

DERBY CITY LOCAL PLAN PART 1: CORE STRATEGY EXAMINATION

STATEMENT ON MATTER 1: OVERALL DEVELOPMENT STRATEGY

MARCH 2016

ON BEHALF OF MILLER HOMES

Pegasus Group

4 The Courtyard | Church Street | Lockington | Derbyshire | DE74 2SL

T 01509 670806 | **F** 01509 672247 | **W** www.pegasuspg.co.uk

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1. Introduction

- 1.1 Miller Homes has land interest at Hackwood Farm (Proposed Housing Allocation AC21), but also has interests just outside of the city boundary in the South Derbyshire District Council (SDDC) Local Plan as a further housing allocation at Hackwood Farm and also on land to the west of Radbourne Lane within Amber Valley Borough Council (AVBC) administrative area. Of particular interest to Miller Homes is the ability of the three plans to deliver the housing needed to meet the Full and Objectively Assessed Need (FOAN) across the Derby Housing Market Area (HMA).
- 1.2 Matter 1: Overall Development Strategy highlights three questions in particular that this statement seeks to address:
 - D) Do the policies in the Local Plan reflect the identified spatial vision and objectives?
 - F) Does the strategy provide for a sustainable pattern of development in terms of the relative locations of employment and housing sites?
 - I) Is it appropriate for the Local Plan to include policy CP1(b) relating to development outside the plan area?
- 1.3 The statement deals with these questions collectively as set out below.

Sustainability Appraisal

- 1.4 It is first important to note that joint working between DCC, SDDC and AVBC has not only led to an agreed housing requirement figure to represent FOAN for the HMA, but also to an agreed apportionment of this housing requirement between the three authorities. The Duty to Cooperate (DtC) Compliance Statement (CD003) identifies that all three authorities have signed up to a Statement of Joint Working (Paragraph 3.23) that was signed in December 2015 and states that the HMA Authorities have agreed that provision is to be made for 33,388 new homes across the HMA for the period 2011-2028 and that this is to be split across the HMA as follows: Amber Valley 9,770 dwellings; Derby City 11,000 dwellings; and South Derbyshire 12,618 dwellings.
- 1.5 This split has been subject to Sustainability Appraisal by all three LPAs, albeit unhelpfully in three separate Sustainability Appraisal reports. Of particular relevance to assessing the soundness of this Plan is the present status with the



south Derbyshire Local Plan Part 1 and the basis on which that plan has been formulated.

1.6 The South Derbyshire Local Plan Part 1 is presently out for consultation on its Final Proposed Modifications following a number of examination hearing sessions. Extracts from the Local Plan as proposed to be modified are attached as **Appendix 1**, highlighting that the Plan is proposed to be adopted on the basis of:

"Derby City being only able to provide 11,000 dwellings over the period of 2028 (MM8 Paragraph 4.7);

The need therefore for South Derbyshire to meet some of Derby City's needs as part of the plan (MM9 Paragraph 4.8); and

For the plan to provide at least 12,618 dwellings within South Derbyshire (Policy S1) when the SDDC FOAN is only 9,605 dwellings over the same period".

- 1.7 Any changes to the evidence base under-pinning the South Derbyshire Local Plan Part 1 plan as proposed to be modified is likely to impact on the soundness of that Plan.
- 1.8 Extracts from the South Derbyshire Local Plan Part 1 Sustainability Appraisal Addendum Report (August 2015) are at **Appendix 2**. This makes clear the unmet need that DCC cannot accommodate within its administrative boundary amounts to 5,388 dwellings and that this has to be found in the wider Derby HMA (Section 3.3). The SA addendum then considered four options of distributing this unmet need as follows:

Option 1: Maximise growth in South Derbyshire

Option 2: Maximise growth in Amber Valley

Option 3: Split based on the proportion of growth

Option 4: Split based on commuting flows.

1.9 Section 4 of SDDC's SA addendum undertakes an appraisal of the options but at the outset identifies that:

"Implicit in all of the options set out at Section 3.3 is the fact that the city's unmet need is best located adjoining the city assuming growth is best met where the demand arises" (Paragraph 4.1.2).



- 1.10 Option 3 was identified in the South Derbyshire SA Addendum as the most appropriate one for meeting Derby's unmet need. This is the basis on which South Derbyshire Plan is now being put forward for Final Proposed Modifications. Whilst the preference for Option 3 and the dwelling numbers proposed are not challenged, there remain issues with Option 3 in ensuring that the unmet need is provided for in the most sustainable way and this is as summarised at paragraph 4.4.62 of South Derbyshire's SA addendum:
 - "...AVBC would need to allocate sites for Derby's unmet need in areas that are not as well related to Derby. This will have advantages and disadvantages. Additional growth around the boroughs main towns and a new settlement at Denby could provide opportunity to increase sustainability of location subject to development. However at a HMA level this option is likely to lead to increased need to travel as "Derby's housing" is further away from Derby than it would be if allocated in SDDC in the DUA for example."
- 1.11 The above acknowledges that the most sustainable option is to seek to meet Derby's unmet need on the edge of the urban area, if this is possible.
- 1.12 In respect of the DCC SA (**CD007**), this sets out evidence to seek to justify the 11,000 dwelling cap within Derby City, but fails to comment on the split of the remaining 5,388 dwellings between SDDC and AVBC. It does however note under the preferred approach from page 69 that "the majority of these needs are to be met in sustainable urban extensions to the city particularly to the north-west, south-west, south and south-east of the city."
- 1.13 This approach follows the urban concentration preferred option as having the greatest benefits, particularly in terms of reducing the need to travel/promoting modal shift and also having the advantage of meeting housing needs nearest to where they are being generated. However, the DCC SA references Amber Valley's proposal to meet a proportion of Derby's needs outside the Derby Urban Area as part of a new settlement north of Denby. It is though recognised that there is a need for AVBC to re-visit its withdrawn plan in order to ensure it is able to identify sites and a deliverable strategy to provide for its accepted contribution towards meeting Derby's housing needs. It is clear from the sustainability appraisal work that this should be done in terms of providing for urban extensions where this is possible.



