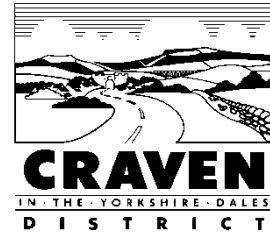


Craven Spatial Planning Sub-Committee – 14 June 2017



CRAVEN LOCAL PLAN - Housing Growth Option Paper

Report of the Strategic Manager (Planning and Regeneration)

Ward(s) affected: All

1. **Purpose of Report** – To seek Member approval of the Housing Growth Options Paper as one of the background documents to be published alongside the Pre-Publication Draft Craven Local Plan for consultation in June 2017.

2. **Recommendations** – Members are recommended to:
 - 2.1 Approve the Craven Local Plan Housing Growth Options Paper as appended to this report, along with its Sustainability Appraisal (Annex 1), as a background document to support the Pre-Publication Draft Craven Local Plan, and for publication as part of the forthcoming consultation.

3. **Report**

Background

 - 3.1 One of the most important matters that the Craven Local Plan must determine is the plan’s housing requirement. During the preparation of the plan and since 2012 when Districts took over responsibility from Regional Assemblies for deciding on a District’s housing requirement, Members have received a number of reports on this issue. The required starting point of the process to determine a plan’s housing requirement is the latest household projections published by the Department of Communities and Local Government. These household projections and other relevant forecasts are updated on a regular basis and hence each time the Council has consulted on a Draft Local Plan it has been necessary to provide Members with the latest information from these sources and update as appropriate the District’s objectively assessed needs.
 - 3.2 The last time this updating took place was in November and December 2016 when this Sub Committee and the Council’s Policy Committee approved the Strategic Housing Market Assessment (SHMA) 2016 Update. There is no further update on household projections, but this report is to inform members on the need to look

again at how the Sub Committee used the SHMA to decide on the housing requirement for the Local Plan and the forthcoming consultation.

- 3.3 The reason for this need to review that part of the earlier report which dealt with the housing requirement issue is to make the Council's decision making process more transparent and to take account of information that has come to the attention of the Council since that report was considered.

Approach to setting a Local Plan's housing requirement.

- 3.4 A recent High Court decision affecting the Test Valley Borough Council's Local Plan and recent Local Plan Examination Inspector reports indicate that the Council should consider the plan's ability to meet the objectively assessed need for market and affordable housing in a somewhat different way compared to that recorded in the report to Members last year. One of these Inspector's reports is the examination report on the soundness of the Yorkshire Dales National Park Local Plan. The High Court decision and these Inspector's reports mean that a more detailed assessment of whether the plan could meet the SHMA's separately identified need for affordable housing is required.
- 3.5 The appended paper now undertakes this assessment and also makes it clear that plan preparation has considered other reasonable alternatives for a housing requirement and undertaken a sustainability appraisal of each one.

Summary of the Housing Growth Option Paper (HGOP)

- 3.6 The HGOP sets out the history of how the Council has considered the issue of what the plan's housing requirement should be. It explains that reaching a decision on this matter should be a two stage process. The first stage involves establishing the full objectively assessed need for housing and this disregards any policies, priorities and constraints that are relevant to planning for housing in the District. The second stage involves considering whether policy or other considerations justify constraining or increasing the assessed need for housing for the purposes of deciding what level of housing the plan should be promoted.
- 3.7 The HGOP adopts this two stage process. The first stage of this process in the HGOP concludes that the full objectively assessed housing need (FOAN) for the Craven Local Plan should be 182 dwellings per annum between the years 2012 and 2032 which would realise 3,640 dwellings by 2032.
- 3.8 The second stage then looks at the following considerations to determine whether there are any other options for housing growth in the District that should be assessed:

- Housing need and delivery in adjacent local planning authorities
- The components of housing need: affordable housing
- Housing and economic strategy, policy and related evidence
- Delivery: Land availability
- Delivery: Past rates and the housing market
- Environmental impact
- Infrastructure

3.9 The above analysis in the HGOP results in the identification of the following growth options for assessment and sustainability appraisal:

- **Housing growth option A: 145 dwellings per annum (2,900 dwellings) from 2012 to 2032**

(This growth option is below the level of the FOAN for the Craven Local Plan Area, but is based on the annual average number of dwellings completed (net) over the past 9 years and broadly reflects the number of dwellings required to support the latest job growth forecasts for the District)

- **Housing growth option B: 182 dwellings per annum (3,640 dwellings) from 2012 to 2032**

(This option represents the FOAN for the Craven Local Plan Area, but excludes provision for the estimated housing need within that part of the Craven District covered by the Yorkshire Dales National Park (YDNP))

