

Daventry Settlements and Countryside Local Plan (Part 2) Examination Inspector's Matters, Issues and Questions (MIQs)

Matter 3 – Delivering the Housing Requirement over the Plan Period Hearing Statement on Behalf of Davidsons Developments Ltd and Christopher Fleet

Inspector's Matters, Issues and Questions (MIQs)

Matter 3 – Delivering the Housing Requirement over the Plan Period

Issue 1: Whether the approach towards the supply and delivery of housing land is justified, effective and consistent with national policy, so as to ensure the timely delivery of the JCS housing requirement for Daventry District.

The JCS plan period is from 2011 to 2029 and sets the housing requirement for Daventry District. Revising the housing requirement is not within the scope of this Plan. Discussion at this hearing session will, therefore, focus on ensuring the Settlements and Countryside Local Plan (Part 2) for Daventry District allocates sufficient housing land to deliver the housing requirement as set out in the adopted JCS. In responding to the following questions, the Council should seek to identify and address specific concerns raised in representations.

Questions

- 1. Is there a specific reason or justification why the housing trajectory in the Plan and the Housing Land Availability Report 2018 (HOU7) when setting out the completions and housing land supply position as at 1 April 2018, exclude the NRDA component listed in the JCS? Does the Plan intend to support the delivery of the housing requirement in the NRDA in Daventry as set out in the JCS?**

We note the details set out in the Appendix J – Housing Trajectory of the Part 2 Local Plan including the predicted completions for the sites allocated in the Plan.

We consider that there is no reason or justification for the Housing Trajectory to exclude the actual completions and the predicted completions for the NRDA.

The Part 2 Local Plan in this respect does not support the delivery of the housing requirement in the NRDA. As explained in our Hearing Statement for Matter 2, the Part 2 Local Plan does not assist with the delivery of a plan-led development to meet Northampton's needs. The LHN figures for Northampton Borough and South Northamptonshire show significant increases. We consider that Daventry District will need to accommodate a significant proportion of Northampton's future unmet needs as South Northamptonshire will have to deal with the challenge of meeting its own increased housing requirements.

- 2. Is the housing trajectory in the Plan realistic? Does it demonstrate a supply of deliverable sites and developable sites that would meet the JCS housing requirement for Daventry District?**

Annex 2 of the 2019 NPPF provides the definition of "deliverable" which states "To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic

prospect that housing will be delivered on the site within five years” in particular “where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.”

We consider that predicted delivery rates in the Housing Trajectory is not justified by robust supporting clear evidence and consider that the rates are overly optimistic.

The Housing Trajectory identifies a large proportion of housing to be delivered at Daventry town including from the Daventry North East SUE (Core Strategy allocation) and the 4 no. allocations in the Part 2 Local Plan at Middlemore (sites 7 & 8), Micklewell Park, Central Area (site 3) and Daventry South West. There is also residual housing delivery from commitments at Monksmoor and Northampton College identified in the Housing Trajectory.

The Housing Trajectory identifies the total predicted completions for Daventry town in the forthcoming years including: 2018/19 = 181 dwellings; 2019/20 = 354 dwellings; 2020/21 = 377 dwellings; 2021/22 = 416 dwellings; 2022/23 = 546 dwellings; 2023/24 = 497 dwellings; 2024/25 = 427 dwellings; 2025/26 = 427 dwellings; 2026/27 = 347 dwellings; 2027/28 = 352 dwellings; and 2028/29 = 352 dwellings.

The Housing Trajectory also identifies the actual completions from previous years covered by the JCS plan period from 2011/12 to 2017/18, which are: 2011/12 = 59 dwellings; 2012/13 = 2 dwellings; 2013/14 = 151 dwellings; 2014/15 = 124 dwellings; 2015/16 = 113 dwellings; 2016/17 = 138 dwellings; and 2017/18 dwellings = 164 dwellings.

The Housing Trajectory shows a significant increase between the predicted completions and the actual completions. The average actual completions between 2013/14 to 2017/18 equates to 138 dwellings. The expectation that predicted completions for Daventry town could reach as high as 546 dwellings by 2022/23 is totally unrealistic when compared against actual completions.

