POP009

Topic Paper: Housing

Local Development Plan
2020-2035

Belfast City Council

Executive Summary

Context

Housing lies at the heart of town planning. It assists in responding to arising needs and demands for new accommodation, both from the existing population as new households form or as housing needs change. New housing can also assist in population stabilisation or growth, encouraging more people to stay within or move to the city.

Planning for new housing will be a critical element in ensuring that the Local Development Plan reflects the aspirations of the Belfast Agenda, particularly in seeking to stabilise and grow the population and provide a range of good quality housing options. It is important that the new plan is based on an accurate assessment of the scale and type of new housing to be planned for the city.

Whilst population projections are an important source of information on the level and location of future housing requirements, it is the rate of household formation that is the more important driver of the housing market. The rate of household formation has been rising, driven by population growth and single living. The continuing trend towards more single person and older households will result in a sustained demand for accommodation and in particular for smaller units of accommodation and supported housing.

Although house prices have returned to more sustainable levels, ongoing difficulties in obtaining mortgage finance and growing labour market insecurity have made the private rented sector a more attractive alternative for many newly forming households. This is reflected in the first fall in the absolute number of owner-occupied dwellings in Northern Ireland, and although this number may well increase in the coming years it is more than likely that as a proportion of the total stock the proportion of owner-occupied dwellings has peaked for the foreseeable future.

Choice is key to ensuring people can stay in communities where they have grown up or raised families, where strong social cohesion is established. People who choose to downsize at later stages of life, but remain in the same area are often struggling to find suitable accommodation. There is considerable research which supports government policy that encourages mixes of housing types as opposed to concentrations of one type or another. We need to be more inventive in how we accommodate these changing needs.

We have underused derelict sites, many of which are suitable for housing. We have significant areas of brownfield land which we are encouraged to redevelop by regional policy. Many of these are located in the city centre. There are huge opportunities for our city centre not least given its shared sense of ownership by all communities and the access it offers to employment and other services, notwithstanding the contribution it would make to the wider economy. Belfast has a rich and varied built heritage, and there are clear opportunities to re-use of vacant buildings to accommodate housing needs in the city centre. Purpose Built Managed Students Accommodation may form an important component of this.

Evidence Base	Social, Economic & Environmental Factors
• **Regional Development Strategy (RDS) 2035:** o RG6 Strengthen community cohesion o RG7 Support urban and rural renaissance o RG8 Manage housing growth to achieve sustainable patterns of residential development o SFG2 focuses on growing the population of the city of Belfast. • **Strategic Planning Policy Statement (SPPS) for NI:** o Facilitate an adequate and available supply of quality housing to meet the needs of everyone; o Promote more sustainable housing development within existing urban areas; and o Provide mixed housing development with homes in a range of sizes and tenures. o Deliver increased housing density without town cramming, sustainable forms of development, good design and balanced communities. o Apply a sequential approach when determining suitable sites for housing – previously used land first and major expansion / new settlements last. • **Housing Profile** o 98.28% of the resident population live in 120,595 households, resulting in an average household size of 2.29. o One adult or two adults without children are the fastest growing household types. By 2037 these are projected to represent 60% of all households. o By 2037, people aged 65 and over are projected to represent half (49%) of all those living in one adult households without children.	• Should Belfast have higher growth ambitions than Housing Growth Indicators currently suggest to better reflect Belfast's role as the major driver for regional economic growth? • What is the appropriate mix of house types and size of housing to meet future housing needs and support balanced communities? • How can the LDP best encourage mixes of housing types and tenures as opposed to concentrations of one type or another? • Do we have a viable five year supply of land for housing? If not, what are the barriers to development? • How can underused and derelict sites/brownfield land, much of which is suitable for housing, be redeveloped in line with regional policy? • How can vacant housing be brought back into use to help meet future housing need? • What is the potential capacity of available housing land and at what density should new housing be developed? • How can we ensure new housing is well connected to employment opportunities and services? • What impact could welfare reforms have on the demand for smaller social / affordable housing?

<table>
<tr>
<td rowspan="2">o Belfast has a lower level of owner occupied dwellings and a higher proportion of social housing than the rest of NI.
o The most notable change in housing tenure between 2001 and 2011 was the rise of the privately rented sector, from 8% to 20%.
o Belfast's has a smaller proportion of detached houses and higher proportions of terraced dwellings and apartments.
o There are 3,642 (Nov '16) registered HMOs within Belfast.

• Housing Need
o The projected new dwelling requirement to 2025 is 13,700 or just over 1,000 units per year.
o There is the potential to develop 24,726 dwelling units within the Belfast urban footprint.</td>
<td>Opportunities</td>
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<tr>
<td>• Research commissioned by DSD identifies potential for an affordable housing target to be viable in Belfast.
• Belfast has, in theory, sufficient land to accommodate the level of housing growth required.
• There are clear opportunities to re-use vacant buildings to accommodate housing needs in the city centre.
• Student accommodation will form an important component of the city centre housing provision, enhancing Belfast's role as a 'Learning City' with a vibrant knowledge economy, a positive international profile, a high quality of life and well-being and a revitalised and welcoming city centre.</td>
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<tr>
<td>Affordable Housing</td>
<td>Key Areas</td>
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<tr>
<td>• Affordability remains an issue for first time buyers, focused on smaller households/ dwellings.
• Projected social housing need for Belfast is nearly 6,000 units over the period 2015-2020. Approximately 75% of the social housing waiting list comprises single households and small families.
• How can we increase affordable housing supply to meet the current shortage of programmed schemes?
• What are the alternatives to traditional social housing to help address concerns of affordability, in particular for migrant workers, single parents and the needs of young people and the elderly?
• Could the LDP identify site specific targets for affordable housing or a size threshold above which a proportion of affordable housing will be sought from developers?</td>
<td>• Titanic Quarter has scope to provide 3,500 dwellings, of which 10-15% could be social / affordable housing (BMAP).
• Increasing city centre living is essential to the health and vibrancy of Belfast City Centre.</td>
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Contents

1.0 Introduction

Purpose of this Document

1.1 The purpose of this Topic Paper is to provide members with an overview of housing in Belfast, including housing projections and the implications of housing growth on land use needs.

1.2 This is one of a series of 17 Topic Papers prepared to inform the Sustainability Appraisal Scoping Report for the Belfast Local Development Plan (LDP).

1.3 Each topic paper provides a summary of the evidence base required for the Sustainability Appraisal, Preferred Options Paper and Local Development Plan. They establish a baseline position and identify the key issues that need to be addressed.

1.4 By combining the evidence gathering stages for both the Sustainability Appraisal and Local Development Plan, we aim to streamline the documentation produced and avoid duplication. It will also help to ensure that sustainable development is embedded in the planning process and that the Sustainability Appraisal is one of the main drivers informing the preparation of the Local Development Plan.

1.5 Each topic paper can be read separately but, inevitably, there are important related matters in other topic papers and background evidence.

Member Workshops

1.6 A series of 17 Topic Papers were drafted in the early part of 2016 to provide elected members with baseline information to inform the preparation of the Local Development Plan. As such the information presented within this topic paper is intended to:

- Build the capacity of the members to make informed planning decisions, particularly within the plan making context;
- Provide baseline information which will inform Development Plan Policy making at a local level;
- Consider the Settlement Hierarchy within the new Belfast Local Government District;
- Assess the land use needs of a growing population within the Belfast City Council area and to consider the adequacy of the existing growth strategy; and
- To link with important ongoing work in relation to the development of a Community Plan (the Belfast Agenda) and other strategic work being undertaken by the Council.

1.7 These papers were presented to members for discussion at a series of informal workshops with Planning Committee Members throughout the Spring 2016, with key issues and opportunities for the City identified for consideration.

1.8 The original Topic paper entitled 'Housing' was presented at a workshop on 18 February 2016. It has since been updated to ensure the statistics referenced are up to date for publication alongside the Preferred Options Paper.

Planning and Housing

1.9 Housing lies at the heart of town planning and its origins were largely a government response to dealing with the legacy of Victorian slums and post war rebuilding. In more recent time planning for new housing assists in responding to arising needs and demands for new accommodation, both from the existing population, as new households form or as housing needs change. New housing can also assist in population stabilisation or growth, encouraging more people to stay within or move to the city.

1.10 New housing is also strongly linked to economic growth. The construction and maintenance of new homes is a key source of local employment, and new homes also house people who are able to work elsewhere. New housing can assist in regenerating existing communities, help reduce levels of religious segregation, accommodate new city centre populations associated with growing knowledge economies, and can improve the appearance and quality of the city and its neighbourhoods. The regeneration and renewal of existing housing areas through the construction of new homes represents a driver for local investment, including economic investment in local employment and service opportunities.

1.11 In Belfast, planning for new housing will be a critical element in ensuring that the Local Plan, including the Plan Strategy reflects the aspirations of the local Community Plan, particularly in seeking to stabilise and grow the population and provide a range of good quality housing options. Local planning policies relating to new housing are also required to be provided by regional policy, which advise that Councils should provide strategies for new residential development and should plan proactively for the objectively assessed development needs within their area. It is therefore clear that the Plan Strategy must contain robust and credible housing policies, within which a central element is to establish the level of housing growth to be accommodated in Belfast over the plan period.

1.12 It is important that the new plan is based on an accurate assessment of the scale and type of new housing to be planned for the city. The best information has been used in compiling this paper however it may need to be revised in light of the release of any new data. It contains original data that refers in places to the former BMAP pre-local Government reform. Where possible data has also been included which relates to the new Belfast Council area which provides a more up-to date statistical evidence base.

2.0 Policy Context

Regional Policy

2.1 The current regional policy and guidance sets out priorities for the approach to the location and density of new housing, and the assessment and monitoring of housing need, housing land supply and affordable housing. They established the framework for spatial planning as well as guidance for undertaking local planning for Belfast and its neighbouring Councils.

2.2 The regional policy context is provided by the Regional Development Strategy 2035 (RDS), the Strategic Planning Policy Statement (SPPS) and regional Planning Policy Statements. A summary of these documents and how they pertain to plan making and housing allocation is provided in the following sections.

Regional Development Strategy (RDS) 2035

2.3 The RDS 2035 prepared by the Department for Regional Development (published 15th March 2012) is the spatial strategy for the Executive and provides an overarching strategic planning framework to facilitate and guide the public and private sectors. The RDS was prepared under the Strategic Planning (Northern Ireland) Order 1999. The RDS acknowledges that housing is a key driver of physical, economic and social change and emphasises the importance of the relationship between the location of housing, jobs, facilities, services and infrastructure and must be taken into account when preparing a local development plan.

2.4 The RDS introduced the "Plan, Monitor and Manage" approach to providing housing requirements which seeks to ensure that plans become more sustainable, balanced and integrated. The RDS provides strategic guidance through Regional Guidance (RG) and Spatial Framework Guidance (SFG) under the 3 sustainable development themes of the Economy, Society and Environment. It advises that Sustainable communities are places where people want to live, work and play, now and in the future. They meet the diverse needs of existing and future residents are sensitive to their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and offer equality of opportunity and good services for all. The guidance set out below supports the aims of 'A Shared Future' published by the office of the First Minister and Deputy First Minister in March 2005 and recognises the need to:-

- **RG6 Strengthen community cohesion** by developing integrated services and facilitates, fostering a stronger community spirit and sense of place and encouraging mixed housing development;
- **RG7 Support urban and rural renaissance** by developing innovative ways to bring forward under-utilised land and buildings, particularly for mixed use development, promoting regeneration in areas of social need, ensuring that environmental quality in urban areas of social need, is improved and maintained with adequate provisions of green infrastructure, and reducing noise pollution.
- **RG8 Manage housing growth** to achieve sustainable patterns of residential development by promoting more sustainable development within existing urban

areas and ensuring an adequate and available supply of quality housing to meet the needs of everyone and using a broad evaluation framework to assist judgements on the allocation of housing growth.