- **Housing growth option C: 214 dwellings per annum (4,280 dwellings) from 2012 to 2032**

(This option represents the FOAN for the whole of the Craven District (including that part of the District within the YDNP))

- **Housing growth option D: 350 to 400 dwellings per annum (7,000 to 8,000 dwellings) from 2012 to 2032**

(This growth option would result in the potential for the District to meet all its need for affordable housing (FOANAH) – assumes 40% of all new homes could be affordable)

3.10 Having assessed the above growth options, the HGOP provides Members with the recommended reasons for rejecting 3 of these options and accepting Housing Growth Option C as the most appropriate housing requirement for the Craven Local Plan. This conclusion is the same as that reached in the report to the Sub Committee in November 2016.

3.11 A summary of the reasons recommended for selecting the plan's housing requirement is given below:

Housing growth option A: 145 dwellings per annum (2,900 dwellings) from 2012 to 2032

- **is rejected** because, whilst indicating a relatively good scoring on environmental impact in the Sustainability Appraisal (SA) and a good alignment with the latest jobs growth forecast for the District (Experian REM 2016), it fails to meet the full objectively assessed need for housing (FOAN) and would not represent the positive planning for growth required by the NPPF. This option would not meet the full objectively assessed need for affordable housing (FOANAH).

Housing growth option B: 182 dwellings per annum (3,640 dwellings) from 2012 to 2032

- **is rejected.** It scores reasonably well in its environmental impact (SA), and would be able to be met without the need to encroach into higher flood risk land or risk adverse impacts on the District's heritage. It would meet the full objectively assessed need for housing (FOAN) in the Craven Local Plan Area. However this option fails to recognise that some of the YDNP's housing need is likely to be met within the Craven Local Plan Area (outside of the National Park) and runs some risk that the housing need for the District as a whole may not be met. (It would be reliant on all the remaining housing need of the District being accommodated in the YDNP- this is a risk because of the current supply of housing in the YDNP Local Plan includes some reliance on windfall housing and the YDNPA is committed to reviewing its housing land allocations to identify more land for housing in the latter part of the plan period. This will be a challenge without environmental harm). This option would not meet the full objectively assessed need for affordable housing (FOANAH).

Housing growth option C: 214 dwellings per annum (4,280 dwellings) from 2012 to 2032

- **is accepted as the preferred housing requirement for the Craven Local Plan.** It would contribute better towards meeting the need for affordable housing than Growth Option's A and B. It aligns better than Growth Option B with the Council's Housing and Economic Strategies. This level of growth should ensure that the FOAN for the Housing Market Area (HMA) of the District as a whole will be met in the most sustainable locations across the District and minimise environmental harm in the

Yorkshire Dales National Park. The moderate environmental harm likely to arise from providing for this level of housing is considered to be outweighed by the above benefits. This option is considered the best realistic option for minimising the impacts of an ageing population, the creation of balanced and inclusive communities, maximising the workforce potential to support existing local businesses and for maximising affordable housing. Any higher growth than 214 dwellings per annum runs the following risks:

- undermining the stability of the YDNP's population by encouraging more people to move into Craven District, in particular young adults and people of working age,
- adversely impacting on sensitive environmental designations, and
- increasing the lengths of travel to work through the lack of jobs within Craven District for the resident population.

Housing growth option D: 350 to 400 dwellings per annum (7,000 to 8,000 dwellings) from 2012 to 2032

- **is rejected.** Although it is the only option that could potentially meet the full objectively assessed need for affordable housing (FOANAH), it could not be met without significant risks to the environment and an unsustainable pattern of growth. It would result in the unnecessary loss of significant areas of land of medium to high risk of flooding. This option appears unrealistic and undeliverable when compared with historic completions rates in the District which have reflected market demand. It runs the risk of saturating the market and undermining viability and delivery of that level of housing. It would be in conflict with the Council's Economic Strategy and Local Plan Objectives and be out of alignment with the Local Plan evidence contained in the Craven Local Plan Employment Land Review (March 2017). It is likely to undermine a key objective of the Yorkshire Dales National Park Authority's Local Plan to make the Park more attractive for young adults and people of working age; and it is likely to result in high levels of out of District commuting by residents seeking work not available in the District.

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** – Strategic Housing Market Assessment 2016 Update: Arc4: December 2016. Craven Employment Land Review and Future Requirements for Economic Growth: Lichfields: March 2017
7. **Author of the Report** – David Sykes – Planning Policy Officer, e-mail: 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** –
Appendix 1: Craven Local Plan: Housing Growth Options Paper and Annex 1 Sustainability Appraisal