Radbourne Lane Mackworth

1.14 Miller Homes together with Radleigh Homes are seeking to bring forward a further urban extension to Derby at Radbourne Lane; a site that adjoins the administrative boundary of Derby City. This is a site that has not to date been adequately assessed as part of the AVBC Local Plan process. The site is identified on the location plan at **Appendix 3** together with an illustrative concept plan to demonstrate how the site could acceptably accommodate in the order of 470 dwellings. A planning application is presently being prepared for submission later this year so that the site should be able to contribute towards AVBC's 5 year housing land supply requirement as well.

Policy CP1(b)

- 1.15 In light of the above, it is considered appropriate for the Plan to include Policy CP1(b) in relating to development outside the plan area. Indeed, for the Plan to be justified and effective in reflecting the most appropriate strategy when considered against the reasonable alternatives and to be deliverable it is proposed that policy CP1(b) should go even further to ensure it adequately reflects the findings of the various SAs.
- 1.16 The policy would be more effective if it were to identify that there is an expectation on SDDC and AVBC to provide for Derby's needs as extensions to the Derby Urban Area wherever possible.
- 1.17 Paragraph 4.25 of the Local Plan (as proposed be to modified at ref 43) already identifies that AVBC is proposing urban extensions at Radbourne Lane, Mackworth and this statement would helpfully be reflected in policy CP1(b).

Proposed changed to policy CP1(b)

1.18 The Council will expect the city's unmet housing need to be accommodated in developments on the edge of the City wherever possible, and to:

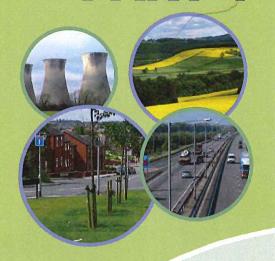


APPENDIX 1



South
Derbyshire
District Council
Community and
Planning Services

South Derbyshire Pre-Submission Local Plan PART 1





March 2014

South Derbyshire Changing for the better

SPATIAL STRATEGY - A PLAN FOR GROWTH

Spatial Strategy Introduction

- 4.1 This chapter sets out the overall spatial policies that will help achieve the Strategic Objectives and ultimately the Vision that has been set out for South Derbyshire.
- 4.2 The Spatial Strategy is about harnessing the opportunities of sustainable growth to secure positive benefits for the District's residents and employers. This means using development as a means of delivering not just much needed homes and business accommodation, but also other important community benefits where they are most needed such as reclaiming derelict land, supporting local shops and services, improving the local environment, providing required infrastructure and addressing the causes and effects of climate change.
- 4.3 At the heart of the policies are decisions over the amount and locations for accommodating future large-scale development for both housing and employment. The decisions are based on careful consideration of wide ranging technical evidence and the views of local people, employers, the development industry, statutory consultees and service providers. The Consultation Statement explains in more detail how representations received to successive stages of public consultation on the emerging Local Plan have helped us judge the balance on this.
- 4.4 The overall strategy is one of ambitious growth. In line with the NPPF, the Plan reflects a general presumption in favour of sustainable development taking into account the economic, social and environmental impacts the Plan will have.
- 4.5 The NPPF makes clear the Government's intention to increase the number of homes built and that Local Plans should be prepared in order to meet objectively assessed <a href="https://docs.com/bics/bullet-number
- 4.6 The Government's shift towards localism has meant we have been able to consider afresh the benefits of where we locate our housing and employment sites. The three Local Authorities of the Derby HMA; Amber Valley District Council, Derby City Council and South Derbyshire District Council and in discussion with Derbyshire County Council have

M9

- considered how the projected growth needs can most sustainably be distributed between the three Council areas.
- Fundamental to the strategy is the HMA's recognition that neighbouring Derby City is unable to make provision for all its own housing needs within its own boundary. The City is only able to provide 11,000 dwellings over the period to 2028.
- This means a collective approach is needed to ensure development needs across the wider Derby area are properly met. As a result, over the plan period at least 12,618 dwellings will be built within the District, of which 9,605 dwellings are to meet South Derbyshire's objectively assessed housing need and 3,013 dwellings are in part to meet Derby City's unmet objectively assessed housing need.
- As part of that approach this collective approach, the authorities have worked together to ensure that optimum possible use is made of derelict and other previously developed sites and premises, to ensure opportunities for brownfield regeneration are taken. This will reduce the need for the loss of greenfield land particularly on the edge of Derby City, although to achieve the planned growth across the HMA will mean the unavoidable loss of some greenfield land.
 - 4.910 As well as building new homes, it is important that new development should boost the economy and create accessible jobs. In order to address this the Derby HMA also considered the amount of new employment land that is needed and how that can be accommodated in the most suitable locations across the three Local Authorities.
 - 4.110 The Council also wants to ensure that with all the new development that is to take place across the District that the environmental performance of the new buildings is as sustainable as possible.
 - 4.12+The new development across the District will bring with it additional traffic which in some places in the District already is an issue.

 Mitigation measures will be put in place where possible to reduce the impact of the new development. The use of non-car modes of travel will always be encouraged and incorporated into developments where appropriate.
 - 4.132 Retail development is limited in South Derbyshire due to its location between larger City centres of Derby and Nottingham and also a wider choice in Burton Upon Trent. However, retail development in Swadlincote will be encouraged to continue the upward change that has occurred over the last few years.
 - 4.143A further consideration within South Derbyshire is the two areas of

Green Belt that fall within the District's boundary; a part of the Nottingham – Derby Green Belt and the majority of the Burton – Swadlincote Green Belt. The NPPF makes clear that Green Belt should be protected from development unless exceptional circumstances exist and that any change to the Green Belt needs to be undertaken through a Local Plan review.

4.154The following two policies offer an overall strategy for guiding development in the District to 2028 in a way that most closely supports sustainable development along with regeneration and increased prosperity in each of the settlements in the District. This overall strategy is followed by a policy referring the presumption in favour of sustainable development which is at the heart of the NPPF.

Policy S1 Sustainable Growth Strategy

South Derbyshire will promote sustainable growth to meet its objectively assessed housing and commercial needs in the plan period of this Local Plan 2011-2018.

MM10

This strategy will be developed through this part of the Local Plan – Part 1 with development allocations made alongside development management policies which will continue into Part 2 of the Local Plan.