2.5 The RDS seeks to promote more sustainable housing development within existing urban areas by encouraging compact urban forms. Housing land will be identified in Development Plans to ensure an adequate and available supply of quality housing to meet the needs of everyone taking account of existing vacant housing and need identified in the Housing Needs Assessment/ Housing Market Analysis (this includes land for social and intermediate housing such as shared ownership and affordable housing).

2.6 The RDS recognises that there are significant opportunities for new housing on appropriate vacant and underutilised land, and sets a regional target of 60% of new housing to be located in appropriate 'brownfield' sites within the urban footprints of settlements greater than 5,000 population.

Regional Strategic Objectives

2.7 The regional strategic objectives for housing in settlements, consistent with regional guidance in the RDS, are to:

- manage housing growth to achieve sustainable patterns of residential development;
- support urban and rural renaissance; and
- strengthen community cohesion.

Housing Growth Indicators (HGIs)

2.8 The RDS 2035 identifies regional housing needs through Housing Growth Indicators (HGIs) across Northern Ireland. HGIs have been produced as a guide for those preparing development plans. These figures are an estimate of the new dwelling requirement between 2012-2025 for each District Council area.

2.9 The HGIs were updated in April 2016 to reflect the new District boundaries following local government reform. These are calculated on the basis of 2012-based population projections and provide an indicator for each district between 2012-2025. It is important to note that these latest HGIs published by NISRA are based on the lower, 2012-based population projection, rather than the more recent 2014-based population projection data.

Figure 1: NI Housing Growth Indicators 2012-2025

Local Government District	A Number of Households 2025	B Second Homes 2025	C Vacant Stock 2025	D Net Conversions, Closures and Demolitions 2012 to 2025	E New Stock Estimate 2025	F Housing Stock 2012	G Projected New Dwelling Requirement 2012 to 2025
Antrim & Newtownabbey	58,400	400	4,600	200	63,600	56,400	7,200
Armagh, Banbridge & Craigavon	86,600	800	5,400	2,200	95,000	80,600	14,400
Belfast	147,900	2,200	15,300	2,300	167,700	154,000	13,700
Causeway Coast & Glens	57,300	3,700	5,600	2,100	68,700	62,000	6,700
Derry & Strabane	59,400	300	3,800	900	64,300	59,300	5,000
Fermanagh & Omagh	45,700	900	4,500	600	51,700	47,200	4,500
Lisburn & Castlereagh	60,400	500	3,500	700	65,000	55,400	9,600
Mid & East Antrim	57,800	100	4,100	800	62,800	57,400	5,400
Mid Ulster	55,200	100	3,800	1,500	60,600	51,100	9,500
Newry, Mourne & Down	70,900	900	5,100	500	77,400	66,500	10,900
North Down & Ards	68,800	1,000	4,900	1,100	75,800	68,700	7,100
Northern Ireland	768,300	10,800	60,400	13,000	852,500	758,500	94,000

Cells are rounded to the nearest 100. Calculations have been worked out using unrounded data. Therefore summing individual figures in the table add to total.

Source: *Department for Infrastructure*

Spatial Framework Guidance (RDS 2035)

2.10 The RDS Spatial Framework consists of 5 key components including the Metropolitan Area centred on Belfast. The BMUA is the major conurbation in Northern Ireland with a thriving retail service, administration, cultural and educational centre in the City of Belfast. It is the Region's largest employment centre. In 2008, it had a population of 268,000 which had been in decline. A sustained approach to regeneration has changed the city centre and brought dramatic improvements. The last decade has seen significant economic growth and around 26,000 jobs have been created in the Belfast City Council area. The evidence indicates however that over 50% of those who work in Belfast live outside it.

2.11 Many of those living in Belfast have not benefitted from the economic growth. There are pockets of deprivation and significantly almost 35% of the population, (around 95,000 people) experience deprivation. Deprivation levels in Belfast vary considerably. The majority of deprived areas are situated in the west and north of Belfast. In contrast, Belfast also has some of the least deprived of Northern Ireland.

2.12 Policy SFG2 focuses on growing the population of the city of Belfast. Population growth has been unevenly distributed in the region with the fastest growth rates in villages and intermediate settlements over the period 2001-08. Belfast has experienced a 1% population rise in contrast to more than a 10% expansion in the West and South of the region. Northern Ireland's population is projected to reach 1.946 million by 2023 with a marked increase in the size of the population at older ages. The number of people at pensionable age is estimated to increase by 40% to 2025. The most deprived areas and the least deprived areas continue to be the most urbanised. Key to population growth will be the provision of housing to meet the full range of need. The housing growth indicators are calculated on the basis of growing the population of Belfast, not on the projected population.[1]

2.13 There are significant opportunities for more jobs to be created and it will be important to have a wide variety of house types for wishing to live and work in the City. It is estimated that between 46,430 - 68,800 jobs could be created between 2014 - 2035 (UU, 2016) depending on the growth scenario. Most of these jobs will be in service and office sectors and they will be attracted to the City by the availability of a skilled workforce and the quality of life which the City has to offer.

2.14 There are important factors to be taken into account that could be affected by the expansion of Belfast's population, such as internationally important conservation sites, increased recreational use on the Belfast Lough, increased demands on water resources and waste disposal. Housing growth must be appropriately managed to avoid adverse effects on these sites.

Strategic Planning Policy Statement (SPPS) 'Planning for Sustainable Development'

2.15 The Department of the Environment's 'Strategic Planning Policy Statement for Northern Ireland' - Planning for Sustainable Development (SPPS), was published in final form on 22nd September 2015. This publication consolidates over twenty separate publications into

[1] *Figures shown are based on the old Belfast Council Area*

one document under the reformed two-tier planning system. The provisions of the SPPS must be taken into account in the preparation of Local Development Plans, and are also material to all decisions on individual planning applications and appeals.

2.16 The SPPS recognises that good quality housing is a fundamental human need that plays a significant role in shaping our lives and our communities. A home is a vital part of people's lives and contributes to creating a safe, healthy and prosperous society. The SPPS states that the planning system can play a positive and supporting role in the delivery of homes to meet the full range of housing needs of society, within the wider framework of sustainable development. The policy approach must be:-

- to facilitate an adequate and available supply of quality housing to meet the needs of everyone;
- to promote more sustainable housing development within existing urban areas; and
- to provide mixed housing development with homes in a range of sizes and tenures.

2.17 This approach to housing will support the need to maximise the use of existing infrastructure and services, and the creation of more balanced sustainable communities.

2.18 In preparing Local Development Plans (LDPs) councils should bring forward a strategy for housing, together with appropriate policies and proposals that must reflect the policy approach of the SPPS, tailored to the specific circumstances of the plan area. Planning authorities must deliver increased housing density without town cramming, sustainable forms of development, good design and balanced communities.

2.19 The SPPS advises that planning has a role to play in helping to improve the health and well- being of people by avoiding development that will result in a deterioration in air or water quality; safeguarding and facilitating open space, sport and outdoor recreation, managing the adverse impacts of noise and nuisance by influencing the location, layout and design of new development.

2.20 The SPPS also recognises that the planning process has an important role to play in the delivery of good quality housing that supports the creation of more balanced communities. Balanced communities can contribute positively to the creation and enhancement of shared spaces and vice-versa.

<u>Sequential Approach</u>

2.21 The SPPS advises that a sequential approach should be applied when determining suitable sites for housing in the plan, with previously used land considered first and major expansion and new settlements as last option.

Figure 2: Application of a sequential approach and identification of suitable sites

Step 1
Use previously developed and undeveloped land within the urban footprint, informed by urban capacity studies

Step 2
Extensions to cities and towns

Step 3
Exceptional major expansion of a village or small rural settlement

Step 4
New settlements

Source: *SPPS*

Planning Policy Statement 7: 'Quality Residential Environments' (PPS 7)

2.22 PPS7 sets out DOE's Planning policies for achieving quality in new residential development and advises on the treatment of this issue in development plans. It embodies the Government's commitment to sustainable development and the Quality Initiative. The Statement, together with the advice contained in associated Supplementary Planning Guidance documents, including Creating Places and Living Places complements existing Government policy and initiatives aimed at achieving attractive and sustainable places through better design:

The main objectives of this Statement are:

- To promote an integrated approach to achieving sustainable and quality residential environments.
- To promote quality residential development that:
  - creates places for people which are attractive, locally distinctive and appropriate to their surroundings, safe, convenient, adaptable and easy to maintain;
  - respects and enhances features of value and local character and promotes biodiversity; and
  - reduces reliance on the private car, supports movement by pedestrians and cyclists, provides adequate and convenient access to public transport and connects well with the wider locality.
  - To promote the comprehensive planning and development of residential areas and ensure that adequate information accompanies planning applications which will enable the delivery of an improved design quality.

- To ensure that adequate provision is made for infrastructure and appropriate local neighbourhood facilities as an integral part of residential development.

Planning Policy Statement 12: Housing in Settlements

2.23 The RDS is complemented by the DOE's SPPS and Planning Policy Statements. Planning Policy Statements (PPS) set out the policies of the Department of the Environment's (Department) on particular aspects of land-use planning and apply to the whole of Northern Ireland. The most relevant of PPSs in relation to housing is PPS 12 'Housing in Settlements' (PPS 12). PPS 12 has been prepared to assist in the implementation of the RDS to guide the future pattern on housing by managing future housing growth and distribution, support urban renaissance and achieve balanced communities. The policy objectives of PPS12 are:

- To manage housing growth in response to changing housing need;
- To direct and manage future housing growth to achieve more sustainable patterns of residential development;
- To promote a drive to provide more housing within existing urban areas;
- To encourage an increase in the density of urban housing appropriate to the scale and design of the cities and towns of Northern Ireland; and
- To encourage the development of balanced local communities.

2.24 The PPS states that the development plan process is the main vehicle for assessing future housing land requirements and that housing allocation in development plans will be determined by:

(a) Application of the HGIs;
(b) Allowance for existing commitments (including dwellings already built);
(c) Use of urban capacity studies;
(d) Application of a sequential approach and identification of suitable sites for housing;
(e) Housing needs assessment;
(f) Allowance for windfall housing sites; and
(g) Residual housing need.

Policy HS 3 (Amended) Travellers Accommodation (PPS12)

2.25 Travellers have distinctive needs which will be assessed as part of the local housing needs assessment undertaken by the Northern Ireland Housing Executive. Where a need is identified and a development plan is under preparation, the plan should identify a suitable site(s).

Planning Policy Statement 21: 'Sustainable Development in the Countryside'

2.26 PPS21 sets out the following policy objectives:

- to manage growth in the countryside to achieve appropriate and sustainable patterns of development that meet the essential needs of a vibrant rural community;

- to conserve the landscape and natural resources of the rural area and to protect it from excessive, inappropriate or obtrusive development and from the actual or potential effects of pollution;
- to facilitate development necessary to achieve a sustainable rural economy; including appropriate farm diversification and other economic activity; and
- to promote high standards in the design, siting and landscaping of development in the countryside.