In October 2018, the Government published the Independent Review of Build Out Rates by Rt Hon Sir Oliver Letwin MP. The analysis found that the fundamental driver of build out rates once detailed planning permission is granted for large sites is the ‘absorption rate’ – the rate at which newly constructed homes can be sold into the local market without materially disturbing the market price.

It is our view that the Part 2 Local Plan allocates a high proportion of residential allocations at Daventry town which will result in the housing market for Daventry town becoming flooded. This will result in a lower ‘absorption rate’ across the town which will mean that the predicted completions will be much lower than anticipated.

In view of the above, the Housing Trajectory in the Part 2 Local Plan is not realistic and therefore, the Plan does not demonstrate a supply of deliverable sites and developable sites that would meet the JCS housing requirement for Daventry District.

3. Is more recent monitoring information now available and does this alter the actual or forecast completion rate of dwellings against the expectations of the JCS?

The 2019 Housing Land Availability report identifies the most recent monitoring information for Daventry District but excludes the NRDA. The latest monitoring information for the NRDA is available in the Joint Monitoring Report April 2017 / March 2018; however, this does not provide information separately for JCS SUEs N3, N4 and N8 in Daventry District.

4. Is there a sufficient range and choice of sites allocated in the Plan in terms of location, type and size, to provide adequate flexibility to meet the JCS housing requirement for Daventry District? Would the housing allocations ensure that the Plan would be consistent with the Framework, in so far as it seeks to boost significantly the supply of housing?

The focus of residential allocations in Daventry District does not allow for a sufficient range of choice of location, type and size. Without any residential allocation in the District's rural area, there is limited flexibility to meet Daventry's housing requirements in the JCS and future housing requirements of West Northamptonshire under the LHN through a review of the JCS. As discussed in our Hearing Statement for Matter 2, a high proportion of residential allocations at Daventry town which will result in the housing market for Daventry town becoming flooded. This will result in a lower 'absorption rate' across the town which will mean that the predicted completions will be much lower than anticipated. The Part 2 Local Plan therefore fails to boost significantly the supply of housing.

5. Are the sites that are relied upon for the supply of housing in rural areas - deliverable and/or developable? What evidence is there to support this?

No comments.

6. Is the expected contribution from windfalls, as included in the housing trajectory for both Daventry Town and rural areas, realistic and justified by evidence?

The Housing Trajectory identifies the expected contribution from windfalls as 17 dwellings per annum in Daventry town from 2020/21 onwards and 86 dwellings per annum in the District's rural areas from 2020/21 onwards.

Given that the proposed village confines is drawn tightly around settlements identified in Policies RA1, RA2 and RA3, we suggest that the figure of 86 dwellings per annum for the rural area is unrealistic and would question how this is evidenced based on compelling evidence.

7. Is it appropriate to apply a lapse rate of 20 dwellings per annum from 2018/19 onwards as set out in the housing trajectory for planning permissions or neighbourhood plan allocations in rural areas? Is such an approach justified by evidence?

No comments.

8. Are the neighbourhood plan allocations that are identified in the housing trajectory consistent with those within made neighbourhood plans? If not, what certainty is there that any further allocations will be part of a made neighbourhood plan?

No comments.

9. What contingencies are in place should housing delivery fall below expectations within the housing site allocations in Daventry Town, the rural areas and/or in the NRDA in Daventry District? Would it be necessary to consider other areas for development?

The Part 2 Local Plan does not allow for sufficient contingency should housing delivery fall below expectations within the housing site allocation in Daventry town and the NRDA.

The Council have acknowledged that Daventry North East SUE will not deliver the anticipated housing within the remainder of the plan period for the JCS. It is also common knowledge that housing delivery in the NRDA have been weak resulting in significant housing shortfalls.

As explained in our Hearing Statement for Matter 2, the overall LHN figure for West Northants will be 24% higher. With South Northamptonshire identifying such a significant increase (47% higher) from the adopted position, and Northampton Borough's figure also increasing (27% higher), we consider that it is inevitable that Daventry District will bear the brunt of Northampton Borough's unmet needs.