The two parts of the Local Plan will ensure that the economic, social and environmental objectives set out in this Plan are fully addressed: by the overarching policy:

- i) Ensuring that South Derbyshire's objectively assessed housing need is met alongside providing additional housing to ensure that Derby City's needs are also met. The housing split is as follows:
 - a) 10,903 as South Derbyshire's need as assessed
 - b) 2,551 to allow Derby City to meet its assessed need

Generating a total of 13,454 dwellings to be built in the plan period.

Over the plan period (2011 – 2028) at least 12,618 dwellings will be built within South Derbyshire. The housing sites required will be met on a mixture of brownfield and greenfield sites with brownfield land preferred where possible, encouragement given to the re-use of previously developed land.

ii) Retaining, promoting and regenerating employment development on sites in urban areas and other locations which already are, or could be in the future, well served by infrastructure, including public transport. MM10

- iii) Provide new infrastructure to support the growth across the District. This will include new transport and education provision, and other services and facilities. This will be undertaken through obtaining appropriate planning obligations from future development and working alongside key stakeholders to ensure that existing and future requirements are considered.
- iv) Supporting and encouraging tourism within the District which makes an important contribution to the local economy. The District Council support The National Forest objectives including the increase of woodland cover. There will also be encouragement for healthy lifestyles through leisure pursuits, open space and greater accessibility for residents.
- v) Through this strategy being put in place it it is essential that the District's heritage assets, landscape and rural character are recognised protected, conserved and enhanced, where possible, whilst accepting that some change is necessary to allow for the strategy to be delivered.

In bringing forward new development the Council will seek to ensure that the schemes respond to and address environmental and social issues including the need to tackle climate change, improve the quality of the built and natural environment, minimise resource use and improve access to services and facilities.

Presumption In Favour of Sustainable Development

When considering development proposals the Council will take a positive approach that reflects the presumption in favour of sustainable development contained in the National Planning Policy Framework. It will work proactively with applicants to seek solutions, which mean that proposals secure development that improves the economic, social and environmental conditions in the area.

Planning applications received by the Council that accord with the policies in the Local Plan Part 1 & 2 (and where relevant, with policies in neighbourhood plans) will be dealt with positively and without delay, unless material considerations indicate otherwise.

Where there are no policies relevant to the application or relevant policies are out of date at the time of making the decision, then the Council will grant permission unless material considerations indicate otherwise - taking into account whether:

i) any adverse impacts of granting permission would significantly and demonstrably outweigh the benefits,



APPENDIX 2



South
Derbyshire

Community & Planning Services



INVESTOR IN PEOPLE

Local Development Framework

SA

Sustainability Appraisal

Local Plan, Part 1

Addendum Report

August 2015







South Derbyshire Changing for the better

3 SECTION 3 ASSESSING DERBY CITY'S HOUSING CAPACITY AND IDENTIFYING UNMET NEED

3.1 Introduction

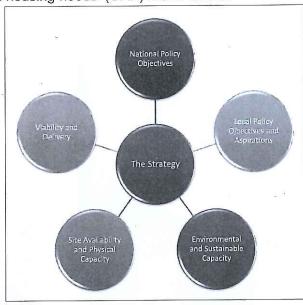
- 3.1.1 The first stage of this joint appraisal work has been led by Derby City Council, with input from officers at Amber Valley Borough Council and South Derbyshire District Council. This work considers the capacity cap for Derby City and justifies the extent of unmet need.
- 3.1.2 The Councils have looked again at Derby's capacity to meet its assessed need in light of a range of constraints including technical issues, feasibility, viability and deliverability (including density) issues. For each of these issues the obstacles to delivering additional growth have been highlighted and the repercussions of altering the City's approach to meeting its housing need set out. A summary of this stage of work is set out below.

3.2 Assessing Derby City's Housing Capacity

3.2.1 It has been accepted throughout the plan making process that the City of Derby would not be able to meet all of its 'objectively assessed housing needs' (OAN) within its own

boundaries. This conclusion has been accepted by all parties in the HMA and has not been seriously questioned in principle through any consultation exercise or alternative evidence.

3.2.2 This has not stopped the City Council endeavouring to identify as much new housing as it reasonably can within the City to meet its own needs in the interests of sustainable growth. It has gone through a number of rigorous and robust assessments of the *opportunities* that exist to meet needs and the *constraints* to growth in order to establish a *sustainable* and *deliverable* capacity of 11,000 new dwellings between 2011 and 2028. This capacity has been reassessed at each stage in the plan making process.



3.2.3 What follows is a summary of the factors that have combined to create this 'capacity cap'; focussing on the constraints that exist, the options for increasing the target have been considered and why they are not appropriate.

Capacity Constraints

- 3.2.4 When determining the growth strategy for the City, the Council has had to take account of a range of parameters (broadly reflected in the diagram above). The Derby City Core Strategy clearly has to meet the requirements of the NPPF. At the heart of this is the presumption in favour of *sustainable* development. This encompasses the three equally important dimensions of economic, social and environmental sustainability that must be balanced in decision making. While the NPPF clearly wishes to 'boost significantly the supply of housing', it does not suggest that this is done in such a way that ignores the core planning principles it seeks to establish. The NPPF still requires constraints and adverse impacts to be taken into account. Delivering housing should not be at the expense of other important planning objectives.
- 3.2.5 Notwithstanding this, perhaps the biggest and most obvious constraint to growth in Derby is the fact that it is a densely populated compact city, where development is already

pushing up to its borders in most directions and almost all 'available' land already has some recognised 'acknowledged importance' for uses other than housing. This limits the number of realistic opportunities to consider.