DCAN 8 Housing in Existing Urban Areas

2.27 Development Control Advice Notes (DCANs) represent non-statutory planning guidance which is intended to supplement, elucidate and exemplify policy documents, including PPSs and development plans. The DCAN provides advice on how to ensure that urban and environmental quality is maintained, amenity preserved, and privacy respected when proposals are being considered for new housing development within existing urban areas.

Creating Places: Achieving Quality in Residential Environments

2.28 This guide describes the contributions to quality and sustainability that developers in Northern Ireland will be expected to make through the design of new residential developments. It seeks to ensure that what is designed and built today will be cherished by both present and future generations. The guide is for use by all those involved in the design of new residential developments and the rejuvenation of existing housing areas

Living Places - An Urban Stewardship and Design Guide for Northern Ireland

2.29 This Urban Stewardship and Design Guide aims to clearly establish the key principles behind good place making. It seeks to inform and inspire all those involved in the process of managing (stewardship) and making (design) urban places, with a view to raising standards across Northern Ireland. The focus of the guide is urban areas, by which is meant all of our cities, towns, villages and neighbourhoods. It recognises the wider economic, cultural and community benefits of achieving excellence in the stewardship and design of these important places, be they existing or newly proposed.

Developer Contributions for Affordable Housing in Northern Ireland

2.30 In June 2014 the Department for Social Development (DSD) published a consultation document to seek views on options for a scheme to secure developer contributions towards affordable housing in NI. At the same time draft Planning Policy Statement 22 'Affordable Housing' was published by the Department for the Environment (DOE). It stated that the proposed introduction of developer contributions, "...will promote a mix of housing particularly in terms of tenure, price and household composition including families with children, single person households and older people."

2.31 Since the publication of the consultation documents in 2014, the planning system has changed significantly, with responsibility for plan making and planning decisions largely passing to 11 new local government districts (LGDs). As neither of these previous documents were ever implemented prior to the transfer, DSD therefore commissioned further independent research in 2015 to provide up to date and Northern Ireland specific evidence on the economic impact of introducing a Developer Contributions Scheme. A report from this study was formally published in December 2015.

2.32 The viability testing contained within the study report confirms the relative weakness of the current housing market in Northern Ireland with questions over the viability of developing 100% market housing in many parts of Northern Ireland away from Belfast.

2.33 The analysis shows that a developer contribution scheme without any public subsidy would not be viable except in Belfast (and its immediate environs), where some level of contribution should be achievable. This would be more certain with the contribution provided as land rather than on-site units and with the increase in market values that is anticipated. It concludes that a locally defined developer contribution scheme (if one were put in place) should be set out as part of the local development plan process.

Local Policy

Belfast Metropolitan Area Plan 2015

2.34 The Belfast Metropolitan Area Plan 2015 (BMAP) was adopted as the statutory development plan for Belfast and the surrounding area by the Department of the Environment (DoE) on 9th September 2014. The development plan informs the general public, statutory authorities, developers and other interested bodies of the policy framework and land use proposals that will be used to guide development decisions within their local area. The Plan covers the council areas of Belfast, Lisburn, Castlereagh, Carrickfergus, Newtownabbey and North Down as they were defined prior to local government reform on 1st April 2015.

2.35 The Plan zones 315 hectares of land for housing in Belfast City within the Plan period, including sites within Belfast City Centre. Approximately 11 hectares of this are specifically zoned for social housing as identified by the Housing Needs Assessment carried out by the Northern Ireland Housing Executive (NIHE). In addition, the key site requirements for Titanic Quarter specify the provision of a minimum of 3,500 dwellings, of which 10-15% shall be developed for social housings.

2.36 Sites were selected to allow for the efficient use of land within the urban footprint, to provide choice in the housing market and to include existing commitments. Other factors influencing site selection include access to public transport, and the need to minimise any detrimental impact on the environment.

BMA Housing Strategy

2.37 The BMA Housing Strategy has been developed in accordance with the guidance provided by the RDS and prevailing regional planning policies and aims to:-

- accommodate delivery of a level of housing growth;
- achieve revitalised and compact urban areas;
- secure higher density development within urban areas while protecting the quality of the urban environment;

- identify locations for urban extensions elsewhere, avoiding significant environmental constraints;
- create the development of balanced local communities and provide housing choice;
- support the network of service centres based on towns, villages and small settlements in the Metropolitan Rural Area; and
- protect the rural areas surrounding the Metropolitan Urban Area from development pressures.

Allocation HOU 1 Housing

2.38 Allocation HOU 1 identifies the total housing allocation for the Plan period. The sites zoned and designated for housing are detailed in the relevant District Proposals. BMAP allocated 315 hectares of land for housing within Belfast.

Figure 3: Housing in the Belfast Metropolitan Area

District	Metropolitan Urban	Metropolitan Rural	Total
Belfast	315 ha	0	315 ha
Total	1,451 ha	507ha	1,958 ha

Source: *BMAP 2015*

2.39 Almost all of the land in Belfast District is within the existing urban footprint with over 70% of the estimated housing yield in the Metropolitan Urban Area located within the existing urban area. The rationale for this approach was to retain the compact urban form of the Metropolitan Urban Area while providing sufficient land to meet the RDS Housing Growth Indicator. Site densities are specified in the Key Site Requirements in the relevant District proposals in line with prevailing policy and in response to specific site circumstances.

Allocation HOU 2 Social Housing

2.40 A total of approximately 103 hectares of land are allocated in BMAP to be specifically zoned and designated for social housing. 69.74 hectares of land allocated is within the Belfast Metropolitan Urban and Rural area. In addition to the above, key site requirements have been attached to a number of housing zonings throughout the Plan area which stipulate a minimum number of social housing units to be provided. This will provide a minimum of an additional 655 units. There is also a requirement within the Plan that 10 - 15% of a minimum of 3,500 dwellings in Titanic Quarter are to be developed for social housing. The Housing Needs Assessment undertaken by NIHE identifies the need for 8,416 units of social housing over the period April 2012 to March 2017.

Figure 4: HOU2 Social Housing (total 103ha. of land allocated for BMA social housing)

District	Metropolitan Urban	Metropolitan Rural	Total
Belfast	69.74 ha	0	69.74 ha
Total	101.48 ha	1.54 ha	103.02 ha

Source: *BMAP 2015*

Policy HOU 3 City and Town Centre Living

2.41 Planning permission will be granted for proposals that increase the housing stock in designated City and Town Centres where they meet regional planning policies and are in accordance with the Plan Proposals. City and town centre living is a key element in contributing to a vibrant centre.

2.42 Housing in central areas encourages a more sustainable pattern of development by assisting urban regeneration, and optimising existing infrastructure. City and town centre living encourages the development of ‘walkable communities’ with environmental benefits through reducing the need to use private cars, and community benefits to people such as the elderly and young people who do not have access to a car.

2.43 It can also help to revitalise the physical fabric, with the re-use of vacant buildings and the redevelopment of derelict and unattractive land. Finally, there are social benefits with the addition of new households to ageing communities, often bringing children to support local schools. Housing can also provide benefits in terms of activity and surveillance outside normal commercial hours.

2.44 Opportunities to increase housing provision in city and town centres include: the full and part conversion of existing buildings and the development of new housing. It also considers the full or part conversion of long-term vacant buildings and Living over the Shops schemes; and the inclusion of residential development within mixed-use development schemes.

<u>Policy HOU 4 Protected Housing Areas in City and Town Centres</u>

2.45 Within designated area planning permission will not be granted for any development that results in a change of use from housing

<u>Affordable Housing</u>

2.46 Affordable housing comprises the social rented sector, housing benefit funded private rented and that part of the low cost owner occupation market which can be purchased utilising 30% or less of gross household income. There is currently no mechanism in place for the Plan to specifically address this issue in respect of its housing designations. The Plan however focuses development at higher densities in urban areas, promotes mixed housing developments to accommodate balanced communities and promotes improved infrastructure.

<u>Accommodation for the Travelling Community</u>

2.47 BMAP advises that in order to establish the accommodation needs (for social housing, Traveller specific Group Housing, serviced sites and transit sites) of the Traveller Community across Northern Ireland, NIHE commissioned Comprehensive Traveller Accommodation Needs Assessments in 2002 and 2008. The third Comprehensive Needs Assessment will be published in 2015. The plan has designated two sites in the west of the city.

Figure 5: Land allocated for Traveller Accommodation

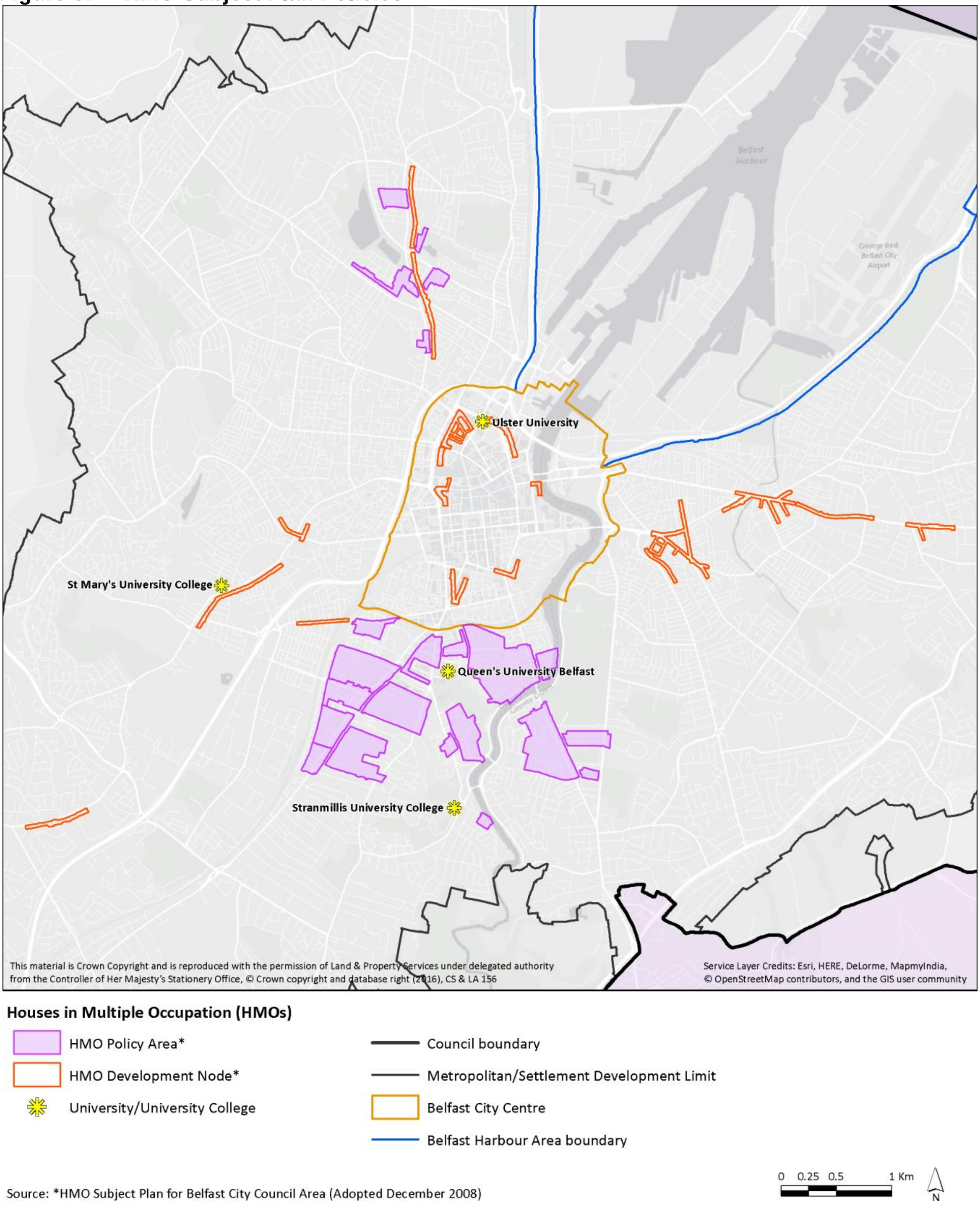
Zoning	Address	Hectares
TC01	Land at Monagh Bypass	2.14 ha
TC02	Land at Glen Road	2.21 ha

Second Homes

2.48 The NIHE Housing Needs Assessment states that the number of second homes in the BMA is at a relatively low level in comparison to other Districts. It indicates that the issue of second homes and their impact on the wider housing market is less obvious.

