



OPEN REPORT LOCAL PLAN SUB COMMITTEE

Local Plan Sub Committee 20th December 2023

Derbyshire Dales Local Plan - Housing Needs Update

Report of Director of Regeneration and Policy

Report Author and Contact Details

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Wards Affected

All outside of Peak District National Park

Report Summary

This report summarises the work produced by Icen Projects on updated evidence on housing needs for Derbyshire Dales. It provides evidence in relation potential changes in the local housing and economy over the period to 2040, and makes suggestions about the approach that the District Council should take in relation to the revised Derbyshire Dales Local Plan.

Recommendations

1. That the contents of the Icen Projects updated Housing Needs Assessment 2023 be endorsed.
2. That the contents of the Icen Projects updated Housing Needs Assessment 2023 be taken into account in the future review of the Derbyshire Dales Local Plan.
3. That a further report be brought to this Sub-Committee which sets out policies and proposals that address the consequences of the Icen Projects updated Housing Needs Assessment 2023.

List of Appendices

Appendix 1 Copy of Icen Projects Updated Housing Needs Study (December 2023)

Background Papers

Report and Minutes of Local Plan Sub Committee 3rd July 2023

Consideration of report by Council or other committee

Not at this stage

Council Approval Required

No

Exempt from Press or Public
No

Derbyshire Dales Local Plan - Housing Needs Update

1. Background

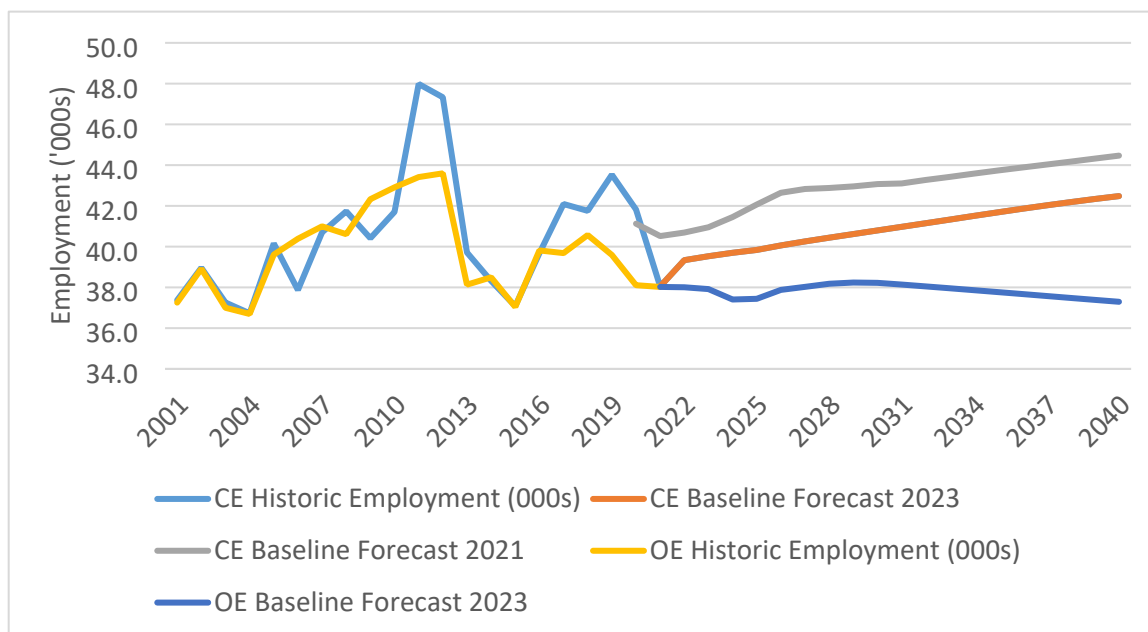
- 1.1 The National Planning Policy Framework sets out that, in line with the need to achieve sustainable development, strategic policies in Local Plans should set an overall strategy for the pattern, scale and design quality of places and make sufficient provision for housing (including affordable housing). It goes on that as a minimum, plans should seek to meet the areas objectively assessed needs for housing.
- 1.2 To determine the minimum number of homes needed, the NPPF states that strategic policies should be informed by a local housing need assessment, conducted using the Standard Method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals.
- 1.3 Members will recall that at the meeting of this Sub Committee on 3rd July 2023 it resolved:
 - That an update to the Icen Projects Housing Needs Assessment (2021) is commissioned and the results of that exercise be reported to a future meeting of this Sub-Committee.
- 1.4 To ensure continuity time Icen Projects were commissioned to undertake this work in August 2023