If the Part 2 Local Plan becomes adopted, it will need to be considered against the 2019 NPPF with the adopted JCS having less weight due to being more than five years old from December 2019 onwards. The Part 2 Local Plan would then be considered to be inconsistent with the NPPF by virtue of its lack of small sites (paragraph 68 of the 2019 NPPF) and failure to promote sustainable development in rural areas through rural housing (paragraphs 77-79 of the 2019 NPPF). Since the Part 2 Local Plan will be silent on these issues, it is inevitable that the Plan will be deemed out-of-date and those policies restricting development in those areas should be given less weight.

It would be therefore appropriate to consider additional residential allocations in the District's rural area to ensure sufficient contingency is in place.

10. Are the approaches to self-build and custom housebuilding in Policy HO5, rural workers dwellings in Policy HO6 and rural exception site selection in Policy HO7, justified, effective and consistent with national policy?

No comments.

11. Is Policy HO8 justified and consistent with national policy, with respect to the specific requirements relating to market housing, affordable housing, housing standards and specialist accommodation?

Policy HO8 'Housing Mix and Type' states that housing needs will be met by development providing a mix of dwelling type and size to cater for current and forecast accommodation needs. This will contribute to the creation of sustainable mixed and inclusive communities. Policy HO8 sets out a detailed mix of dwelling sizes that development proposals will be supported by the Council in relation to both market and affordable housing. Exceptions to these mixes identified under the policy will be supported where they are evidenced by a robust assessment of needs at an appropriate local level.

We recognise the importance of delivering a mix of housing types and sizes to meet current and future housing needs to ensure social diversity and mobility. However, we consider that the required housing mix for developments in different locations across the District needs to reflect the market in these locations and the local housing need. We consider that the provision of high quality housing, suitable to the needs and aspirations of an area is strongly supported. Notwithstanding this, the practicalities of housing provision needs to be carefully considered to ensure that unnecessary delays in housing delivery are not experienced. It is important to remember that development cannot only provide for existing demand, it can also address the aspirations of an area. For example, young families could be attracted to an area through the provision of family accommodation whereas the elderly would have different housing requirements.

We strongly object to the detailed mix of dwellings sizes required under Policy HO8. The prescriptive detailed mix has the potential to result in housing developments becoming unviable and therefore, cannot be delivered. We consider that the required mix of dwellings sizes should not be based upon local evidence but instead District-wide evidence. A focus on local evidence is too narrow and the need based on District-wide evidence is far more reflective of reality and the wider demand for housing rather than too specific. Increasing housing stock within a village will mean a likelihood that people will move to the village from other locations within the District. A basis of District-wide evidence will be reflective of the quantum of housing need for the District.

Policy HO8 also states that, to meet needs of the District's residents and to deliver dwellings which are capable of meeting peoples' changing circumstances over their lifetime, a set out requirements as set out under the policy will need to be met. These include:

- i. A requirement for 50% of all dwellings to be built to accessibility standards as follows: Market dwellings – 45% to M4(2) and a further 5% to M4(3); and affordable dwellings – 40% to M4(2) and a further 10% to M4(3).

- ii. An expectation that these standards will be implemented proportionately across the housing sizes identified in parts B and C of this policy.
- iii. The internal floor area of all new build dwellings must meet the National Space Standards as a minimum.
- iv. All new dwellings shall include water efficiency measures to comply with a limit of 110 litres per person per day.

We consider that the detailed reference to the mix of housing types and sizes and the reference to Building Regulations and other housing standards identified under the policy is too prescriptive. The policy must be sufficiently flexible to adapt to changing circumstances. Regarding the specific levels proposed to Building Regulations within the policy, we consider that it is too rigid to specify percentages of dwellings to meet Building Regulations and we consider that this should relate to the identified need. Viability testing will be considered on a case by case basis here. In any event, we consider that it is not necessary to require adherence to Building Regulations within a development plan policy and therefore this reference should be omitted.

