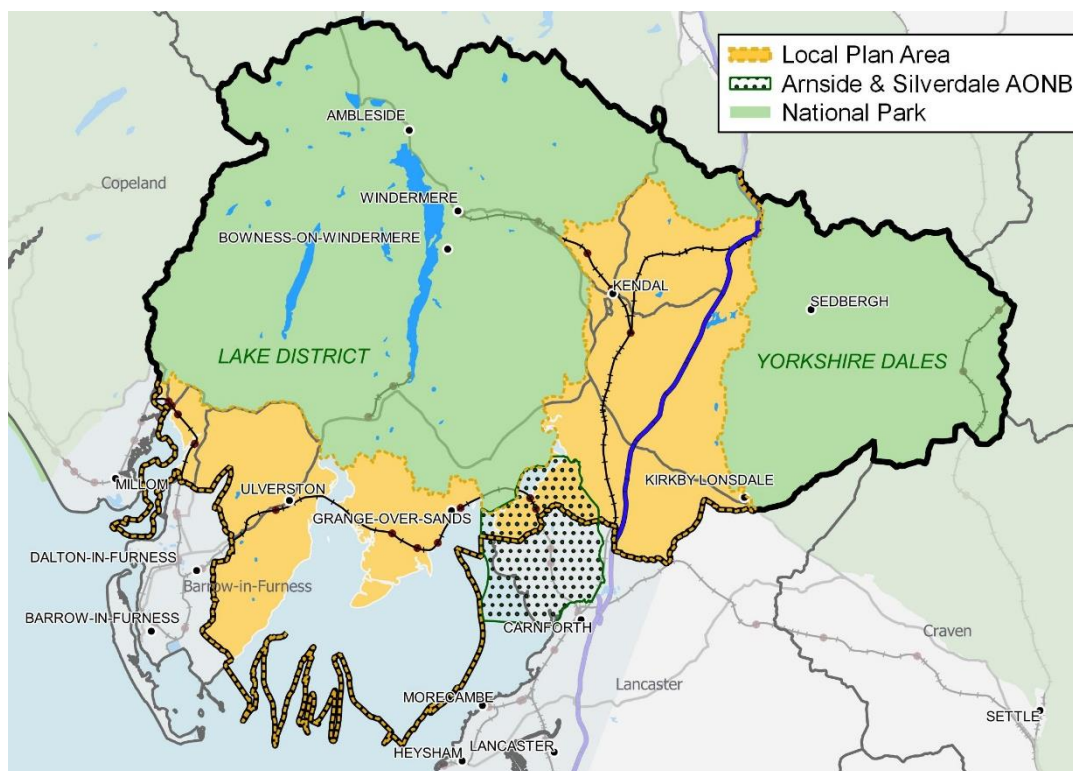


Figure 1: South Lakeland Local Plan area and National Parks

2.3.20 One option, which was accepted as logical by a Planning Inspector in a planning appeal in South Lakeland in summer 2019<sup>11</sup>, was to deduct the housing need figures for the national park areas that were calculated in the 2017 SHMA. This calculated an annual need of 26 homes in the Lake District part of South Lakeland and 6 homes in the Yorkshire Dales part of South Lakeland totaling 32 homes per year. Deducting this from the district wide standard method figure of 198 results in 166 homes per year for the South Lakeland Local Plan area.

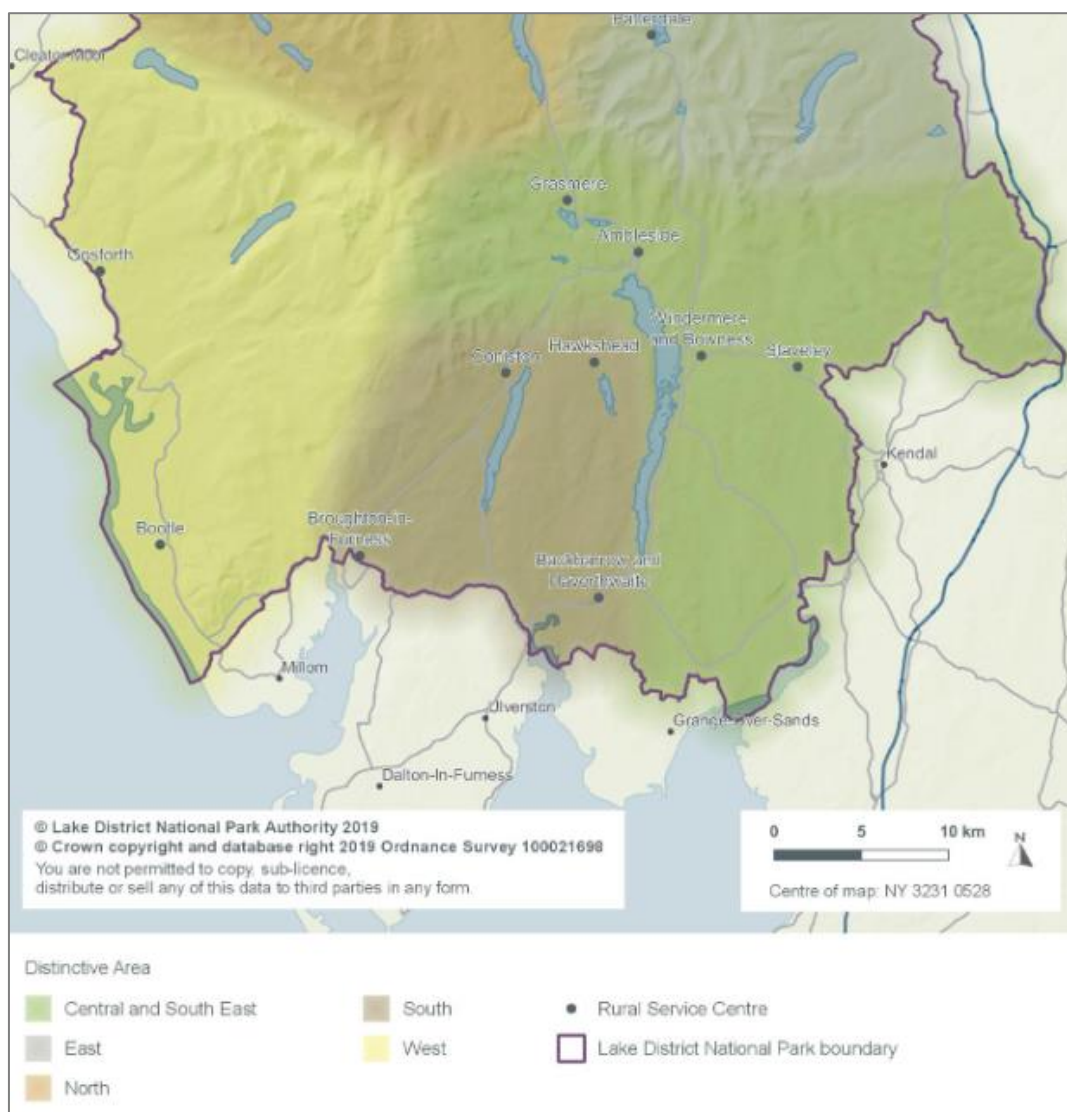
2.3.21 Other ways of adjusting a district wide housing figure to remove the National Park areas would be looking at the scale of housing development that the Lake District and Yorkshire Dales National Park Authorities are planning for in their Local Plans, which cover the areas of South Lakeland within the national parks, as set out below.

### Lake District Local Plan

2.3.22 The Lake District adopted a new Local Plan on 19<sup>th</sup> May 2021 covering the time period 2020-2035. Policy 15 of the Local Plan states a housing target of 1200 homes between 2020-2035 across the whole national park, which equates to 80 homes per year. The plan does not support open market housing and new homes must be for permanent occupation and for local occupancy or affordable provision.

<sup>11</sup> Appeal reference [APP/M0933/W/19/3226074](https://www.bbc.com/news/health-58111111)

2.3.23 The [Lake District Local Plan](#)<sup>12</sup> splits the national park into a series of 'Distinctive Areas' and sets out a policy for each stating the types of development projects that will be supported. The distinctive areas covering parts of South Lakeland district include the South area which covers Backbarrow, Hawkshead, Conistone and Broughton-in-Furness, and the Central and South East area which covers Grasmere, Ambleside, Windermere and Bowness, Staveley and the Lyth Valley area.



**Figure 2: Lake District Local Plan Distinctive areas**

2.3.24 Earlier drafts of the Lake District Local Plan included an indication of the proportion of development that would be directed to each distinctive area, but these proportions are not in the final adopted Local Plan. The version of the plan that was submitted for examination indicated that 44% of the total development

<sup>12</sup> [https://www.lakedistrict.gov.uk/\\_\\_data/assets/pdf\\_file/0043/388987/Lake-District-Local-Plan-2020-2035-FINAL-ADOPTED.pdf](https://www.lakedistrict.gov.uk/__data/assets/pdf_file/0043/388987/Lake-District-Local-Plan-2020-2035-FINAL-ADOPTED.pdf)

across the Lake District would be directed towards the Central and South East area and 14% to the South area, totaling 58% across the approximate area within South Lakeland district. This would have equated to around 46 homes a year in the South Lakeland part of the national park.

- 2.3.25 The Lake District Local Plan allocates a number of housing sites within South Lakeland district, with an estimated capacity of 294 homes, out of a total capacity of 617 homes across all allocated sites across the national park. So 48% of the capacity of allocated sites are within the South Lakeland part of the national park. With sites for 617 homes allocated in the plan, to meet the overall target of 1200 homes it assumed that the remaining 583 homes will come forward on windfall sites that arise. It could be reasonable to assume that 58% of these windfall homes may come forward in the South Lakeland part of the park given the assumption in earlier drafts of the plan that 58% of the development will come forward in the South and Central and South East distinctive areas. This would result in around 338 homes in this area, which combined with the allocated sites would equal 632 homes or 42 homes a year.
- 2.3.26 Analysis of the Lake District Local Plan therefore leads to a reasonable assumption that somewhere between 42 and 46 homes are being planned for in the South Lakeland part of the Lake District National Park.

### **Yorkshire Dales Local Plan**

- 2.3.27 The Yorkshire Dales Local Plan was adopted in 2016 but does not cover the extension areas that became national park in 2016 (this includes parts of South Lakeland to the east of Kirkby Lonsdale around Barbon and Casterton). The adopted Local Plan sets a target of 55 homes per year across the whole Yorkshire Dales area. This is split out into 10 homes per year (18% of the whole target) for the South Lakeland Housing Market Area (pre-extension area).
- 2.3.28 A housing needs study (SHMA) was undertaken for the Yorkshire Dales in 2019 to inform the review of their Local Plan. This indicated that based purely on 2014 population projections that the Yorkshire Dales does not technically 'need' any new housing because the population is projected to reduce based on past trends. Planning for no new homes would in effect result in a managed decline of the area's population. Therefore the study recommended a 'policy on' dwelling led requirement of 50 dwellings each year for the plan period 2023-2040 to help encourage more people to stay in the national park and for people to move there to help sustain communities. The study suggests how the suggested 50 dwellings per year target could be split across the different parts of the park and suggests that 18% of the total homes should be delivered in the South Lakeland area, which would be 9 dwellings per year.

2.3.29 An [‘Ambitions’ consultation](#)<sup>13</sup> on the Yorkshire Dales Local Plan Review in 2020 set out a number of options for the number of new homes needed to support communities. It set out 3 options of: no new homes, 30 homes per year or 70 homes per year over the new plan period. Applying the 18% suggested percentage for the proportion of housing to be delivered in South Lakeland this would result in up to 13 homes per year in the South Lakeland part of the national park.

### **National Parks - conclusion**

2.3.30 In looking at the Local Plans for the national park areas it is reasonable to assume that the following levels of housing delivery may come forward in the parts of the national parks within South Lakeland district:

- Lake District part of South Lakeland: 42-46 homes per year (based on adopted Local Plan)
- Yorkshire Dales part of South Lakeland: 5-13 homes (based on consultation options in 2020)

2.3.31 So the level of housing being planned for in the national park areas of the district is likely to fall somewhere between 47 and 59 homes per year. This is higher than the need figure of 32 homes a year calculated in the South Lakeland SHMA as this was just based on affordable need, and it is clear that both national parks are pursuing ‘policy on’ positions to plan for housing delivery above population projections to address population decline and to help sustain local communities by encouraging more people to live and work in the national park areas.

2.3.32 In disaggregating any South Lakeland district wide figure just to the Local Plan area, one option to consider may be to deduct the level of housing being planned for in the national parks areas as set out above.

### **Government Population and Household Projections**

2.3.33 The government’s planning guidance states that the 2014 based household projections should be used as the starting point for assessing housing need. New projections are produced every two years and at one point the government did propose that the newest projections should be used but has since changed its position.

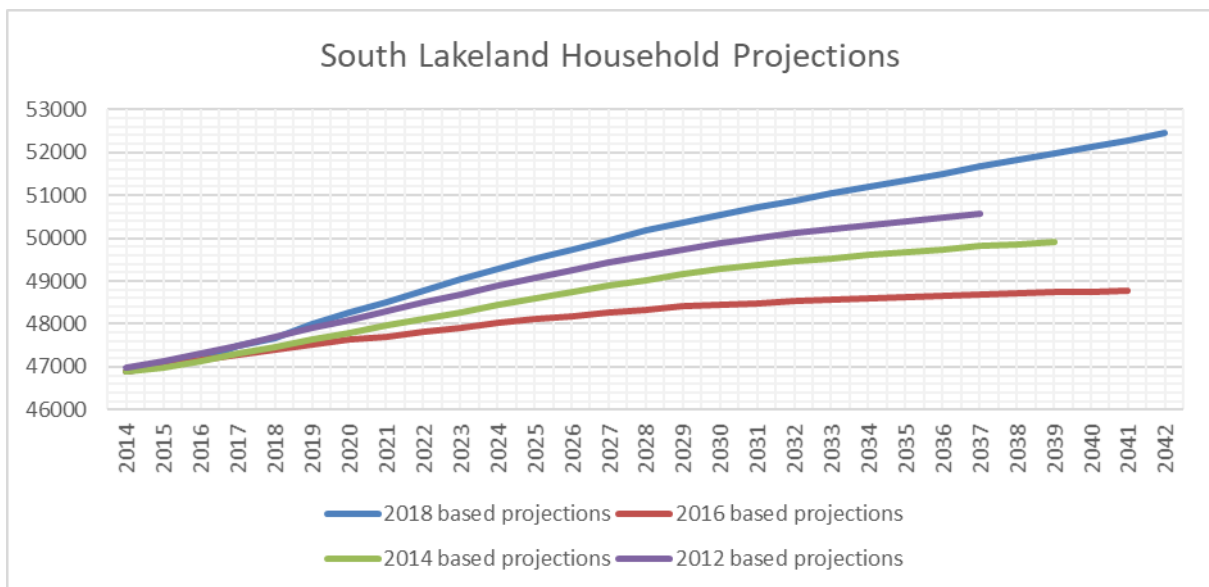
2.3.34 At the time of writing this paper the proposed approach for any consideration of housing need in South Lakeland would be to use the 2014 based projections as a starting point. For interest and comparison a range of population and household projections (2012, 2014, 2016 and 2018 based) for the district of South Lakeland

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<sup>13</sup> <https://www.yorkshiredales.org.uk/wp-content/uploads/sites/13/2020/07/Ambitions-Consultation.pdf>

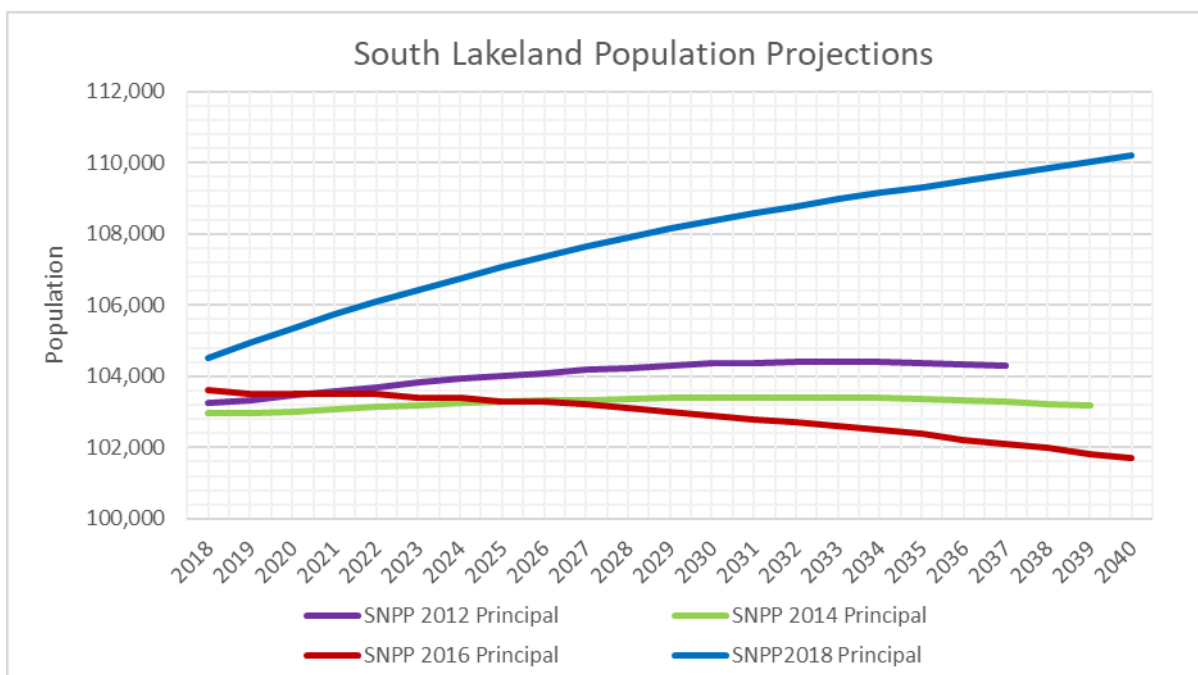
are presented below, to show how the projections can vary significantly from one release to the next.

- 2.3.35 For example in the graph below which shows household projections, projected household growth between 2020 and 2030 ranges from growth of just 1.7% (821 households) under the 2016 based projections to growth of 4.7% (2288 households) under the 2018 based projections. The 2014 based projections, which the government requires us to use as a starting point in calculating local housing need fall in between these figures at 3.1% growth (1475 households) between 2020 and 2030.