Houses in Multiple Occupation (HMOs) Subject Plan 2015

Figure 6: HMO Subject Plan Policies



2.49 Houses in Multiple Occupation continue to play an important role in meeting the housing needs of people who are single, who have temporary employment, students, low income households and migrant workers. HMOs are assessed against the policies in the HMO Subject Plan 2015 which provides an area based policy for HMOs in Belfast.

2.50 It identifies 22 HMO policy areas, within which permission will only be granted for HMOs where the number of HMOs will not as a result exceed 30% of all dwelling units. Only 2 of the 22 areas identified were under 30% HMOs at the time of the subject plans publication. In addition, 18 HMO Development Nodes were identified where planning permission for HMOs was granted. Outside HMO Policy Areas and Development Nodes HMO development will only be granted where it would not exceed 10% of dwellings on the road or street.

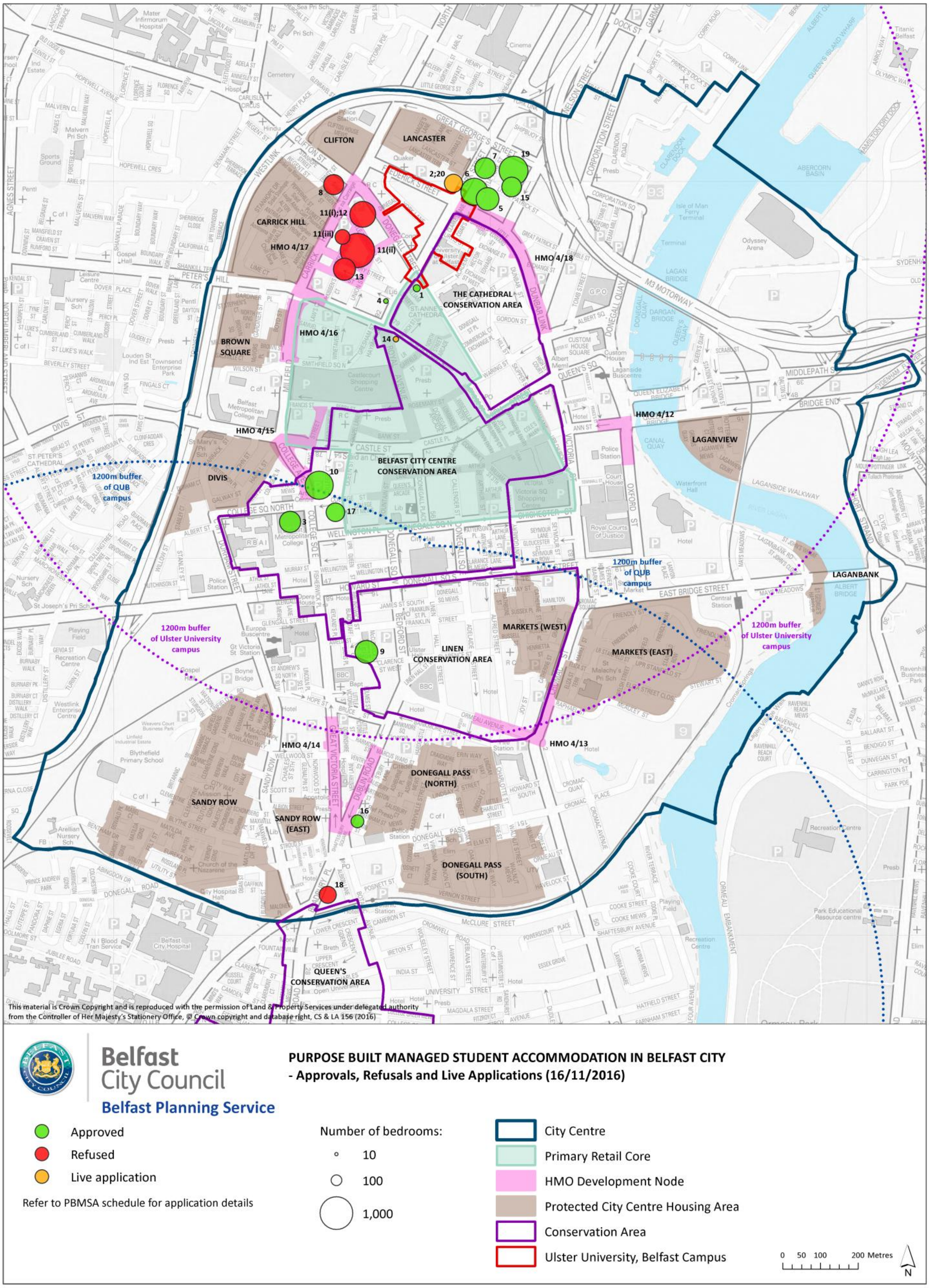
<u>Purpose Built Managed Student Accommodation</u>

2.51 Policy HMO7 of the Subject Plan deals with the provision of ‘Large Scale Purpose Built Student Accommodation’ and is the principle planning policy tool available when considering applications for PBMSA in Belfast City Centre. Whilst acknowledging the considerable economic and regenerative benefits that student accommodation brings to the city it recognises the need to ensure that the accommodation provided for residents is of a satisfactory standard, and that the impact on neighbouring properties is not detrimental to their amenity.

2.52 In June 2016, we introduced Supplementary Planning Guidance (SPG) on Purpose Built Managed Student Accommodation (PBMSA) in Belfast. It gives extra advice and guidance to developers, the public and planning officers when working on planning applications for PBMSA developments in the City. The guidance is structured into six planning issues, including:

1. **Location and accessibility:** the development should be at a location that is easily accessible to university or college campuses by sustainable transport modes.
2. **Design quality:** the layout, design and facilities provided within a development should be of high standards.
3. **Impact and scale:** the development should be designed in a way that does not conflict with properties close by or the general amenity of the surrounding area.
4. **Management:** the development has appropriate management in place to create a positive and safe living environment for students while reducing any potential negative impacts from occupants.
5. **Need:** there is a need for the type of accommodation proposed.
6. **Planning agreements:** planning agreements and related developer contributions may be required for Purpose Built Managed Student Accommodation where conditions alone cannot secure planning.

Figure 7: Purpose Built Managed Student Accommodation in Belfast



2.53 The Council have also developed a Best Practice Guide for PBMSA, which encourages prospective developers to develop good quality PBMSA in the right locations. The guide explains how new developments can be planned and designed before planning applications are submitted and provides advice in the following eight areas:

1. **Pre-application:** encouraging early engagement with us and local communities
2. **Location:** promoting suitable locations within the city centre
3. **Policy:** outlining relevant planning policy constraints
4. **Design:** encouraging good quality, well designed PBMSA in terms of layout, accommodation mix, open space, parking, facilities, waste and recycling, safety and crime prevention and energy reduction
5. **Impact:** reducing negative effects whilst capturing any positive impacts of PBMSA development
6. **Management:** ensuring effective management arrangements to deliver a safe and positive environment for students, whilst reducing the risk of negative impacts on the local community
7. **Need:** ensuring the right balance between meeting student housing needs and preventing an over-supply of PBMSA
8. **Planning agreement and developer contributions:** summarising issues in relation to PBMSA where we may consider the use of planning agreements

2.54 The SPG and Planning Guidance and Best Practice Guide follow on from a range of work we have been doing with our partners to develop strategies that will make Belfast a destination of choice for students and a suitable location for good quality, safe and well-managed student accommodation. This included:

- **'Framework for Student Housing and Purpose Built Student Accommodation':** Published in 2014, the Framework set out the Council's vision and direction for the supply of student housing and PBMSA in Belfast. It contains a criteria-based approach to be applied to proposals for purpose built student accommodation developments in the city, suggesting that planning permission for purpose built student accommodation should only be granted where the five criteria based around proximity, design, management, impact and need are met.
- **Planning and Place Advice Note on PBMSA in Belfast:**
  In November 2015, the Council adopted an internal Planning and Place Advice Note on PBMSA in Belfast. As a technical guide, the document provides non-statutory planning guidance around the Council's approach to PBMSA to pro-actively encourage good quality development in the right locations. It sets out guidance in relation to six key criteria that will be considered when assessing applications for PBMSA. The document also provides guidance in relation to the use of planning conditions and/or legal planning agreements to mitigate perceived problems, such as noise or anti-social behaviour, etc. arising from student occupation. It builds on the criteria-based approach developed through the earlier work undertaken by the Council prior to becoming the planning authority for the City.

Community Plan

2.55 Community Planning is a process whereby councils, statutory bodies and communities themselves work together to develop and implement a shared vision for their area. Councils must take account of their current Community Plan when preparing a Local Development Plan (LDP). A LDP will provide a spatial expression to the community plan, thereby linking public and private sector investment through the land use planning system. Belfast City Council's community plan will be known as the Belfast Agenda.

3.0 Housing Profile

3.1 Following completion of an original Housing Topic Paper, the Council commissioned a ***'Belfast City Population and Housing Growth Study'*** in March 2016[2]. This sought to provide a baseline review of factors that will have an impact on future population and household growth in Belfast and, therefore, its need for housing. It provides:

- An overview of the Belfast housing market context;
- A summary of the demographic picture of Belfast;
- An overview of the economic context;
- A range of potential growth scenarios; and
- An evaluation of the various growth scenarios.

3.2 A full copy of the Study is published alongside this topic paper as part of the consultation on the Preferred Options Paper. However, the key findings and how they relate to the housing requirements to be considered within the LDP are summaries within the following sections.

Housing Market Signals

3.3 Belfast recorded below NI average house prices for Q1 2016, and was notably lower than the adjacent LGDs of Lisburn and Castlereagh and Ards and North Down. Belfast has closely tracked the wider NI picture since 2013 which has seen prices return to a picture of growth. Belfast has seen the second highest rate of growth over this three year period (behind Mid Ulster) when compared against the other LGDs, with prices increasing in Belfast by 25%. Compared to other UK cities, however, house prices in Belfast are relatively low, and notably remain lower than recorded a decade ago unlike all other comparator cities.

3.4 The private rental market in Belfast is significant when compared with other areas of NI. Almost one quarter (24%) of all households privately renting in Northern Ireland at the 2011 Census lived in Belfast. Reflecting the comparative strength of the market, Belfast records average rents which are higher than the national average.