- 3.2.6 The nature of the City means that most sites will have some 'policy' constraint associated with them.
- 3.2.7 These include:
 - Green Wedge
 - Green Belt
 - Open Space and other 'Green Infrastructure' (e.g. allotments)
 - Biodiversity value (wildlife sites, corridors, protected hedgerows etc.)
 - Flood Zones 2 and 3
 - The World Heritage Site (WHS) and WHS Buffer
 - Conservation Areas and Listed Buildings
 - Air Quality Management Areas
 - · Areas of existing and proposed employment
 - · Existing school locations
- 3.2.8 While the impacts of residential development on the above issues have been major considerations, the map cannot illustrate others such as the impact of development on infrastructure particularly transport and education and the viability and delivery of development.
- 3.2.9 These constraints have not stopped the Council looking closely at each and every site opportunity submitted for consideration. Allocations *have* been made within areas of constraint where it has been demonstrated the impacts of doing so would be acceptable and/or where the impact can be mitigated.
- 3.2.10 The impact on the character of the City has been particularly important with regard to the consideration of 'Green Wedge' (GW) sites. There are thirteen areas that have been specifically protected from inappropriate development by successive local planning policies since 1989, helping to preserve their open and undeveloped character. Derby has successfully upheld this principle in successive planning documents and appeals. GW policy is also seen as having a high degree of consistency with the objectives of the NPPF. It is important to remember that purpose of Green Wedge policy is not about constraining housing, it is about retaining the character and identity of separate and distinct areas of the City. They are particularly important in terms of the 'social' and 'environmental' elements of sustainable development.
- 3.2.11 Retaining the *principle* of GWs is seen as a key objective of the Council's strategy and an important indicator of the *sustainability* of the plan. This is not to say that the Council has avoided the consideration of GWs for housing sites. The 'Green Wedge Review' analysed each wedge to assess whether they were still meeting the objectives of the policy and whether there was scope for development without undermining their role, function or character.
- 3.2.12 This concluded that there were parts of the wedge that could be developed while still maintaining the principle of a wedge in the area. The majority of these have been carried forward as allocations in the draft Core Strategy and the others have been identified for further consideration as part of a future plan. This inevitably means that those parts of the

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 $^{^9}$ www.derby.gov.uk/media/derbycitycouncil/contentassets/documents/reports/localdevelopmentframework/DerbyCityCouncil-Green-Wedge-Review.pdf

- GW which remain take on far greater importance and deserve greater protection. This has to be factored in to any assessment of the limits to the City's internal growth.
- 3.2.13 The Government attaches great importance to the Green Belt (GB), and state that boundaries should only be altered in exceptional circumstances. The PPG indicates that "unmet housing need (including for traveller sites) is unlikely to outweigh the harm to Green Belt and other harm to constitute 'very special circumstances' justifying inappropriate development on a site within the Green Belt."
- 3.2.14 The amount of GB land in the City is relatively small but is part and parcel of wider areas in neighbouring authorities. Sites have been submitted to the Council for consideration and thus a decision has had to be made about the appropriateness of amending boundaries. A 'Green Belt Review' was prepared by Derbyshire County Council in 2012. This was a review of an earlier, more comprehensive, study which concluded that the GB between Derby and Nottingham was the most sensitive. The review also concluded that the designations in and around the City were still performing a valuable role and should continue to be protected. As such, while due regard has been given to the sites submitted, protecting the principle of Green Belt in the City has carried greater weight. This, therefore, constrains potential supply.
- 3.2.15 A considerable amount of the rest of the City is identified for a range of nature conservation or 'green infrastructure' type designations including areas of open space, local nature reserves and wildlife sites, trees protected by TPOs and important hedgerows. These are important constraints that limit opportunities. Where they are in close proximity to 'suitable' sites, they may also have the effect of limiting the scale and nature of development appropriate to the site.
- 3.2.16 The NPPF indicates that development in areas at risk of flooding should be avoided. In drafting local plans, LPAs are required to adopt a sequential 'risk based' approach to the location of development to avoid, where possible, flood risk to people and property. The Council has carried out a Strategic Flood Risk Assessment (SFRA) which demonstrates that large areas of the City are constrained by potential flood risk. While some of this is able to be mitigated, the scale of flood risk in the City and the suitability and cost of mitigation naturally constrains 'sustainable' and 'deliverable' supply.
- 3.2.17 Local authorities have to set out a positive strategy for the conservation and enjoyment of the historic environment. The City contains a World Heritage Site (WHS) and an associated 'buffer zone'. A number of Conservation Areas and statutory and locally listed assets are also identified across the City. 'In determining the overall strategy, the impact on these designations and their settings has been a key issue. Where it is deemed possible to develop within or near to such assets, their proximity is likely to limit the scale and nature of development that would be acceptable.
- 3.2.18 Securing economic growth is a constant theme running through the NPPF. Meeting the development needs of business is a key objective of the guidance and consequentially the Core Strategy. This generates a competing demand for land which may constrain the amount available for residential development. The evidence base for the Core Strategy indicates a need for around 199 hectares of land over and above that already in use.
- 3.2.19 In considering housing opportunities, regard has been had to the existing employment situation. As a result of this, a number of 'operational' employment sites *have* been identified for housing including Castleward and the former Rolls-Royce Main Works site in Osmaston. Assumptions have also been made about potential re-use of commercial space in the City Centre. It would also be expected that smaller employment sites will come forward in the Part 2 plan.

- 3.2.20 Not all proposed or existing employment sites are appropriate for housing. Firstly, not all are in suitable locations and could not create a satisfactory or sustainable form of development. Secondly, even if potentially suitable many sites are occupied by operational businesses so the land is not available and 'intervention' from the Council may not be viable or in the public interest. Thirdly, it may create an imbalance between housing and employment which could have a number of negative sustainability consequences. Finally, employment (or any brownfield site) may simply not be viable when considering the cost associated with making the site suitable for development. Delivery and viability are key considerations. The NPPF is clear that plans *must* be deliverable.
- 3.2.21 In terms of infrastructure limitations, it is recognised that growth in, and on the edge of, the City will have a significant impact on the transport network. Many junctions are already at capacity or will be once development takes place. A number of mitigation measures are proposed that will help reduce the impact but these will not be sufficient to produce a 'nildetriment' situation. The capacity of the transport network is not necessarily a reason for capping the City's target at 11,000. The fact that much of the decanted growth is being provided on the edge of the City will clearly impact on Derby's network. However, there are fewer options available to mitigate the impact if a greater proportion of DUA development were to be focussed within the City boundary as a result of a higher target. This could lead to a situation where the functioning of the network would decline more rapidly over time, leading to increased delays and limited means to make measurable improvements. This would clearly be an undesirable situation.
- 3.2.22 The City has a number of other infrastructure capacity issues. The capacity of the City's schools is a particular issue. A number are at or above their capacity already or are expected to be so in the short to medium term. In considering the scale of development possible to achieve, the impact on existing schools is an important factor. Where capacity is limited, then the ability to provide additional spaces has to be considered. This may not always be possible to achieve and still maintain a viable or suitable development. This is, therefore, also a naturally constraining factor.
- 3.2.23 The above is just a brief summary of the issues facing the city and is not exhaustive. It is recognised that most areas will be subject to similar constraints. However, the tightly drawn boundaries of the City and its compact, high density nature pulls these constraints together in a small area; increasing their importance and sensitivity in many cases.
- 3.2.24 There are few easy' sites in Derby which don't raise significant planning issues. There is little or no point in the Council preparing a strategy that is at odds with national policy or which prejudices the delivery of wider Council objectives. This means that a balanced approach has to be taken which recognises the importance of delivering housing but does not ignore the need to protect and enhance the most important parts of the City's urban and natural environment, promotes sustainable economic growth, provides for the needs of existing and new neighbourhoods and, above all, the need for it all to be delivered. The key here is 'balance'. The strategy for the City does not shy away from difficult decisions. Rather, it has sought to address each issue carefully and come to a sensible conclusion as to the level of impact generated and whether it can be minimised or mitigated. This is why development is taking place in Green Wedges, on existing employment sites, on difficult brownfield sites and in areas of environmental sensitivity.
- 3.2.25 There will inevitably be a limit, however, to what is possible to achieve or what is sensible to propose in such a constrained area within the plan period. This limit has been reached.