**Figure 3: Household Projections**

The population projections in the graph below also show significant variation, with the 2018 based projections projecting population growth of 2.9% (3,031 people) between 2020 and 2030 whilst the 2016 based projections actually forecast a population decline of 0.6% (600 people) in the same period. The 2014 based projections forecast a small population growth of 0.4% (391 people) over the same period.



**Figure 4: Sub-National Population Projections South Lakeland**

## 2.4 Consultation and Engagement

### Early Engagement February – October 2020

- 2.4.1 In early 2020 we consulted on our [early engagement discussion paper](https://www.southlakeland.gov.uk/media/7085/lpr-discussion-paper.pdf)<sup>14</sup> in which we started to scope out the parts of our Local Plan that need reviewing and to pose a number of broad questions.
- 2.4.2 We asked people their views on the overall amount of housing that they feel is needed in South Lakeland. A number of responses were made and can be summarised as follows:
- Current levels in current Local Plan are well balanced
  - Supportive of a locally justified bespoke method to identify housing targets
  - Need to consider in alignment with NPPF and NPG and latest government proposals for calculating methodology for housing targets. Figures identified in the Strategic Housing Market Assessment (SHMA) need revisiting in this respect
  - Support higher figure end of the range identified in the SHMA
  - Need to adopt higher targets due to effect of need to meet demands in National Parks
  - Target should be enough to meet current population demand plus contingency to meet expansion in local green jobs

<sup>14</sup> <https://www.southlakeland.gov.uk/media/7085/lpr-discussion-paper.pdf>

- Concerns whether targets will really reflect need
- Target should be calculated based on amount of available suitable land rather than population modelling
- Specific comments that currently have enough allocated land already
- Must reflect aspirations for economic growth in the area and desire to increase the working age population
- Need to review the Strategic Housing Market Assessment, use ONS data sets more recent figures

2.4.3 There was general support for figures towards the higher end of the SHMA recommendations from development industry respondents, and the links between housing need and supporting jobs growth were recognised.

2.4.4 There was general support for a locally justified approach to calculating housing need and a recognition that the analysis in the SHMA should be updated.

## 2.5 Key Issues and Development of Options

2.5.1 The key issue is the requirement to set a housing requirement figure in the updated Local Plan. The Issues and Options report presents two main options in this respect for consultation. This section explains how the options were devised.

2.5.2 The first option presented in the Issues and Options report is based on a local calculation of housing need using our own justified methodology. The most up to date evidence we have in this respect is the 2017 SHMA which calculated a housing figure of up to 290 homes per year. This figure does not use the government's standard method, but instead uses a locally justified methodology that looks at population trends and projections, economic growth forecasts, affordability and market signals to determine an appropriate figure. This figure recognises the link between housing need and jobs growth and also reflects longer term migration trends into South Lakeland. This option includes updating the 2017 SHMA to produce an updated locally determined figure.

2.5.3 The second broad option presented in the Issues and Options report is to calculate housing need for the district of South Lakeland using the government's standard method then to adjust this to remove the need in the parts of the national parks within South Lakeland. There is no set method for adjusting district wide standard method figures to remove parts of the area, but the approach suggested is to deduct the housing need figures calculated for the national park areas in the 2017 SHMA from the district wide figure.

2.5.4 The first option presents a higher figure based on the most up to date evidence, because it considers the link between economic growth, jobs and housing and also longer term migration patterns. The option based on the standard method



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presents a lower figure which only takes into account household projections based on more recent trends, and affordability issues.

## 3 Housing Delivery and Supply

### 3.1 National Policy Context

- 3.1.1 The government places a strong emphasis on housing delivery and has set a national target of building 300,000 homes per year. Local Planning Authorities are required to play their part in helping boost the supply of new housing by proactively planning for new homes in their Local Plans.
- 3.1.2 The government introduced a new measure called the [Housing Delivery Test](#)<sup>15</sup> in 2018 which is an annual measurement of housing delivery in planning authority areas. It compares the number of homes needed in an area with the number of homes delivered over a three year period, and provides a percentage score for each planning authority. If the score is below 95% then Councils need to publish an action plan setting out how they will increase housing delivery. If delivery falls below 75% then local planning authorities become subject to the 'presumption in favour of sustainable development' which is intended to increase the number of planning permissions granted for new housing. South Lakeland has received a score well in excess of 100% in its Housing Delivery Test figures to date, and these are present in the evidence section below.
- 3.1.3 As well as measuring Councils' housing delivery, the government also requires Councils to demonstrate that they have an adequate supply of housing land going forwards to provide at least five years' worth of housing against their housing requirement. This is known as the 'five year land supply' and its purpose is to provide an indication of whether there are sufficient sites available to meet the housing requirement for the next five years. If Councils cannot demonstrate a five year land supply then the presumption in favour of sustainable development as set out in paragraph 11d of the National Planning Policy Framework comes into force. The figures for South Lakeland are presented in the evidence section below, but in summary we are currently able to demonstrate in excess of a five year housing land supply.
- 3.1.4 Looking further ahead beyond 5 years, the government's planning practice guidance requires local planning authorities to identify a supply of specific, developable sites or broad locations for growth for years 6-10 of the plan period and, where possible, for 11-15 years.

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<sup>15</sup> <https://www.gov.uk/government/collections/housing-delivery-test>

## 3.2 Local Policy Context

- 3.2.1 The South Lakeland Core Strategy set out a housing requirement of 400 homes per year for the period 2003-2025 and the Land Allocations DPD made provision for land to meet this requirement.
- 3.2.2 By the time the Land Allocations was adopted in 2013 it needed to find land supply for just over 5,000 new homes, taking into account the homes that had already been built or granted planning permission between 2003-2013.
- 3.2.3 As well as specific sites, the Land Allocations DPD also identified two 'broad locations' in Kendal to meet longer term housing needs if needed between 2022-2027.
- 3.2.4 The current Local Plan therefore made significant provision for housing land to meet the 400 homes per year requirement, but as explained in the previous section this housing figure is now out of date and our housing need is understood to be lower. The existing Local Plan therefore provides us with a significant amount of land against a lower housing need figure and will likely only require a relatively modest 'top up' to ensure we have enough housing land up to our revised Local Plan period ending in 2040.

## 3.3 Evidence

- 3.3.1 This section provides evidence on housing delivery in South Lakeland over the period 2003-2020. 2003 was the base date for the Core Strategy plan period which ran from 2003-2025. It also presents evidence on our current understanding of available housing land supply for the new plan period of 2020-2040.

### Housing Delivery 2003-2020

- 3.3.2 3,809 new homes (net) have been built in the Local Plan area from 2003 to 2020. Over these 17 years completions have averaged 224 homes per year. Looking more recently over the last five years, an average of 279 homes have been built each year.

Year	Gross	Net
2003/04	227	221
2004/05	244	232
2005/06	322	303
2006/07	248	238
2007/08	173	156
2008/09	173	155

Year	Gross	Net
2009/10	294	282
2010/11	110	103
2011/12	162	148
2012/13	222	206
2013/14	120	112
2014/15	274	256
2015/16	382	370
2016/17	257	245
2017/18	310	291
2018/19	271	268
2019/20	237	223

Table 2: Housing Delivery 2003-2020

3.3.3 The table below shows how housebuilding has been distributed across the Local Plan area between 2003-2020. It shows that just over 40% of homes have been built in Kendal, 16% in Ulverston and 14% across the key service centres of Grange-over-Sands, Kirkby Lonsdale and Milnthorpe. Just over 15% of homes have been built across the 17 local service centres and 13% of homes have been built in the rural areas in smaller villages, hamlets and the countryside.

Area	Completions	% of Total
<b>Principal Service Centres</b>	<b>2197</b>	<b>57.68%</b>
Kendal	1575	41.35%
Ulverston	622	16.33%
<b>Key Service Centres</b>	<b>532</b>	<b>13.97%</b>
Grange Over Sands	300	7.88%
Kirkby Lonsdale	188	4.94%
Milnthorpe	44	1.16%
<b>Local Service Centres</b>	<b>585</b>	<b>15.36%</b>
Allithwaite	52	1.37%
Arnside	44	1.16%
Broughton in Furness	20	0.53%
Burneside	4	0.11%
Burton in Kendal	42	1.10%
Cartmel	9	0.24%
Endmoor	6	0.16%
Flookburgh/Cark	86	2.26%
Great/Little Urswick	28	0.74%
Greenodd/Penny Bridge	2	0.05%

Holme	123	3.23%
Kirkby in Furness	11	0.29%
Levens	94	2.47%
Natland	30	0.79%
Oxenholme	19	0.50%
Storth/Sandside	11	0.29%
Swarthmoor	4	0.11%
<b>Rural Areas</b>	<b>495</b>	<b>13.00%</b>
Rural C	22	0.58%
Rural E	284	7.46%
Rural E - AONB	12	0.32%
Rural F	177	4.65%
<b>Grand Total</b>	<b>3809</b>	<b>100.00%</b>

Table 3: Distribution of Housebuilding in South Lakeland 2003-2020

- 3.3.4 The graph below shows the number of homes that have been built, and also granted planning permission in the period 2003 to 2020. It also shows how this compares with the housing target in our Core Strategy of 400 homes per year<sup>16</sup>, and also against our updated understanding of housing need from the SHMA of 290 homes per year.
- 3.3.5 The SHMA figure of up to 290 homes per year was calculated from a base date of 2016 and we therefore consider that delivery should be compared against this figure rather than the Core Strategy figure from 2016 onwards, as the Core Strategy figure no longer reflects an up to date understanding of housing need.
- 3.3.6 Delivery fell below the Core Strategy target in every year since 2003. In the last four years it can be seen that delivery figures are much closer to the need figure of 290 homes a year calculated in the SHMA, suggesting this is a more reasonable and appropriate figure that reflects need and demand that the market is able to meet.
- 3.3.7 The graph below shows a significant increase in the number of homes granted planning permission in recent years. This aligns with the adoption of the Land Allocations DPD in 2013 which allocated significant amounts of land for housing development. This significant increase in the number of new homes being granted planning permission should translate into higher housebuilding figures in the coming years.

<sup>16</sup> <https://www.southlakeland.gov.uk/media/3521/cs01-core-strategy-october-2010.pdf#page=81>

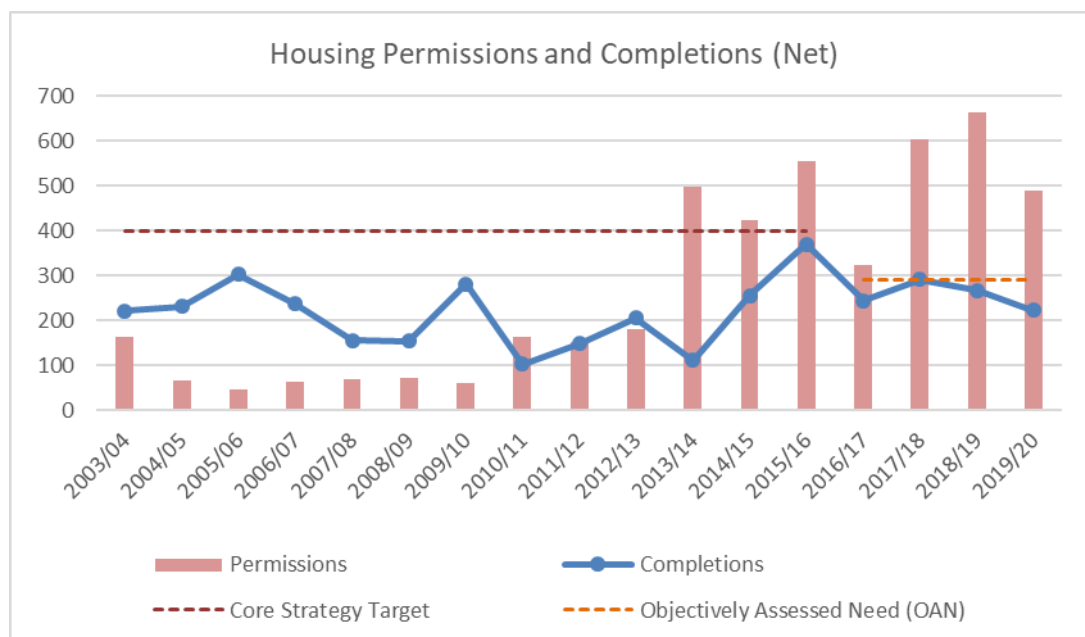


Figure 5: Housing Permissions and Completions 2003-2020

## Housing Delivery Test Results

- 3.3.8 The Housing Delivery Test is a new measurement introduced by the Government in 2018 to measure local planning authorities' performance in delivering new homes to meet local housing need. It is expressed as a percentage of homes delivered against homes needed.
- 3.3.9 The result of the Housing Delivery Test affects the buffer that local planning authorities should add to their housing requirement for the purposes of calculating their five year supply. Where delivery of housing falls below 85% a buffer of 20% is needed on the housing requirement.
- 3.3.10 The calculation below shows how South Lakeland's Housing Delivery Test results to date have been calculated. Further information on the methodology can be found in the following Government publications:

- [Rulebook](#)
- [2018 Technical Note](#)

### Original 2018 HDT result (published February 2019)

Year	Need	Delivered
2015-16	194	438
2016-17	194	253
2017-18	160	292
Total	<b>547</b>	<b>983</b>

HDT Result:  $983 / 547 \times 100 = 180\%$

Table 4: Housing Delivery Test Result (Original) 2015-2018

- 3.3.11 The original calculation provided a 'need' figure based on household projections for the whole district but deducted completions from the national park for the delivery figure, which meant that need and delivery were not being compared on the same geographical basis. The Council queried this with the MHCLG and this resulted in a recalculation as shown below to include need and delivery figures for the whole district, including those areas falling within the national parks.

#### Recalculated 2018 HDT result (May 2019)

Year	Need	Delivered
2015-16	194	461
2016-17	194	307
2017-18	160	354
Total	<b>547</b>	<b>1122</b>

HDT Result:  $1122 / 547 \times 100 = 205\%$

Table 5: Housing Delivery Test Result (Re-calculated) 2015-18

#### 2019 HDT Result (published February 2020)

Year	Need	Delivered
2016-17	194	307
2017-18	160	354
2018-19	212	326
Total	<b>565</b>	<b>987</b>

HDT Result:  $987/565 \times 100 = 175\%$

Table 6: Housing Delivery Test Result (2016-19)

#### 2020 HDT Result (published January 2021)

Year	Need	Delivered
2017-18	160	354
2018-19	212	326
2019-20	176	281
Total	<b>547</b>	<b>961</b>

HDT Result:  $961/547 \times 100 = 176\%$

Table 7: Housing Delivery Test Result (2017-20)

- 3.3.12 The above Housing Delivery Test figures show that housing delivery across the whole of South Lakeland district (including the national parks) has been well in excess of the 100% figure required by the government. No sanctions have therefore been placed on the Council, and in calculating our housing land supply we only need to plan for a 5% buffer (i.e. make sure there is an extra 5% more land available than required).

## Housing Supply 2020-2040

- 3.3.13 This section presents evidence on our future housing land supply based on our current knowledge of land that is likely to come forward for housing development. It begins by summarising the amount of land we anticipate will be developed for housing in the next 5 years (2020-2025). It then looks at our likely longer term supply over the new Local Plan period of 2020-2040.

### Future Housing Supply: 2020-2025 – the ‘Five Year Supply’

- 3.3.14 Every year we publish a statement that sets out how much housing land we have available, to demonstrate our ‘five year land supply’. The most recently published statement is the [2020 position statement](#)<sup>17</sup> which provides our housing land supply position at 31 March 2020.
- 3.3.15 The above statement sets out in detail how the housing land supply figure has been calculated, and a summary of the findings is presented in this topic paper.
- 3.3.16 The Council’s five year housing land supply position at 31 March 2020 is presented below.

Step	Description	Calculation	Figure
a)	Local Housing Need 2020-2030	166x10	1660
b)	Plus 5% buffer over period	1660x1.05	1743
c)	Annual requirement	b/10	174.3
d)	5 year requirement	cx5	871.5
e)	Deliverable land supply	units	2315
f)	Land supply in years	e/c	<b>13.28</b>

Table 8: South Lakeland 5 Year Land Supply Position using the standard method

- 3.3.17 At 31 March 2020 the Council could therefore demonstrate a deliverable land supply of **13.28 years**, far exceeding the 5 years required by government. The ‘need’ figure in this calculation is based on the government’s standard method with a national park adjustment to remove the need figure from the national park areas.
- 3.3.18 Against our objectively assessed need (OAN) figure from the 2017 SHMA (290 homes per year), which will inform an updated housing target in the new Local Plan, the Council could demonstrate 6.80 years land supply at 31 March 2020 as set out below.

Step	Description	Calculation	Figure
a)	Housing Need 1 April 2016 - 31 March 2040	290 x 24	6960
b)	Plus 5% buffer over plan period	6960*1.05	7308

<sup>17</sup> <https://www.southlakeland.gov.uk/planning-and-building/south-lakeland-local-plan/evidence-studies-and-reports/#housingevi>

Step	Description	Calculation	Figure
c)	Net completions 1 April 2016 - 31 March 2020	245+291+268 +223	1027
d)	Remaining requirement	b-c	6281
e)	Target Completions 1 April 2016 - 31 March 2020	290 x 4	1160
f)	Current undersupply to date	e-c	133
g)	Annual requirement	d/20	314
h)	5 year requirement	gx5	1570
i)	5 year requirement plus undersupply	h+f	1703
j)	Annualised 5 year requirement	i/5	340.7
k)	Deliverable land supply	units	2315
f)	Land supply in years	k/j	<b>6.80</b>

Table 9: South Lakeland 5 Year Land Supply Position against its OAN

- 3.3.19 As explained in paragraph 3.1.4, in addition to demonstrating we have a sufficient land supply to meet housing needs over the next five years, through the Local Plan Review we must also identify a longer term supply for 6-10 years, and where possible for 11-15 years of the plan period.
- 3.3.20 This means that when we adopt the updated Local Plan we will need to ensure that it demonstrates a sufficient housing land supply for the longer term.
- 3.3.21 This section provides an overview of our current understanding of our longer term housing supply as we head into the Local Plan Review. It includes a range of sources of sites as outlined below. As our Local Plan Review progresses we will add in further sources of land supply including sites from our Strategic Housing and Economic Land Availability Assessment (SHELAA).
- 3.3.22 Through the Local Plan Review we will be deciding on a new housing requirement, and once this is established we will need to compare our land supply with the housing requirement, to decide how many new housing sites we will need to identify in the Local Plan.
- 3.3.23 The table below shows a summary of our overall long term housing supply, calculated at a date of 31 March 2020. The overall total is a land supply for an estimated 5,260 homes over the next 20 years. It is made up of a number of categories as explained below in the table. 35% of the supply is on sites that already have planning permission and just under half is on existing Local Plan allocated sites that do not yet have planning permission. Following the table a description of each of the types of housing site and their contribution to the supply is provided.

