

# DERBY CITY COUNCIL

## AUTHORITY MONITORING REPORT 2021

### Housing

#### Key Achievements:

Housing completions in the city dropped below the annual local plan requirement (647) in 2020/21 with 540 net new dwellings added to the housing stock during the monitoring year. The impact of the Coronavirus pandemic, which included the closing of building sites for several weeks during this monitoring year has affected the delivery of new homes in the monitoring period as there is still a strong supply of planning permissions.

At the end of the monitoring year (1 April 2021) the Council identified a supply of deliverable housing sites to provide for 5.45 years and so was able to demonstrate the required 5 year housing supply.

The 5 year supply calculation includes a 'buffer' which is required as set out in paragraph 74 of the National Planning Policy Framework (NPPF). The buffer is set in relation to how the authority has performed specifically over the past three years against their housing targets as set out in the new Housing Delivery Test. The 5 year supply position is explained in further detail later in this report.

The Government published the results of the Housing Delivery Test (HDT) in January 2021. This covered the period from April 2017 to March 2020. The Council achieved 129% in the HDT which indicates that the housing delivery record in the city is good. The HDT result for the years 2018 to 2021 was expected to be published by Government in November 2020 and was not available at the time of drafting this report.

### Self-Build and Brownfield Land Registers

#### SELF-BUILD AND CUSTOM HOUSEBUILDING REGISTER

The Self-Build and Custom Housebuilding Act 2015 sets out a requirement for all local authorities to keep a register of people who wish to register their interest in self-build or custom-building.

The Council has set up a register and at 1 April 2021, 40 individuals expressing a wish to be included had been placed on the register. The register has now been kept since 2016.

The application form for inclusion on Derby's register is below:

<https://www.derby.gov.uk/environment-and-planning/planning/self-build-custom-house-register/>

A duty is placed on local authorities to ensure that development permissions are granted for suitable serviced plots of land which could be developed for self/custom build housing to meet the needs identified by the register within three years of each base period year.

There were 10 people placed on the register by 30 October 2017, the duty requires that the Council must ensure that between 31 October 2017 and 30 October 2020, permissions are granted for suitable serviced plots for 10 dwellings which could be self/custom built.

There is no specific use class for self/custom building and the requirement for a serviced plot is that the land could be serviced with the required facilities within the lifetime of the permission.



The Council could therefore count any new build planning permission for a detached dwelling in Derby which was granted between 31 October 2017 and 30 October 2020. The Council is content that this duty has been met.

### **BROWNFIELD LAND REGISTER**

The Council last updated its Brownfield Land Register in December 2019. An update of the Register was not produced in 2020 due to resource issues and the fact that the Strategic Housing Land Availability Assessment (SHLAA), from which the Brownfield Land Register sites derive, had not been updated.

The register identifies previously developed 'brownfield' land in the city which meets certain criteria that are set out in Regulations. It is hoped that a 2021 update of the Register will be published in the near future.

The register identifies sites which are of a certain size/capacity and are suitable and available for residential development. Importantly, in order to be included on the register a site must also be 'achievable' which means that in the opinion of the local authority development is likely to take place on the site within 15 years of the entry date.

The most recent version of the register can be viewed via the link below

<https://www.derby.gov.uk/environment-and-planning/planning/brownfield-register/>



# HOUSING LAND SUPPLY

## HEADLINES: 2020-2021

### Housing Policy Requirements

The Derby City Local Plan Part 1 sets out a housing requirement in Policy CP6 that a minimum of 11,000 net new homes will be delivered in the City between 2011 and 2028. This equates to 647 dwellings per year on average. However, Derby's need for new homes over the period is higher than this amount. Through the Examination of the Local Plan it was established, and agreed, that Derby could not meet all of its own housing needs within the city in a sustainable and deliverable way. The objectively assessed needs for the city actually indicated that 16,388 new homes were needed between 2011 and 2028. The residual 5,388 dwellings required to meet the Objectively Assessed Housing Need will be delivered in sustainable locations in the neighbouring HMA authority areas and these will mainly form urban extensions to the city to the south and west.

