

# North Norfolk Local Plan Examination Matter 4: Housing Mix and Affordable Housing Policy HOU2

Pigeon Investment Management Ltd on behalf of  
Pigeon Land Ltd and Jean Margaret Clifton,  
Jane Michelle Clifton and Iain David Clifton

January 2024

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## 1. Introduction

- 1.1 This Matter Statement has been prepared by Turley, for Pigeon Investment Management Ltd (hereafter referred to as Pigeon) on behalf of Pigeon Land Ltd and Jean Margaret Clifton, Jane Michelle Clifton and Iain David Clifton (the Landowners). These submissions are made pursuant to Matter 4 of the North Norfolk Local Plan Examination, January 2024, in support of the promotion of Land at Runton Road / Clifton Park, Cromer (the Site) for a sustainable, high quality landscape and design-led mixed-use scheme. The Site is 8 ha in area and lies on the western edge of Cromer, approximately 1km from the town centre, and forms a natural, well-connected and sustainable extension to the town.
- 1.2 The Site can bring forward 3 ha of land for provision of around 55 new homes, including 19 new affordable homes (at 35%) together with Extra Care accommodation, on land south of the A149 and to the west of Clifton Park. The majority of the remaining Site area will comprise 5 ha of public green space, allotments, ecological enhancements and new footpath connections, with 60% of the Site retained in the public realm. The Site has no known constraints so can be brought forward rapidly to meet housing needs, including urgent affordable housing needs. A detailed analysis of the scheme is provided within the Delivery Statement, appended to our Regulation 19 representations.
- 1.3 Pigeon strongly supports the timely provision of affordable housing over the Plan period, but is concerned that the current policies of the plan, notably, in relation to a number of proposed major housing allocations, will not deliver the quantum of affordable housing required over the plan period. This is by reason of a) the inherent delays to the delivery of some major sites coming forward, due to existing infrastructure deficit, b) the incorrect analysis of the deliverable capacity on some sites, taking into account physical and other major constraints, such as key landscape designations (including sites located within the AONB) and c) the allocation of some major sites which are known to not be viable and so therefore unable to deliver 35% affordable housing at inception, which is unsound.
- 1.4 In addition, Pigeon does not agree with the Council's overall calculation of total housing need and considers that this figure should be at least 10,620 new homes over the plan period using the 2014-based Sub National Housing Projections (SNHP's) rising to 11,220 new homes over the new 20-year plan period, if the latest, 2018-based, SNHPs are applied (see associated Matter 3 Statement, prepared by Savills, on behalf of Pigeon).
- 1.5 Accordingly, on the basis of seeking to secure 35% affordable housing provision in housing zone 2 (which is the general affordable housing requirement for many other local planning authorities across their entire authority areas) a higher overall housing target in North Norfolk would provide considerably more than the 2,000 affordable homes set out at paragraph 7.1.5 of the Plan. This need for additional affordable homes and the certainty of delivery is evidenced by the recent open letter sent by North Norfolk District Council to the Secretary of State for Levelling Up, Housing and Communities in December 2023, which called for urgent action from the Government to help ease the local housing crisis. The implications of this letter and the seriousness of the affordable housing position in North Norfolk is discussed in context in this Statement.

## 2. Response to Question 4.1 – Affordable Homes and Delivery

- 2.1 This section considers whether the need for 2,000 affordable homes over the plan period is justified and whether the policies of the plan will ensure satisfactory delivery.