Type of Housing Site	Estimated Supply (number of homes) 2020-2040
Small Site Extant Permission (<5 units)	312

Type of Housing Site	Estimated Supply (number of homes) 2020-2040
Small Site Extant Permission (5-9 units)	61
Large Permitted Site (Under Construction)	615
Large Permitted (Outline) Site (Not Started)	335
Large Permitted (Full) Site (Not Started)	526
Unconsented Allocation	2491
Unconsented AONB Allocation	20
<5 Units Windfall	900
SHELAA Sites	TBC
<b>Grand Total</b>	<b>5260</b>

Table 10: Existing Housing Land Supply 2020-2040

### Sites with Planning Permission

- 3.3.24 The first five categories of housing land in the table above are all housing sites that already have planning permission. 373 homes on sites of less than ten units have permission (referred to as small sites), and 1,476 homes on sites with ten or more units (large sites) have planning permission. At 31 March 2020 we therefore had a land supply for 1,849 homes already with planning permission.

### Unconsented Land Allocations

- 3.3.25 There are a number of sites already allocated for development in our Local Plan that have not yet gained planning permission. We refer to these as 'unconsented allocations' in our land supply calculation. There is an estimated capacity for 2,511 homes on these sites. This does not include a small number of sites where we have recently been made aware that development will not take place, for example where the owner has informed us that the site is no longer available. As part of the SHELAA we will be re-assessing all of the unconsented allocations to understand if they remain suitable, available and achievable for housing development, and if necessary may de-allocate some of them from the Local Plan.

### Windfall Allowance

- 3.3.26 Windfall sites are housing sites that come forward that aren't allocated in the Local Plan. They may include for example small development sites such as barn conversions, self-build projects or sub-division of existing houses. Or they might be larger sites that become available unexpectedly such as the closure or relocation of the previous use such as a garage. In assessing our long term land supply we factor in an assumption for windfall sites that may come forward in the longer term as we have strong evidence that these types of sites make a significant contribution to our overall land supply. Over the last five years just over half of the homes that have been built have been built on windfall sites as opposed to Local Plan allocated sites.

3.3.27 The graph below shows the annual total housing completions and annual windfall completions.

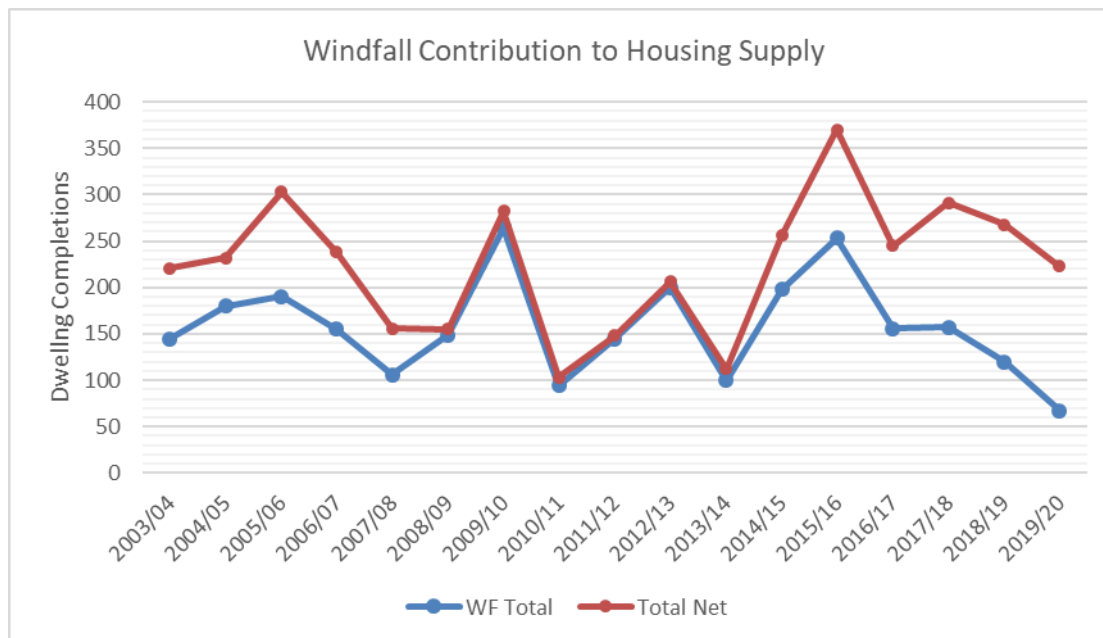


Figure 6: Windfall Contribution to Housing Supply 2003-2020

3.3.28 The table below shows the number of homes that have been built on windfall sites each year and splits this between small sites of less than 5 units, and sites of 5 or more homes. Over the last 5 years an average of 60 homes per year have been built on small windfall sites of less than 5 units. We have therefore assumed that it is reasonable to expect that we will continue to see around 60 homes per year built on small windfall sites if past trends continue.

Year	Windfall completions on sites <5 units	5 year average for sites <5 units	Windfall completions on sites >5 units	5 year average for sites >5 units	Windfall completions on all windfall sites	5 year average
2003/04	86		59		145	
2004/05	95		85		180	
2005/06	96		94		190	
2006/07	79		76		155	
2007/08	71	85	35	70	106	155
2008/09	69	82	80	74	149	156
2009/10	74	78	190	95	264	173
2010/11	46	68	48	86	94	154
2011/12	76	67	69	84	145	152
2012/13	76	68	124	102	200	170
2013/14	64	67	36	93	100	161
2014/15	55	63	143	84	198	147

Year	Windfall completions on sites <5 units	5 year average for sites <5 units	Windfall completions on sites >5 units	5 year average for sites >5 units	Windfall completions on all windfall sites	5 year average
2015/16	63	67	190	112	253	179
2016/17	67	65	89	116	156	181
2017/18	59	62	98	111	157	173
2018/19	55	60	65	117	120	177
2019/20	56	60	11	91	67	151

Table 11: Windfall Completions in South Lakeland 2003-20

3.3.29 In addition to looking at past windfall completion trends to justify the inclusion of a windfall allowance in our long term land supply, we have also considered planning permissions data. At 31 March 2020, out of the 1,962 remaining homes (gross) with extant planning permission, 601 were windfall, with 395 of those windfall units being on sites under 10 units, and 334 units being on sites under 5 units. This demonstrates that windfall units continue to be an important part of the district's housing land supply.

3.3.30 Of the residential planning permissions granted in 2019-20, 110 of the total 477 units (net) granted permission were windfall, all were on windfall sites under 10 units and 91 were on windfall sites less than 5 units. This again demonstrates that windfall activity remains significant in the district.

3.3.31 In applying the assumption of 60 homes per year on small windfall sites over the time period 2025-2040 this results in a total supply of 900 homes to add to our long term supply position. In all likelihood additional large windfall sites will also likely come forward however we have taken a conservative approach and have not included an assumption for windfall sites over 5 units in the long term supply.

#### Strategic Housing and Economic Land Availability Assessment (SHELAA) sites

3.3.32 We are currently preparing a Strategic Housing and Economic Land Availability Assessment (SHELAA) which will provide an audit of land that is suitable, available and achievable for housing and employment development over the period 2020-2040. We have published our [methodology](#)<sup>18</sup> for preparing the SHELAA.

3.3.33 The SHELAA will include an assessment of the existing sources of land outlined above but will also assess 'new' sites from a range of sources. These will include for example sites submitted through Call for Sites exercises or sites identified through other sources such as town centre strategies or masterplan work. A Call for Sites exercise was undertaken in summer 2020 which resulted in 122 site submissions, and another Call for Sites exercise will run alongside the Local Plan

<sup>18</sup> <https://cumbria.citizenspace.com/south-lakeland-district-council/shlaa-pm/>

Review Issues and Options consultation. The sites submitted through these exercises will be assessed through the SHELAA, and any sites not already included in the above categories will be added in to the overall potential long term land supply position.

### Distribution of Existing Land Supply

- 3.3.34 The table below shows how our existing known housing land supply is distributed across our Local Plan area.
- 3.3.35 Just over half of the identified long term supply is within the principal service centres of Kendal and Ulverston. 14% is within the key service centres of Grange-over-Sands, Kirkby Lonsdale and Milnthorpe. A quarter is in the network of 17 local service centres and 8% is identified in the rural areas.

Type of Land Supply Location	Small Sites (<10 units) with planning permission/ under construction	Large Sites (10+ units) with planning permission/ under construction	Unconsented Local Plan Allocations	<5 Units Windfall Assumption	Total	% of Total
<b>Grand Total</b>	<b>373</b>	<b>1476</b>	<b>2511</b>	<b>900</b>	<b>5260</b>	<b>100%</b>
<b>Principal Service Centres (PSC)</b>	<b>101</b>	<b>1139</b>	<b>1176</b>	<b>354</b>	<b>2770</b>	<b>53%</b>
Kendal	60	427	703	208	1398	27%
Ulverston	41	712	473	146	1372	26%
<b>Key Service Centres (KSC)</b>	<b>40</b>	<b>52</b>	<b>507</b>	<b>122</b>	<b>721</b>	<b>14%</b>
Grange-over-Sands	24	0	352	74	450	9%
Kirkby Lonsdale	7	52	0	25	84	2%
Milnthorpe	9	0	155	22	186	4%
<b>Local Service Centres (LSC)</b>	<b>75</b>	<b>271</b>	<b>828</b>	<b>156</b>	<b>1330</b>	<b>25%</b>
Allithwaite	11	22	30	14	77	1.5%
Broughton-in-Furness	0	0	16	4	20	0.4%
Burneside	0	0	93	3	96	1.8%
Burton-in-Kendal	14	12	114	8	148	2.8%
Cartmel	1	0	54	7	62	1.2%
Endmoor	0	106	25	5	136	2.6%
Flookburgh / Cark	9	0	71	19	99	1.9%
Great/Little Urswick	8	0	27	14	49	0.9%
Greenodd/ Penny Bridge	0	0	21	2	23	0.4%
Holme	0	0	132	17	149	2.8%
Kirkby-in-Furness	5	0	57	8	70	1.3%
Levens	14	0	0	10	24	0.5%
Natland	0	0	28	7	35	0.7%

Type of Land Supply Location	Small Sites (<10 units) with planning permission/ under construction	Large Sites (10+ units) with planning permission/ under construction	Unconsented Local Plan Allocations	<5 Units Windfall Assumption	Total	% of Total
Oxenholme	3	104	0	2	109	2.1%
Swarthmoor	0	27	140	3	170	3.2%
Arnside	9	0	20	27	56	1.1%
Sandside/ Storth	1	0	0	8	9	0.2%
<b>Rural Areas</b>	<b>157</b>	<b>14</b>	<b>0</b>	<b>269</b>	<b>440</b>	<b>8%</b>
Rural Cartmel	8	0	0	8	16	0.3%
Rural East	81	14	0	178	273	5.2%
Rural East - AONB	7	0	0	9	16	0.3%
Rural Furness	61	0	0	74	135	2.6%

Table 12: Existing Housing Land Supply Distribution

### Comparison of Existing Housing Land Supply against Housing Need

- 3.3.36 The table below compares our existing land supply at 31 March 2020 as set out above, with two housing requirement scenarios for the Local Plan. These are 290 dwellings a year based on the 2017 SHMA, and 166 dwellings a year based on the government's standard method with a national park adjustment. An additional 10% buffer has been added on to allow for extra flexibility in the land supply.
- 3.3.37 It shows that if we were to adopt a housing requirement of 290 dwellings per year with a 10% buffer, then taking into account our existing supply (including the windfall assumption), we would need to find land for another 1,120 homes in the updated Local Plan to ensure sufficient land supply to 2040. If we were to adopt a lower housing requirement in the Local Plan based on the standard method then we would likely already have a sufficient land supply to meet our needs until at least 2040.

Requirement	Requirement	Supply exc WF	Supply inc WF	Surplus/Deficit 2020-2040: Excluding Windfall	Surplus/Deficit 2020-2040: Including Windfall
<b>290dpa+10%</b>	6380	4360	5260	-2020	-1120
<b>166dpa+10%</b>	3652	4360	5260	708	1608

Table 13: Land Supply to 2040 compared with housing need scenarios

- 3.3.38 An updated assessment of housing need will be undertaken in late 2021 through our Strategic Housing and Economic Needs Assessment (SHENA). This assessment of need will inform an updated housing requirement target that will be consulted on in the draft Local Plan in 2022.
- 3.3.39 The SHELAA study will compare whether we have a sufficient land supply to meet the updated housing need figure. The above figures have been included to



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provide an initial indication of our likely land requirements based on need and supply information available at this time.

## 4 Affordable Housing

### 4.1 National Policy Context

- 4.1.1 National policy requires local authorities to assess the need for affordable housing, and then to specify in planning policies the amount and type of affordable housing required.

#### Types of Affordable Housing

- 4.1.2 The NPPF defines affordable housing as housing for sale or rent for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers). The NPPF specifies the following types of housing as affordable:
- **Affordable housing for rent:** social or affordable rent, set at least 20% below local market rents, including Build to Rent.
  - **Starter Homes:** new homes available for qualifying first time buyers (aged 23-40) to be sold at a discount of at least 20% of the market value.
  - **Discounted market sales housing:** sold at a discount of at least 20% below local market value, with eligibility determined with regard to local incomes and house prices.
  - **Other affordable routes to home ownership:** housing provided for sale that provides a route to ownership for those who couldn't achieve this through the market. Includes shared ownership, relevant equity loans, other low cost homes for sale (at least 20% discount) and rent to buy.
- 4.1.3 National policy requires affordable homes to remain at an affordable price for future eligible households (affordable in perpetuity) or for any subsidy from sales of affordable housing at market value to be recycled for alternative future affordable provision.
- 4.1.4 In addition to the affordable housing types set out above, the government has recently introduced 'First Homes' which are in effect replacing Starter Homes. First Homes are discounted market sale homes which:
- a) must be discounted by a minimum of 30% against the market value;
  - b) are sold to a person or persons meeting the First Homes eligibility criteria
  - c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,
  - d) after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).

- 4.1.5 First Homes can only be bought by first time buyers and their household income should not exceed £80,000. Purchasers should also have a mortgage to fund a minimum of 50% of the discounted purchase price. The Planning Practice Guidance also sets out some additional criteria that local authorities or neighbourhood planning groups can apply in addition to the national criteria. This may involve lower income caps (if this can be justified with reference to local average first-time buyer incomes), a local connection test, or criteria based on employment status. Authorities can also prioritise key workers for First Homes, with the definition of key worker being determined locally. This could be any person who works in any profession that is considered essential for the functioning of a local area.
- 4.1.6 The PPG sets out a number of suggested methods by which local authorities could introduce their local requirements for First Homes such as local connection criteria or discount levels or income caps. These methods include interim policy statements and updating Local Plan policies.

### Requiring Affordable Housing on Development Sites

- 4.1.7 National policy and guidance sets out the circumstances in which local authorities can require developers to contribute to affordable housing provision through their developments.
- 4.1.8 The NPPF states that where a need for affordable housing is identified, planning policies should specify the type of affordable housing required and expect it to be met on-site unless off-site provision or a financial contribution in lieu can be robustly justified, and the agreed approach contributes to the objective of creating mixed and balanced communities.
- 4.1.9 The NPPF states that local authorities should not require affordable housing to be provided on sites that are not major developments (10+ homes) other than in designated rural areas where policies may set a lower threshold of 5 units or fewer.
- 4.1.10 On major development sites (10+ homes), national policy requires planning policies and decisions to expect at least 10% of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in an area or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.
- 4.1.11 The Planning Practice Guidance states that First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations.

- 4.1.12 The PPG also sets out the restrictions on local authorities in requiring affordable housing to be provided on small sites<sup>19</sup>. It advises that affordable housing should only be sought on major residential developments (defined as 10 or more homes or a site area of 0.5 hectares or more). The PPG advises however that in designated rural areas local planning authorities may instead choose to set their own lower threshold in plans and seek affordable housing contributions from developments above that threshold. Designated rural areas applies to rural areas described under [section 157\(1\) of the Housing Act 1985<sup>20</sup>](#), which includes National Parks and Areas of Outstanding Natural Beauty.
- 4.1.13 National policy provides an incentive for development on brownfield sites containing vacant buildings. It allows for reductions in affordable housing provision where vacant buildings are reused or re-developed (vacant building credit), as only the increase in floorspace is liable to provide affordable housing.
- 4.1.14 Key points to be taken from the review of national policy and guidance in relation to requiring affordable housing from new development include:
- Local Plan policies should specify the types of affordable housing required
  - Affordable housing should generally be provided on site
  - On major sites, 10% of homes should be for affordable home ownership
  - 25% of the affordable homes required on sites should be First Homes
  - Affordable housing should not be required on sites of less than 10 homes except in designated rural areas where the size threshold can be lower.

### Calculating Affordable Need

- 4.1.15 The PPG states that all households whose needs are not met by the market and which are eligible for one or more of the types of affordable housing set out in the NPPF are considered to be in affordable need.
- 4.1.16 The PPG provides guidance on how affordable housing need should be calculated, taking into account current and projected needs, and future supply of affordable homes.
- 4.1.17 In terms of needs it advises that data should be collected on the number of homeless households, the number in priority need who are in temporary accommodation, the number in over-crowded housing, the number of concealed households, the number of existing affordable tenants housed in unsuitable homes, and the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.

<sup>19</sup> Paragraph: 023 Reference ID: 23b-023-20190901

<sup>20</sup> <https://www.legislation.gov.uk/ukpga/1985/68/section/157>

- 4.1.18 In terms of considering the supply of affordable housing, the PPG states that suitable surplus stock (vacant properties), re-lets and the committed supply of new affordable homes should all be taken into account.
- 4.1.19 The PPG advises that the affordable need is then to be calculated by subtracting the available stock from the overall need figure, and then converting the overall need figure into an annual figure based on the plan period.