Options for Increasing Derby's Target

3.2.26 Notwithstanding the constraints on the City, the Council has considered if there any ways in which the target could be increased. The options available are:

- 1. Allocate additional strategic sites
- 2. Assume greater delivery from strategic sites and locations
- 3. Assume a greater supply from 'non-strategic' SHLAA sites
- 4. Assume a greater windfall allowance over the plan period
- 5. Assume fewer losses
- 3.2.27 A number of other strategic scale sites were considered but have not been carried through to the strategy. The majority of these have either significant planning and/or delivery constraints which have ruled them out of consideration. To one extent or another, allocating any of the sites rejected would undermine the objectives of the Council's Strategy in one or more of the following ways:
 - It would undermine the role, character and function of a number of important Green Wedges across the City by either:
 - unacceptably narrowing them at sensitive locations
 - closing their 'mouths' and undermining their role in terms of bringing the countryside into the City
 - undermining their open and undeveloped character, and/or
 - undermining their function in terms of defining the character of existing neighbourhoods
 - It would increase the City's target without corresponding certainty over delivery or viability.
 - It would undermine Council objectives in terms of open space and promoting healthy lifestyles
 - It would have an unacceptable impact on the character and environment of existing neighbourhoods or sensitive parts of the City's heritage;
 - It would generate localised instances of severe traffic problems without the ability to provide appropriate mitigation
 - It would introduce development in areas that have poor access to facilities and/or which do not relate well to existing communities, resulting in an unsustainable pattern of development
 - It would undermine economic objectives of the plan by removing important employment allocations without suitable replacement sites being available
 - It would have an unacceptable impact on education provision, without the ability to
 mitigate impacts (either as a result of sites not being of sufficient scale to justify a new
 school and/or nearby schools not being able to expand)
 - It would be contrary to the NPPF in terms of the protection of Green Belt
- 32.28 Two GW sites were identified in the 'Preferred Growth Strategy' as having *potential* to come forward in Part 2. While broadly comfortable from a GW perspective, there were outstanding issues to resolve before they could be allocated. This amount to about 350 dwellings between them. Importantly, allocating these would *not* mean the Council could increase its target.
- 3.2.29 The Core Strategy identifies a 'residual' requirement of just under 1,300 dwellings to be met in Part 2. The two sites highlighted above form part of the pool of potential sites to meet this requirement. They do not constitute *new* opportunities and have already been factored into the assessment of overall capacity and delivery.
- 3.2.30 Allocating any of the other 'rejected' sites to increase the target would be seen as having too great an impact on the strategy to be an acceptable approach.

- 3.2.31 Increasing the net development densities of allocated sites to increase their delivery is also seen as inappropriate. Densities and the developable area of sites have been carefully considered to ensure appropriate forms of development, infrastructure provision and delivery. An appropriate balance between these issues has been struck. Setting arbitrary or unrealistic densities will not lead to greater delivery. This is not a realistic option.
- 3.2.32 The plan identifies two broad locations within which we expect residential development to come forward; Osmaston and the City Centre. There is no scope to identify further opportunities within Osmaston at this time.
- 3.2.33 The City Centre is a more complex issue. A figure of a minimum of 530 units were identified in the Draft Plan as a realistic estimate of delivery based on our understanding and knowledge of each opportunity and the prevailing market and economic conditions.
- 3.2.34 Since this time, the situation has changed considerably. The Council has now established the 'City Living Fund' which can provide loan funding at preferential rates. The City Centre has also recently been identified as a Government 'Housing Zone'. Again, this unlocks preferential rate loan funding and access to the HCA's ATLAS team who can provide expert advice and assistance in bringing sites forward. These measures should assist with the financing of schemes. The Council has also recently published a revised 'City Centre Masterplan' which identifies and promotes a number of regeneration priority sites.
- 3.2.35 This, coupled with increasing interest in the private rented sector (PRS) and student accommodation (which can count toward housing numbers to an extent) and relaxed permitted development rules, means that a much more positive outlook now exists.
- 3.2.36 The most recent analysis of supply indicates that there is likely to be more scope for development than previously thought. A revised estimate of likely delivery would be at least 1,000 new dwellings between 2011 and 2028; an increase of 470 over the Draft Plan. At present, this figure is less than the number of 'opportunities' that have been highlighted in the SHLAA, but a degree of flexibility and comfort is needed in light of the volatile nature of the City Centre market and the possibility of the same sites being put to a range of acceptable uses. Therefore, at this time, 1,000 units is a realistic and robust assessment.
- 3.2.37 If all things had remained equal, this change *could* have resulted in the City increasing its target without any negative consequences to the strategy. However, while the situation has improved within the City Centre, a strategic site identified in the Draft Plan has had to be removed from the supply.
- 3.2.38 The Sinfin Lane site was allocated for 700 units in the Draft Core Strategy. Since this time, the ownership of the site has changed, the planning application for housing withdrawn and the permission that existed on part of the site has lapsed. There appears to be no intention in the short to medium term to make the site available for residential development. The plan continues to identify the potential of the site to come forward for new housing but there can no longer be any certainty that the site *will* come forward. As such, while the broad strategy and objectives of the plan remain the same, the components of supply have had to be amended to reflect the current context.
- 3.2.39 This means that the increase to the City Centre target cannot be translated into an overall increase in the sustainable and deliverable capacity of the City as whole.
- 3.2.40 An assessment of non-strategic sites in the SHLAA suggests that the 'residual' of 1300 units to be addressed through the Part 2 plan would still be achievable. However, in order to maintain a realistic prospect of delivery, there are insufficient appropriate opportunities to increase this with any confidence.

