

## Craven Spatial Planning Sub-Committee – 7 December 2017



### CRAVEN LOCAL PLAN - Housing Growth Options Paper: Addendum.

Report of the Strategic Manager (Planning and Regeneration)

Ward(s) affected: All

1. **Purpose of Report** – To seek Member approval of an addendum to the Housing Growth Options Paper (HGOP) and approve the Craven Local Plan’s housing requirement for the Craven Local Plan: Publication Draft.
2. **Recommendations** – Members are recommended to:
  - 2.1 Approve Annex 1 to this report as a background paper to support the Craven Local Plan: Publication Draft.
  - 2.2 Approve for the Craven Local Plan Publication Draft, the inclusion within Policy SP1: Meeting Housing Need, a minimum housing requirement of 4,600 net new dwellings during the plan period from 2012 to 2032. This is a net annual average of 230 dwellings per year.
3. **Report**  
**Changed circumstances since earlier consideration by Craven Spatial Planning Sub Committee.**
  - 3.1 The original HGOP was reported to and approved by the Craven Spatial Planning Sub Committee (SPSC) to support the Pre-Publication Draft Craven Local Plan on 14 June 2017. This HGOP addendum is necessary to publish in order to respond to representations made during the Summer 2017 Pre-Publication Draft Plan Consultation and as a result of updated evidence on housing need and local plan viability.
  - 3.2 On 27 November 2017 the SPSC considered the HGOP Addendum and agreed that it should form a background paper for the Craven Local Plan: Publication Draft. However, agenda item 4 for this committee deals with Policy H2: Affordable Housing, and if approved, this has some ‘knock on effect’ changes required to the HGOP Addendum. Hence, Annex 1 of this report provides members of the Policy Committee with the same HGOP Addendum as considered by the SPSC, apart from these ‘knock on effect’ changes, which are highlighted in yellow.
  - 3.3 These changes relate to affordable housing delivery due to the recommended proposed reduction in onsite affordable housing on mixed tenure residential

developments from 40% to 30%. Clearly this reduction means that each alternative growth option considered in the HGOP addendum will contribute less to meeting the need for affordable housing. In relation to the recommended housing requirement of 230 dwellings per annum, this reduces the likely delivery of affordable housing from 74% to 66% of the identified need. This is a significant reduction. However, officers have carefully considered this impact and the reduction in the contribution of the other growth options to meeting affordable housing need. It is the officers' view that, apart from one matter, this impact does not alter the content and conclusions of the remainder of the HGOP Addendum reported to the SPSC. The one matter that requires an additional change is the deletion of a sentence at the end of paragraph 5.27 in the SPSC report. This sentence suggested that growth option D would provide for more than the identified need for affordable housing. The reduction down from 40% to 30% affordable housing provision means that growth option D would not quite meet the full identified need. Finally, within Appendix 1: the Sustainability Appraisal, of the HGOP there is a need to make a change in the commentary of the assessment of Objective SO6 (on affordable housing). 30% should be changed to 40% in the commentary.

### **Background**

- 3.4 One of the most important matters that the Craven Local Plan must determine is the plan's housing requirement. During the preparation of the Craven Local Plan members have received a number of reports on this issue with each report reflecting the latest evidence on housing need.
- 3.5 The HGOP in June 2017 set out the position of housing need based on the Strategic Housing Market Assessment (SHMA) Update published in December 2016. A further update of the SHMA (November 2017) is recommended for acceptance into the plan's evidence base elsewhere on this agenda.
- 3.6 Annex 1 of this report, the HGOP Addendum explains why the SHMA, the demographic forecasting supporting the SHMA, and the plan's Employment Land Review have been updated.