## 4.2 Local Policy Context

- 4.2.1 The existing Local Plan (Core Strategy Policy CS6.3) requires 35% of homes on new developments to be affordable over specified site size thresholds. The site size thresholds in the adopted policy are:
- 9 or more dwellings in principal/key service centres
  - 3 or more dwellings in all other areas
- 4.2.2 National policy and guidance in relation to site size thresholds has changed since the adoption of the Core Strategy. Following a complicated process of a written ministerial statement in 2014, subsequent court cases and various iterations of planning guidance and an updated NPPF, local policy on affordable housing is now interpreted having regard to updated national policy and guidance as set out in this [local guidance note](#)<sup>21</sup> on the Council's website. This has resulted in the following site size thresholds being applied in practice:
- 10 or more dwellings in Kendal, Ulverston and Grange-over-Sands parishes
  - 9 or more dwellings in Milnthorpe and Kirkby Lonsdale
  - 3 or more dwellings in the rest of the Local Plan area, excluding the AONB.
- 4.2.3 Within the Arnside and Silverdale Area of Outstanding Natural Beauty (AONB), the [AONB Local Plan](#)<sup>22</sup>, which was adopted in March 2019, requires 50% of homes on sites of two dwellings or more to be affordable through Policy AS03.
- 4.2.4 In addition to the adopted Local Plan policies outlined above, further information on the implementation of local planning policies on affordable housing are contained on the Council's [affordable housing webpage](#)<sup>23</sup>, and its updated [Local Connection Policy](#)<sup>24</sup> which was approved in September 2014 and replaces sections 7.2.1 – 7.2.3 of the affordable housing guidance in Appendix 1 of the Core Strategy.
- 4.2.5 In terms of the types of affordable housing that are required by current local policy, the Core Strategy states that in the Kendal area, and Ulverston and

<sup>21</sup> <https://www.southlakeland.gov.uk/media/7170/affordable-housing-guidance-note-update-march2020.pdf>

<sup>22</sup> <https://www.southlakeland.gov.uk/media/6461/final-aonb-dpd-adoption-accessible.pdf>

<sup>23</sup> <https://www.southlakeland.gov.uk/housing/affordable-housing/affordable-housing-building/>

<sup>24</sup> <https://www.southlakeland.gov.uk/media/5756/council-local-connection-policy.pdf>

Furness Peninsula up to 60% of the affordable housing requirement should be provided as social rent, and in the Cartmel and Eastern areas (including Milnthorpe and Kirkby Lonsdale) up to 55% of the requirement should be provided as social rent. The current affordable housing guidance states that in most cases the provision of affordable rather than social rent will be acceptable.

- 4.2.6 The Council's current affordable housing guidance for developers expects developers to provide a split of 50% low cost home ownership and 50% low cost rental within their affordable provision. Within the low cost home ownership portion, at least half (this means 25% of the overall affordable provision) should be offered as discounted sale. The Council sets initial fixed sale prices for discounted sale properties based on a percentage discount from the open market value, and reviews these on an annual basis.
- 4.2.7 The above summary of local policy illustrates that whilst the headline policy requirement of 35% of new homes to be affordable has remained clear, there have been numerous changes to national policy and guidance and local guidance, and the implementation of the policy has evolved in a number of ways.

## 4.3 Evidence

- 4.3.1 This section provides a summary of local evidence in relation to affordable housing need and delivery.

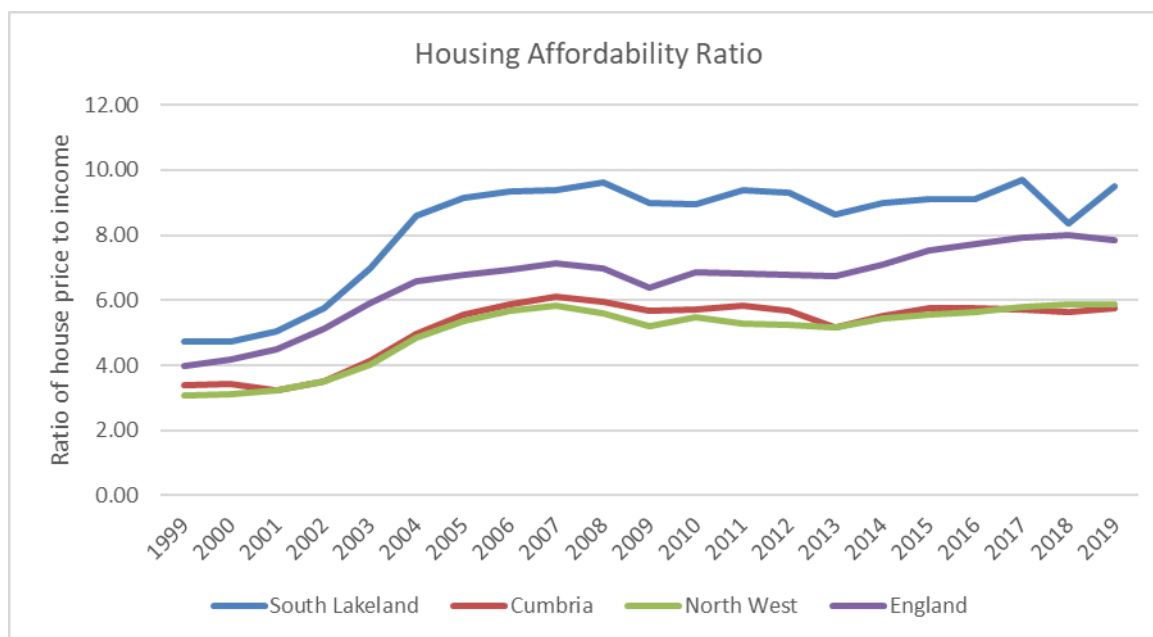
### Housing Affordability and Affordable Housing Need

#### Overall Affordability

- 4.3.2 Housing affordability remains a key issue in the South Lakeland, with the government's 2019 statistics showing the average house price in the district (£235,000) being 9.49 times<sup>25</sup> the average annual earnings (£24,763) in 2019. The graph below shows the ratio for South Lakeland since 1999 and shows it has been consistently above the Cumbrian, North West and English ratios.

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<sup>25</sup> ONS median workplace-based affordability ratio to 2019



Source: ONS median workplace-based affordability ratio

**Figure 7: Housing Affordability**

- 4.3.3 In the time period shown on the graph (1999-2019) house prices have risen from an average of £73,000 to £235,000, that's an increase of 222%. Average workplace based earnings in the same period have risen from £15,513 to £24,763, an increase of 60%. Local earnings increases have therefore fallen way behind house price increases, making home ownership out of reach for many locally employed people.
- 4.3.4 These trends look set to continue, with recent news articles<sup>26</sup> reporting house prices increasing at their fastest rate for more than a decade. The price increases have been greater around the central areas of the UK outside of London and the South East. It has been reported that as a reaction to the pandemic house buyers are searching for bigger homes with room to live and work as well as gardens and easy to reach countryside. Increased demand in areas such as South Lakeland is likely to further exacerbate the already significant affordability ratios locally.

#### Affordability of Different Tenures

- 4.3.5 The 2017 Strategic Housing Market Assessment provides an in depth assessment of housing affordability in South Lakeland, by looking at local housing costs and incomes. It also provides an assessment of the annual need for affordable homes. The detailed analysis can be found in the [SHMA report](#) and a summary of some of the key findings is presented below.

<sup>26</sup> <https://www.bbc.co.uk/news/business-57260261>

4.3.6 The SHMA assesses the affordability of a range of different tenures, broadly working from the 'cheapest' to the most expensive:

- **Social rent** (low cost rent from a registered provider, with rent levels set by government)
- Shared ownership (25% equity share) (homes part owned and part rented from a registered provider)
- **Affordable rent** (rent set at up to 80% of market rents, rented from a registered provider)
- **South Lakeland discounted sale** (initial fixed prices set by South Lakeland District Council and updated annually, and subsequently sold at a % discount from market value)
- **Starter Home** (a form of intermediate housing proposed by the government, with a 20% discount from market value. Starter Homes have been replaced by the government's new 'First Homes' which require at least a 30% discount, with the ability for Councils to set this at 40% or 50%)
- **Open market purchase** (homes sold on the open market at full market value)

The analysis is shown in the table below, and the SHMA explains that an income of around £34,600 would be required for open market house purchases in South Lakeland (based on the lower quartile price). The analysis shows that an income of around £19,300 is required to be able to afford social rented homes, and any household with an income below this would require housing benefit to access this type of housing.

Tenure	Lower Quartile open market purchase	Starter Home (20% discount)	SL discounted sale	Lower Quartile private rent	Affordable rent	Shared ownership	Social rent
South Lakeland District	£34,594	£28,944	£24,503	£21,344	£20,619	£19,899	£19,311
Lake District National Park	£45,000	-	-	£23,002	-	-	£19,311
Yorkshire Dales National Park	£41,681	-	-	£19,894	-	-	£19,311
SLDC Local Plan Area	£32,063	-	-	£20,930	-	-	£19,311

Table 14: Affordability thresholds for different types of housing

4.3.7 The SHMA then analyses the income of households in South Lakeland to determine what proportion of households can access the various housing tenures listed above. Based on the assessment the SHMA estimates that 41.4% of households would be able to buy a lower quartile open market home based on their income. A further 12.4% could access home ownership with a 20% discount, as was proposed with the government's Starter Home initiative.

- 4.3.8 The SHMA highlights a relatively big gap between the income required for a Starter Home and Private Rented accommodation with some 14% of households having an income in this range. The analysis also shows that some 29% of households in South Lakeland have an income that falls below the social rent income threshold and would have incomes insufficient to afford any of the housing tenures without spending a high proportion of income on housing or claiming housing benefit.
- 4.3.9 The analysis shows that in total around 67.5% of households can access private rent or one of the tenures requiring a higher income. This broadly suggests that 32.5% of households have an income that means they would be unable to afford private housing and would only be able to afford some sort of subsidised rented housing. It should be noted in this broad analysis however that for example some households with lower incomes (e.g. pensioners) may already be home owners.

Tenure	% of households	Cumulative %
Market purchase	41.4%	41.4%
Starter Home (20% discount)	12.4%	53.8%
SL low-cost housing	7.6%	61.4%
Private Rent	6.1%	67.5%
Affordable Rent	1.6%	69.1%
Shared ownership (25%)	1.0%	70.1%
Social Rent	0.5%	70.6%
Below social rent	29.4%	100.0%

Table 15: Proportion of households able to afford different housing tenures

### Starter Homes, First Homes and SLDC Discounted Sale

- 4.3.10 At the time of preparing the SHMA in 2017, the government was promoting 'Starter Homes' which were intended to be for first time buyers and to be sold at a discount of 20% from market value. The SHMA therefore assessed the affordability of Starter Homes in South Lakeland and concluded that a discount of at least 41% would in fact be required to put Starter Homes on a similar footing to lower quartile private rented housing based on income requirements. Starter Homes were not therefore considered to represent an affordable type of housing in South Lakeland.
- 4.3.11 The SHMA advised that SLDC's own discounted sale product, which typically results in discounts of between 45-55% from open market value is a more suitable product in South Lakeland taking into account local incomes and house prices.

- 4.3.12 The government has since introduced 'First Homes'<sup>27</sup> and does allow Councils to require a higher discount than the mandated national 30% discount. The analysis in our 2017 SHMA would point towards a higher discount of at least 40% being needed in South Lakeland based on local average incomes.

### Housing Need

- 4.3.13 At January 2017 there were 2,891 households on South Lakeland's housing register, with 764 of these households considered to be in housing need (Bands A to C on the register), and whilst recent levels of affordable housing delivery have been strong, affordable housing provision continues to be a key challenge and priority in the district. In 2021 the number of households on the register has risen to 4,516, with those in 'reasonable preference' categories (Bands A to C) rising to 1,141. Significant increases have been observed since the covid-19 pandemic began.
- 4.3.14 The 2017 SHMA undertook an in depth assessment of housing need based on the approach set out in government guidance. It concluded that over the 2016-2036 time period there is a net deficit of 153 affordable homes per year across the district and 120 per year across the Local Plan area. This confirmed there is still a significant need for new affordable housing and the Council is justified in continuing to secure additional affordable housing through new development. The evidence suggested that affordable housing delivery should be maximised where opportunities arise, and it supported the existing Core Strategy policy of requiring 35% affordable housing on sites over specified thresholds.

Affordable housing need	Per annum
Current need	15
Newly forming households	173
Existing households falling into need	140
Total Gross Need	328
Re-let Supply	208
Net Need	120

Table 16: SHMA 2017 - Estimated Need for Affordable Housing in Local Plan area

### Affordable Housing Delivery

- 4.3.15 The table below illustrates affordable housing completions in the local planning authority area in recent years. The Core Strategy sets a requirement for 35% of new homes on sites over certain size thresholds (depending on location) to be affordable for local people and this policy has been successful in delivering new affordable homes.

<sup>27</sup> <https://www.gov.uk/guidance/first-homes>

- 4.3.16 The table below shows the number of affordable homes that have been built between 2010 and 2020, which totals 539 homes. This equates to 24% of the total number of homes that have been built. In looking just at large sites of 10+ homes, almost 37% of homes built between 2010-2020 have been affordable.

Year	Total	Affordable	% Affordable
2010/11	103	28	27%
2011/12	148	23	16%
2012/13	206	46	22%
2013/14	112	19	17%
2014/15	256	79	31%
2015/16	370	119	32%
2016/17	245	50	20%
2017/18	291	80	27%
2018/19	268	61	23%
2019/20	223	34	15%

Table 17: Affordable Housing Provision in Local Plan area

- 4.3.17 In terms of planning permissions granted as opposed to completions, on major development schemes of 10+ homes over the last ten years (2010-2020), 35% of homes that have been granted planning permission have been affordable. This has included a number of 100% affordable schemes which will have increased the overall average. Without these 100% affordable schemes, an average of 31% of homes granted planning permission on large sites have been affordable.
- 4.3.18 The Core Strategy policy has therefore been very successful in securing affordable homes on development sites. It has however started to come under increasing pressure in recent years on viability grounds, with a number of development proposals seeking reductions in affordable housing requirements.

## 4.4 Consultation and Engagement

### Early Engagement February – October 2020

- 4.4.1 A number of comments were made about affordable housing in our early engagement period in 2020.
- 4.4.2 Question 6 of our early engagement discussion paper asked people what factors they felt should be considered in determining future affordable housing requirements. The following comments were made:
- Should take account of the updated Strategic Housing Market Assessment
  - Should understand the full extent of unmet needs.
  - Should take into account the capacity and future plans of housing associations.

- Must carefully consider viability implications

- 4.4.3 Comments were also made that we should promote rural exception sites for affordable housing and should ensure that First Homes are included as part of large and small sites.
- 4.4.4 In response to our short survey, numerous respondents commented on the lack of affordable housing in South Lakeland, and some concerns were raised that developers haven't been delivering policy requirements for affordable housing on some recent schemes.
- 4.4.5 Comments were also made that housing needs to be genuinely affordable.
- 4.4.6 People were asked to indicate how important they felt a range of issues were on a scale from 1 to 5, with 1 being not very important and 5 being very important. Interestingly other issues such as tackling the climate crisis, attracting investment and businesses and increasing the number of well paid jobs, protecting and improving green spaces and wildlife habitats, and improving public transport and walking and cycling routes all scored more highly than building affordable housing. It should be noted that the majority of respondents to the survey were over the age of 50 and are more likely to be homeowners, which could perhaps have influenced views on this factor.

## 4.5 Key Issues and Development of Options

- 4.5.1 There are two main issues with regards affordable housing policy that are set out in the Issues and Options report. The first one is the amount of affordable housing that should be required through the Local Plan, and the second is the types of affordable homes that should be required. The options are expressed as broad policy options for consultation at this stage. As the Local Plan Review progresses we will need to consider more detailed aspects of affordable housing policy and consider the preparation of additional guidance notes or supplementary planning documents.

### Amount of affordable housing

- 4.5.2 Four options for the amount of affordable housing that could be required through policy in the revised Local Plan are presented for consultation in the Issues and Options report. These can be summarised as:
- 1) Maintain the current policy approach of 35% affordable housing on sites over specified site size thresholds
  - 2) Increase the affordable housing requirement above 35%
  - 3) Reduce the affordable housing requirement below 35%
  - 4) A more flexible and tailored approach to recognise the different characteristics of certain types of sites and areas

- 4.5.3 The first option would retain the overarching principles of the current policy position of requiring 35% of homes on development sites to be affordable, which is supported by the findings of the 2017 SHMA. Under this option the site size thresholds at which affordable housing can be sought would be refreshed and clarified in policy in line with government guidance in place at the time, as there have been numerous changes to national policy and guidance in recent years which have created uncertainty in this respect. We will need to understand the viability implications of maintaining the 35% requirement in conjunction with the possible introduction of increased policy requirements in other areas such as energy efficiency standards and biodiversity net gain.
- 4.5.4 The second option would seek to increase the affordable housing required from new development by increasing the percentage requirement. It would have to be recognised that increasing the requirements would have negative impacts on development viability and other areas of policy and standards may have to be weakened to achieve an increase in affordable housing delivery. Competing priorities such as affordable housing, providing green spaces and nature improvements, contributing to local infrastructure improvements, securing high quality design and quality construction and increased energy efficiency would all have to be carefully balanced and tested through a viability assessment.
- 4.5.5 The third option would reduce the amount of affordable housing required on sites. This approach would need to be underpinned by a full assessment of development viability to understand whether reducing the affordable requirement would enable other policy areas to be strengthened for example sustainable construction standards or contributions to other infrastructure. We would need to carefully understand the reasons for some recent developments not delivering the 35% affordable requirement before considering lowering the requirements, to understand whether these sites had individual circumstances or whether they represent the wider development market as a whole. This would include looking carefully at issues such as abnormal development costs on sites which make them more expensive to develop, and also the price being paid for land, to ensure that land is not being sold at too high a price if it is subject to difficult constraints which should reduce its value in line with national planning policy. This option would not support the Council's key priority of increasing affordable housing provision and it would need to be robustly demonstrated that development is not capable of delivering 35% affordable housing before considering reducing the requirement.
- 4.5.6 The fourth option would look at introducing different requirements on different types of sites or areas. This could perhaps include setting different affordable requirements in different areas depending on development viability (e.g. some areas of South Lakeland attract higher sales prices so may be able to provide more affordable housing). Or it could involve reducing requirements for example on previously developed (brownfield) sites where development costs are often

higher and it is more difficult to provide affordable housing. This could help deliver more development on brownfield sites before greenfield sites. This option could also potentially look at setting site specific affordable housing requirements on larger site allocations, by undertaking site specific appraisals during the Local Plan process and working with developers and landowners to agree what level of affordable housing sites could reasonably deliver. This would require more detailed assessment work at the plan making stage but should help reduce the need for site specific viability assessments at the planning application stage.