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- 3.2.41 Assuming a greater windfall allowance would also be inappropriate. The estimate of 900 dwellings over the plan period has been based on a thorough analysis of past trends and a recognition that, as more emphasis is being placed on identifying possible housing sites through the SHLAA, the number of windfalls is likely to fall. There is also a risk in having a higher allowance in that it will increase levels of uncertainty about where development will take place. This has a number of undesirable sustainability implications. As such, it is considered that the current windfall allowance is robust and should not be increased.
- 3.2.42 It is inevitable that there will be losses to the housing stock during the plan period. The assumption of 336 losses between 2016 and 2028 is conservative but robust. Any change to this component could only have a negligible impact on the target, probably insufficient to justify a change. This is also, therefore, an unreasonable way of seeking to increase the City's target over 11,000.
- 3.2.43 In conclusion, Derby's capacity is constantly being reviewed to ensure the Core Strategy target is robust. The most recent assessment did suggest a more optimistic outlook for the City Centre and indicate that this component of supply could deliver considerably more dwellings than previously suggested. However, this has been offset by the probable 'loss' from the supply of the Sinfin Lane regeneration site at least for now. There are no other sustainable or deliverable options for increasing the City's target.
- 3.2.44 As such, when taking all things into account, 11,000 dwellings between 2011 and 2028 remains the best indication of the City's sustainable and deliverable capacity.

3.3 Unmet Need

3.3.1 It has been determined by Derby City Council (DCC) and agreed by Amber Valley Borough Council and South Derbyshire District Council that the capacity for Derby City is 'capped' at 11,000 dwellings. The overall housing need for the City for the period 2011 - 2028 has been calculated as 16,388. This leaves an unmet need of 5,388 dwellings to be found in the wider Derby housing market area

3.4 Distributing Unmet Need (Options Development)

- 3.4.1 The Derby Housing Market Area Authorities have jointly identified a range of options for meeting Derby's unmet need. These represent a range of approaches to apportioning housing between the two Authorities. In summary the options considered are:
 - Option 1: Maximise Growth in South Derbyshire
 - Option 2: Maximise Growth in Amber Valley
 - Option 3: Split based on the proportion of growth
 - Option 4: Split based on commuting flows
- 3.4.2 The process of identifying a range of options allows for comparison between different ways of approaching an issue and enables each option to be tested against the SA objectives to determine the likely significant effects .

Option 1 - Maximise Growth in South Derbyshire

3.4.3 Target all growth to meet the City's unmet needs to the edge of the City in South Derbyshire This option would require South Derbyshire to increase the District's Housing Requirement to around 14,400 dwellings. It would reduce Amber Valley's requirement to around 8,000 dwellings and assumes AVBC only meets its own housing need and only contributes towards the delivery of homes to meet the City's unmet need on the committed site at Radbourne Lane, Mackworth (620 dwellings).

Option 2 – Maximise Growth in Amber Valley

Target all growth to meet the City's unmet needs to Amber Valley This option would see Amber Valley's target increase around 12,700 dwellings and South 3.4.4 Derbyshire's to around only its assessed need.

Option 3 – Split based on the proportion of growth

This option would see a slighter higher apportionment of unmet need towards South Derbyshire. Growth of 17,000 dwellings is needed in Amber Valley and South Derbyshire. 3.4.5 South Derbyshire will accommodate 56% (9,605) of this total and Amber Valley will be required to accommodate 44% (7,395). Splitting unmet need according to this apportionment would increase South Derbyshire's housing target to around 12,600 dwellings and Amber Valley's target to around 9,800 dwellings.

Option 4 - Split based on Commuting Flows

This option is based on commuting flows out of the two Authorities. The Derby HMA Strategic Housing Market Assessment update includes data taken from the Local Economic Assessment. This data indicates that 5,450 people from Amber Valley and 12,750 people from South Derbyshire commuted out of Borough/District to work in Derby City. Labour flows from the two Authorities combined account for 18,100 people or 13.9% of all people working in Derby City. Of this number around 70% of out commuting is from South Derbyshire, compared to 30% from Amber Valley.

Options to be ruled out early on without detailed appraisals

- In addition to the four reasonable options identified by the joint Authorities the Councils have also identified a number of options which it considers to be 'unreasonable'. Accordingly the Authorities have determined not to undertake detailed appraisals of these options:
 - Business as Usual. Reduced levels of delivery in the two Authorities which is insufficient to meet assessed need before even considering Derby's unmet need. It would also not conform with NPPF requirements to significantly boost the supply of housing delivery.
 - Meet OAN outside of the HMA. There are likely to be sufficient sites to fully meet the HMA's need across the three Authorities if not where the need arises. Therefore there is no justification for considering any growth outside of the HMA area.

SECTION 4 OPTIONS APPRAISAL

4.1 INTRODUCTION

- 4.1.1 As previously noted the approach to testing different apportionment and distribution options is to appraise the implications of each alternative using the SA Framework of each Authority. The findings are then brought together to present an overall assessment of the alternatives across the HMA (i.e. providing the comparison of effects between the different authorities).
- 4.1.2 In undertaking this appraisal a number of assumptions have been made as follows:
 - Implicit in all of the options set out at Section 3.3 is the fact that the City's unmet need is best located adjoining the city assuming growth is best met where the demand arises. Opportunities for delivering strategic levels of growth away from the City (in South Derbyshire) in locations well related to the city are limited owing to the small scale of many of the settlements in the northern part of the District and having regard to the scale of growth villages are already accommodating to meet South Derbyshire's own needs..
 - The starting point for reducing housing provision in respect of the Derby's unmet need is the reconsideration of sites earmarked for allocation but not yet committed.
- 4.1.3 The Sustainability Appraisal Framework adopted by the Authority is set out at Section 4 of the August 2014 Environmental report which is available at: www.south-derbys.gov.uk/planning and building control/planning policy/local plan examination. The appraisal results of the 4 strategic options identified by the HMA partners using South Derbyshire's SA Framework can be viewed in Section 4.2 of this report and Appendix 1.