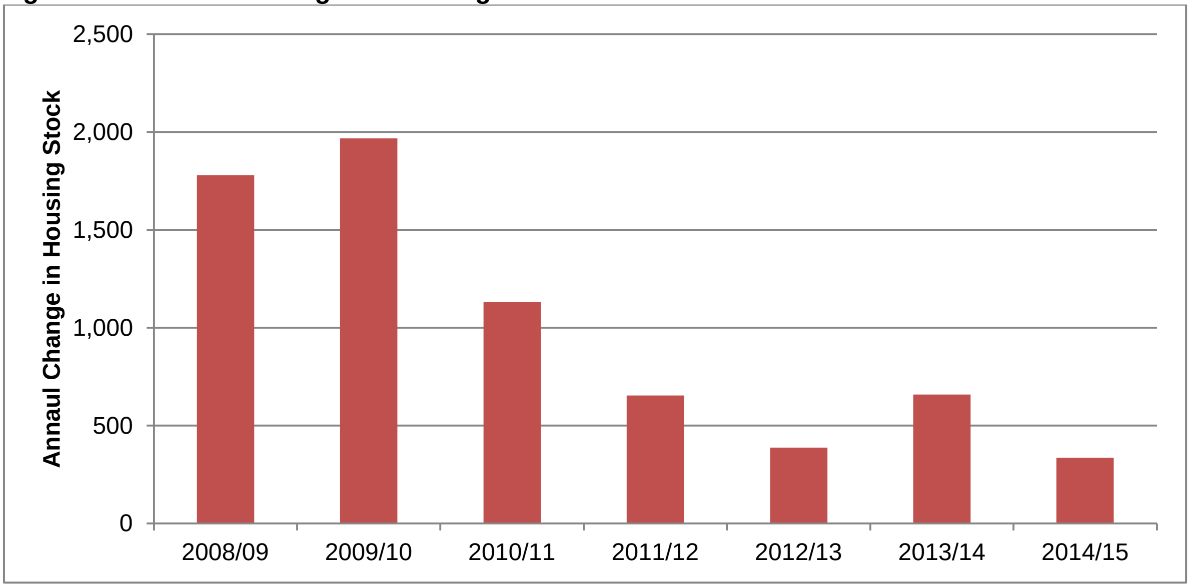
3.5 Affordability has improved in Belfast as it has done across NI over recent years as house prices have corrected themselves. Research by Ulster University, however, confirmed that despite improvements Belfast remained the least affordable area in NI over both 2012 and 2013. The research also notes that a return to rising house prices would lead to a return to worsening affordability issues, and this is notable in the context of the price growth highlighted in this section.

3.6 The rate of development in Belfast fell considerably from 2009, with the last four years characterised by a sustained low level of development. This trend is replicated across LGDs in NI, with two thirds of net additions since 2008 recorded in the first three years of this period (2008 – 2011) and the more limited supply since subsequently growing the

[2] ***NB.*** *The Belfast City Population and Housing Growth Study completed on behalf of the Council in October 2016 is based on the 2014 population estimates and 2014-based population projections, being the most recent data available at the time.*

housing stock to a lesser degree. This trend is also prevalent across comparable UK cities, with the exception of Newcastle upon Tyne.

Figure 8: Annual Change in Housing Stock 2008 – 2015



Source: *Department for Communities, 2015*

3.7 According to housing monitor information there is a large supply of housing land remaining within Belfast. Depending on the build rate used, the remaining potential supply could last between 8 years (peak build rate) and 50 years (latest years build rate). The low rate of construction after the recession is, in part, likely to be a function of the capacity of the local housebuilding sector, as well as the availability of developable land.

3.8 A significant majority of the potential housing land supply is provided by unzoned, windfall and opportunity sites, many of which constitute infill development or redevelopment at higher density within established residential areas. There is a relatively small number of sites with the ability to deliver larger numbers of houses in the medium to long term. The larger sites are a mix of City Centre apartment-led schemes such as Titanic Quarter, Sirocco and Queen's Quay (Odyssey) and outer city sites principally in North and West Belfast.

3.9 Supply side and deliverability considerations are important in establishing the overall number of homes to plan for over the plan period. More work is required to understand the deliverability of this theoretical housing land supply to achieve the type of understanding required by planning policy. In particular, the Council needs to understand the balance between deliverable inner (City Centre) and outer City sites as well as the proportion of land supply for social and affordable housing.

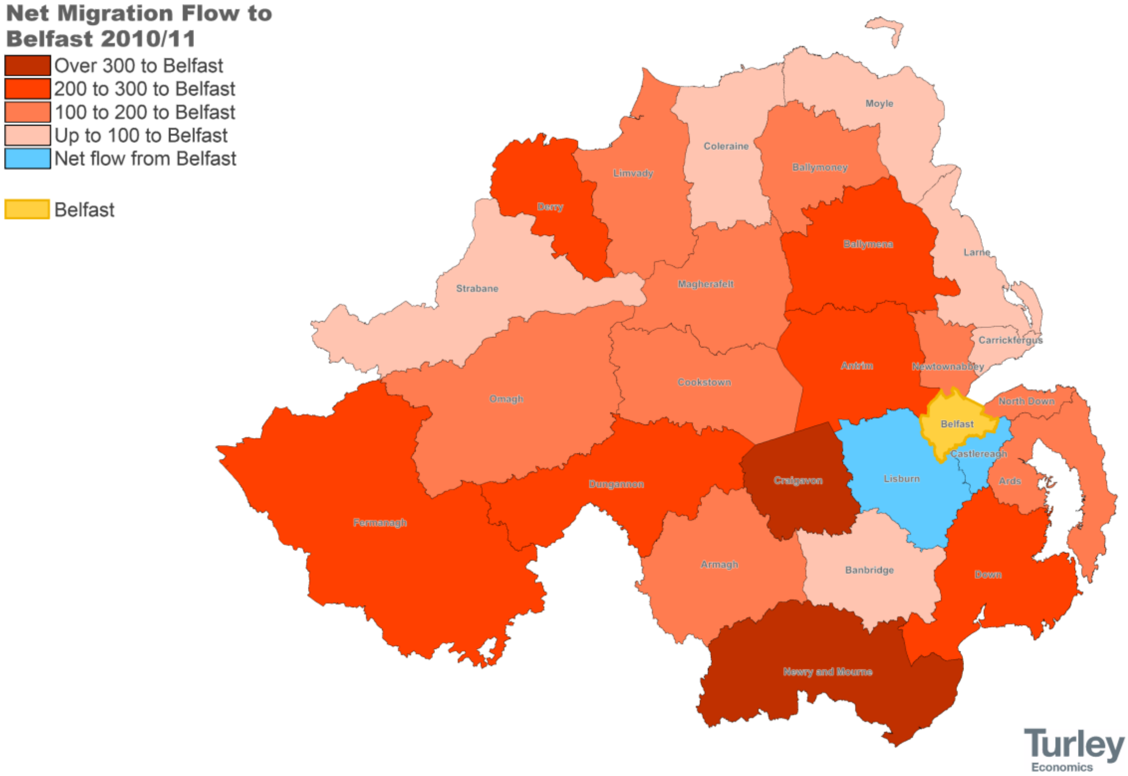
Housing Requirements

3.10 Belfast has seen a sustained and significant long-term decline in population, although this trend has reversed over more recent years with the city entering a period of population growth since 2006. While the rate of growth has been relatively variable over this period –

linked to a range of factors, not least the rate of new housing development – the latest year of population data shows that the population grew markedly between 2013 and 2015 to reach 338,907 persons.

3.11 Since 2001, natural change has played an important role in growing the population, although the levels of migration have been more variable. Belfast saw a significant and sustained net outflow of people to other parts of NI prior to 2008, although the scale of this flow has since significantly reduced. Over the period from 2006 to 2009, this was also supplemented with a strong net inflow of international migrants and a positive net inflow from other parts of Great Britain. Natural change has been the primary driver of growth over the past two years, with migration – both internal and international – largely balanced.

Figure 9: Net Migration Flows to Belfast from Former Council Areas 2011



3.12 The latest 2014-based population projection published by NISRA anticipates a stronger level of population growth over the longer term than the preceding 2012-based dataset. Assumptions around migration represent the key area of difference between the two projections, and in this context is important to recognise that the latest HGIs published by NISRA are based on the lower, 2012-based population projection.

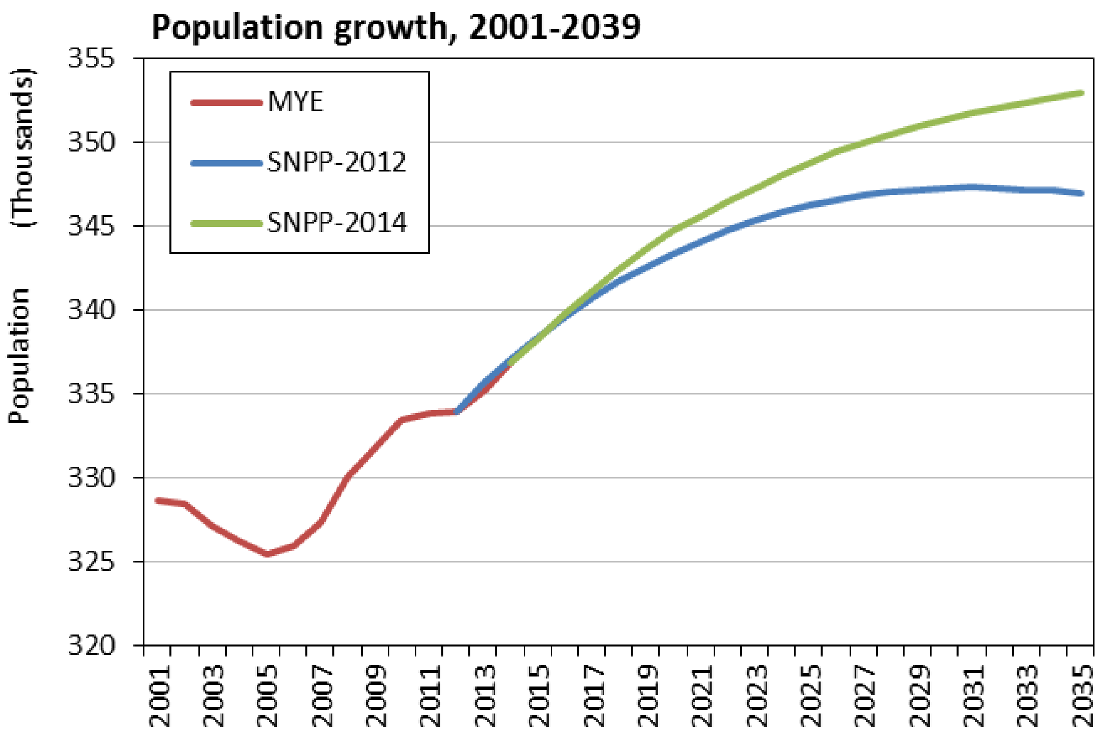
3.13 While the scale of population growth projected in Belfast under the latest 2014-based projection is higher than the preceding official dataset – and would represent a clear reversal of its long-term population decline – it continues to assume that the city's population will grow at a slower rate than projected for NI as a whole, with a number of

LGDs expected to see stronger rates of population growth. The scale of growth projected in Belfast is also limited in the context of comparable UK cities.

3.14 The a 'Belfast City Population and Housing Growth Study' presents the outputs of analysis considering the establishment of a reasonable range of potential scenarios of population and household growth within the Local Government District (LGD) of Belfast. This suggested that population growth in accordance with official population projections would result in limited or no growth in the labour force, effectively constraining economic growth.