### **Approach to setting a Local Plan's housing requirement.**

- 3.7 The Craven Local Plan SHMA 2017 uses the demographic evidence update to recommend to the Council what the full objectively assessed need for housing (FOAN) is over the plan period. This is termed a 'policy off' figure and is the first stage in setting a plan's housing requirement. (FOAN = Stage 1: Policy 'Off' housing figure))
- 3.8 Having determined the FOAN, Councils are then required to determine whether any policy/other constraints and/or opportunities/Council priorities point to a different figure to plan for compared to the FOAN. This assessment is the second stage of determining the appropriate housing requirement for a Local Plan and is called a 'policy on' assessment. (Local Plan housing requirement (Stage 2 Policy 'On') = deciding how constraints and opportunities should affect the FOAN, Stage 1).
- 3.9 The Addendum (Annex 1), along with the original HGOP now set out the proposed Council position on Stages 1 and 2 of the process to determine the Local Plan's housing requirement.

**The Housing Growth Options Paper: Addendum (November 2017).**

3.10 The Addendum in Annex 1 cross refers back to the original HGOP and sets out what has changed in terms of ‘stage one’ evidence. The key changes are set out below:

	FOAN (Plan area outside the National Park)	FOAN (Craven District and the Housing Market Area as a whole)
Dec 2016 SHMA	182 dpa (3,640 dwellings)	214dpa (4,280 dwellings)
Nov. 2017 SHMA	206 dpa (4,120 dwellings)	242 dpa (4,840 dwellings)

3.11 The reasons for these changes are explained in the report on the SHMA at agenda item 5. The Addendum (Annex 1) takes the November 2017 figures as the latest evidence on housing need which effectively supersede the earlier December 2016 SHMA figures. Hence these new FOAN figures have become two more growth options to be assessed in the addendum.

3.12 Two other growth options have been assessed in the addendum. The assessment of an additional growth option of 280 dwellings per annum responds to representations that were made on the draft plan that a figure of between 214 dpa and 350 dpa should be assessed. The assessment of the growth option of 230 dpa has been undertaken following concerns by officers over the suitability of all the other growth options.

3.13 Paragraphs 5.26 to 5.39 of the Addendum provide members with the recommendations on the rejection and selection of growth options. If members approve the Addendum in Annex 1, this document will sit alongside the June 2017 HGOP in support of the Craven Local Plan: Publication Draft.

**4.0 Implications**

4.1 **Financial and Value for Money (vfm) Implications** – There are no financial implications arising directly from this report.

4.2 **Legal Implications** – The preparation of the Local Plan is a statutory obligation under the provisions of the Planning and Compulsory Purchase Act 2004.

4.3 **Contribution to Council Priorities** – Adoption of the Craven Local Plan will provide a spatial strategy, development policies and land allocations for housing and employment in the area which will directly or indirectly contribute to all the Council’s priorities.

4.4 **Risk Management** – Preparation of the local plan is a statutory obligation under the Planning and Compulsory Purchase Act 2004 and is the key mechanism for delivering development in the District to meet future community needs and demands. Significant delays in adoption of the plan may affect future New Homes Bonus payments. In addition the plan is a key corporate document that will be the

spatial expression of numerous other corporate strategies, such as the Housing Strategy, Economic Strategy and Council Plan. Failure to deliver the plan will also result in these strategies not being fully realised.

- 4.5 **Equality Analysis** – No new policy or procedure is proposed in this report which would give rise to a requirement for an Equality Analysis.
5. **Consultations with Others** – Legal and Financial Services
6. **Access to Information : Background Documents** – Craven Local Plan Demographic Forecasting Addendum Update, November 2017 (Edge Analytics); Craven Local Plan Strategic Housing Market Assessment November 2017 (Arc4); Craven Local Plan Employment Land Review Addendum, November 2017 (Nathaniel Lichfields)
7. **Author of the Report** – David Sykes – Planning Policy Officer, e-mail: [dsykes@cravenc.gov.uk](mailto:dsykes@cravenc.gov.uk)

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

8. **Appendices** – Annex 1: Craven Local Plan: Housing Growth Options Paper: Addendum (November 2017).