What May Happen if the Local Plan is Not Prepared

- 4.1.4 A significant majority of the housing sites being allocated in the South Derbyshire Part 1 Local Plan now benefit from planning consent and are commitment and many are currently being built out. Due to the mixture in the size of allocations put forward in the Local Plan Part 1, the delivery of dwellings on these sites will be seen through the short and medium term but also across the entire plan period. Put simply a significant amount of housing development will take place up to 2028 on existing committed sites including on the edge of Derby City— even in the absence of the Plan. However without a coordinated approach to apportion and deliver homes to meet the City's unmet need it is unclear whether sufficient development would come forward in a timely fashion and would meet fully that proportion of Derby's need which cannot be accommodated within its own administrative boundary.
- 4.1.5 In addition, without a plan, it would also be difficult to phase the delivery of sites and plan comprehensively to ensure the wider benefits of planning are fully delivered to local communities. A lack of sufficient housing sites may also frustrate the ability of developers to deliver adequate numbers of new homes consistently throughout the plan period.

The Characteristics of the District Likely to be affected by Housing Delivery

4.1.6 The delivery of new homes (including those to meet any apportionment of the City's unmet need) will increase pressures on wastewater and water supply infrastructure, the local and strategic road network, health and social care facilities, recreation areas as well as formal and informal greenspaces such as sports pitches, allotments public rights of way and amenity and wildlife areas. Development will lead to the loss of significant areas of greenfield (agricultural) land and the urbanisation of the countryside. New development would also give rise to landscape impacts, as well as potential impacts on local heritage assets, although the extent of any impact would be based on the characteristics of individual sites and how sites are built out.

Option 3 Split Based on Proportion of Growth (44% in AVBC 56% in SDDC)

- 4.4.53 Cumulatively there is a need for 17,000 homes in the HMA outside of Derby of which 9,605 are needed in SDDC and 7,395 homes in AVBC). This Option would represent an apportionment of Derby's unmet need to SDDC of 3,017 dwellings and to AVBC of 2,371 dwellings. This apportionment would be proportionate to the housing need arising within AVBC and SDDC respectively as identified most recently in the sensitivity testing. In relation to Derby's unmet need, SDDC have proposed a contribution of 2,736 dwellings in their submitted Core Strategy, with approval for an increase of up to between 2,934 and 3,013 dwellings whilst the AVBC have proposed a contribution of 2,256 dwellings in their submitted Core Strategy, with approval for an increase of up to between 2,375 and 2,454.
- 4.4.54 In respect of AVBC the level of provision under this option is higher than the level of growth proposed at the time of the Core Strategy examination, but additional sites have subsequently been proposed, consistent with the overall housing distribution strategy as in the submitted Core Strategy and have been subject to further sustainability appraisal and public consultation.
- 4.4.55 This level of growth is also higher than that proposed in the SDDC Local Plan Part 1 and considered at examination though SDDC has still at least 600 dwellings to consider through its Part 2 of the Local Plan. In addition supply outside of that proposed through the Local Plan could also contribute towards this higher level of growth

Biodiversity, Flora and Fauna

4.4.56 This level of growth in SDDC would see the City's unmet need, together with some of SDDC's own need, met on the urban edge of Derby. Growth in AVBC to meet the City's needs would mostly be located at Denby and at Radbourne Lane, Mackworth with the remaining coming through smaller sites in towns and local centres that relate well to Derby and in these locations would not give rise to significant biodiversity or geodiversity effects but could have localised effects in some locations.

Population and Human Health

- 4.4.57 This option would see the bulk of the City's unmet need being delivered in the Derby Urban Area. Within AVBC, this would include development on the edge of the city, including on sites already committed or identified at Radbourne Lane, Mackworth, but with development away from the edge of Derby. This would be Land North of Denby and also in smaller sites in towns and district centres most well related to the Derby Urban Area. This option would potentially support housing choice more widely that either Options 1 and 2 by distributing unmet need across a larger area. This approach could also support the delivery of health facilities (and indeed other infrastructure) across a broader area although it is unlikely that smaller scale sites could, on their own, support the delivery of new health facilities (although they could support the expansion of existing ones) where this option lead to the delivery of many smaller sites rather than strategic level developments.
- 4.4.58 This option would generate the need for new primary schools in the Derby Urban Area within SDDC at Boulton Moor, Chellaston; Wragley Way; Highfields Farm and Hackwood Farm. It would also create the need for the provision of an additional secondary school for later in the Plan period. An initial consultation has been undertaken already on the potential location of a new secondary school.
- 4.4.59 It has been identified through the sustainability appraisal that this level of provision would present opportunities to improve access to housing and employment. It would also help to maintain the viability of town centres, which could have knock-on benefits in terms of cohesion, wellbeing and safety. However, higher levels of growth could also put undue pressure on facilities in existing communities, so inappropriate development could widen inequalities in areas of need. It has been recognised that some areas might experience pressure in terms of school places within the Derby Urban Area given the capacity at Ecclesbourne School in Duffield.

4.4.60 The provision of this level of unmet need to AVBC could lead to potential access problems. This would need to be dealt with through the proposed sites making contributions to improve the local road infrastructure. The proposed level of overall growth however provides the opportunity in AVBC to bring forward mixed use schemes that will have positive economic and environmental impacts for the local population.