The plan also sets out that a minimum of 2,200, of the required 11,000 new homes, will be provided in the City Centre over the plan period. This includes development of the strategic allocations at Castleward and the Former Derbyshire Royal Infirmary which are allocated for a minimum of 800 and 400 new homes respectively.

The DCLP1 also includes a policy (CP7) which sets out the Council's planning policy for Affordable and Specialist Housing. This requires that up to 30% affordable housing is provided on housing sites of 15 or more dwellings.

The following sections set out detail on progress toward these targets, including the 5 year housing supply position as at 1 April 2020.

### Past Housing Completions :

The first four years of the local plan period (2011-2015) saw particularly poor levels of annual housing completions in the City. This was largely due to the continuing impacts of the 2008 global recession on the economy and housing market.

There was a gradual increase in annual completions but in 2016/17 there was a sudden and significant increase to see nearly 800 net new homes being built in the city. This continued through the 2017/18 monitoring year with 787 net new homes provided. This increase can be attributed to both better economic conditions and to the fact that the new local plan has directed growth and released greenfield sites. However, in the 2018/19 year the net completions dropped slightly to 670 remained at a similar rate (665) in 2019/20. In the year for this monitoring report (2020/21). Net new dwellings delivered dropped again to 540 units. It is clear this this monitoring year has been affected by the Covid19 Coronavirus pandemic. For many weeks of this monitoring year construction ceased on building sites as the country went into a state of lockdown. This clearly affected annual build out rates. The degree to which the construction industry recovers from the pandemic remains to be seen through future monitoring.

The permitted development rights for office to residential conversions and the new purpose built student accommodation constructed in the city centre have played a key part in the increase in the delivery of new homes over the past few years. However, it must be noted that many of the new office to residential conversions have been developed through Permitted Development rights with minimal planning control over the quality of the living environment and minimal



planning obligations to mitigate for the impacts of high numbers of residents moving into the city centre or to provide supporting infrastructure.

Another key factor which has affected the number of new homes provided is an increase in purpose built new student accommodation in and on the edge of the city centre over recent years. Government has set out clarification in the National Planning Practice Guidance and in the Housing Delivery Test Measurement Rule Book that new communal student accommodation should be counted towards housing requirements at a rate of 1:2.5. Self-contained accommodation for students which means they require no shared facilities can be counted on a one for one basis.

During the monitoring year, the Council presented evidence at a CPO Public Inquiry to secure control of further land in Castleward, as part of the Local Plan allocation, to contribute to the policy requirement for housing delivery on that site. The former DRI site is also under construction for 796 new homes, nearly twice the minimum number in the allocation. Another significant achievement is that the former Rolls Royce Main Works site in Osmaston has planning permission for nearly 400 new homes which will make a significant contribution both to the remediation of a long term vacant brownfield sit but also to the policy requirement for a minimum of 600 new homes in the Osmaston Regeneration Area.

A summary table of housing completions and other relevant data from 2011 to 2021 is set out below :

<b>DERBY CITY PAST HOUSING DELIVERY 2011-2021</b>										
	<b>2011/2012</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>Total gross completions</b>	275	396	521	454	502	803	796	754	670	553
<b>Total comps on major sites</b>	194	289	423	354	374	684	639	602	588	432
<b>Total comps on small sites</b>	81	107	98	74	128	119	157	152	82	121
<b>Demolitions</b>	6	10	69	13	6	4	1	1	0	9
<b>Change of use</b>	7	5	1	7	4	7	3	2	5	1
<b>Conversion</b>	1	8	5	6	3	3	5	81	0	4
<b>TOTAL NET DWELINGS DELIVERED</b>	<b>261</b>	<b>373</b>	<b>447</b>	<b>428</b>	<b>489</b>	<b>789</b>	<b>787</b>	<b>670</b>	<b>665</b>	<b>540</b>
<b>Windfalls</b>	160	307	424	178	158	202	157	324	209	208
<b>Brownfield</b>	248	344	473	422	407	625	594	395	357	285
<b>Brownfield %</b>	90%	87%	91%	93%	81%	78%	75%	52.40%	54%	51.5%
<b>Greenfield</b>	27	52	48	32	95	178	202	359	313	269
<b>Greenfield %</b>	10%	13%	9%	7%	19%	22%	25%	47.60%	46%	48.5%

## **Empty Homes :**

In the 2019/20 monitoring year, 72 empty homes have been returned to use through direct intervention.