3.15 A demographic scenario which bases its trends on the last two years - developed as part of the 'Belfast City Population and Housing Growth Study' - suggests a more sustained population growth over the full projection period, therefore indicating a slightly higher level of population growth by 2035 compared to the official 2014-based SNPP published by NISRA.

Figure 10: 2014-based and 2012-based SNPP – Belfast 2014 - 2035



Source: *NISRA, 2016*

3.16 This has implications for the number of households likely to form in Belfast over the emerging plan period to 2035, based on the latest 2012-based household projections published by NISRA and linked to projected changes in average household size. Applying these assumptions - and allowing for vacancy - suggests a need for 640 dwellings per annum to support the scale of population growth projected under the latest 2014-based SNPP dataset. This increases to 705 dwellings per annum if the more recent two year population growth trend is sustained to 2035.

3.17 This level of housing need is influenced by assumptions on household formation rates, as published by NISRA within their latest 2012-based household projections. These assumptions are largely trend-based, with the historic period from which they are derived influenced by worsening market conditions which has nationally suppressed the formation of younger households in particular. Adjusting these rates to align with a projected national trend of reducing household size elevates the number of homes needed to accommodate the population. This suggests a need for 725 dwellings per annum under the 2014-based SNPP, increasing to 791 dwellings per annum under a more recent two year past growth population trend.

The Need for Additional Housing Stock

3.18 The need for new homes is the difference between the available housing stock and the dwelling requirement. Predicting housing need is complicated as it is influenced by a number of factors, including demographic change, migration and economic growth. Government policy including planning policy through the Local development Plan supports the provision of land and infrastructure for new dwellings and the direction given by policy has a major bearing on need. The plan is expected to be sound and one of the key components of soundness is that it is sustainable. Therefore it is important that not only the correct number of units is provided, but also the correct types of house in the right locations.

3.19 The Council commissioned the 'Belfast City Population and Housing Growth Study' to consider the future population and housing growth of Belfast, and present a reasonable range of potential population and household growth scenarios.

3.20 The potential growth scenarios have been subjected to review and evaluation in order to arrive at a recommended position on a reasonable level of population and household growth to be planned for over the period from 2014 to 2035, having regard to the historic demographic, market and economic context of the city.

Future Growth Scenarios

3.21 Three potential growth scenarios were developed as part of the 'Belfast City Population and Housing Growth Study', namely:

- **Scenario 1 - Adjusted Demographic Growth** - a demographic trend-based scenario based on trends recorded over the past two years (2012 – 2014), which exceed the scale of growth implied by longer term historic trends but are considered to capture positive and improving demographic trends in the city, including a declining net outflow of residents and a continued growth in employment;

- **Scenario 2 - Supporting Baseline Employment Growth** - illustrating the scale of population and labour-force growth that may be necessary to support baseline levels of employment growth forecast by Ulster University (UU), based on prudent assumptions on labour-force behaviour; and

- **Scenario 3 - Supporting Higher Employment Growth** - as above, based on higher levels of employment growth forecast by UU.

4.28 Variant levels of population, housing and employment growth are associated with each of these scenarios, with the key differences over the full plan period (2014 – 2035) summarised in the following table.

Figure 11: Future Growth Scenarios

1. Baseline Demographic Growth (2014-based)	2. Supporting Baseline Employment Growth	3. Supporting Higher Employment Growth
- Employment Limited or no growth in labour force supported	46,000 Additional jobs supported by the labour force	69,000 Additional jobs supported by the labour force
19,000 Additional residents 2014-2015 356,000 total population in 2035	66,000 Additional residents 2014-2015 403,000 total population in 2035	89,000 Additional residents 2014-2015 426,000 total population in 2035
17,000 Additional homes needed 2014-2035 800 dwellings per annum	37,000 Additional homes needed 2014-2035 1,750 dwellings per annum	47,800 Additional homes needed 2014-2035 2,275 dwellings per annum

Source: *Belfast City Population and Housing Growth Study, 2016*

Evaluating the Growth Scenarios

3.22 Each scenario suggests that a different level of population growth will occur in Belfast over the emerging plan period to 2035, translating into a need for between 17,000 and 47,800 additional homes. The Growth Study considered and tested each scenario in the context of their likely demographic and economic implications. A headline assessment of the extent to which the levels of housing provision required could be supported by the market has been presented, with a high-level consideration also given to the cross-boundary implications of each scenario. This has enabled a considered view to be reached on an appropriate and reasonable level of housing to be provided for through the emerging Belfast LDP.

3.23 While Scenario 1 shows the strongest alignment with recent demographic growth trends, planning for this level of growth would present a number of risks to the sustainable growth of Belfast, continuing development at a rate which has been relatively suppressed compared to the more positive market and macro-economic context prior to the recession. Provision of this scale would also result in Belfast's population and housing stock continuing to grow at a slower rate than comparator UK cities, with the assumed continued net outflow of people from the city failing to significantly grow the labour-force, risking the city's future economic growth. It is therefore considered that Scenario 1 would not represent a preferable growth scenario for Belfast.

3.24 While the relationship between employment and population is complex, providing for a higher level of housing growth would be more likely to grow the labour-force, enabling the attraction of new working-age residents and the retention of those existing residents who would otherwise move elsewhere in NI or overseas. It is considered reasonable and credible to plan for a growth in Belfast's economy at least in line with the baseline scenario developed by UU (Scenario 2), enabling a continued growth in the city's economy as in recent years.

3.25 Whilst the higher levels of employment growth under Scenario 3 are credible, they would evidently represent a more ambitious and significant departure from longer term rates of growth. Such a departure could yield more marked changes in labour-force behaviour than allowed for within this report. This suggests an element of flexibility in the potential need for housing under this scenario, with increasing levels of participation in the economy – associated with strong job growth and successful policy intervention aimed at this outcome – reducing the level of population and housing growth needed to support forecast job growth.

3.26 This is an important consideration, given that both Scenario 2 and Scenario 3 would require a significant uplift to the recent level of housing delivery in Belfast, returning to levels last seen prior to the economic downturn and assuming that these could be sustained throughout the plan period. Given that these levels of growth have not been consistently achieved in Belfast during recent years, some caution should be exercised when considering the level of development which can be realistically supported by the market over the plan period.

3.27 Collectively, these factors indicate that a reasonable and credible level of population and household growth sits somewhere between Scenario 1 and Scenario 2, with the evidence implying that this should be nearer to Scenario 2. The provision of between 1,600 – 1,800 dwellings per annum over the plan period appears reasonable in light of these considerations and the latest information available. Planning for this level of housing would support baseline levels of employment growth in Belfast through a growth in labour-force, while allowing for changes in labour-force behaviour which appear reasonable in the context of historic evidence but recognise that future changes could result from a more positive economic context. Growth of this scale would be likely to result in positive demographic and economic outcomes for Belfast, whilst uplifting recent levels of development by some 88% at the upper end of this range. While the scale of this uplift remains ambitious, it also appears realistic in light of the market's cyclical nature and historic capacity to consistently deliver comparable levels of growth, although this will require further consideration as planning policy is developed.

3.28 The implications of planning for a level of growth within this range are summarised below, based on the modelling underpinning Scenario 2 (1,750dpa) which sits within the identified range.

Housing Tenure

3.29 Belfast has a comparatively low level of owner occupied dwellings accounting for 57.25% of the district total compared to 71.86% in Northern Ireland. Of these 35.05% were owned outright (20.06% of Belfast Total). The proportion of dwellings in social ownership is also higher in Belfast than the Northern Ireland figure (23.52% compared to 12.29%) and the proportion of private rented houses is also higher than the NI average. Whilst there are clearly variations across the city it still provides a number of key patterns which have implications of the development plan.

Figure 12: Belfast Housing Tenure (New Belfast LGD, 2011 Census)

Tenure		Belfast			Northern Ireland		
		No.	Total	%	No.	Total	%
Owner Occupied	Owns outright	65,961	188,203	57.25%	510,315	1,285,113	71.86%
	Owns with a mortgage or loan	120,129			764,777		
	Shared ownership	2,113			10,021		
Social Rented	Northern Ireland Housing Executive	53,553	77,331	23.52%	170,881	219,712	12.29%
	Housing association or charitable trust	23,778			48,831		
Private Rented	Private landlord or letting agency	52,964	57,101	17.37%	228,103	252,509	14.12%
	Employer of a household member	255			3,702		
	Relative or friend of a household member	2,939			16,548		
	Other	943			4,156		
Lives rent free		6,128		1.86%	31,005		1.73%
All usual residents in households			**328,763**			**1,788,339**	

Source: *NISRA*

3.30 Comparing the tenure breakdown within Belfast between the 2001 and 2011 Census (on the previous, smaller Belfast LGD boundary), the most notable change in housing tenure had been the rise of the privately rented sector. That rise may be to do with the cost of houses at that time and access to finance during the subsequent recession. Significantly the proportion of owner occupied dwellings has decreased in recent years in Belfast and the proportion of houses in social ownership has also decreased with the proportion of dwellings in the private rented sector increasing from 11% in 2001 to 19.6% in 2011.

Figure 13: Housing Tenure from 2001 Census (old Belfast district)

District	Owner Occupied	Social	Private Rented & Other	Vacant	Total
Belfast	63,917	35,433	12,533	2,051	113,934
Northern Ireland	436,195	132,864	41,990	5,014	526,224

Housing Types

3.31 The breakdown of Belfast's housing stock in 2011 in terms of the type of dwellings is demonstrated below. This demonstrates that a smaller proportion of Belfast's housing stock is made up of detached and semi detached houses compared to the rest of Northern Ireland. However, proportions of terraced dwellings and apartments are comparatively higher (Belfast 15.28% flats in 2011 compared to 7.89% across NI), with a higher than average increase in the proportion of flats in Belfast between 2001 and 2011.

Figure 14: Households by Type (Trends over 2001 and 2011 in Belfast)

		Detached	Semi Detached	Terraced	Flats	Other	Total
Belfast	2001	13,091	33,503	51,799	12,357	3,184	113,934
	2011	13,470	34,960	50,667	18,430	3,068	120,595
	% Change	2.90%	4.35%	-2.19%	49.15%	-3.64%	5.85%
Northern Ireland	2001	230,406	174,781	169,433	42,830	9,268	626,718
	2011	264,307	200,577	174,896	55,457	8,038	703,275
	% Change	14.71%	14.76%	3.22%	29.48%	-13.27%	12.22%

Source: *Northern Ireland Housing Executive*

Affordability

3.32 A gap in market provision can occur if house prices rise beyond that which is affordable. Affordability is determined by price, average incomes and access to borrowing and it remains an issue for first time buyers.

3.33 Since 2001, the Housing Executive has published an affordability index developed in partnership with University of Ulster to provide an evidence base for how changes in the housing market were affecting first-time buyer's ability to enter the market. Housing Executive research on housing affordability has consistently identified the wider Belfast housing market area as an area characterised by a comparatively high proportion of unaffordable housing. In 2014, 67% of the housing stock was classified as unaffordable, second only to Derry, Strabane and Limavady (68%). However, affordability has improved over recent years.

3.34 Ulster University produced research in September 2014 which considered affordability across NI. The study confirmed that the housing market in NI remained in a stage of readjustment following the overheating that occurred in most areas during 2006/07. As noted above, this contributed to an improving picture of affordability.

