



Acres Land & Planning Ltd

'Acres of space'

British & Continental Co. Ltd
Respondent No. 1045
Matter 2(i): Housing

DERBY CITY LOCAL PLAN PART 1: CORE STRATEGY EXAMINATION MATTERS, ISSUES AND QUESTIONS.

Main issue 2(i) – Whether the housing strategy has been positively prepared and whether the overall level of housing provision and its distribution are justified and appropriate. (Policy CP6)

a) Has an appropriate approach been taken to defining the housing market area?

No. The Derby Housing Market Area is not properly reflected by simply adding South Derbyshire DC and Amber Valley BC to Derby City. A simple glance at the geography of the County shows that this HMA is distorted so that it includes Swadlincote and Melbourne in the south and Alfreton and Belper in the north, (all of which are well outside the natural Market Area of Derby). On the other hand, parts of Erewash which are outside the HMA lie almost within the built-up area of Derby so that the land to the west of Acorn Way, Chaddesden is closer to the City centre than Oakwood or Spondon, which are in the City.

Whilst it may be convenient from the administrative point of view to include whole Districts to make up the HMA, in practice it creates a distorted HMA which in turn has an impact on housing sites which are chosen. Since the Councils did not undertake a joint sustainability appraisal, Amber Valley and South Derbyshire may well allocate sites well outside the natural Derby Market Area in preference to more sustainable sites either within Derby City or in Erewash which are much closer and better related to Derby.

A quick glance at the attached extract from the former Derbyshire Structure Plan Sub Area Plan shows how distorted the current Derby HMA is. But it also shows that this issue has been addressed more successfully before in the Derbyshire Structure when more logical housing markets were defined in the Plan. (See Appendix 1)

b) What are the full, objectively assessed needs for market and affordable housing in the housing market area and the City? Is the Council's methodology appropriate and justified?

The Inspectors for the South Derbyshire and Amber Valley Local Plans have agreed, through a process of investigation and negotiation that the OAN figure for the whole Derby HMA should be 33,388 dwellings 2011-2028 and that this comprises 16,388 dwellings for Derby City, 9,605 for South Derbyshire and 7,395 for Amber Valley.

The figure of 33,388 arises from the GL Hearn Update report which incorporated the outcome from sensitivity testing following the publication of the official 2012 Population Projections. Subsequently, the authorities undertook revised projections based on the 2012

Household Projections which resulted in slightly lower figures, but decided to leave the 33,388 figure unchanged.

I am aware that the GL Hearn calculation of the OAN pre-dated advice contained within the Government's Planning Policy Guidance which emphasises that estimates of 'objectively assessed housing need' should reflect the impact of economic growth, housing market signals and affordable housing needs. I am acutely aware that 'unpicking' the HMA housing figure now would not only undermine the Derby City housing figure (which has been fixed according to a constraint/capacity figure in any case) but would undermine both the South Derbyshire Local Plan and the Amber Valley Local Plan as well.

It would be wrong to argue that it doesn't therefore matter precisely what the Derby HMA figure should be. The Derby City element of the total HMA figure – 16,388 - is designed to satisfy Derby's own needs and hence since its neighbours are helping to deliver an element of the figure, the Inspector must be content that the overspill is being accommodated under the Duty to Co-operate. So the Derby OAN must be accurately measured.

In the absence of any allowance for an economic growth or housing market uplift we therefore consider that the Derby housing figure (and the Derby HMA figure) must be somewhat higher than 16,388 (33,388). I do not however, have an alternative figure to offer to the EIP. Sadly, the Council's Interim Housing Statement does not explain the position.

c) How does the objectively assessed need for affordable housing relate to the overall scale of housing provision? Would an increase in the total housing figures in the housing market area help deliver the required number of affordable homes and, if so, has this consideration been given appropriate weight in determining the overall level of housing provision?

The NPPF is clear that the Local Plan should cater for all types of need and demand. The Council's SHMA is quoted within paragraph 7.11 of the Council's Interim Housing Statement of estimating a need for 10,117 dwellings between 2012 to 2028 (16 year period) compared to the 2011-2028 (17 year period) set by the Local plan. The need for 625 affordable dwellings per year is almost equivalent to the 647 average housing provision (for all forms of housing) planned within the Derby City area. This can't be right!

Although the two figures are derived from different routes – one is demographically based looking beyond the City boundaries, the other is locally based – they should at least be compatible. Hence either the Derby HMA figure is far too low or the affordable housing estimates are inflated. It will be important to investigate this thoroughly at the forthcoming EIP.