Through a programme of Compulsory Purchase, 18 long term empty properties have been returned to use. These properties were targeted as some of the city's worst and most problematic private sector properties.

As well as making more efficient use of the housing stock and providing much needed homes; the



work to bring back empty properties into use has contributed to Council Tax income to the Council and facilitated recovery of over £250,000 of debt/income associated with empty homes.

## Gypsies, Travellers and Travelling Showpeople

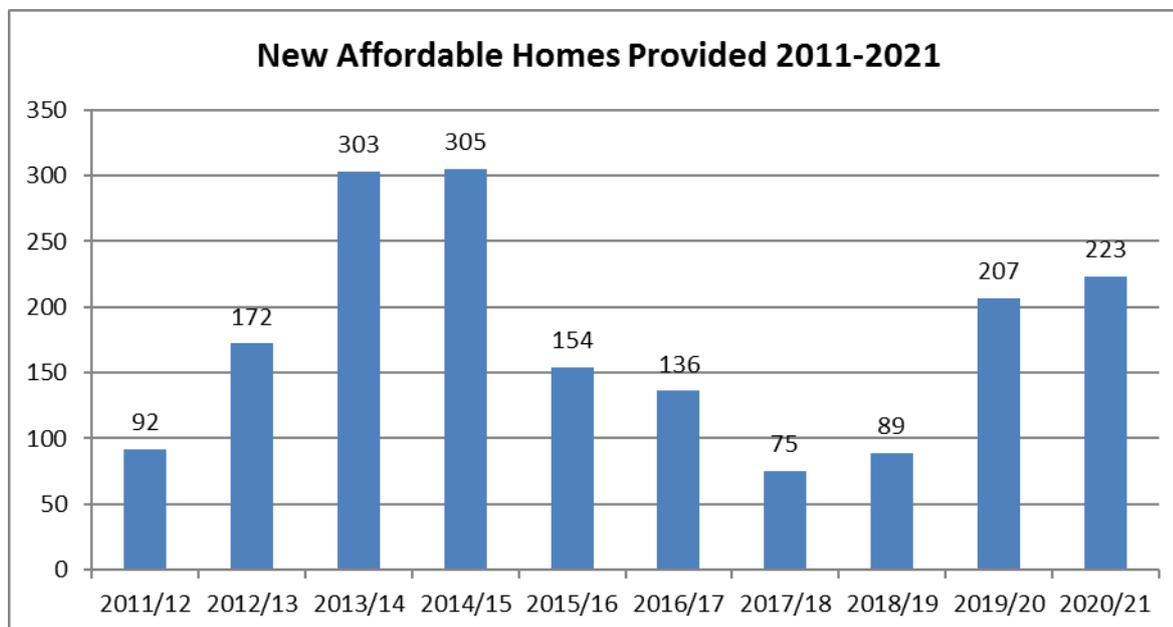
DCLP1 policy CP8 – Gypsies and Travellers sets out the Council’s approach to meeting the accommodation needs of Gypsies, Travellers and Travelling Showpeople. The policy is underpinned by a Gypsy and Traveller Accommodation Assessment (GTAA) covering Derby, Derbyshire, Peak District National Park and East Staffordshire. It was published in 2015 and identified a need for 27 additional permanent pitches within the City during the plan period to 2028.

No new pitches have been bought forward or applications received for permanent or transit site provision during the monitoring year. Work has however commenced across the Derby and Derbyshire area to refresh the evidence underpinning the need for new pitches. This updated GTAA evidence was due to be published during the 19/20 monitoring period but has been delayed, due to the difficulties of carrying out face to face surveys during the Covid 19 pandemic. It is now likely to be published during the next monitoring year.

Should any application for permanent pitch provision be received in advance of a local plan allocation this will be assessed against policy CP8 and reported in future AMRs.

## Affordable Housing Completions:

The number of new affordable homes provided in the City between 2011 and 2021 is shown in the graph below:



Delivery of new affordable homes is not directly comparable with the total net homes delivered in any year because some new affordable homes are provided by converting market dwellings into affordable homes. In these cases, there is no net dwelling gain to the housing stock but new affordable homes are provided. It is not therefore appropriate to directly compare the number of new affordable homes provided in any year with the net number of new homes delivered in that year.