3.35 In the context of Belfast, however, it is important to note that the research confirmed that whilst the deposit gap had fallen since 2010, the deposit requirement continued to represent 44.4% of annual income, with an associated saving period of around 1.5 years. Overall, this updated affordability confirmed that Belfast was the least affordable HMA in NI in both 2012 and 2013.

Social Housing Need

3.36 The requirement for new social housing in Belfast has consistently increased since 2010. The five-year assessment for 2015-20 shows a need for nearly 6,000 units.

3.37 Approximately 75% of the social housing waiting list comprises single households, and small families. The predominance of single and smaller family households will mean a high requirement for one and two bedroom dwellings.

Figure 15: NIHE /HA Waiting List

District	NIHE Housing Stock	Waiting List Applicants	Number in Housing Stress	Total Allocations
West Belfast	10,265	4,278	2,944	816
North Belfast	6,057	2,429	1,484	633
South & East Belfast	9,767	4,908	2,505	1088

Source: *Northern Ireland Housing Executive*

Figure 16: Social Housing Need Assessment in Belfast

Settlement	5 Year Projected Social Need 2014/19
West Belfast	2,719
South and East Belfast	1,709
North Belfast	1,236
Total	5,664

Source: *Northern Ireland Housing Executive*

Specialised Housing Need Provision

3.38 Specialist housing provides for people with specific housing needs, particularly in relation to impaired physical and mental health and old age. The need for specialist housing is likely to increase in Belfast as there is an ageing population and relatively high levels of poor health in parts of the city.

3.39 Life expectancy continues to rise and the number of people of pensionable age is projected to increase by around 60% by 2035. People aged 65 and over are predicted to account for approximately 87% of the increase in people living alone between 2012 and 2037.

Figure 17: Specialised Housing Provision and Need

Type of Service	Client Group	No of Providers	No of Schemes
Accommodation Based Services	Older People	15	112
	Homelessness	19	38
	Learning Disability	8	18
	Mental Health	6	26
	Physical Disability	3	8
	Young People	5	5
		56	**207**
Floating Support Services	Older People	1	2
	Mental Health	2	2
	Homelessness	9	10
	Learning Disability	2	2
	Physical Disability	2	2
	Young People	2	2
		18	**20**
Grand Total		**74**	**227**

Source: *Northern Ireland Housing Executive*

Travelling Community

3.40 Currently the traveller accommodation need is reviewed on a yearly basis in conjunction with all interested stakeholders, to reflect the changing needs and aspirations of the Travelling Community.

Figure 18: Traveller Community Provision and Need 2015

Traveller Housing Category	Provision
Group Housing Units	2 sites/27 units
Service Sites/Units	2 sites/18 pitches
Transit Sites/Units	1 site/6 pitches

Source: *Northern Ireland Housing Executive*

Homelessness

3.41 Homelessness has been increasing since the early nineties. Between 2005/06 and 2009/10 the numbers levelled off only to see a significant increase in 2010/11 when 20,158 households presented as homeless. This increase, due in part to the current economic situation will have an adverse effect in the years to come. The percentage of households accepted as full duty applicants (FDA) has remained constant at around 50% (this compares to 64% for Scotland, 45% for England and 44% for Wales).

3.42 At present the temporary accommodation pool comprises approximately 90 statutory and voluntary sector hostels and 900 private self contained properties for emergency use. In total, there is access to almost 5,000 bed spaces. Over the past ten years some 74,000 households have been accepted as statutorily homeless, with 50% of housing allocations going to homeless households.

3.43

Figure 19: Level of Homelessness Provision in Belfast

	Number Presented	Awarded Full Duty Status
2009/10	5,345	2,717
2010/11	5,544	2,766
2011/12	5,285	2,493
2012/13	5,367	2,856
2013/14	5,329	2,506

Source: *Northern Ireland Housing Executive, 2015*

Vacancy and Unfitness Levels

3.44 In order to translate the increase in households into a need for new housing units, account needs to be taken of vacancy levels and unfitness rates. The housing stock of an area includes occupied, vacant and unfit dwellings, which all influence the need for additional housing stock.

3.45 Any property that is lying empty is a wasted resource, both for the person who owns it and those looking for somewhere to live. If left vacant for a long period of time its physical condition can deteriorate and the property can become a nuisance for those living in the neighbourhood, discourage investment and lead to economic decline.

3.46 The 2011 Census recorded a figure of 44,000 vacant properties across NI, an increase on the figure of 31,600 recorded by the 2001 census. DfI estimate that the figure is likely to rise to 60,400 by 2025 of which 15,300 are within the Belfast City Council Area and a further 2,300 net conversions, closures and demolitions.

Figure 20: Vacant Dwellings and Vacancy Rate by Location

	Vacant Dwellings	Vacancy Rate (%)
Belfast Metropolitan Area	12,817	4.8
Total Urban	26,152	4.9
All Vacant Dwellings	54,724	7.2

Source: *Northern Ireland Housing Executive, 2015*

3.47 Between 2006 and 2011 the number of vacant properties in Northern Ireland continued to rise. In 2009 there were an estimated 12,817 vacant properties in Belfast, 4.8 percent of the stock. This compares to a figure of 40,300 (5.7%) in 2006 and 32,000 (4.9%) in 2001. A high vacancy rate is particularly evident in the private rented sector, where 17,500 properties (12%) are vacant, a rate which is double that for the stock as a whole. In the owner-occupied sector the vacancy rate is 4 per cent, while in the social sector it is lower still.

3.48 The Review into Affordable Housing completed in 2007 recommended a more pro-active approach to empty homes in both the social and private sectors as a way to addressing the lack of social and affordable homes in Northern Ireland. Research undertaken by the Housing Executive to examine the potential for bringing these properties back into use based on secondary analysis of the 2006 House Condition Survey revealed that the potential was much more limited than the gross figures.

3.49 Apart from new-builds not yet occupied, properties may be empty for a number of reasons. With the collapse of the housing market in current times, some may be pending re-sale or re-letting. Some may be unfit for habitation or are pending repair or improvement whilst others may be second homes not permanently occupied. These properties are currently out of use and therefore reduce the supply of available housing.

Figure 21: Vacant Properties Analysis, 2011

Category/Status	No. of Vacant Properties
Total vacant private sector dwellings	**48,600**
Awaiting demolition	(3,200)
Being modernised	(8,300)
Being used for another purpose (e.g. storage/office)	(2,500)
Other (resident in hospital, abroad etc.)	(5,700)
	28,900
Less than 6 months vacant	(12,900)
	16,000
Vacant holiday homes	(600)
Isolated rural vacant unfits	(2,600)
Could be brought back into use	**12,800**
Remaining vacant unfits	3,400
Excluding all unfit dwellings	**9,400**

Source: *House Condition Survey, 2011*

3.50 The House Condition Survey (HCS) 2011 advises that the Northern Ireland vacancy rate is 7.2% with the Belfast Metropolitan Area at 4.8%. This suggests that the vacancy rate outside the metropolitan area is higher than the urban area. In 2011, the proportion of vacant dwellings recorded as unfit was 51% (28,000) compared to 44% (14,000) in 2001 demonstrating a clear link between unfitness and occupancy levels.

4.0 Issues and Approaches

Summary of Key Issues

4.1 It is clear that Belfast faces complex challenges and opportunities including:

- Housing Monitor shows an **existing supply of 456.5ha** of land for housing.
- Significant areas of **brownfield land** which may be suitable for housing, and we are encouraged to redevelop by regional policy. Many of these are located in the city centre.
- **Re-use vacant buildings** to accommodate housing needs in the city centre. Lessons may be learnt from the experiences of Manchester, Bristol and Sheffield attempting to repopulate their city centres.
- **City Centre living** in Belfast has not reached comparable levels with other UK cities.
- Wider Belfast housing market area is identified as containing one of the largest proportions of **unaffordable housing** (67%).
- Proportion of dwellings in **social ownership** is almost twice as high as the Northern Ireland figure.
- Growing **private rented** sector falling number of **owner-occupied** dwellings.
- Single and small families make up the majority of households in housing stress
- Population of Belfast grew by approximately 1.6% between 2001 and 2011, but the number of households grew by 6.1%. This indicates that the **size of households** has reduced over this period. This trend is projected to continue into the future
- Belfast has the highest proportion of **single person households** of the 11 local government districts in NI.
- People **aged 65 and over** are predicted to account for approximately 87% of the increase in people living alone between 2012 and 2037. By 2037, people aged 65 and over are projected to account for almost half (49%) of all those living in one adult households without children. Housing provision needs to change to meet this rapidly growing demand.
- Continuing trend towards more single person and older households will result in sustained demand for accommodation and in particular for **smaller units of accommodation** and supported housing.
- 24% of Belfast residents had a **long-term health problem or disability** that limited their daily activities and 16.6% of all residents in Belfast are in receipt of at least one disability-related benefit.
- According to the NIHE HMO Register, there are **3,642 HMOs** within Belfast (Nov ‘16).
- **Appropriate mix of housing** types provides choice to ensure people can stay in communities where they have grown up or raised families, where strong social cohesion is established.
- Proactive shaping and forming of **spaces between housing** is arguably as important as the housing itself, contributing to health, wellbeing and transport provision.
- **Urban sprawl** is linked with higher car ownership, poor air quality and social exclusion; in contrast better planned housing which is close to employment and services that is accessible to good transport links leads to greater **social inclusion and cohesion**.

Households that are highly accessible to works and essential services help to improve work life balance and contribute to many health and wellbeing objectives.

- Research supports the idea that **successful large cities are good for regional economies**. Belfast is the international window for Northern Ireland and a flourishing city will add to the already many successful inward investment businesses that have been established here.

Accommodating New Homes

4.2 From the evidence gathered, several options have been identified which could facilitate growth and provide increased housing supply. The options form the basis of further discussion which in turn can inform the Local Development Plan. The options are summarised below:

Allowance for Existing Commitments

4.3 The Annual Monitoring Report projections for housing supply is drawn from sites with extant planning permissions for housing as well as land allocated for housing within the existing development plan. Where planning permission has been granted, the supply figure reflects the number of dwellings detailed within the permission. Where planning permission has not yet been granted for site allocations, the expected capacity of these sites is included.

4.4 As part of the BMAP, a number of sites were identified to accommodate housing development for the period to 2015. These are identified on the adopted BMAP Housing Allocations Map. While some of the sites identified have been granted planning permission and/or have been developed, a number of the sites remain undeveloped, and hence can still be considered to be available for housing development. All of these sites are shown on the BMAP proposals maps as site allocations for residential development. The details of these site allocations, including their location, size, estimated dwelling capacity and details of their status including any extant planning permissions and completed dwellings is held within the Monitoring Report.