The Council's Interim Housing Position Statement (December 2015) – which is unchanged from the August 2015 version - appears to be the only source of information but contains few statistics and no background statistical documents which explore past performance, requirements, methodology or monitoring . Furthermore, Part 3 of the paper on 'Establishing OAHN' contains no real explanation as to how the Council's OAHN has been derived.

d) Has appropriate account been taken of employment trends in the OAN?

We think not. The Local Plan has ambitious employment targets and a strong emphasis towards economic growth. There are also substantial employment allocations within the Plan. We understand that the GL Hearn report pre-dates the guidance in PPG for assessing AON. However, Part 3 of the Council's Interim Statement does not provide any detail. It is vitally important for the 'soundness' of the Local Plan that the relationship between housing and employment is properly explored.

e) Has appropriate account been taken of market signals in the housing needs assessment?

We think not. The GL Hearn report has not taken sufficient account of the distortion in the housing market arising out of the shortfall in provision. Sadly, once again, there is very little background information available in the Derby Interim Housing Statement (or in the City Council EIP Library) to assess the statistical position.

f) Has the housing needs assessment appropriately addressed the needs for all types of housing and of different groups, including the private rented sector, self-build, family housing, housing for older people, households with specific needs and student accommodation?

The Council's Interim Housing Position Statement sheds some light on the delivery (or planned delivery) of specialist housing but there are few specific figures.

g) Is there reasonable certainty that the objectively assessed needs for the housing market area as a whole will be met?

No. There are concerns that the OAN will not be met for the following reasons:

Firstly, there seems little appetite to 'pin down' the precise requirements for housing with too much priority being given to protecting Green Wedges and deflecting housing needs elsewhere. The assessment of the OAN seems superficial,

Secondly, the deflection of housing to South Derbyshire and Amber Valley (which could result in sites well outside the practical economic and housing market), means that there is no guarantee that the needs of the housing market will be met where they are genuinely required, and

Thirdly, the Council seem to have fallen well behind in the delivery of sites (as the information provided to the Inspector in Library document EX002c: Attachment 3) shows very clearly, so that there is little hope in meeting the objectively assessed needs,

h) Does the withdrawal of the Amber Valley Local Plan Part 1 have any implications for meeting objectively assessed needs for the housing market area?

Yes it does. Derby City Council rely on the two neighbouring Councils (South Derbyshire and Amber Valley) to accommodate the 'overspill' of 5,388 dwellings which the City Council

claim cannot be accommodated within the City boundaries. These have been shared between South Derbyshire (+3,013) and Amber Valley (+2,375). Without the guarantee that these dwellings can be delivered the Derby City Local Plan cannot be found 'sound'.

The Amber Valley Local Plan was withdrawn from Examination because the Council was no longer confident of demonstrating a 5 YHLS on adoption of the Plan or maintaining a 5 Year Housing Land Supply throughout the plan period. We are aware that in abandoning the Local Plan (and starting again), Amber Valley indicated in its report to Committee on 27th January 2016 that '*this agreed target of 2,375 remains in place despite the withdrawal of the Core Strategy*'. However, it is anyone's guess when the Local Plan will now be delivered and where housing sites are likely to be and whether they will genuinely meet Derby's housing needs.

Similar problems have arisen both in the Coventry and Warwickshire HMA and the Birmingham and Black Country HMA. In the former example, the Inspectors have advised to withdraw the Coventry and Warwick Local Plans until agreement has been reached. In the latter, a Sub-regional housing market study has been undertaken by Peter Brett Associates to advise on the distribution of housing. Birmingham has since compiled a portfolio of Memoranda of Understanding to convince the Birmingham Local Plan Inspector that their wider housing needs can be met.

i) Has the limit of 11,000 additional dwellings in the City in the plan period, which is less than its own objectively assessed needs, been justified? In particular:

i. Does the evidence base support the retention of existing Green Belt boundaries?

ii. Does the evidence base support the boundaries of the Green Wedges? Are they a justified constraint on development?

iii. Has the potential for redevelopment of brownfield sites in the plan period been appropriately taken into account? Does the plan provide appropriate guidance for new housing development on previously developed land?

iv. Does the evidence base demonstrate that there are no other developable sustainable sites within the plan area during the plan period?