2. Key Issues

- 2.1 As part of the research Icen Projects considered updated demographic data that took account of the 2021 Census and put forward future population and household projections.
- 2.2 The research has also revisited potential scenarios for economic growth taking account of data from Cambridge Econometrics and Oxford Econometrics.
- 2.3 It has also sought to set out what type of housing would be required in the future, including affordable homes, again taking account of updated Census data, as well data on the levels of second and holiday homes and current market conditions.
- 2.4 The report also provides evidence and recommendations in relation the approach that the District Council may wish to take in respect of First Homes.
- 2.5 A copy of the report from Icen Projects is set out in **Appendix 1**.

3. Key Conclusions

- 3.1 The updated Study has reviewed scenarios for employment growth over the plan period (2017-40) to take account of the shape of recovery from Covid in the District's economy and the wider macro-economic outlook. It has considered and contrasted two econometric forecasts from reputable companies which provide alternative outlooks for growth in different economic sectors.
- 3.2 Cambridge Econometrics forecast growth of 400 over the plan period, whereas Oxford Economics expect a 2,700 reduction in employment, highlighting uncertainties over both sector performance, and the extent to which productivity improvements will be achieved.



- 3.3 Looking forward the report has reviewed the changes within the Cambridge and Oxford Econometrics data and considered that the former is overly optimistic and the latter overly pessimistic about the future for Derbyshire Dales. IcenI Projects have therefore identified an adjusted Economic Scenario which revises the economic forecasts for Derbyshire Dales. This generates the following scenarios on a sector by sector basis:

Sector	Change 2017 - 2040			
	OE	OE Adjusted	CE	Labour supply
Agriculture etc	-0.3	-0.3	-0.1	-0.3
Mining & quarrying	-0.2	-0.2	-0.1	-0.2
Manufacturing	-2.1	-0.7*	-0.7	-0.5
Electricity, gas & water	0.0	0.0	0.0	0.0
Construction	-0.5	-0.5	-0.4	-0.4
Distribution	-0.0	-0.0	0.7	0.2

Transport & storage	-0.3	-0.3	-0.3	-0.2
Accommodation & food	0.2	1.5**	1.5	1.5
ICT	-0.1	0.1	0.1	0.3
Financial & business	0.1	0.1	0.0	0.3
Government services	0.1	0.1	-0.4	0.3
Other services	0.6	0.6	0.0	0.6
Total	-2.4	0.4	0.4	1.6

- 3.4 Taking account of the variance in the forecasts and the latest data (which points to a relatively strong bounce back in tourism jobs), a revised (labour demand) scenario has been developed. This supports growth in the low carbon economy, resilience in manufacturing employment, as well as growth in digital and professional services taking account of the District's strong quality of life offer, and aligns with the Council's economic vision for the Plan. This sees modest growth of c. 400 jobs over the plan period.
- 3.5 The Standard Method is expected to support stronger workforce growth, supporting around 1,600 jobs. As such a labour supply scenario has been assessed with a view to aligning the strategy for housing and employment in the Plan.
- 3.6 The Standard Method for calculating the minimum required housing need, taking the 2014 based household forecasts and applying an affordability element **indicates an overall requirement of 217 homes per annum for the whole of Derbyshire Dales District Council**. Testing of different demographic scenarios has suggested that there is no clear evidence to diverge away from the Standard Method.
- 3.7 The study suggests that the population within the Peak District National Park has fallen 2011-201 by around 5.6%.

	2011	2021	Change	% change
LPA	46,938	48,725	1,787	3.8%
PDNP (in DDDC)	24,178	22,820	-1,358	-5.6%
TOTAL	71,116	71,545	429	0.6%

- 3.8 **It suggests that the National Park's has a housing need of 50 homes a year within Derbyshire Dales which should therefore be a consideration in determining the proportion of development which should be planned for in this area.** It does however remind the District Council that decisions on future housing provision will need to be agreed between the National Park Authority and District Council.
- 3.9 Evidence continues to suggest a significant need for affordable housing for rent across the District, with up to 115 affordable dwellings required across the whole of Derbyshire Dales.