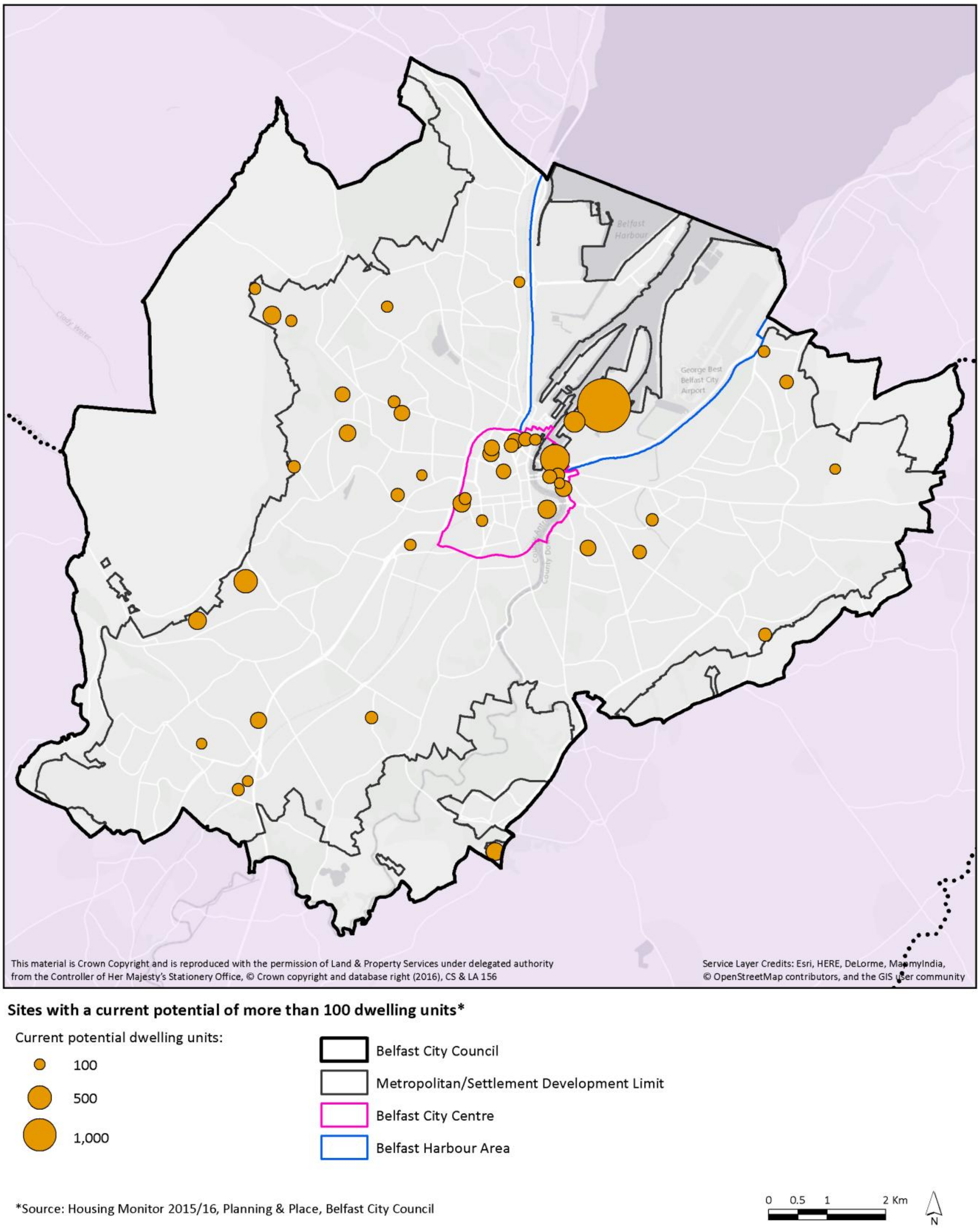
Urban Capacity Study

4.5 The urban capacity study involves an assessment of the potential for future housing growth within the urban footprint and the capacity for different types and densities of housing. The urban capacity study takes account of housing development opportunities arising from previously developed land, infill sites, conversion of existing buildings and possible changes of land uses. Consideration is given to the type of housing and density appropriate to each site in order to assess the number of housing units likely to be generated.

4.6 The study ensures that the most suitable sites are proposed for allocation for housing and that all sites allocated for housing development will have been robustly tested for suitability, availability and deliverability. This includes consideration of infrastructure constraints and the phasing of development to align with future infrastructure investment.

4.7 The study helps ensure that priority is given to the reuse of previously developed or 'brownfield' land within the existing urban footprint, before considering the need for extensions to the settlement of the Belfast Urban Area. The RDS provides a target of 60% of all new housing being located on appropriate 'brownfield' sites within the urban footprint.

Figure 22: Housing Monitor Sites with Over 100 Unit Capacity



Conversions

4.8 A further, albeit smaller scale, example of this is the contribution that could be made to housing supply via the conversion of non-residential existing buildings to residential use, and the conversion of residential buildings to a different type of residential use, which yields a greater number of dwellings. Specific examples of these could include the conversion of a disused factory building to apartments, or the conversion of a large residential unit to smaller, more numerous units such as apartments. The residential yield arising from such conversions can make a small but significant contribution to overall housing delivery, however this is difficult to quantify in exact terms at this stage. In addition, due to the existing built environment of Belfast, the Council area has seen comparatively small housing yields from conversions in recent years.

Reallocating Land

4.9 A potential source of housing land is the capacity which could be provided if some areas allocated for a non-residential use (e.g. allocated employment sites) could be brought forward for an alternative mix of uses, including housing development. The potential additional housing land supply from this source has not yet been quantified, and there may be additional examples of instances where land currently allocated for employment use as part of an action area, could also additionally contribute to the development of residential units in Belfast. It is important to bear in mind that the use of some of the sites for this purpose will result in a net loss of employment land, which will have implications for the employment land supply position for Belfast. This will be considered as part of the overall strategy for ensuring a sufficient supply of development land for employment uses within Belfast. However, no additional contribution from this source of land can be identified for this stage.

Vacant Homes

4.10 A further important potential contribution to meeting housing needs could be the re-use of existing vacant homes. This can include homes which have been vacant in the short or long term, including single units or potentially blocks of apartments which remain unsold or un-let. It should be noted that these would not technically be “new homes” in planning terms, as they are already counted within the Council’s housing stock. In addition, as previously noted, a certain amount of short term vacancy within the housing stock will assist with the facilitation of churn in the wider housing market. However, vacant homes could represent significant housing options for those seeking accommodation in Belfast, potentially easing demand for new units, so should be considered as part of assessments of housing need in Belfast. DRD estimate that there will be over 1,500 vacant homes in Belfast in 2025 which is approximately 10 % of the predicted stock.

Residential Densities

4.11 Housing growth may be accommodated by increasing density, without town cramming, in the first instance. In accordance with the SPPS, this will need to be delivered in a sensitive way, striking a careful balance between meeting housing needs whilst ensuring well-designed developments appropriate to their locations. This will continue the approach currently set out in PPS12 that seeks to promote higher densities in town and city centres and in other locations that benefit from high accessibility to public transport facilities, whilst respecting local character, maintaining environmental quality and safeguarding the amenity of existing residents within established residential areas.

4.12 Increases in density are therefore most desirable throughout the City Centre and inner urban areas, as well as in other locations benefitting from good accessibility, in accordance with the guidance given in Creating Places. Development or redevelopment in inner urban locations or other high-density areas should be designed to create or reinforce an urban rather than a suburban setting and, conversely, development in low-density areas should aim to provide or reinforce local character and identity whilst avoiding the monotony of suburban sprawl. Opportunities for mixed use developments that incorporate an element of residential development in close proximity to other compatible uses, such as employment or community services, are also desirable.

Housing Needs Assessment (HNA) / Housing Market Analysis (HMA)

4.13 The Housing Executive through their Housing Investment Plan 2015-2019 have indicated that the population is projected to increase and older people will represent a higher proportion of the population. Household formation is currently lower than previously projected. The rate of new house building is lower than the annual requirement as set out in the RDS 2035.

4.14 Census 2011 demonstrates the continued desire of residents to own their own home. It also highlights the significance of the private rented sector which increased from 8% in 2001 to 20% in 2011 across Belfast. Private sector sales have also increased despite tighter mortgage lending conditions and negative equity

4.15 Projected new social housing need for Belfast is nearly 6,000 units over the five year period 2015-2020. Single and small families make up the majority of household in housing stress. There were 542 social housing units completed across Belfast in 2014/2015 and 434 social housing units completed in 2015/2016. Welfare reforms are likely to increase the demand for smaller social housing units

Allowance for Windfall Housing Sites

4.16 Through monitoring of housing completions, it is possible to surmise that “windfall” or unexpected supply can make an important contribution to overall housing delivery. In the past delivery from such sources has been important in Belfast. However, the uncertain nature of this supply means that it is not a sufficiently reliable source of housing land supply to result in its incorporation in estimations of likely future delivery.

4.17 In policy terms therefore, windfall supply does not count towards overall supply of land, however contributions made to completions by such land sources are included in monitoring of housing delivery. The Council is mindful of the potential impact of windfall delivery in extending the identified housing land supply, through the delivery of unexpected units – this emphasises the need to undertake clear monitoring of housing delivery overall, identifying the proportion of annual delivery that has come from windfall sources.

Provision from Other Districts

4.18 The Council could consider working with neighbouring local authorities. This would involve examining their allocations and whether they have additional capacity available. This option should only be considered exceptionally as there is a regional policy objective to grow the city of Belfast to avail of the work, social and leisure opportunities afforded by it.

Belfast City Centre

4.19 Although the population of the City has increased over the last ten years the overall residential population of the City Centre remains low. Particularly when compared with cities of a similar size elsewhere in the UK. For example, Newcastle upon Tyne has an estimated City Centre resident population of 23,000 in comparison to Belfast's 9,458 at present.

4.20 Housing can make a key contribution to the success of the City Centre bringing added vitality throughout the day and evening. Within the City Centre, residential accommodation is likely to be an important part of mixed use developments, particularly on larger development opportunity sites.

4.21 The City Centre can make an important contribution to population growth and the Council's current Housing Monitor information records a potential for the delivery of around 6,000 residential units within the City Centre on approx. 40ha of land.

4.22 Housing can play an important role in the wider regeneration of the City Centre as part of mixed use developments. Opportunities also exist to bring vacant space above ground floors back into use where it would not compromise the retail, leisure or office function of the City Centre.

Houses in Multiple Occupation (HMO)

4.23 There is a need to meet the demand for shared housing and Houses in Multiple Occupation (HMOs) are an important component of this housing provision. HMOs, alongside other accommodation options within the private rented sector, play an important role in meeting the housing needs of people who are single, who have temporary employment, students, low income households and, more recently, migrant workers.

4.24 Proliferation of one type of accommodation can be detrimental, however pro-active management of the numbers of specific accommodation types helps to maintain the amenity of local areas.

4.25 Pro-active policies identifying appropriate locations that are able to accommodate such developments can also help to reduce the pressure in these core areas, recognising that there is a rising demand for shared forms of accommodation within the City.

Student Accommodation

4.26 The Council recognise that students studying and living in Belfast make a significant contribution to the local and regional economy. The continued growth in the number of students wishing to enter third level education in our universities and further education colleges, the re-location of Ulster University to the north of the City Centre and growth in the international student market all present significant opportunities for the city.

4.27 Although students are often most closely associated with HMOs, it is recognised that students can also be accommodated in university Halls of Residence, alternative forms of privately rented housing and, increasingly in Belfast, private Purpose Built Managed Student Accommodation (PBMSA).

4.28 Well-managed accommodation can play an important role in growing the city centre population through the development of balanced communities with an appropriate mix of housing types and tenures.

Residual Housing Need

4.29 The need, if any, for further identification of land beyond the urban footprint in a settlement will be that which is residual after taking account of the urban capacity yield, windfall allowance and dwellings already constructed or committed. Utilising rural land for residential development needs to be considered very carefully in terms of environmental, economic and social impact, and should be considered only after other land supply sources had been exhausted. The potential impact of using such land for housing development would also need to be considered carefully alongside the Council's established long term priorities to regenerate vacant and brownfield land within the City.

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