Many of the new affordable homes coming forward are as a result of planning obligations which are required on major residential developments through Section 106 Agreements. New



affordable homes also come forward through specific social housing schemes with the involvement of Derby Homes, the Council's housing management company.

The number of affordable homes was higher in 2013/14 and 2014/15 due to the fact that a number of affordable housing schemes came through outside the S106 route and there were a number of Government led schemes which contributed.

## Five Year Supply of Deliverable Housing Sites :

The NPPF requires that local authorities identify a supply of deliverable housing sites for at least a five year period. The '5 year Supply' includes sites which are in a suitable location for housing, are available for development and are viable to deliver. The Council considers that there is a realistic prospect of the dwellings included in the 5 year supply coming forward in the next 5 years although sites in the 5 year supply do not necessarily need to have planning permission.

The base date for the 5 year supply is 1 April 2021. At the end of March 2021, housing land surveys were carried out to assess completions on permitted housing sites. These surveys were undertaken at a time when there were still precautions in place relating to the Covid19 pandemic.

The NPPF also requires that a buffer is included in the 5 Year Supply calculation and that the buffer depends on certain factors. The NPPF sets out that a buffer of 5% or 20% should be applied depending upon the results of the local authority's housing delivery over the previous 3 years, sourced from Government's Housing Delivery Test (HDT). As set out above, the Council achieved an HDT result of 129% (January 2021). The Council accordingly considers that there has been sufficient housing delivery over the past 3 years to justify applying a 5% buffer to the calculation.

**At 1 April 2021 the Council had enough deliverable housing sites to last for 5.45 years.**

A more detailed explanation of the 5 year supply position is set out on the Council's website where the actual sites contributing are identified as well as the relevant calculations. The detailed 5 year supply position can be seen via the link below :

<https://www.derby.gov.uk/environment-and-planning/planning/planning-evidence-base/#FiveYearHousingSupply>

## Housing Delivery Analysis

### DELIVERY OF NEW HOMES

The trend over the first 5 years of the plan period was one of gradually increasing completions but there was a noticeable increase up to 789 net dwellings provided in the 2016/17 year. Although the average annual delivery requirement was missed in the first few years of the plan period, the 2016/17 delivery far exceeded the 647 dwelling average and therefore not only met that year's requirement but made up for some of the previous shortfall. Although delivery reduced in the 2018-2020 years, it still remained above the 647 annual average such that shortfall was being reduced. However, as explained above there was a drop to 540 net completions in 2020/21 which is below the planwide average and will have an effect of shortfall.

Many of the strategic sites allocated in the local plan are now permitted and under construction and appear to be delivering well in the face of Covid 19 restrictions. Some Strategic allocations are fully complete, including the South Chellaston location and former Mackworth College site. There is also confidence that the City Centre will continue to deliver strong numbers of new



homes, particularly through further development on the Castleward and Former DRI sites.

The local plan includes a windfall allowance of 75 dwelling a year but this is in reality a very conservative estimate. The past completions table above shows that the number of actual windfalls delivered has never dropped below 150 in any year of the plan period thus far, and are usually much higher. It is noted that windfalls have reduced in the past two years but that is mainly due to the fact that many sites were 'known' sites due to the process of identifying land supply for the Local Plan.

### **NEW HOMES BONUS**

The New Homes Bonus (NHB) was introduced by the Coalition Government in 2011/12 with the aim of encouraging local authorities to grant planning permissions for the building of new houses in return for additional revenue. Under the scheme, the Government originally matched the Council Tax raised on each new home built for a period of 6 years, paid at the average band D value for England. However, from 2017/18, a national baseline for housing growth was introduced; meaning only growth above an increase of +0.4% is rewarded. From 2017/18 the length of the award was reduced to five years and the award was further reduced to 4 years from 2018-19. From 2020-21 Government announced that they would not make any legacy payments on new allocations, but would make legacy payments on allocations made in earlier years which were due to be paid in 2020-21.