- 4.4.61 The greater provision of sites to SDDC could increase the potential for development well related to existing facilities and employment areas in Derby City. Sites are mostly larger scale than those in AVBC and could therefore contribute to the provision of new services and infrastructure including public transport provision which could further ensure sites are accessible and served by sustainable and non-travel choices.
- 4.4.62 It is recognised that by being heavily constrained around the DUA, AVBC would need to allocate sites for Derby's unmet need in areas that are not as well related to Derby. This will have advantages and disadvantages. Additional growth around the Borough's main towns and a new settlement at Denby could provide opportunity to increase the sustainability of locations subject to development. However at a HMA level this option is likely to lead to increased need to travel as 'Derby's housing' is further away from Derby than it would be if allocated in SDDC on the DUA for example. Locating the majority of growth in SDDC is likely to have a positive effect in respect of the local economy as it would ensure that the local labour market grows in an area geographically close to and connected to existing and proposed employment development in the City such as Infinity Park and Derby Commercial Park.
 - 4.4.63 Accommodating a notable proportion of the City's growth in AVBC could provide access to employment areas to the north of the City but also help to provide employment and housing choice to a wider geography i.e. the four towns.
 - 4.4.64 The sewerage network to the south and west of the City is already constrained and the level of growth proposed under this scenario could lead to increased incidence of sewer flooding or surcharging. Unmitigated, these effects would be negative and potentially significant albeit reduced compared to Option 1. Though, Severn Trent would be required to ensure sufficient capacity is provided through their asset management programme.
 - 4.4.65 The allocation of unmet need to AVBC could slightly exacerbate issues in the DUA where this is on the edge of the City, but elsewhere localised hydraulic capacity improvements could still be required.
 - 4.4.66 Directing some unmet need outside of the Derby Urban Area could also reduce the significance of air quality impacts on the City's AQMA where it leads to a reduction in traffic flows around the inner ring road. Overall dividing growth between the authorities could have a beneficial, albeit limited effect in respect of air quality particularly in Derby City as it would effectively meet some of the City's housing need away from the urban area.
 - 4.4.67 This option could also provide opportunity to reduce the proportion of greenfield land to be released as it would provide opportunity to regenerate brownfield sites in AVBC not only in Denby but also in and around the four towns. In contrast, uncommitted sites in SDDC are all greenfield and would lead to the loss of greenfield land mainly around the urban edge.

4.4.68 Spreading housing growth across the two Authorities would allow both Authorities to avoid sites at greatest risk of flooding, although increased housing provision could be accommodated in the DUA given the limited level of flood risk in this general area.

4.4.69 Meeting some of the City's unmet need in AVBC away from the DUA could lead to increased traffic movements and/or more unsustainable travel patterns where residents continue to access employment and services in Derby City, but the overall negative effects could be mitigated through the provision of new facilities to support development, the development of sites not well related to the City.

Cultural Heritage

- 4.4.70 Development in the DUA in SDDC at this scale is unlikely to have significant effects on heritage assets although individual sites could have notable localised effects particularly in respect of below ground archaeology or in some locations impact on the setting of listed buildings.
- 4.4.71 Development in and around the four main urban areas in AVBC would provide the opportunity to regenerate areas and enhance character and minimise effects on the most environmentally 'sensitive' areas of landscape near the Peak Fringe and the parklands of Kedleston Hall and Meynell Langley in the south. There is also the possibility that development could have an adverse impact on the character of the built and natural environments.
- 4.4.72 Despite the majority of strategic housing sites being identified in the Ripley and Alfreton urban areas, there are some allocated strategic growth sites within Belper, although the smaller scale of growth and the topography of the sites should make it easier to secure appropriate mitigation / enhancement through design.
- 4.4.73 There are historical buildings and features associated with some of the allocated sites. The setting of which, will be impacted as a result of housing development, but good design could minimise effects so that impacts were only minor. Indeed, a number of site policies require development to be secured that respects and where possible enhances not just the heritage assets themselves, but the setting of these features too.
- 4.4.74 Although some sites do not fall within areas of sensitivity, development here could still affect the setting and tranquillity of areas due to increased traffic and impacts on views in and out of the most sensitive areas.
- 4.4.75 Overall this level of growth would lead to sites being allocated that would have some impact on heritage assets however given this impact is significantly lower and more easily mitigated than the large impact of the heritage assets of AVBC that would need to be considered with levels of growth in Option 2.

Landscape

- 4.4.76 There is greater potential for negative effects on sites in AVBC in respect of landscape and townscape particularly where sites are located within the Derwent Valley Mills World Heritage Site and/or its Buffer Zone, or where development could have a significant effect on the setting of nationally and internationally significant cultural assets such as Kedleston Hall. This option gives a level of growth that allows impacts on those assets to be minimised.
- 4.4.77 In contrast sites in SDDC around the DUA, or indeed around other uncommitted sites identified as suitable growth in the Submitted Plan are larger scale and located in areas not subject to local landscape or townscape designations. The splitting of growth between AVBC and SDDC could have a potentially more detrimental effect than Option 1 at the HMA level, but could be much reduced compared to Option 2 (which would require AVBC to identify sites in more sensitive locations).

Having reviewed this option jointly, it is concluded by all Authorities that this is the preferred approach to meeting the City's unmet housing need.

Splitting growth with a slightly higher requirement to SDDC which would reflect the less constrained nature of sites in SDDC within the DUA, compared to sites in AVBC.

It would facilitate significant growth in the DUA which would meet housing need arising in both Derby and SDDC which are well related to and accessible to communities living in the City and the northern part of SDDC, but makes some provision for AVBC which could help support it growth and regeneration priorities, but at a level that can be accommodated without significant negative effects on cultural heritage, and the natural environment constraints around the AVBC boundary of the DUA.

At this level of growth both Authorities consider that the housing target (comprising of OAN and the suggested unmet need apportionment) is deliverable over the Plan period. However, even at this level it is a challenge for both councils to demonstrate a 5 year supply but this option gives the greatest prospect of each council demonstrating a robust supply.

The Authorities also consider that some dispersal of development away from the urban fringe on the southern edge of the City could provide greater housing choice, and whilst it is self-evident that need is best met where it arises, the concentration of new developments to a narrow collar of land around the south and west of Derby could restrict housing choice at the HMA level. It is also worth reiterating that representations have been made which suggest there is a limit to what can be delivered annually in any one 'area' as a result of market forces. On this basis the decanting of some of Derby's growth to AVBC continues to be considered an appropriate and sustainable strategy overall.

Accepting that this strategy for apportionment may not be 'as sustainable' in some respects as the delivery of the sites in urban areas well served by existing infrastructure given the nature of the site options, the Authorities consider that this option provides the best fit. Whilst the delivery of this scale of housing will be challenging for both AVBC and SDDC, they consider that this option is deliverable and can be accommodated without unacceptable consider that this option is deliverable and can be accommodated without unacceptable effects on the City's infrastructure. This option is generally in line with the submitted Plans of the two Authorities when also considering the Committee approvals for increased housing targets.



APPENDIX 3