	Rented Affordable Homes	Affordable Home Ownership
Ashbourne	13	1 – 19
Matlock & Wirksworth	22	Up to 41
Southern Parishes	33	6 – 17
Peak District	47	Up to 34
Derbyshire Dales Total	115	5 - 111

3.10 In relation to First Homes the report indicates that there is a case to seek a discount in excess of the 30% advocated nationally. It goes on that whilst this would property cheaper it may risk viability, meaning the District Council may not be able to deliver as many other homes in other tenures. It also goes on that there is evidence that a cap lower than the £250K national cap would be appropriate – it is suggested that this should be in the region of £215K. In terms of income levels it suggests that £45K should be appropriate level for Derbyshire Dales, rather than £80K national income threshold. The report concludes that the evidence does not support the District Council seeking more than 25% of affordable housing as First Homes, and indeed the evidence suggests that a lower figure than 25% should be applied.

3.11 The mix of homes sought on individual sites should be influenced by need as well as site location, character and gaps in the existing stock profile. Housing delivery on larger sites, and mix of homes delivered should be monitored against the strategic conclusions on housing mix below. The evidence points to limited demand for flats; but does show a need for bungalows, in particular reflecting a growing older population.

Unit Size	Rented Affordable	Affordable Home Ownership	Market Housing
1-bed	35%	20%	5%
2-bed	35%	50%	40%
3-bed	20%	25%	40%
4+ bed	10%	5%	15%

3.12 In terms of second homes, and holiday lets it suggests that there is sufficient evidence to warrant the District Council opting into a registration scheme for holiday lets, both within and outside the Peak District National Park. It also suggests that the introduction of an Article 4 Direction to limit the ability of existing properties to convert to Short Term holiday accommodation without the benefit of planning permission.

3.13 Finally the report assesses the relation to provision of speciality housing for older people and those with disabilities. This is against a backdrop of where within Derbyshire Dales it is predicted that elderly persons, aged 65 will grow by 42.8% and by over 80-% for over 75s, with under 65s falling by 5.2%.

	2017	2040	Change in population	% change
Under 65	52,115	49,418	-2,697	-5.2%
65-74	10,730	12,205	1,475	13.7%
75-84	5,860	10,062	4,202	71.7%
85+	2,387	4,839	2,452	102.7%
Total	71,092	76,524	5,432	7.6%
Total 65+	18,977	27,106	8,129	42.8%
Total 75+	8,247	14,901	6,654	80.7%

4. Consultation

- 4.1 The timetable in the approved Local Development Scheme indicates that public consultation on high level housing options will take place around March 2024. The evidence in this report will be used to shape the contents of such consultation.

5. Timetable for Implementation

- 5.1 The approved Local Development Scheme envisages the submission of the revised Derbyshire Dales Local Plan to the Secretary of State by 30th June 2025, and adoption during 2026. The development of the appropriate policies to meet housing need will be brought to a future meeting of this Sub-Committee for consideration.

6. Policy Implications

- 6.1 The evidence from this report will require development into policy for inclusion within the revised Derbyshire Dales Local Plan. Such policy will be subject to public consultation.

7. Financial and Resource Implications

- 7.1 There are no direct financial consequences from this report.

8. Legal Advice and Implications

- 8.1 As previously stated, this report summarises the work produced by Icen Projects on updated evidence on housing needs for Derbyshire Dales.
- 8.2 There are 3 recommendations for decisions to be made, 2 relate to endorsement of an assessment and 1 relates to a further report being brought in the future.
- 8.3 The legal risk of challenge against the decisions recommended within this report has been assessed as low.

9. Equalities Implications

9.1 There are likely to be Equality implications arising from the evidence on housing needs. The detailed housing policies in the revised Derbyshire Dales Local Plan will be subject to an Equality Impact Assessment which will seek to ensure that any equality impacts on the Protected groups are addressed.

10. Climate Change Implications

10.1 There are no direct climate change or biodiversity implications as a consequence of the updated housing needs evidence. Any policy decisions that the District Council may need to make in response to the findings of this research will need to take account of both climate change and biodiversity.

11. Risk Management

11.1 At this time, the risk associated with the preparation of the Derbyshire Dales Local Plan is low. The Derbyshire Dales Local Plan is one of the pivotal plans and strategies ensuring the delivery of the District Council's aims and objectives as out in its Corporate Plan. Any significant delays in undertaking the review of the Derbyshire Dales Local Plan will increase the risk to the District Council of delivering its key aims and objectives.

Report Authorisation

Approvals obtained from:-

	Named Officer	Date
Chief Executive	Paul Wilson	12/12/2023
Director of Resources/ S.151 Officer	Karen Henriksen	12/12/2023
Monitoring Officer (or Legal Services Manager)	Helen Mitchell	12/12/2023