We consider that Policy HO8 is unsound as the policy is unjustified in terms of its evidence and inconsistent with national policy. The reference to the detailed mix of housing types and sizes and the reference to Building Regulations and other housing standards identified should be omitted. The percentage requirements are not justified and should be targets, not a fixed requirement, linked to identified need.

12. Is there any evidence that any of the policy requirements in Policy HO8 would affect the viability or deliverability of housing sites? Is the policy sufficiently flexible? Would it allow for specific circumstances, including viability, to be taken into account?

For reasons discussed above at point 11, we consider this is sufficient to demonstrate that Policy HO8 is unjustified in terms of its evidence and is inconsistent with national policy. The policy would severely impact the viability and deliverability of housing sites and does not allow for sufficient flexibility for impacted housing sites. The policy does not allow for specific circumstances whereby housing sites would become unviable if they have to meet the requirements of the policy, and therefore would become undeliverable.

13. Are the recommendations of the viability assessment (GEN01) reflected in the Plan?

No comments.

14. In overall terms, would the Plan realistically deliver the dwellings required over the plan period by the JCS?

No comments.

Issue 2: Whether the proposed allocation of sites and site selection accords with the JCS and is consistent with national policy.

Questions

1. Was the methodology used to assess and select the proposed site allocations appropriate? Were reasonable alternatives considered and tested?

No comments.

2. Are the reasons for selecting the preferred sites and rejecting alternative sites, clear and consistent? Is there a reason why sites where the SA identified significant negative effects such as Daventry South West (HO1) were selected, whereas others were not?

No comments.

3. Have any potential effects of the proposed site allocations on the predicted annual delivery rate of housing at the Daventry North East Sustainable Urban Extension (JCS allocation) and/or the NRDA been adequately considered? What is the current situation with respect to those sites allocated in the JCS?

We consider that the potential effects of the proposed site allocations on the predicted annual delivery rate of housing at the Daventry North East SUE (JCS allocation) has been adequately considered.

As discussed in our Hearing Statement for Matter 2, the Housing Trajectory shows a significant increase between the predicted completions and the actual completions, which are totally unrealistic in comparison to each other. Allocating a high proportion of residential allocations at Daventry town which will result in the housing market for Daventry town becoming flooded. This will have a significant impact in undermining the delivery of the Daventry North East SUE and will result in a lower 'absorption rate' across the town which will mean that the predicted completions will be much lower than anticipated. The Housing Trajectory is not realistic and the Plan does not demonstrate a supply of deliverable sites and developable sites that would meet the JCS housing requirement for Daventry District.

The Council is requested to address the following questions for each of the proposed allocations and related policies; HO1 - Daventry South West, HO2 – Daventry, Micklewell Park Extension, HO3 - Daventry, Micklewell Park and HO4 - Daventry, Land at Middlemore. For those sites where representations have been made the Council is requested to respond to the particular issues raised. In doing this any updated information regarding planning permissions, sites under construction and existing uses should be included.

4. Are the proposed housing site allocations appropriate and justified in the light of potential constraints, infrastructure requirements and adverse impacts? Is there any risk that any infrastructure requirements, site conditions and/or constraints might prevent or delay development or adversely affect viability and delivery?

No comments.

5. Are the site boundaries correctly defined?

No comments.

6. Are the assumptions regarding the capacity of the sites in terms of density of development and net developable areas justified and what is this based on?

No comments.

7. What is the expected timescale for development in terms of lead in times and annual delivery rates, are these assumptions realistic and supported by evidence?

No comments.

8. How do the proposed housing allocations help to ensure a built environment that meets the needs of all sections of the community?

No comments.

9. Has the SA adequately assessed the housing allocations against relevant environmental, social and economic objectives? Can suitable mitigation measures be achieved in order to address any potential adverse effects identified? Are these assumptions realistic?

No comments.

10. Are the proposed housing allocations and the associated development requirements and principles in the related policy, including any necessity for master planning, – justified, effective and consistent with national policy?

No comments.

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