- 4.5.7 The four options presented have been developed to present a full range of options for affordable housing requirements. They will have very different implications for viability and are designed to generate discussion around the relative importance of affordable housing compared to other priorities such as tackling the climate crisis. We are seeking to understand people's views on their priorities for new development.

### Types of affordable housing

- 4.5.8 Three options are presented in the Issues and Options report regarding the types of affordable housing to be provided. These can be summarised as:

- 1) Maintain the equal split between affordable rental and affordable home ownership on development sites
- 2) Increase the proportion of affordable home ownership properties required within the affordable provision on development sites
- 3) Increase the proportion of affordable rent properties required within the affordable provision on development sites

- 4.5.9 The first option would continue to require an equal split between affordable rent and affordable home ownership where affordable homes are being provided on-site by developers of larger schemes. This option would be supported by the 2017 SHMA which concluded overall that a 60%:40% split between rented and low cost home ownership is appropriate, and that in recognition that a number of 100% affordable rental schemes are brought forward independently by Registered Providers, that on development sites where developers are providing a proportion of affordable housing that a 50:50 split is appropriate.

- 4.5.10 The first option would allow recent and proposed government changes that require a proportion of affordable home ownership properties to be provided on sites to be incorporated, but would require us to consider whether First Homes would be an acceptable substitution for the existing local discounted sale homes in South Lakeland, or whether they should be provided alongside our local discounted sale product and be provided instead of shared ownership products. Within this option we could consider whether to set out in Local Plan policy the relative proportions of different home ownership products that will be required, or we could continue to do this in our annual affordable housing website guidance

which can be updated more easily than Local Plan policy. Under this first option of maintaining the current split between affordable rental and home ownership, First Homes could possibly be integrated as shown in the table below.

Tenure	% of overall provision	% of affordable provision
Open Market	65%	n/a
Affordable/Social Rent	17.5%	50%
First Homes	8.75%	25%
SLDC Discounted Sale	4.375%	12.5%
Shared Ownership	4.375%	12.5%

Table 18: Possible Affordable Housing Mix including First Homes

- 4.5.11 The second option of increasing the proportion of affordable home ownership properties on sites would recognise the government's strong push to increase levels of home ownership. But it would not support the Council's strong local priority to increase affordable rent provision. Depending on the proportions it would perhaps enable the government's First Homes to be bought into the affordable housing mix locally without displacing other forms of home ownership such as South Lakeland's existing discounted sale properties or shared ownership.
- 4.5.12 The third option would increase the proportion of affordable homes that would be required to be for affordable rent above the current 50%, and resultantly reduce the proportion of homes on sites that are made available for affordable home ownership. The government is proposing that at least 25% of affordable homes on development sites will need to be First Homes so the proportion of affordable home ownership properties could not be set below 25%. Reducing the proportion of affordable home ownership properties whilst incorporating First Homes requirements would be at the expense of the other existing home ownership properties currently being delivered in South Lakeland which are discounted sale and shared ownership. This option would perhaps better respond to the economic conditions resulting from the covid-19 pandemic including rising unemployment and anticipated falls in incomes. South Lakeland has been particularly affected due to the significance of tourism and hospitality in providing local employment. This may suggest an increased need for affordable rent as opposed to affordable home ownership homes for at least the short term future, but to a large extent will depend on the speed and scale of economic recovery.

## 5 Mix and Type of Housing

### 5.1 National Policy Context

- 5.1.1 The NPPF requires local authorities to assess the size, type and tenure of housing needed for different groups in the community and to reflect this need in their 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).
- 5.1.2 The PPG includes a section on '[housing needs of different groups](https://www.gov.uk/guidance/housing-needs-of-different-groups)<sup>28</sup>' which provides limited guidance on how the housing needs of various groups may be assessed.

### 5.2 Local Policy Context

- 5.2.1 Policy CS6.2 of the Core Strategy seeks to ensure that new developments offer a range of housing sizes and types taking account of the housing requirements of different groups. It does not set specific requirements about the types of homes that should be provided on development sites. The policy also encourages new housing to be easily adaptable for everyone and encouraged new homes to be built to Lifetime Homes standards. It also encourages the provision of purpose-built and/or specialist accommodation for the elderly.
- 5.2.2 Policy DM11 of the Development Management Policies DPD updates the elements of the Core Strategy policy around adaptable housing and requires all new homes to meet the Building Regulations Part M4(2) standards (accessible and adaptable) and for 5% of homes on sites of 40 or more dwellings to meet the M4(3a) standards (wheelchair adaptable)

### 5.3 Evidence

- 5.3.1 The 2017 SHMA calculates that based on an assessment of long term demographic change, housing should be provided in the proportions set out in the table below. For open market homes it recommends the main focus should be on 2 and 3 bedroomed homes. For affordable rented housing it recommends the focus should be 1 and 2 bedroomed homes.

Tenure	1-bed	2-bed	3-bed	4+ bed
Market	0-5%	35-40%	40-45%	15-20%

<sup>28</sup> <https://www.gov.uk/guidance/housing-needs-of-different-groups>

<b>Low-cost home ownership</b>	15-20%	45-50%	25-30%	5-10%
<b>Affordable housing (rented)</b>	30-35%	40-45%	15-20%	5-10%

- 5.3.2 The Council maintains plot based records of all completed homes, recording for each plot the type of home being built (e.g. flat, house etc), the type of completion (e.g. new build, conversion, change of use etc), the tenure (e.g. private open market or affordable) and the number of bedrooms. This information is largely available in this format back to 2010 and allows us to analyse the mix and type of homes that have been provided.

### Sizes of Homes

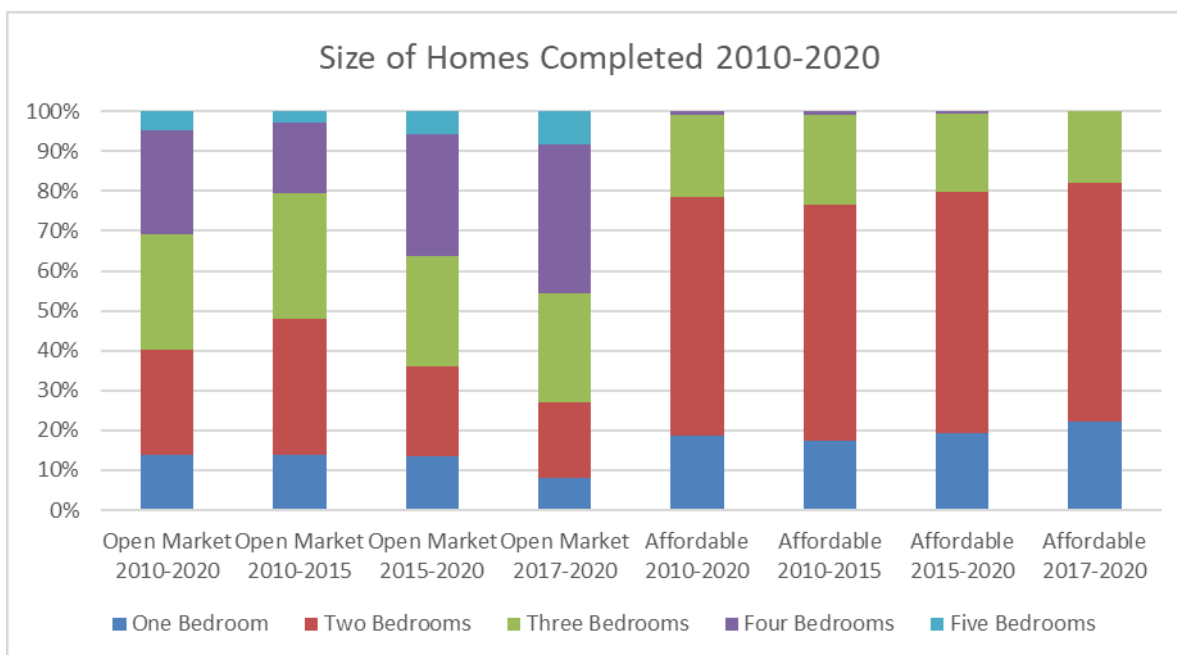
- 5.3.3 Information on the number of bedrooms of each completed new home is available for approximately 92% of completions going back to 2010 which provides us with a good indication of property sizes that have been completed.

<b>No. of Bedrooms</b>	<b>Affordable</b>	<b>Open Market</b>	<b>Grand Total</b>
1	18.52%	13.68%	14.91%
2	60.00%	26.62%	35.07%
3	20.74%	29.00%	26.91%
4	0.74%	25.99%	19.60%
5	0.00%	4.71%	3.52%

Table 19: Size of New Homes 2010-2020 (Number of Bedrooms)

- 5.3.4 Almost all affordable homes that have been built from 2010-2020 have had 1-3 bedrooms and 60% have had two bedrooms. Open market homes have generally been larger with almost 30% being 3 bed roomed, 26% being 4 bed roomed and almost 5% being 5 bed roomed. Around 30% of open market properties have been 4 to 5 bedroom.
- 5.3.5 The above table shows the data for affordable and open market properties over the period 2010-2020 but it is also interesting to break the data down into smaller timeframes within this period to look for any patterns or trends of how the size of properties may have changed in this period.
- 5.3.6 The graph below shows the figures in a graph format, for the period 2010-2020 and also provides the figures for the periods 2010-2015, 2015-2020 and 2017-2020. The graph clearly illustrates the difference in provision in open market and affordable properties, but interestingly also appears to show that in recent years open market properties appear to be getting bigger in terms of the number of bedrooms they have.

- 5.3.7 For example in the period 2010-2015 21% of open market homes built had 4 or more bedrooms, whereas between 2015-20 36% had 4 or more bedrooms, rising to 46% in the last three years. The supply of open market homes therefore appears to be increasingly dominated by four or more bedroomed properties.



**Figure 8: Size of New Homes 2010-2020 (Number of Bedrooms)**

## Types of Homes

- 5.3.8 An analysis of homes built from 2010 – 2020 as shown in the table below, shows that 65% of homes that have built have been houses and just under a third were flats/apartments. Bungalows have comprised a small proportion of overall completions, with a higher proportion being built in the affordable sector.

Type	Affordable	Open Market	Grand Total
Bungalow	7.2%	2.1%	3.3%
Flat	40.3%	29.5%	32%
House	52.5%	68.2%	64.5%
Maisonette	0.00%	0.3%	0.2%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Table 20: Types of New Homes (2010-2020)**

## Tenure of Homes

- 5.3.9 In terms of the tenure of homes that have been built between 2010-2020, 77% have been private open market homes for sale, and 23% have been affordable. Of the affordable homes, as shown in the table below almost three quarters were for affordable/social rent, and around a fifth were discounted sale properties. Shared

ownership properties have been relatively uncommon, accounting for just under 6% of affordable homes built in this time period.

House Type	%
Discounted Sale	20.7%
Affordable Rent	73.7%
Shared Ownership	5.6%
<b>Total</b>	<b>100.00%</b>

Table 21: Affordable Tenure Split on Completions 2010-2020

## 5.4 Consultation and Engagement

### Early Engagement February – October 2020

- 5.4.1 A number of comments were made in response to our early engagement discussion paper and survey on the mix and type of housing that should be provided.
- 5.4.2 Some comments were made that people felt there are too many of the wrong types of housing being built, with too many large 4/5 bedroom homes being built and not enough affordable homes.
- 5.4.3 Comments were made that the following types of homes are needed:
- Bungalows.
  - Lifetime Homes / homes addressing disability.
  - Low Cost homes
  - Homes that meet needs of whole community.
  - Homes designed with climate mitigation and adaptation measures and sustainable materials.
  - Local occupancy homes
  - Extra Care Housing /Older People's Housing/ Sheltered Care Housing.
  - Affordable homes.
  - Smaller houses to meet needs for 1 person households.
  - Self-build homes.
  - Social housing
  - Houses for families
- 5.4.4 Comments were also made that the mix and type of houses to be provided should be determined on a site by site basis. It was suggested that developers, who are active in the local market are best placed to determine the mix based on actual demand.

## 5.5 Key Issues and Development of Options

- 5.5.1 Two broad options have been presented in the Issues and Options report to address the issue of how the Local Plan should help deliver an appropriate mix of new housing to meet needs.
- 5.5.2 The first option is to maintain the current policy position (Core Strategy CS6.2) of stating that new development should provide a mix of housing to meet needs, but not being prescriptive about the proportions of different types and sizes of housing that need to be provided. This would continue to enable a large degree of flexibility on a site by site basis. But the reality is that it would be a position whereby the market will continue to determine the open market mix of housing on sites with the result that we will continue to see high proportions of 4+bedroom houses that are unaffordable to a significant proportion of the local population, and use up more land and resources to both construct and live in. This option does offer the flexibility for the market to react to changing trends in demand. It would mean the types of homes being delivered are likely to be led by commercial decisions relating to consumer demand, rather than being informed by demographic data on the sizes of homes needed. There is an important distinction between need and the demand, and the SHMA itself points out for example that whilst a household may only technically need a smaller home, they may choose to buy a home with additional bedrooms if they can afford to do so.
- 5.5.3 The second option presented is for the Local Plan to include specific requirements in policy as to the types and mix of homes that should be provided on development sites to ensure that provision more closely matches evidence of need. This option would involve providing more specific policy wording to set out the proportions of different types of housing that should be provided, to make sure that it more closely aligns with our evidence of need in the SHMA. This policy approach would likely seek to require a minimum proportion of 2 and 3 bedroom open market homes on large development sites. This would help ensure that the open market homes being provided are more affordable and more aligned with demographic evidence on household size. This policy approach could also seek to require the provision of certain types of housing on development sites such as bungalows. The implications of this policy approach on development viability would need to be carefully assessed in a viability study.
- 5.5.4 Two broad options are therefore presented and we are seeking people's views on essentially a very flexible, or a more prescriptive approach.

## 6 Self-Build and Custom Build Housing

### 6.1 National Policy Context

- 6.1.1 The NPPF defines self-build and custom build housing as housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual. This could for example include a house whereby an individual commissions an architect to design, and then a local builder to build a home to their specification and is not therefore restricted to the narrow interpretation of people building homes themselves.
- 6.1.2 National policy requires local authorities to assess the demand for self-build and custom build housing in their area and to reflect it in local planning policies. Authorities must keep a register of people seeking serviced self-build plots in their area and have regard to this in carrying out their various functions. They must also grant enough planning permissions for self-build plots to meet the identified demand on the self-build register.

### 6.2 Local Policy Context

- 6.2.1 Our current Local Plan policy in relation to self-build is set out in Policy DM12 of the Development Management Policies DPD. This policy expresses the Council's support and encouragement for self-build homes in principle. It provides a clear statement on where self-build housing will be supported in principle and seeks to encourage this form of housing.
- 6.2.2 The policy does not however introduce any additional development locations above those already allowed for in the Local Plan and it doesn't require self-build plots to be provided on housing sites. Our current policy supports self-build in existing service centres, within or on the edge of small villages and hamlets, and on rural exception sites where they are to be provided as affordable homes.

### 6.3 Evidence

- 6.3.1 We have a legal duty to keep a register of people or groups seeking to acquire a plot for self-building (the self-build register) and to have regard to this when carrying out our Council functions. We also have a legal duty to grant enough planning permissions for self-build plots to meet local demand in our area. Information on the Council's self-build register and the number of plots being granted permission can be found on the Council's [self-build web page](https://www.southlakeland.gov.uk/housing/affordable-housing/self-build-and-custom-house-building/)<sup>29</sup>. Our data

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<sup>29</sup> <https://www.southlakeland.gov.uk/housing/affordable-housing/self-build-and-custom-house-building/>

shows that we are meeting our duty in granting enough planning permissions for self-build plots.

- 6.3.2 The table below shows our self-build monitoring data for 2016-2020. It shows the number of entries added to our self-build register and the number of self-built plots that have been granted planning permission. Over the five periods shown, 10 individuals have been added to the self-build register, and 122 plots have been granted planning permission.

Base period and base year	Number of individual entries added to self-build register during base period	Number of association/group entries added to self-build register during base period	Self-build plots granted permission in the base period
1: 01 Apr 2016 to 30 Oct 2016	17	0	14
2: 31 Oct 2016 to 30 Oct 2017	14	0	27
3: 31 Oct 2017 to 30 Oct 2018	21	0	22
4: 31 Oct 2018 to 30 Oct 2019	9	0	38
5: 31 Oct 2019 to 30 Oct 2020	9	0	21

## 6.4 Consultation and Engagement

### Early Engagement February – October 2020

- 6.4.1 A number of comments were made during our early engagement period in 2020 that more self-build homes are needed and that there should be more support for them.

## 6.5 Key Issues and Development of Options

- 6.5.1 The Issues and Options report presents two broad options for consultation. The first is to maintain the current policy position as set out in Policy DM12 of the Development Management Policies DPD. This option would not therefore introduce any further policy support for self-build. The Council is already meeting the legal requirements by granting sufficient development permissions for self-build plots.

- 6.5.2 The second option put forward is to offer further policy support for self-builders to try and increase access to land and plots for those seeking to build their own homes. This option could comprise a number of possible measures to help increase self-build activity. It does not propose specific measures at this stage but puts forward some possible approaches under this option for further consideration.
- 6.5.3 For example we could look to identify and allocate sites in the Local Plan solely for self-build housing to help prospective self-builders identify suitable land. This could potentially be an option for groups of people (as opposed to individuals) looking to self-build, as the Local Plan will only allocate sites capable of delivering multiple homes. This would require community groups to help identify potential sites of interest and for landowners to be willing to make sites available for self-builders, potentially at a lower cost than they would achieve on the open market.
- 6.5.4 Some Councils require developers to provide a proportion of plots on their development sites as serviced plots and to make them available to self-builders. This could involve specifying a site size threshold at which developers would be expected to make serviced self-build plots available and would likely require the production of further planning guidance to explain how the policy might work in practice.