In the 2019 Spending Round it was announced that the government would consult on the future of the housing incentive in the Spring. This would include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need. This has however been put on hold due to the Covid 19 pandemic.

Local authorities are not obliged to use the Bonus funding for housing development. Grant awarded for New Homes Bonus is set out below :

Grant	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	17/18	18/19	19/20	20/21	2021/22
New Homes Bonus (£ in year)	1,004,576	1,939,047	2,544,348	3,310,161	3,773,080	4,654,003	2,948,422	1,884,940	1,694,228	1,261,803	677,489

(excludes redistributed top slice)

### **STRATEGIC SITE DELIVERY PROGRESS**

The Local Plan Part 1 allocated fourteen sites and locations for housing, as well as the city centre outside the specific allocations of Castleward and the Former DRI site. Progress made to date on housing delivery on these sites is set out below :

#### **CASTLEWARD (POLICY AC6)**

Castleward has planning permission in Outline for up to 840 dwellings. To date 218 dwellings have been completed. During the monitoring year a Compulsory Purchase Order Public Inquiry took place through which the Council, supported by development partner Compendium Living, sought approval to CPO a minimum of a further 512 new homes on part of the Castleward site. Whilst outside of the monitoring period the CPO was confirmed in April 2021. In addition, a new detailed permission was granted for 82 dwellings and two applications for Full permission were submitted on land between John Street and Liversage Street for a total of 258 new apartments.



### **FORMER DRI (POLICY AC6)**

This site is allocated for a minimum of 400 new dwellings during the Plan period. Planning permission has been granted for 796 new homes in a mix of housing and apartments. Although significant progress was made clearing the site and commencing development, no new homes were complete within the monitoring period. However, construction is taking place at pace and the site is being developed out.

### **OSMASTON REGENERATION AREA (AC14)**

This wider regeneration area in Osmaston is allocated to deliver a minimum of 600 new homes during the Plan period. 95 homes have been built at Elton Road but the main focus has been on achieving a planning permission for the former Rolls Royce Works site on Nightingale Road. This has now been achieved with permission for 372 dwellings now granted. The Joint Venture delivery partner, Keepmoat Homes have secured the permission and will be developing the site which will provide a significant contribution towards the housing requirement in the allocation.

### **WRAGLEY WAY, SINFIN (AC18)**

This site is allocated for a minimum of 180 dwellings. Planning permission has been granted for the first phase of 130 dwellings and these are now all complete, built by Davidsons Homes. The residual land, to the east of Deep Dale Lane, has planning permission for a further 50 dwellings but no development has commenced to date.

### **FORMER MANOR/KINGSWAY HOSPITALS (AC19)**

This site is allocated for a minimum of 700 new homes during the Plan Period. By the end of the monitoring period 342 dwellings had been built to completion on the site with many more under construction. The delivery of this site has been impeded to a degree by the fact that highway improvements are required to be implemented by completion/occupation of certain numbers of dwellings and the ability to deliver these improvements has been affected by Highways England's (now National Highways) programmed junction upgrades on the A38 through Derby. Variations have been approved to allow higher numbers of homes to be delivered/occupied to try to ensure that housing delivery continues on the site.

On part of the wider Manor/Kingsway allocation site, but outside the Outline permission, permission has also been granted for a new Care Home and Extra Care homes. These can contribute towards the housing requirement in the local plan and will provide a further 110 homes towards the housing requirement when completed.

### **RYKNELD ROAD (AC20)**

This strategic housing allocation requires that a minimum of 900 new homes are provided within the Plan period. To date no dwellings have been delivered. The site did achieve a planning permission (subject to S106) several years ago but this has not progressed any further and the Council is now working with land owners to try to bring new homes forward. Realistically it is now unlikely that the full 900 homes are likely to be delivered on the site by the end of the Plan period in 2028.

However, an adjacent site at Highfields Farm in South Derbyshire has delivered nearly 1,000 new



homes which have been delivered at pace with over 200 dwellings a year being built in some years. It is therefore possible that once the site is permitted, housing could be delivered quickly with multiple sales points.

### **HACKWOOD FARM (AC21)**

Hackwood Farm is a cross boundary strategic housing growth location which is allocated for a minimum of 700 new homes between the South Derbyshire and Derby City elements.