### The Scale of Affordable Housing Need and the Urgency of Delivery

- 2.2 The first part of question 4.1 enquires as to whether the need for about 2,000 affordable homes over the plan period in North Norfolk is justified by the evidence. In this regard, Pigeon considers that not only is this minimum baseline justified, but the figure proposed is clearly insufficient and so should be urgently revised upwards to better correlate with more up to date, identified affordable needs. For the reasons given below, this is likely to require additional housing allocations to be made, to make up the affordable shortfall.
- 2.3 The evidence for this position comes from the most up to date information on housing need, published by the Council themselves (North Norfolk District Council website news). As with many other local authorities, North Norfolk is currently facing both an affordable housing shortage and an affordable housing funding crisis, which is freely acknowledged. Accordingly, on the 20 December 2023, an open letter was sent by the Council to the Secretary of State for Levelling Up, Housing and Communities (Rt Hon Michael Gove) from the Leader of the Council (Cllr Tim Adams) calling for urgent action from the Government to help ease the local housing crisis.
- 2.4 The Leader set out the urgency and the seriousness of the situation in North Norfolk in relation to the growing scale of homelessness and the alarming rise in the cost to the Council of providing temporary accommodation to meet basic living needs. He stated that homelessness had increased by 40 per cent in North Norfolk, over the course of the last three years and that this number had continued to increase and between April 1 and October 31 of 2023, with 228 households assessed as threatened with homelessness or already being homeless. Cllr Adams stated that the cost to the Council of placing a household in nightly paid accommodation is £700 per week. However the Council is only able to recover £98 of that cost. Therefore the overall net cost to the Council to meet its statutory requirement to provide temporary accommodation, has consequently risen from £713k in 2022-23 to a projected figure of **£1m** in 2023-24, which is unsustainable.
- 2.5 The newsfeed from the Council's website also contained a useful infographic (correct as of 18 December 2023) which is extracted at **Appendix 1** of this Statement, for reference. The key fact being that there are already 2,488 people currently on the Council's housing list, with over 54% of these people selecting Cromer as being a preferred area of choice. In addition, 572 people considered to be in urgent need, which in total, accounts for around half the affordable housing currently proposed in the plan period. A further key statistic is that there have only been 226 affordable lettings across the district in the last twelve months, which equates to less than one let for every 10 households currently on the Housing List. This reinforces the case for the Local Plan to urgently address the scale and pace of affordable housing delivery as part of the overall spatial strategy.

- 2.6 In this regard, Pigeon does not agree with the current scale of affordable housing which is proposed to be provided in the plan in principle, as it conflicts with the Council's calculation of total housing need. To evidence this position Savills have been engaged to support Pigeon in the calculation of the total housing need (see Matter 3 Statement submitted on behalf of Pigeon).
- 2.7 Savills conclude that there are no exceptional circumstances that justify a departure from using the Standard Method and 2014-based SNHPs, in favour of the alternative use of the 2016-based SNHPs. Savills therefore state that the Standard Method should be used for North Norfolk, resulting in an average annual housing need of 531 dpa (a total of 10,620 over the 20-year plan period). However, if the latest, 2018-based, SNHPs were applied to the assessment methodology, as advocated by the Local Housing Needs Assessment 2019, this would result in a higher average annual housing need of 561 dpa (a total of 11,220 over the 20-year plan period).
- 2.8 The conclusion to be drawn is that North Norfolk is clearly experiencing an affordable housing crisis, as articulated by the recent urgent letter sent to the Secretary of State. Therefore, rather than trying to cap the affordable housing provision at around 2,000 new homes, the task at hand is to identify the genuine housing requirement and to extrapolate a realistically deliverable affordable housing target, based on a standard levy of 35% for new major housing allocations.
- 2.9 However, whilst additional overall new homes logically equates to additional affordable housing provision, it is essential that the sites selected for allocation are both viable and unimpeded so that they can deliver the quantum of housing required within the specified timeframes of the housing trajectory. Reference to our Regulation 19 submissions and our Matter 5 statement, suggests that this is clearly not the case for some of the sites selected for housing development.

#### **Identified Delivery Issues within Highlighted Allocation Sites**

- 2.10 As part of its 2022 Regulation 19 submissions and Matter Statements prepared pursuant to this Examination, Pigeon identified that a number of the draft allocations will not deliver the quantum of market or affordable housing required over the plan period for the reasons summarised at paragraph 1.3 of this Statement. These include significant delays to the commencement of delivery, over-estimations of capacity and delivery rate, and issues of viability, even where a planning application has already been submitted.
- 2.11 For ease of reference, the Inspector's attention is drawn to paragraphs 3.16 to 3.49 of Pigeon's Regulation 19 submissions (submitted by Turley) and also to paragraphs 6.1 to 6.21 of the same document, wherein the Council's expectations of the commencement date and the rate of housing delivery on a number of sites are challenged in principle with appropriate evidence. The Inspector's attention is additionally drawn to the updated narrative set out in our **Matter 5** Statement, notably in relation to the following draft allocation sites; **C22/2** - Land West of Pine Tree Farm, Cromer and **F01/B** - Land North of Rudham Stile Lane, Fakenham.