## 7 Local Occupancy and Second Homes

### 7.1 National Policy Context

- 7.1.1 The NPPF does not make any reference to planning for issues around second home ownership or restricting new homes to local occupancy or main residences.
- 7.1.2 The PPG is also silent on the issue of second homes but does recognise the importance of rural housing in supporting the sustainability of local rural communities and ensuring viable use of local facilities such as schools, shops, public houses and places of worship.

### 7.2 Local Policy Context

#### Current policy position

- 7.2.1 There are no current local planning policies that specifically address issues around second homes or local occupancy in new market housing.
- 7.2.2 New affordable housing is however restricted to people with a local connection and is restricted so it can only be used as their main (principal) home.

#### Previous policy positions

- 7.2.3 Between November 2005 and October 2010, the Council operated a policy called IPATH (The Interim Planning Approach to Housing Development). This was a non-statutory local approach to the implementation of Structure Plan policy which, at that time was seeking to restrict new house building to encourage the development industry to focus on urban areas in need of regeneration. IPATH was a stop-gap pending adoption of the Core Strategy. Various adjustments were made to IPATH but the core approach was that in the east of the District (everywhere apart from Ulverston and Furness), any scheme of 4 dwellings or more must deliver at least 50% affordables and that all dwellings be restricted to Local Occupancy (subject to viability).
- 7.2.4 In the submission Core Strategy (November 2009) a different approach was proposed in draft Policy CS6.3 whereby on schemes outside Key Service Centres there was to be a 35% local occupancy requirement in addition to the 35% affordable requirement, and schemes of 3 dwellings or less were to be subject to local occupancy restrictions. At the Core Strategy examination (March 2010), the Inspector was not satisfied that the market local occupancy element, in relation to the Core Strategy, was justified by the evidence and required changes to the Core Strategy deleting the local occupancy element for market housing and introducing the viability criterion.

## 7.3 Evidence

- 7.3.1 There is no definitive single evidence source for understanding the scale of the issue of second homes or holiday lets in the South Lakeland Local Plan area. However there are a number of sources of data that can drawn upon to build up a picture of the issue, which are presented below, including the census, Council Tax records and the property gazetteer.
- 7.3.2 At a district wide level the presence of the national parks, in particular the Lake District National Park has a significant impact on the level of second homes and holiday lets given its popularity as a tourist destination. The issue for the Local Plan review is to understand the scale of the issue in the Local Plan area, and how high levels of second homes/holiday lets in the neighbouring national parks may be impacting on issues such as affordability and the sustainability of communities within the Local Plan area.

### Census Data on Second Addresses

- 7.3.3 The 2011 Census provides data on 8,628 people (not households) who stated they had a second address in South Lakeland (where they stay for at least 30 days a year) who are usually resident elsewhere in England and Wales as indicated below.

People with a second address in South Lakeland	Second Address Type: Working	Second Address Type: Holiday	Second Address Type: Other <sup>30</sup>
Male 0-15	-	171	172
Male 16-64	372	1,227	1,350
Male 65+	14	895	197
Female 0-15	-	170	148
Female 16-64	206	1,444	1,297
Female 65+	11	777	177

Figure 9: People with a second address in South Lakeland who are usually resident elsewhere in England and Wales (Census 2011)

- 7.3.4 It is important to note that this census data does not give an estimate of the number of second homes, as more than one person can record the same second address. For example a number of members of the same family could record the same holiday home address.
- 7.3.5 The dataset is however useful for drawing comparisons between areas and the table below show that South Lakeland ranks 3<sup>rd</sup> in terms of the local authorities

<sup>30</sup> 'Other' can include for example the home address of students who were living elsewhere at the time of the Census

with the highest rate per 1,000 usual residents of people with second addresses that are used for holiday purposes.

Local Authority (LA)	2011 Usual residents	Usual residents elsewhere, with a 'holiday' second address in this LA	People with a second address per 1,000 usual residents
Gwynedd	121,874	7,784	64
North Norfolk	101,499	4,842	48
<b>South Lakeland</b>	<b>103,658</b>	<b>4,684</b>	<b>45</b>
South Hams	83,140	3,738	45
Isles of Scilly UA	2,203	99	45
Isle of Anglesey	69,751	2,893	41
Purbeck	44,973	1,809	40
Eden	52,564	1,865	35
Pembrokeshire	122,439	4,310	35
Scarborough	108,793	3,697	34
West Somerset	34,675	1,142	33
East Lindsey	136,401	4,472	33
Ceredigion	75,922	2,269	30
Conwy	115,228	3,198	28
West Dorset	99,264	2,713	27
Suffolk Coastal	124,298	3,029	24
Chichester	113,794	2,754	24
King's Lynn and West Norfolk	147,451	3,539	24
Isle of Wight	138,265	3,114	23
Craven	55,409	1,204	22

Table 22: Usual residents of England and Wales with second 'holiday' addresses in the local authority, top 20

- 7.3.6 The census data clearly shows a significant scale of holiday home activity in South Lakeland. It must be noted that this data is district wide and is not available for just the Local Plan area. The following sections therefore look further into the issue using locally available data sources including Council Tax records and Gazetteer property data.

### Council Tax data

- 7.3.7 Until 1 April 2013 the Council applied a discount on Council Tax for second homes of 10%, and after this date the reduction was removed. As no discount is now offered on second homes there is no longer an incentive for second homeowners to declare them as such. This makes identifying second homes from Council Tax records problematic, however our records of properties that were previously

subject to the 10% discount gives us an estimate (potentially an underestimate) of second homes based on Council Tax records.

- 7.3.8 The map below presents this data on a parish basis, and illustrates second homes as a percentage of all Council Tax properties. The map clearly shows that proportions of second homes are much higher in the national park areas as would be expected. Second home proportions in the Local Plan area are relatively much lower in comparison, with no parish in the Local Plan area exceeding 10%.

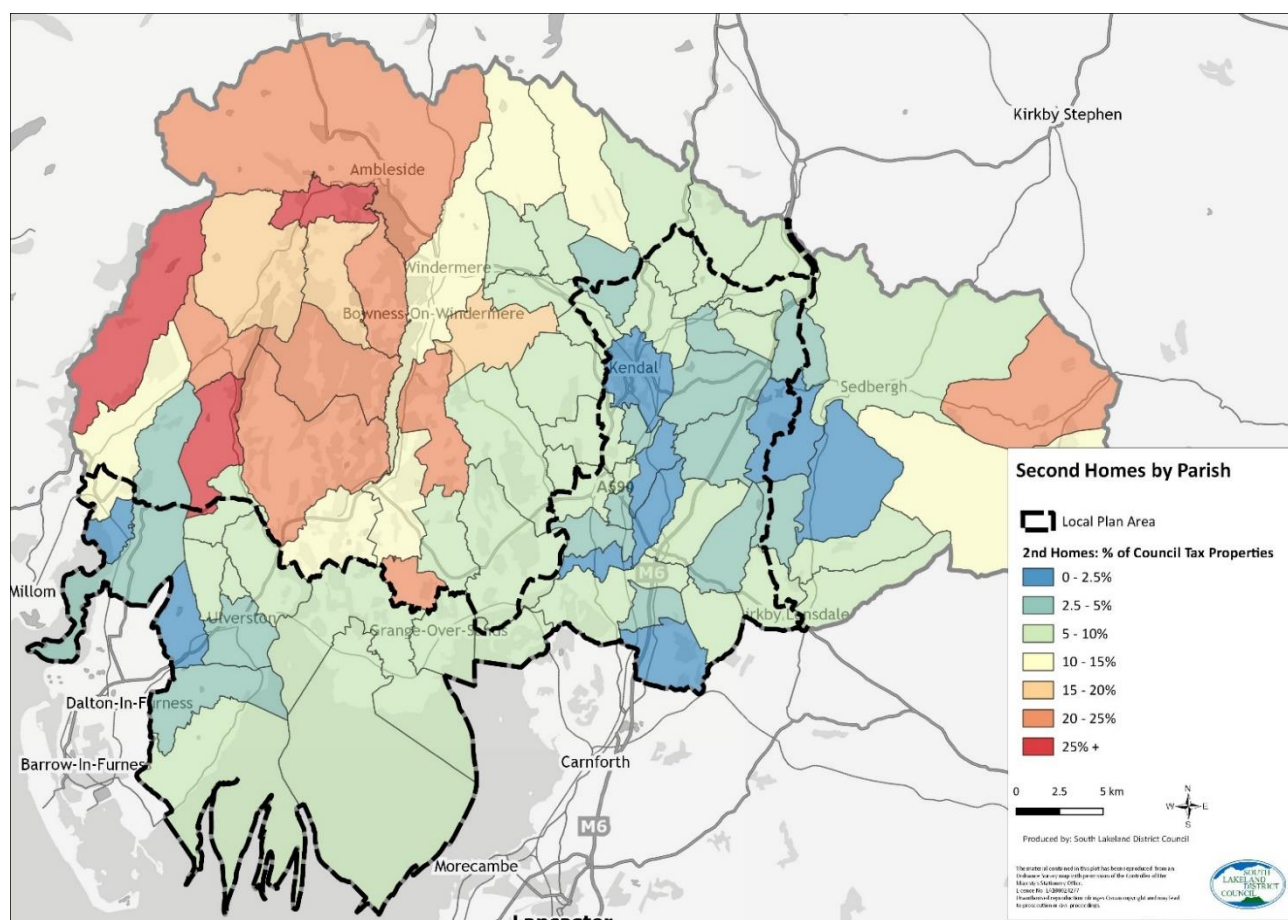


Figure 10: Second Homes: Percentage of Residential Properties by Parish

- 7.3.9 As shown in the table below, for parishes wholly within the Local Plan area, approximately 4% of homes are second homes, compared with 15% for parishes wholly in the National Parks and 8% for parishes partly within both the Local Plan area and National Parks. Overall for South Lakeland, the percentage of Council Tax properties that are second homes is understood to be around 7%, which is significantly higher than the national average for predominantly rural authorities which stands at 1.78% according to [research by the Rural Services Network](https://www.rsnonline.org.uk/second-home-ownership-member-insights)<sup>31</sup>. The figure just for parishes within the Local Plan area is still significantly above the

<sup>31</sup> <https://www.rsnonline.org.uk/second-home-ownership-member-insights>

national average of 1.78% suggesting that whilst the issue is less severe than in the national park areas, it is still an issue in the Local Plan area.

Parishes within:	Council Tax Properties	Number of Second Homes	% of Second Homes
Local Plan area	34256	1234	4%
Split between National Parks and Local Plan area	4840	374	8%
National Park areas	14595	2219	15%
<b>Grand Total</b>	<b>53691</b>	<b>3827</b>	<b>7%</b>

Table 23: Second Homes

## Property Gazetteer

- 7.3.10 The Council's Local Land and Property Gazetteer is another useful source of evidence on second homes and holiday lets. Whilst many private second homes are registered for Council Tax, some may instead be registered for business rates and classed as commercial rather than residential properties. This may be the case where owners declare their property is available to let as 'holiday accommodation' for 140 or more days a year. Holiday lets that were registered for business rates were eligible for covid-19 business grants which encouraged more property owners to register their holiday lets as businesses.
- 7.3.11 In addition to private second homes registered for business rates there are also a significant number of holiday lets operated on a purely commercial basis and therefore classed as commercial properties in the gazetteer. Many of these commercial properties would in the past have been residential properties such as cottages.
- 7.3.12 The map below shows properties that are classed as holiday lets in the gazetteer and illustrates the proportion of these properties in each parish, expressed as the number of holiday lets per 1,000 population, based on 2019 parish based population estimates from ONS.
- 7.3.13 Similarly to the previous map of second homes based on Council Tax records this map also highlights that the proportion of holiday lets is relatively much higher in the national park areas than the Local Plan area.

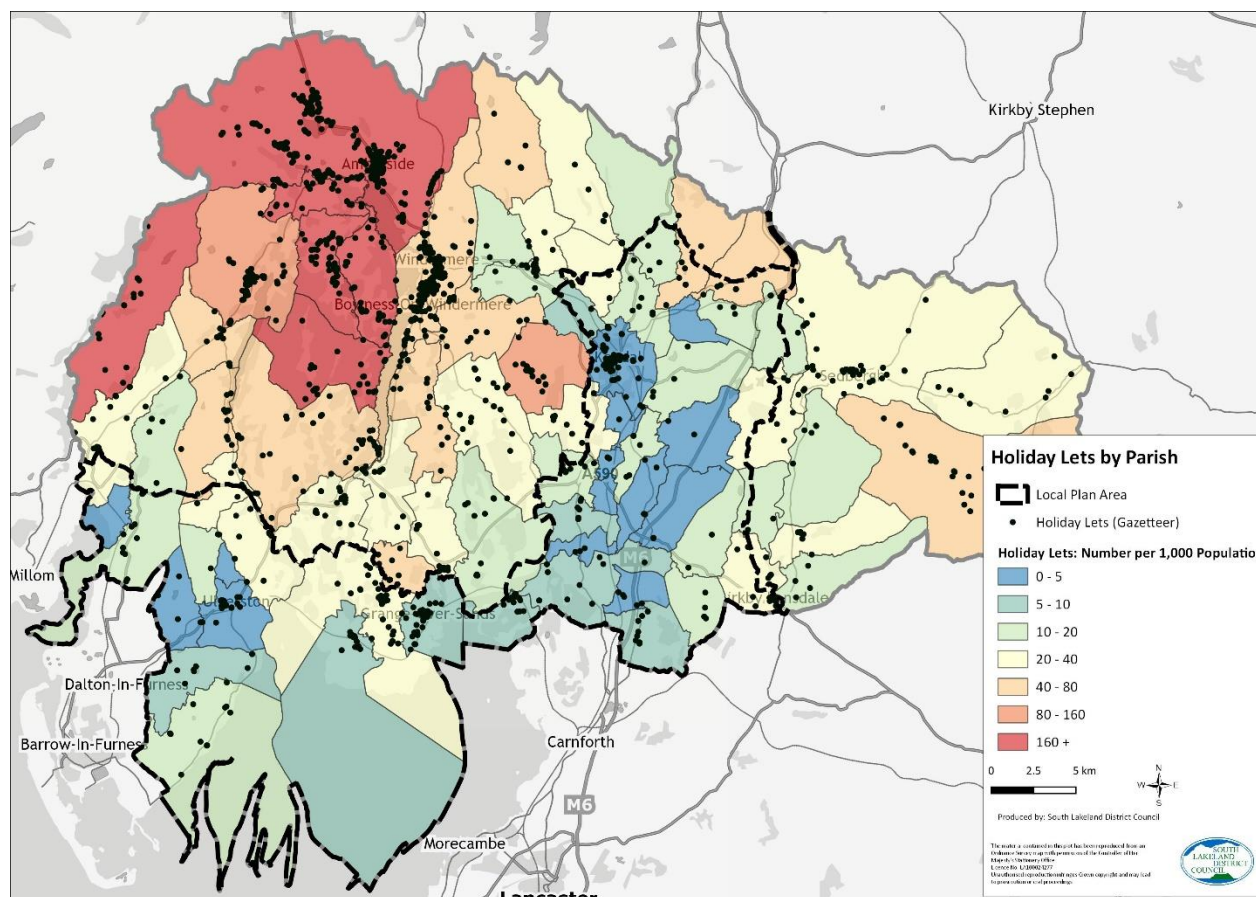


Figure 11: Holiday Lets: Holiday Lets by Parish per 1,000 population

7.3.14 The table below lists all the parishes in South Lakeland, and indicates whether they are wholly or partly within the Local Plan area or national parks. For each parish it lists the number of Council Tax properties and what percentage of those are declared as second homes, and also expresses this as a ratio of second homes per 1,000 people living in the parish. For each parish it also lists the number of commercial holiday lets (those registered for Business Rates rather than Council Tax) and expresses this as a ratio of holiday lets per 1,000 people living in the parish. The parishes are ordered from those with the highest percentage of second homes through to the lowest.