The site has planning permission in Derby for 410 new homes and is being delivered by two builders, Redrow and Miller. By the end of the monitoring period, 184 new homes had been completed and a new Primary School built. Progress on delivering the site remains strong and it is projected that the Derby City element of the site will be fully complete by 2024.

### **ONSLow ROAD (AC22)**

This site is allocated for 200 homes and now has planning permission in detail for 203 dwellings. The developer, Bloor Homes, have suggested they will deliver the homes to completion by 2024/5

### **FORMER MACKWORTH COLLEGE (AC23)**

This site is allocated for 220 new homes and the site has now been built out for a few years. In all, 223 new homes were built on the site and so the policy requirements of the local plan have been met on this strategic site.

### **BOULTON MOOR EAST (SNELSMOOR GRANGE) (AC23)**

This site is allocated as part of a strategic housing allocation for 1000 new homes in the city across 2 sites, Boulton Moor East (Snelsmoor Grange) and Boulton Moor West (Fellow Lands Way). Boulton Moor East is also part of a wider cross boundary strategic growth location into South Derbyshire. A hybrid planning application has been submitted for 800 new homes in Outline and the first phase in detail and the whole site should deliver the required quantum of 800 new homes for this site. It was resolved to grant planning permission for this scheme in November 2019 subject to s106 negotiations which are still ongoing.

The site also needs a new primary school which should be built early on in the site development process. As no planning permission has been granted yet, it is unlikely that all 800 homes required in the policy will be delivered within the plan period (up to 2028). However, a significant proportion should be delivered by then. The Council continues to work with the developers, Bellway Homes.

### **BOULTON MOOR WEST (FELLOW LANDS WAY) (AC23)**

The site at Fellow Lands Way is the second part of the AC23 housing allocation in the Boulton Moor area. The allocation of this site is an extension of Chellaston into an area of land which was previously Green Wedge. The policy requires that around 200 homes are delivered here.

The site received planning permission several years ago and has been built out. It delivered 190 new homes in total.



### **SOUTH CHELLASTON SITES (AC24)**

Two separate sites were allocated in Chellaston as a broad location to deliver around 100 new homes. Both sites have been built out and have and have provided a total of 94 new homes.

### **BROOK FARM, CHADDESSEN (AC25)**

This site is allocated for up to 275 new homes. It has benefitted from two separate planning permissions and a reserved matters application is currently being considered. The original promoters of this site who secured the first permission and had an option to purchase the land from the owner, have been taken over by another company, Redrow Homes, who have now decided not to develop the site and sold the option.

There are other interested parties and a reserved matters application which is pending consideration.

This site is proving difficult to deliver, probably at least partly due to its topography. However a detailed scheme has been drawn up by a developer.

### **SOUTH OF MANSFIELD ROAD (AC26)**

This site was allocated in the Plan for up to 200 new homes, however, in response to a planning application planning permission was granted for 250 new homes.

By the end of the monitoring period (31 March 2021) some 204 new homes had been built on the site in total, leaving 46 to be completed.

### **THE CITY CENTRE (AC1)**

The city centre is allocated in the plan (Policy AC1) as delivering a minimum of 2,200 new homes over the plan period. This means that as Castleward and the Former DRI were allocated in AC6 as delivering 1,200 between them, it was expected that there was deliverable capacity in the residual area of the city centre for about 1,000 new homes.

In actual fact in the first 10 years of the plan period (2011 to 2021) some 1,123 new homes have been delivered. There are also other further planning permissions and opportunities which means that the city centre is likely to deliver a lot more housing that was required in the plan.

Some of this increase is accounted for in the Windfall Allowance which is 75 dwellings a year. However, it is clear that the city centre has helped to deliver numbers of new homes. This is probably the case at least in part due to the Government's introduction of permitted development rights to change the use of offices and other non-residential uses into residential dwellings, and to some degree that bespoke new student accommodation has been counted at a Pro-rata rate as set out in the government's Housing Delivery Test Rule Book.

Overall, the city centre is likely to significantly exceed the minimum dwelling requirement set in the plan because the Former DRI site (Part of AC6) is being developed for nearly 800 new homes, which is double the minimum policy requirement of 400 homes.