- 2.12 In broad summary, our Matter 5 Statement identifies the following key issues with the following draft allocations, which will severely impact the delivery of affordable housing on these particular sites.

**Draft Allocation C22/2 - Land West of Pine Tree Farm, Cromer (PO/18/2169)**

- 2.13 A set out in Section 2 of our Matter 5 Statement, this site has been the subject of a live undetermined planning application for over five years, with a number of major issues to overcome, but which have not been addressed. However since October 2019, there has been no movement on this application, which suggests that the scheme is not viable.
- 2.14 This is reinforced by the fact that the applicant has proposed only 25% affordable housing, which is substantially below the required 45% for this draft allocation. This equates to a loss of 30 affordable homes from a scheme of 300 new homes (75 down from a potential 105) even if the scheme can be delivered. Accordingly an alternative, more viable, site which can deliver the quantum of affordable housing required, should be allocated.

**Draft Allocation F01/B Land North of Rudham Stile Lane, Fakenham**

- 2.15 As part of our Regulation 19 representations, Pigeon questioned the deliverability of new homes on site F01/A (and by implication the future delivery of F01/B), the former of which, has a planning permission granted in October 2021 under PO/17/0680, following a lengthy determination period of nearly five years. In our Matter 5 Statement we draw the Inspector's attention to the lengthy chronology of the principal site (F01/A) as set out in paragraphs 3.16 – 3.33 of our 2022 representations, and the issues raised, which forms the primary case that we wish to discuss at the Matter 5 hearing.
- 2.16 A Reserved Matters application has still not yet been submitted on this site and none of the 950 homes originally forecast on Site F01/A were delivered. It is highly questionable therefore how much of the F01/A allocation can be realistically delivered during the plan period 2016 – 2036 and so the Council's expectation of an additional 560 homes and 100 units of specialist elderly accommodation on site F01/B by 2036, has no justification.
- 2.17 The site is also within the River Wensum catchment area, where the issue of Nutrient Neutrality may be an additional factor which could further constrain the deliverability of the site, as there is currently no mitigation scheme available for the river catchment, or any timescales for when such mitigation will be available. We also note the letter from Natural England, dated 16 March 2022, which prevents planning permission from being granted for any development that includes overnight accommodation.
- 2.18 In summary, the Council has not provided sufficient evidence to demonstrate that the draft site allocations will be able to meet the affordable housing requirement currently identified, which we consider, on the basis of the information contained in Appendix 1, to be too low in any event. This strongly suggests that the affordable housing need figure is significantly higher than that currently being planned for, which the Council has no counter evidence to refute. In turn this indicates that additional housing allocations, which can genuinely deliver 35% affordable housing, on site, need to be considered.

# Appendix 1

## North Norfolk Housing Crisis: Key Facts Infographic Extract from NNDC News Website



There are 2,488 households on the Council's housing list.



572 of these are in urgent need because of:

- being homeless or threatened with homelessness (182)
- living in insanitary, overcrowded or otherwise unsatisfactory housing (154)
- a need to move on medical or welfare grounds (including disability) (236)



There are 65 homeless households in temporary housing provided by the Council.



There have been 226 Affordable Housing lettings across the district in the last twelve months. Less than one let for every 10 households on the Housing list. 116 lets have been to homeless households.



Housing Associations provide all the affordable housing in the district with the demand for this far outstripping supply. The Council owns 23 homes which are used to provide temporary housing for homeless households.



The Council has a legal duty under Part 7 of the Housing Act to accommodate certain homeless clients.



The Council has too few homes to meet all of the need for temporary housing and the Council has to house some people in nightly paid accommodation. The government meets only a small part of the cost of the hotels.



The net cost to the Council in 2022/23 was £713,000 - the expected net cost to the Council in 2023/24 is approximately £1m.