Parish	National Park/ Local Plan Area	Total Council Tax Properties	2nd Homes: % of Council Tax Properties	2nd Homes (No.)	2nd Homes: No. per 1,000 Population	Holiday Lets (No.)	Holiday Lets per 1,000 Population
Dunnerdale-with-Seathwaite	NP	80	33.75	27	254.72	18	169.8
Blawith and Subberthwaite	LPA/NP	122	27.05	33	111.49	15	50.7
Skelwith	NP	105	26.67	28	195.8	46	321.7
Garsdale	NP	124	25	31	154.23	8	39.8

Parish	National Park/ Local Plan Area	Total Council Tax Properties	2nd Homes: % of Council Tax Properties	2nd Homes (No.)	2nd Homes: No. per 1,000 Population	Holiday Lets (No.)	Holiday Lets per 1,000 Population
Colton	NP	439	24.15	106	155.88	51	75
Satterthwaite	NP	125	24	30	138.89	40	185.2
Claife	NP	211	23.22	49	171.33	76	265.7
Lakes	NP	2608	22.74	593	133.29	803	180.5
Cartmel Fell	NP	191	21.99	42	126.51	21	63.3
Broughton East	NP	133	21.8	29	127.75	18	79.3
Torver	NP	84	20.24	17	57.43	19	64.2
Hawkshead	NP	306	18.63	57	111.33	103	201.2
Coniston	NP	519	17.73	92	100.33	142	154.9
Crook	NP	174	16.09	28	80.92	18	52
Windermere	NP	4504	14.39	648	80.07	454	56.1
Dent	NP	364	14.01	51	63.35	42	52.2
Kentmere	NP	50	14	7	49.3	6	42.3
Broughton West	LPA/NP	482	12.86	62	74.97	27	32.6
Staveley-in-Cartmel	NP	260	11.54	30	72.99	11	26.8
Haverthwaite	NP	423	11.35	48	57.76	29	34.9
Longsleddale	NP	36	11.11	4	13.61	6	20.4
Lowick	LPA/NP	123	9.76	12	50.85	9	38.1
Grayrigg	LPA/NP	106	9.43	10	50.25	12	60.3
Selside and Fawcett Forest	LPA/NP	107	9.34	10	34.01	3	10.2
Crosthwaite and Lyth	NP	343	9.33	32	48.93	26	39.8
Osmotherley	LPA	118	9.32	11	38.87	3	10.6
Casterton	NP	151	9.27	14	39.77	4	11.4
Lindale and Newton-in-Cartmel	NP	472	9.11	43	53.15	18	22.2
Arnsdale	LPA	1301	9.07	118	52.56	15	6.7
Allithwaite and Cartmel	LPA	927	8.85	82	42.8	55	28.7
Mansriggs	LPA	23	8.7	2	7.07	0	0
Over Staveley	NP	283	8.48	24	56.34	16	37.6
Hutton Roof	LPA	95	8.42	8	36.36	4	18.2
Strickland Ketel	LPA/NP	559	8.41	47	42.81	11	10
Hugill	NP	234	8.12	19	44.19	8	18.6
Egton with Newland	LPA/NP	414	7.97	33	42.58	21	27.1
Sedbergh	NP	1319	7.81	103	37.29	56	20.3
Whinfell	LPA/NP	77	7.79	6	35.5	12	71

Parish	National Park/ Local Plan Area	Total Council Tax Properties	2nd Homes: % of Council Tax Properties	2nd Homes (No.)	2nd Homes: No. per 1,000 Population	Holiday Lets (No.)	Holiday Lets per 1,000 Population
Lambrigg	LPA	41	7.32	3	10.45	3	10.5
Grange-over-Sands	LPA	2550	7.1	181	41.43	36	8.2
Kirkby Lonsdale	LPA/NP	1095	7.03	77	41.55	51	27.5
Nether Staveley	NP	388	6.96	27	34.22	14	17.7
Preston Patrick	LPA	182	6.59	12	28.64	2	4.8
Underbarrow and Bradleyfield	NP	184	6.52	12	34.78	30	87
Sedgwick	LPA	185	6.49	12	36.59	1	3
Witherslack, Meathop and Ulpha	NP	310	6.45	20	30.4	11	16.71
Lower Holker	LPA	919	6.42	59	31.55	18	9.6
Helsington	LPA/NP	157	6.37	10	36.76	8	29.4
Aldingham	LPA	584	6.34	37	30.25	13	10.6
Skelsmergh and Scalthwaiterigg	LPA	206	6.31	13	21.28	9	14.73
Barbon	NP	122	5.74	7	31.25	7	31.3
Levens	LPA/NP	601	5.66	34	30.36	14	12.5
Beetham	LPA	872	5.28	46	25.63	10	5.6
Kirkby Ireleth	LPA/NP	603	4.98	30	24.14	24	19.3
Lupton	LPA	83	4.82	4	22.22	2	11.1
Urswick	LPA	681	4.7	32	24.33	7	5.3
Mansergh	LPA/NP	64	4.69	3	23.62	2	15.7
Docker	LPA	23	4.35	1	3.48	0	0
Heversham	LPA	325	4.31	14	18.77	5	6.7
Natland	LPA	481	3.95	19	19.53	1	1
Firbank	LPA/NP	54	3.7	2	7.3	5	18.2
Hincaster	LPA	94	3.19	3	15.08	0	0
Ulverston	LPA	5921	3.14	186	15.88	56	4.8
Holme	LPA	712	3.09	22	14.76	7	4.7
Old Hutton and Holmescales	LPA	175	2.86	5	12.47	1	2.5
New Hutton	LPA	144	2.78	4	11.2	4	11.2
Strickland Roger	LPA/NP	199	2.51	5	9.78	16	31.3
Stainton	LPA	132	2.27	3	9.65	5	16.1
Burton-in-Kendal	LPA	671	2.24	15	9.74	11	7.1
Kendal	LPA	14320	2.06	295	9.94	61	2.1
Pennington	LPA	908	1.98	18	8.93	3	1.5
Preston Richard	LPA	561	1.96	11	8.89	6	4.8

Parish	National Park/ Local Plan Area	Total Council Tax Properties	2nd Homes: % of Council Tax Properties	2nd Homes (No.)	2nd Homes: No. per 1,000 Population	Holiday Lets (No.)	Holiday Lets per 1,000 Population
Middleton	NP	53	1.89	1	3.28	5	16.4
Milnthorpe	LPA	1013	1.78	18	8.11	3	1.4
Killington	LPA/NP	77	0	0	0	6	21.9
Angerton	LPA	9	0	0	0	0	0

Table 24: Holiday Lets and Second Homes by Parish

## 7.4 Consultation and Engagement

### Early Engagement February – October 2020

- 7.4.1 A number of concerns were raised by respondents to our early engagement discussion paper and survey about the number of second homes and holiday homes in South Lakeland. Comments were made that there are already too many holiday lets and second homes and there were concerns about increasing numbers in future.

## 7.5 Key Issues and Development of Options

- 7.5.1 Two policy options in relation to second homes and local occupancy are presented in the Issues and Options report for comment.
- 7.5.2 The first option would continue the current policy approach, whereby only affordable homes will continue to be restricted to people with a local connection who will live in them as their main homes. As is the case now, local communities can still consider introducing policies for their local area through Neighbourhood Plans, which can be used to develop very localised planning policies to address issues at a local level, such as in St Ives in Cornwall where a neighbourhood plan has been adopted which prevents new homes from being second homes.
- 7.5.3 The second option would seek to ensure that a small proportion of new private market homes are required to be used as main homes and are available only for people with a local connection. This option would need to be clearly justified and underpinned by evidence. Any form of widespread restriction on the occupancy of general market housing would be unlikely to pass the examination given previous local experience. However there may be scope to explore whether a smaller scale targeted approach might be appropriate. For example our neighbouring planning area Eden District Council has a Local Plan Policy (HS2) that restricts new greenfield market housing in smaller villages and hamlets to people with a local connection. This is intended to help promote self-build opportunities for local people. We could consider a similar approach, by revising our current Policy



DM13 and requiring new homes permitted under this policy to be for people with a local connection who will use them as their main homes.

- 7.5.4 The second option has been presented as a broad option and would require detailed consideration and further research as the Local Plan Review progresses. It would need to be a clearly justified and targeted approach to address a clear need. However at this early stage it was considered appropriate to gauge people's views on the broad idea of seeking to restrict homes to primary homes in certain areas.

## 8 Setting Housing Requirements for Neighbourhood Plan Areas

### 8.1 National Policy Context

- 8.1.1 National planning policy requires local authorities to set housing requirement figures for designated neighbourhood plan areas as part of their strategic policies in their Local Plans.
- 8.1.2 In the South Lakeland Local Plan Area we have the following designated neighbourhood plan areas:
- Heversham and Hincaster – Adopted Neighbourhood Plan
  - Grange over Sands – Adopted Neighbourhood Plan
  - Allithwaite and Cartmel – Draft Neighbourhood Plan in preparation
  - Burneside – Early stages of research and plan preparation
- 8.1.3 The government's planning guidance explains that there is no set method for setting housing requirement figures for neighbourhood plan areas but suggests local authorities might want to take into consideration:
- The spatial strategy in the Local Plan, which distributes development across the Local Plan area.
  - Evidence on the amount of land available for housing in the area.
  - The characteristics of the neighbourhood plan area including its population and role in providing services.
  - Factors that could restrict the scale, type or distribution of development in a neighbourhood plan area (for example designated nature sites, heritage assets, flood risk etc)
- 8.1.4 The guidance states that where neighbourhood plan areas include parts of national parks, each local planning authority should set a housing requirement figure for the proportion of the designated neighbourhood area which is covered by their administration. This is the case for the Burneside designated neighbourhood plan area which is partly within the Lake District National Park area.

### 8.2 Local Policy Context

- 8.2.1 Our existing Local Plan does not currently set housing requirements for neighbourhood plan areas.
- 8.2.2 It does however distribute development across the Local Plan area, directing different proportions of development to different settlements and areas in line with the spatial strategy.

- 8.2.3 The current spatial strategy directs 55% of the overall housing requirement to Kendal (35%) and Ulverston (20%), 13% across the Key Service Centres of Grange-over-Sands, Kirkby Lonsdale and Milnthorpe, 21% across the network of Local Service Centres, and 11% in the rural areas. This distribution was based on an assessment of the sustainability of different settlements in terms of provision of services and transport links, and also took into account relative sizes and populations of different places and their capacity to accommodate development.
- 8.2.4 There are two existing adopted neighbourhood plans, for Grange-over-Sands and Heversham and Hincaster.
- 8.2.5 The Heversham and Hincaster Neighbourhood Plan was adopted in 2017 and runs to 2025. Policy HH2 of the plan sets out that from 2015 to 2025 a maximum of 30 new dwellings will be supported in the area, which equates to 3 dwellings per year. Policy HH3 requires any new development to be proportionate to the pattern and form of settlements and states that normally this will mean developments no larger than 6 dwellings.
- 8.2.6 The Grange-over-Sands Neighbourhood Plan was adopted in 2018 and covers the period 2017-2027. It does not make any new housing allocations and refers to the fact that there is already a strong pipeline supply of existing housing sites. The plan considers that any future development within the neighbourhood plan period should be within the development boundary of the town.

## 8.3 Evidence

- 8.3.1 There is currently limited available evidence on housing needs at a localised level such as neighbourhood plan areas. There are methodological difficulties in trying to calculate assessments of housing need at such small areas.
- 8.3.2 Potential sources of evidence include parish housing need surveys. The Cumbria Rural Housing Trust (which is no longer operation) undertook a comprehensive set of parish housing needs surveys across Cumbria in around 2014-15 but there have been no further updates and the Council no longer prepares parish household surveys.
- 8.3.3 Some neighbourhood planning groups choose to undertake surveys to inform neighbourhood plans which may involve primary research of households living in the area to understand their future housing needs.
- 8.3.4 As set out in paragraph 8.1.3 above the government's planning guidance sets out a number of factors that local authorities should consider in setting housing requirement figures for neighbourhood plan areas.
- 8.3.5 The table below summarises the evidence available on each of the factors set out in government planning guidance for each of our designated neighbourhood plan areas, which may be used to inform a housing requirement figure.

Factor	Heversham and Hincaster	Grange-over-Sands	Allithwaite and Cartmel	Burnside
<b>Local Plan Spatial Strategy</b>	<p>Heversham and Hincaster are currently identified as small villages in the Local Plan. The rest of the neighbourhood plan area is considered open countryside in the current spatial strategy with a number of hamlets. There are not currently any housing allocations in the Local Plan in this neighbourhood plan area, and current policy allows for small scale sensitive development within and on the edge of small villages and hamlets.</p> <p>The <a href="#">adopted neighbourhood plan</a> runs to 2025 and does not make any housing allocations and restricts development to small scale sites of normally no more than 6</p>	<p>Grange-over-Sands is currently identified as a Key Service Centre (KSC) in the Local Plan, due to its level of service provision. Along with the other KSCs and the principal centres of Kendal and Ulverston it is a focus for development in the spatial strategy. Together the service centres are expected to deliver 13% of the housing requirement under the current spatial strategy, and Grange-over-Sands provides for 7.64% of the overall requirement.</p> <p>The <a href="#">adopted neighbourhood plan</a> runs from 2017-2027. It does not make any new housing allocations and refers to the fact that there is already a strong pipeline supply of</p>	<p>The villages of Allithwaite and Cartmel are both identified as Local Service Centres (LSC) in the Local Plan.</p> <p>These are the third 'tier' of settlements, and the Core Strategy directs 21% of the housing requirement to the network of 17 LSCs.</p> <p>The Local Plan, based on a proportionate split relating to population size, anticipated 1.51% of the total housing requirement to be met in Allithwaite, and 0.67% in Cartmel, amounting to 2.18% for both villages.</p> <p>The existing Local Plan identifies development boundaries around Allithwaite and Cartmel and</p>	<p>The neighbourhood plan area is largely rural in nature with open countryside and small hamlets. The main settlement is Burnside which is identified as a Local Service Centre in the current Local Plan spatial strategy.</p> <p>The Local Plan, based on a proportionate split relating to population size, anticipated 1.57% of the total housing requirement to be met in the village of Burnside.</p> <p>The existing Local Plan identifies a development boundary around Burnside and expects the development needs to 2025 to be met within that boundary.</p>

Factor	Heversham and Hincaster	Grange-over-Sands	Allithwaite and Cartmel	Burnside
	dwelling. It supports up to 30 new dwellings over the ten year period 2015-2025.	existing housing sites. The plan considers that any future development within the neighbourhood plan period should be within the development boundary of the town.	<p>expects the development needs to 2025 to be met within those boundaries.</p> <p>The remainder of the neighbourhood plan area is considered open countryside in the current Local Plan strategy.</p> <p>The <a href="#">2019 emerging draft neighbourhood plan</a> for the period 2019-2025 did not identify any new housing sites and proposed policies relating to quality design, with a preference for smaller scale developments, and also proposed a principle residence policy to prevent second/holiday home ownership of newly built houses.</p>	Part of the Burnside neighbourhood plan area falls within the Lake District National Park and is therefore covered by the LDNP Local Plan.
<b>Evidence of land available for housing in the area</b>	At 31 March 2020 our understanding of land available for housing in the period 2020-2040 for	At 31 March 2020 our understanding of land available for housing in the	At 31 March 2020 our understanding of land available for housing in the period 2020-2040 for	At 31 March 2020 our understanding of land available for housing in the

Factor	Heversham and Hincaster	Grange-over-Sands	Allithwaite and Cartmel	Burneside
	<p>Heversham and Hincaster was:</p> <p>Large Permitted Sites: 14 Small Site Permissions: 13 Total: 27 homes</p> <p>A Strategic Housing and Economic Land Availability Assessment (SHELAA) is underway which will provide an up to date assessment of land availability, and consider any additional sites put forward in the summer 2020 'Call for Sites'.</p>	<p>period 2020-2040 for Grange-over-Sands was:</p> <p>Local Plan Allocations: 352 Small Site Permissions: 26 Total: 378 homes</p>	<p>Allithwaite and Cartmel was:</p> <p>Local Plan Allocations: 84 Small Site Permissions: 18 Large Site Permissions: 22 Total: 124 homes</p>	<p>period 2020-2040 for Burneside was:</p> <p>Local Plan Allocations: 93 Small Site Permissions: 5 Total: 98 homes</p>
Characteristics of the area including its population and role in providing services	<p><b>Population:</b> Census 2011: 908 (Heversham Parish 699 + Hincaster Parish 209)</p> <p>Mid-Year Estimate 2019 (based on census output areas aligning with neighbourhood plan area): <b>945</b></p>	<p><b>Population:</b> Census 2011: 4,114 (Grange-over-Sands Parish)</p> <p>Mid-Year Estimate 2019 (based on census output areas aligning with neighbourhood plan area): <b>4369</b></p>	<p><b>Population:</b> Census 2011: 1,831 (Lower Allithwaite Parish)</p> <p>Mid-Year Estimate 2019 (based on census output areas aligning with neighbourhood plan area): <b>1916</b></p>	<p><b>Population:</b> Census 2011: 1585 (Strickland Ketel Parish 1,105 + Strickland Roger Parish 480) Note: both parishes include areas within the Lake District National Park.</p>

Factor	Heversham and Hincaster	Grange-over-Sands	Allithwaite and Cartmel	Burnside
	<p>% of Local Plan area population = <b>1.2%</b></p> <p>Heversham provides a range of facilities and services for the village and surrounding rural areas. These include St Peter's Church, the Dallam school campus, public house, village hall, a play area and bowling club. The 555 bus route also runs through the village.</p> <p>Hincaster is a smaller hamlet and does not provide services and facilities for the wider population.</p>	<p>% of Local Plan area population = <b>5.5%</b></p> <p>Grange-over-Sands has a good level of service provision including shops, a post office, health services, community buildings, outdoor sports and recreation facilities, a primary school, rail services and a regular bus service. It is classified as a Key Service Centre in the Local Plan.</p>	<p>% of Local Plan area population = <b>2.4%</b></p> <p>Allithwaite and Cartmel are both designated as Local Service Centres in the Local Plan as they offer a range of facilities and services for the residents of the villages and surrounding areas. These include shops, primary schools, post offices places of worship and outdoor spaces and sports facilities. Cartmel has a secondary school serving the Cartmel peninsula.</p>	<p>Mid-Year Estimate 2019 (based on census output areas aligning with neighbourhood plan area): <b>1609</b> % of Local Plan area population = <b>1.9%</b></p> <p>Burnside has a range of services including a convenience store, community buildings, outdoor sports and recreation facilities, a primary school and bus and rail services. It is classified as a Local Service Centre in the Local Plan, and is in close proximity to Kendal and the full range of services and facilities there.</p>
<b>Factors that could restrict development potential<sup>32</sup></b>	<p>Heversham and Hincaster parishes contain a number of the factors listed in the NPPF that could restrict</p>	<p>Grange-over-Sands parish contains a number of the factors listed in the NPPF that could restrict</p>	<p>Allithwaite and Cartmel parish contains a number of the factors listed in the NPPF that could restrict</p>	<p>The Burnside neighbourhood plan area contains a number of the factors listed in the NPPF</p>

<sup>32</sup> As set out in footnote 6 of the National Planning Policy Framework (NPPF): habitats and sites, SSSI, Local Green Space, AONB, National Park, irreplaceable habitats, designated heritage assets, areas at risk of flooding or coastal change.

Factor	Heversham and Hincaster	Grange-over-Sands	Allithwaite and Cartmel	Burnside
	<p>development potential. These include:</p> <ul style="list-style-type: none"> <li>- Areas of ancient woodland</li> <li>- Areas of priority habitat</li> <li>- Heversham Conservation Area and a number of listed buildings.</li> </ul>	<p>development potential. These include:</p> <ul style="list-style-type: none"> <li>- Areas of ancient woodland</li> <li>- Areas of priority habitat</li> <li>- Grange-over-Sands Conservation Area and a number of listed buildings.</li> <li>- Areas of surface water and coastal flood risk.</li> <li>- Internationally and nationally protected nature sites.</li> </ul>	<p>development potential. These include:</p> <ul style="list-style-type: none"> <li>- Areas of ancient woodland</li> <li>- Areas of priority habitat</li> <li>- Cartmel Conservation Area and numerous listed buildings and scheduled monuments.</li> <li>- Areas of coastal, river and surface water flooding.</li> </ul>	<p>that could restrict development potential. These include:</p> <ul style="list-style-type: none"> <li>- River and surface water flood risk.</li> <li>- Internationally and nationally protected nature sites.</li> <li>- Areas of priority habitat.</li> </ul>

Table 25: Neighbourhood Plan Areas - Factors to consider in determining a housing requirement

## 8.4 Consultation and Engagement

- 8.4.1 The specific issue of setting housing requirements for neighbourhood plan areas was not raised in our early engagement discussion paper and no comments were made on this matter.