No. The Council has neither explained nor justified the capacity figure of 11,000 dwellings. The Council has claimed that Derby is already tightly built up to its boundaries and that there is opportunity for Derby to grow 'within its environmental limits'. Paragraph 4.19 also states that '*The City Council's target of 11,000 reflects evidence of a finite capacity for the City to meet its needs within its administrative boundaries on brownfield sites and other areas*'.

i) No independent assessment of the environmental limits of Derby has been published, nor is there any explanation as to why the needs for housing should take second place to the various layers of green infrastructure which the Council has imposed. Essentially, participants, planners and local people are asked to take the Derby City capacity figure 'on trust'. It is unclear how the 11,000 has been devised but it would appear that the Council has made a clear political commitment to retaining green belt untouched and avoiding the

loss of any green wedge (other than two specific sites at Brook Farm and Mackworth) which then provided the starting point for the housing capacity number. Clearly this approach is completely back to front. The Council need to accommodate their housing needs unless there are overwhelming environmental constraints which prevent them doing so. Provisions exist in paragraph 83 of the NPPF for reviewing green belt boundaries through Local Plans. The city council, in conjunction with its neighbours avoided doing so in the 2012 Green Belt review. This needs to be addressed now – and should also involve South Derbyshire, Amber Valley and Erewash all of whom have boundaries which abut the city.

ii) In terms of Green Wedges the case for review is even stronger, without the policy backing within the NPPF and with no requirement to meet ‘exceptional circumstances’. It should be noted that the term ‘green wedges’ does not appear anywhere in the NPPF. Furthermore, following the Richborough Court of Appeal judgement, ‘green wedges’ are now regarded as a ‘relevant policy for housing supply’ – in the context of para 49 of the NPPF, thereby triggering a presumption in favour of sustainable development where the Council lacks a 5 year housing land supply – as is currently the situation in Derby.

Consequently, as a result of the Court of Appeal judgement, Councils such as Derby City will no longer simply be able to paint large areas of the City as ‘green wedge’ simply on the grounds that urban or suburban communities need to be kept physically separate to maintain their identity. (In any event, the identity of settlements does not depend critically upon their physical separation). Derby City Council’s green wedge policy will now have to be fully justified against the need for housing and the consequences of deflecting housing elsewhere.

iii) The Council has assumed a significant windfall allowance (of 900 dwellings) which must arise from unexpected brownfield land within the City. (An allowance has already been made for extant permissions). There is also a large figure of 1,000 unidentified dwellings within the city centre and a further 800 dwellings on sites at Castleward. A further 1294 are left to be addressed in the Phase 2 Local Plan and hence are still currently unidentified.

The guidance on previously developed land refers to ‘priority being given’ as if the City were able to apply a sequential approach to brownfield development. In practice the Council can only ‘encourage brownfield sites’ albeit there are strong moves within the Government’s policy changes to give a ‘permission in principle’ to develop brownfield land for housing. This might help remove barriers but it won’t change the fundamental economics of a site where previously developed land proves too costly to develop due to contamination, demolition and remediation costs and/or high existing use values.

iv) Yes. There are other sustainable sites within the Plan area. Land at Acorn Way/Derby Road Spondon lying in a highly sustainable and accessible location, albeit on the edge of the Spondon/Chaddesden Green Wedge, has recently been the subject of an appeal against the refusal of 125 dwellings. A result is awaited. Other sites may also exist within ‘marginal’

green wedge land. Land also exists within the Lees Brook Valley bounded by Acorn Way which is currently labelled as green belt. Other sites have come forward and been rejected on Green Wedge grounds.

j) Is the distribution of new housing within the plan area in accordance with the overall spatial strategy?

Please see my comments under Matter 1. The distribution of housing is heavily weighted towards the south of the City whereas employment is being provided mainly to the north. To achieve sustainable development, sites should be located either within the boundaries of the city or within neighbouring authorities but as close to the edge of the city as possible. There is no guarantee that sites within South Derbyshire and Amber Valley will meet this criterion.

k) Have reasonable alternatives to the distribution of housing development been considered?

It is difficult to say whether realistic and reasonable alternatives have been tested. The impression is given that having agreed an overspill to its neighbours, the Council feel under no pressure to allocate sites within the City.

l) Is the housing strategy sufficiently flexible to adapt to rapid change or to respond to new circumstances?

No. There is no real flexibility since most of the brownfield sites are already built into the housing delivery figures.

John Acres

March 2016.