## 8.5 Key Issues and Development of Options

- 8.5.1 In line with national policy and guidance the South Lakeland Local Plan should set housing requirements figures for designated neighbourhood plan areas.
- 8.5.2 As set out above there is no fixed method for setting the figures and the government sets out a number of factors that should be taken into account. This means there are a number of potential options for how it could be set.
- 8.5.3 In the spirit of localism which underpins neighbourhood planning we also consider that in addition to the factors set out in the government's planning guidance, we should consider local communities' aspirations for the future development of their area and work together to agree appropriate requirement figures in the Local Plan.
- 8.5.4 The Issues and Options report presents two main options for calculating neighbourhood plan area housing requirements.
- 8.5.5 The first option presented is to set housing requirements based on the various factors outlined in planning guidance and in consultation with neighbourhood planning bodies. This option would include an assessment of the factors outlined in planning guidance, and look at the current and emerging Local Plan spatial strategy options and what they might mean for each neighbourhood plan area, available housing land in each area, the population and characteristics of each area, any constraints that may restrict the scope for future development, and the aspirations of local communities for future development in their area.
- 8.5.6 The second option presented is to start with looking at the population of each neighbourhood plan area and then splitting out the overall Local Plan housing requirement figure based on the proportion of the population in each neighbourhood plan area.
- 8.5.7 The table below shows what requirement figures this would produce if we split a plan wide figure of up to 290 homes per year based on population.

Neighbourhood Plan Area	2019 Mid-Year Estimate Population	% of Local Plan Area Population	Potential housing requirement (2020-2040) based on population	Annual figure
Grange-over-Sands NP	4369	5.5%	317	16



Neighbourhood Plan Area	2019 Mid-Year Estimate Population	% of Local Plan Area Population	Potential housing requirement (2020-2040) based on population	Annual figure
Allithwaite and Cartmel NP	1916	2.4%	139	7
Heversham and Hincaster NP	945	1.2%	69	3
Burneside NP	1490	1.9%	108	5

## 9 Older People's Housing

### 9.1 National Policy Context

- 9.1.1 The NPPF requires local authorities to assess the housing needs of different groups in the community, including older people. The NPPF defines older people as people over or approaching retirement age, including the active, newly-retired through to the very frail elderly, and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of retirement and specialized housing for those with support or care needs.
- 9.1.2 A new section of the online planning practice guidance was published in June 2019 entitled '[housing for older and disabled people](https://www.gov.uk/guidance/housing-for-older-and-disabled-people)'<sup>33</sup>. It advises that the needs for older people's housing should be assessed using data such as census data and population and household projections by age group. The PPG suggest including indicative figures in plans for the number of units of specialist housing for older people that may be required throughout the plan period. The guidance states that it is up to local planning authorities to decide whether to allocate sites specifically for specialist housing for older people.
- 9.1.3 The PPG differentiates between a number of different specialist house types for older people including age restricted general market housing, retirement living/sheltered housing, extra care housing and residential care homes and nursing homes.

### 9.2 Local Policy Context

- 9.2.1 Policy CS6.2 of the Core Strategy supports the provision of purpose-built and/or specialist accommodation for the elderly in appropriate locations that are well served by public transport and local services.
- 9.2.2 The recently adopted Policy DM11 in the Development Management Policies DPD requires all new build homes in the Local Plan area to be constructed to enhanced Building Regulations on accessibility and adaptability. All new homes must be built to M4(2) standards (accessible and adaptable homes) and 5% of new homes on sites over 40 units must be built to M4(3a) standards for wheelchair adaptability. This policy is therefore helping ensure that new homes can be more easily and cheaply adapted to suit people as their needs change and will help people be able to stay in their own homes as they get older if this is their preference.

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<sup>33</sup> <https://www.gov.uk/guidance/housing-for-older-and-disabled-people>

- 9.2.3 South Lakeland Council has adopted a joint [Older Person's Housing Strategy](#)<sup>34</sup> for the period 2018 to 2025 with Eden District Council. This sets out five key priorities with those relevant to the Local Plan including making the best use of people's existing homes for example through adaptations, assisting those who wish to downsize and increasing the supply of housing suitable for older people.

## 9.3 Evidence

### Ageing Population Trends

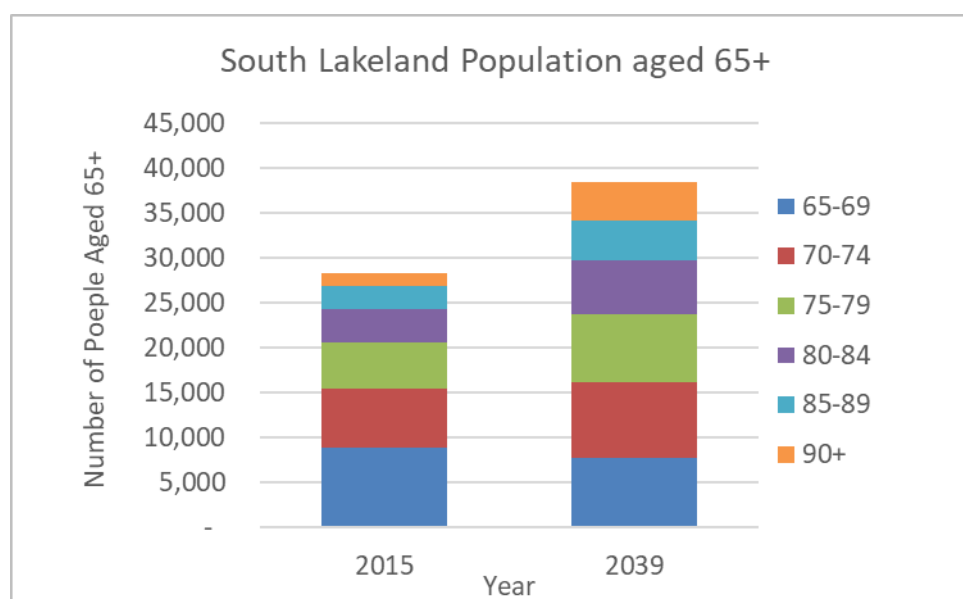
- 9.3.1 South Lakeland has a significantly older population than regionally and nationally, with 2018 population estimates showing that 28% of the district's population is aged over 65, compared with 18% nationally. The median age of South Lakeland residents is 50.9, compared with 40.3 for the North West and 39.9 for England.

	South Lakeland	Cumbria	NW	England
Age Group	% of Population	% of Population	% of Population	% of Population
0-4	4.0%	4.9%	6.1%	6.1%
5-9	4.7%	5.3%	6.2%	6.3%
10-14	5.1%	5.2%	5.7%	5.7%
15-19	5.2%	5.1%	5.7%	5.6%
20-24	4.2%	5.0%	6.5%	6.3%
25-29	4.3%	5.4%	6.9%	6.9%
30-34	4.4%	5.2%	6.5%	6.8%
35-39	4.7%	5.2%	6.1%	6.5%
40-44	5.4%	5.5%	5.9%	6.2%
45-49	7.1%	7.2%	6.9%	6.9%
50-54	7.9%	7.9%	7.1%	7.0%
55-59	7.8%	7.5%	6.5%	6.3%
60-64	7.3%	6.8%	5.6%	5.4%
65-69	7.7%	6.9%	5.4%	5.2%
70-74	7.4%	6.2%	4.8%	4.7%
75-79	5.0%	4.4%	3.4%	3.3%
80-84	3.7%	3.1%	2.5%	2.5%
85+	3.9%	3.1%	2.3%	2.4%

Table 26: Population Age Profile (2017 Mid Year Estimates, ONS)

<sup>34</sup> <https://www.southlakeland.gov.uk/media/5648/older-persons-housing-strategy.pdf>

- 9.3.2 Looking to the future, South Lakeland's population will continue to age significantly and 2014 based population projections show that there will be a significant increase in both the numbers and proportion of the population aged 65 and over. By 2039 there will be over 10,000 more people aged over 65 in South Lakeland than at present, and the percentage of people aged over 65 will have increased from around 27% to 37% of the total population. Conversely the working age population is projected to significantly decrease (by 9,200 in the period 2016-2036).



Source: 2014 based sub-national population projections

Figure 12: Population 65+

## Evidence on Need for Housing for Older People

- 9.3.3 The South Lakeland SHMA (2017) estimated the need for specialist housing (most likely to be extra care) for older people over the period 2016-36 using the toolkit provided by the Housing Learning and Information Network (LIN), and compared these estimates with the projected need calculated by Cumbria County Council.

HMA	SHMA: Per Annum	SHMA: 2016-36	CCC: Per Annum	CCC: 2016-36
Cartmel Peninsula	10	203	10	93
Central Lakes	13	261	14	122
Dales	2	44	3	23
Kendal	17	344	18	164
Kendal Rural	18	351	19	170

HMA	SHMA: Per Annum	SHMA: 2016-36	CCC: Per Annum	CCC: 2016-36
Ulverston & Furness	12	239	14	128
<b>South Lakeland (whole district)</b>	<b>72</b>	<b>1,443</b>	<b>78</b>	<b>700</b>

Table 27: Specialist Older People's Housing Need

- 9.3.4 Both sources of evidence point to a very similar level of need of between 72-78 units per year for the whole district area including the national parks. In looking just at the housing market areas within the Local Plan area this equates to around 57-61 units per year.

## 9.4 Consultation and Engagement

### Early Engagement February – October 2020

- 9.4.1 In response to our early engagement discussion paper and short survey, specific mention was made of the need for extra care housing/older people's housing/sheltered care housing. Comments were made that more bungalows are needed and that there should be level access to all properties. Comments were also made about needing to make sure that older people have easy access to a range of facilities from their homes to help them live well.

## 9.5 Key Issues and Development of Options

- 9.5.1 Two general policy approaches, as opposed to policy options, are set out in relation to older people's housing. The first proposed approach is to continue to require all new build homes to meet the optional building regulations on accessibility and adaptability (as set out in current Policy DM11) to ensure all new homes are more accessible and are more easily adaptable as people's needs change throughout their lifetimes. There is no evidence to suggest that a change to this approach would be justified.

The second approach presented is to consider whether to allocate sites specifically for specialist housing for older people, or whether to require them as part of the housing mix on large sites.

## 10 Gypsies, Travellers and Travelling Showpeople

### 10.1 National Policy Context

10.1.1 The Government's planning policies and requirements for Gypsy and Traveller sites are set out in the [Planning Policy for Traveller sites](#)<sup>35</sup>, which must be taken into consideration in preparing local plans and taking planning decisions. It encourages local authorities to formulate their own evidence base for Gypsy and Traveller needs and to provide their own targets relating to pitches required. It sets out that:

- Local planning authorities should set pitch targets for gypsies and travellers and plot targets for travelling show people which address permanent and transit accommodation needs.
- LPAs should use a robust evidence base to establish accommodation needs to inform local plans and planning decisions.
- LPAs should pay particular attention to early and effective community engagement with settled and traveller communities.
- LPAs should cooperate with a range of bodies, groups and authorities to prepare and maintain an up to date understanding of accommodation needs.
- LPAs should identify and update annually a supply of specific deliverable sites to provide 5 years' worth of sites against local targets, and specific sites or broad locations for years 6-10 and where possible years 11-15.
- LPAs should consider joint development plans on a cross authority basis.
- LPAs in planning for gypsies, travellers and travelling show people should relate the number of pitches/plots to the circumstances of the specific size and location of the site and the surrounding population's size and density.
- LPAs in planning for gypsies, travellers and travelling show people should protect local amenity and the environment.
- LPAs should ensure that traveller sites are sustainable economically, socially and environmentally and their policies should ensure this (e.g. considering access to services, social integration, flood risk, environmental quality and infrastructure).

10.1.2 The above 2015 update to the earlier policy for travellers sites (2012) changed the definition of 'travellers' for planning purposes. The changes to the definitions for gypsies and travellers, and travelling showpeople resulted in the exclusion of those who have ceased to travel permanently. It is not clear from the definition how much 'travellers' are expected to travel to retain their gypsy/traveller status in

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/457420/Final\\_planning\\_and\\_travellers\\_policy.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/457420/Final_planning_and_travellers_policy.pdf)

planning terms, and the issue of whether people 'qualify' as gypsies or travellers has been the subject of debate in planning applications and appeals.

## 10.2 Local Policy Context

10.2.1 Current Local Plan policy for gypsy and traveler sites is contained within Policy DM26 of the Development Management Policies DPD. This sets out a criteria based policy for assessing any proposals for traveler sites that may come forward. It supports proposals for new gypsy, traveler and travelling showpeople sites where:

- the intended occupants meet the national policy definition of Gypsies and Travellers and Travelling Showpeople
- the location, scale and design of sites will not cause significant nuisance or impact on the amenity of neighbouring properties and will encourage integration and peaceful co-existence with closest settled community
- the site has reasonable access to key services including schools, shops, health care and appropriate community facilities, which can be reached on foot, cycle or public transport;
- the site can be served with relevant utilities, also provide adequate access for emergency vehicles
- the site can be contained within existing landscape features or appropriately landscaped to minimise its impact on the surrounding area
- the site has adequate access and turning space for large vehicles and caravans.

## 10.3 Evidence

10.3.1 According to the 2011 Census a total of 36 residents in South Lakeland recorded themselves as having a White British Gypsy and Traveller ethnicity. This equated to 0.03% of the district's population. As there is only one permitted known gypsy caravan pitch in the district this suggests the majority of gypsies and travellers in the area are likely to be living in bricks and mortar accommodation. Caution should be employed in interpreting Census data as subsequent studies have suggested Census figures relating to gypsies and travellers are likely to be an underestimate compared with sources of information such as Gypsy and Traveller Accommodation Assessments (GTAAs). A study undertaken by the Irish Traveller Movement in Britain suggested many gypsies and travellers may not identify themselves within the census as a result of likely mistrust of official processes, poorer literacy skills limiting people's ability to complete the forms, and a failure of the Office for National Statistics to engage marginalised communities for example those living on unauthorised sites.

- 10.3.2 The most recent assessment of need in South Lakeland is contained in the 2013 [Cumbria wide Gypsy and Traveller Accommodation Assessment \(GTAA\)](#)<sup>36</sup> which concluded that in South Lakeland there was no need for permanent residential pitches or travelling showpeople plots, but a need for eight transit pitches based on unauthorised encampment activity in the Bardsea and Birkrigg Common areas, south of Ulverston.
- 10.3.3 More recent evidence of unauthorised encampment activity collected by the Council suggests that the scale of activity has reduced in recent years both in terms of the number of events and the number of caravans reported. Our current understanding is therefore that temporary stopover provision would be more appropriate in meeting needs than formal transit pitches which are designed for longer stays.

Date of Arrival	Date of Departure	Duration (Days)	Year	Location	Town/Area	Number of Caravans
11 June 2012	15 June 2012	4	2012	Bardsea beach	Ulverston	2
24 July 2012	27 July 2012	3	2012	Bardsea beach	Ulverston	2
07 June 2013	14 June 2013	7	2013	Bardsea beach	Ulverston	4
21 June 2013	27 June 2013	6	2013	Birkrigg Common	Ulverston	4
26 June 2013	29 June 2013	3	2013	Low Mill Business Park	Ulverston	3
07 April 2015	16 April 2015	9	2015	Birkrigg Common	Ulverston	11
26 April 2015	03 May 2015	7	2015	Ferry Nab Car Park	Bowness	13
05 August 2015	09 August 2015	4	2015	Rydal Road Car Park	Ambleside	2
30 July 2015	03 August 2015	4	2015	Berners Close Car Park	Grange-over-Sands	2

<sup>36</sup> [https://www.southlakeland.gov.uk/media/6101/evh01e-gypsy\\_traveller-accommodation-assessment-nov-13.pdf](https://www.southlakeland.gov.uk/media/6101/evh01e-gypsy_traveller-accommodation-assessment-nov-13.pdf)

Date of Arrival	Date of Departure	Duration (Days)	Year	Location	Town/Area	Number of Caravans
13 March 2016	18 March 2016	5	2016	Ferry Nab Car Park	Bowness	17
20 April 2016	23 April 2016	3	2016	Dowkers Lane	Kendal	2
06 May 2016	14 May 2016	8	2016	Birkrigg Common	Ulverston	3
07 August 2016	19 August 2016	12	2016	Birkrigg Common	Ulverston	3
26 May 2017	29 May 2017	3	2017	Birkrigg Common	Ulverston	1
19 July 2017	26 July 2017	7	2017	Birkrigg Common	Ulverston	2
25 July 2017	26 July 2017	1	2017	Dowkers Lane	Kendal	8
04 July 2018	15 July 2018	11	2018	Birkrigg Common	Ulverston	3
20 August 2018	22 August 2018	2	2018	Birkrigg Common	Ulverston	3
30 July 2019	06 August 2019	7	2019	Layby at Brathay	Ambleside	2
17 February 2020	19th February 2020	2	2020	Asda Car Park	Kendal	3
06 August 2020	07 August 2020	2	2020	Queen Katherine School playing fields	Kendal	5

Table 28: Unauthorised gypsy and traveller encampments

- 10.3.4 An update to the Cumbria GTAA was commissioned in 2020 and will provide an updated assessment of need which will be taken into account in the Local Plan Review. This will inform the setting of a pitch requirement if required, along with identifying any sites, if a need for these is highlighted through the study.

## 10.4 Consultation and Engagement

### Early Engagement February – October 2020

- 10.4.1 No comments were made in relation to the housing needs of gypsies and travelers in the early engagement consultation period.

## 10.5 Key Issues and Development of Options

- 10.5.1 One broad approach to planning for the housing needs of gypsies and travelers is presented in the Issues and Options paper for comment. The suggested approach is to review the findings of the forthcoming Cumbria Gypsy and Traveller Accommodation Assessment, and then review Local Plan Policy DM26, and if necessary set a new pitch requirement and identify sites to meet need identified in the study.